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CONSUMER FINANCIAL PROTECTION BUREAU

12 CFR Part 1081

[Docket No. CFPB–2025–0012]

RIN 3170–AB33

Rules of Practice for Adjudication Proceedings

AGENCY: Consumer Financial Protection Bureau.

ACTION: Final rule.

SUMMARY: The Rules of Practice for Adjudication Proceedings (Rules of Practice) govern adjudication proceedings conducted by the Consumer Financial Protection Bureau (CFPB). The CFPB issued a proposal to rescind amendments it adopted to the Rules of Practice on February 22, 2022, and March 29, 2023 (2022 and 2023 amendments). The 2022 and 2023 amendments that the Bureau proposed to rescind included a new deposition process, amendments concerning timing and deadlines, bifurcation of proceedings, the process for deciding dispositive motions, and requirements for issue exhaustion, as well as other technical changes. After considering the comments on the proposal, the CFPB has decided to rescind the amendments as proposed, except as related to narrow clarificatory and procedural changes.

DATES: This rule is effective on October 29, 2025.

FOR FURTHER INFORMATION CONTACT: Dave Gettler, Paralegal Specialist, Office of Regulations, at 202–435–7700 or at: *https://reginquiries.consumerfinance.gov/*. If you require this document in an alternative electronic format, please contact *CFPB_Accessibility@cfpb.gov*.

SUPPLEMENTARY INFORMATION:

I. Background

A. Statutory Background and Regulatory History

The Consumer Financial Protection Act of 2010 (CFPA) establishes the CFPB as an independent bureau in the Federal Reserve System and assigns the CFPB a range of rulemaking, enforcement, supervision, and other authorities.[1] The CFPB's enforcement powers under the CFPA include section 1053, which authorizes it to conduct adjudication proceedings.[2] The CFPB finalized the original version of the Rules of Practice, which govern adjudication proceedings, in 2012 (2012 Rule).[3] The CFPB later finalized certain amendments, which addressed the issuance of temporary cease-and-desist orders, in 2014 (2014 Rule).[4]

The CFPB subsequently made further changes to the Rules of Practice, which were adopted on February 22, 2022, at 87 FR 10028, and on March 29, 2023, at 88 FR 18382 (2022 and 2023 amendments). These changes expanded parties' opportunities to conduct depositions in adjudication proceedings and made amendments concerning timing and deadlines, the content of answers, the scheduling conference, bifurcation of proceedings, the process for deciding dispositive motions, and requirements for issue exhaustion, as well as other technical changes.

B. Summary of the Rulemaking Process

Summary of the Proposed Rule To Rescind 2022 and 2023 Amendments

In May 2025, the CFPB issued its proposal to rescind the 2022 and 2023 amendments.[5] The CFPB noted concerns about the provisions of the 2022 and 2023 amendments that transferred authority to decide dispositive motions from the hearing officer who is presiding over the proceeding, normally an administrative law judge (ALJ), to the Director. This approach is atypical in the Executive Branch, where the norm is for hearing officers to decide dispositive motions, and industry commenters criticized it for concentrating authority in the Director at the expense of the hearing officer. With respect to other changes made by the amendments, the CFPB's preliminary view, subject to considering comments, was that they were largely unnecessary.

Although the CFPB's Rules of Practice are procedural rules exempt from the notice-and-comment requirements of the Administrative Procedure Act as rules of agency organization, procedure, and practice, the CFPB issued a proposal because it believes commenter feedback prior to promulgation is important to better understand the potential benefits or harms of changes to the Rules of Practice.

Summary of Comments

The CFPB received six unique comments. These comments came from a trade association, a coalition of trade groups, a public policy think tank, and three individual commenters. Three comment letters, namely from the trade association, the coalition of trade groups, and the public policy think tank, supported the rescission of the amendments. These commenters were concerned that the amendments concentrated greater power in the Director, particularly by allowing the Director to rule on dispositive motions. Two individual commenters opposed rescinding the amendments, including by noting that the amendments enhanced procedural fairness and provided more clarity about deadlines. Finally, one individual commenter expressed comments supporting the rescission in part.

After carefully considering these comments, the CFPB has decided to rescind the vast majority of the 2022 and 2023 amendments. However, the CFPB has decided to retain certain narrow amendments related to procedure and nomenclature. The CFPB addresses these changes and comments in more detail below.

Interagency Consultation

Consistent with section 1022(b)(2)(B) of the CFPA, the CFPB has consulted with the prudential regulators and the Federal Trade Commission, including regarding consistency with any prudential, market, or systemic

[1] Title X of the Dodd-Frank Wall Street Reform and Consumer Protection Act, Public Law 111–203, 124 Stat. 1376, 1955–2113 (2010).

[2] 12 U.S.C. 5563; *see also* section 1052(b), 12 U.S.C. 5562(b) (addressing subpoenas).

[3] 77 FR 39057 (June 29, 2012); *see also* 76 FR 45337 (July 28, 2011) (interim final rule).

[4] 79 FR 34622 (June 18, 2014); *see also* 78 FR 59163 (Sept. 26, 2013) (interim final rule).

[5] 90 FR 20241 (May 13, 2025).

objectives administered by these agencies.[6]

II. Legal Authority

Section 1053(e) of the CFPA provides that the CFPB ''shall prescribe rules establishing such procedures as may be necessary to carry out'' section 1053.[7] Additionally, section 1022(b)(1) provides, in relevant part, that the CFPB's Director ''may prescribe rules . . . as may be necessary or appropriate to enable the Bureau to administer and carry out the purposes and objectives of the Federal consumer financial laws, and to prevent evasions thereof.''

III. Final Rule Analysis

A. Rescission of Amended Sections Describing Dispositive Motions

1081.212 Dispositive Motions and 1081.213 Rulings on Dispositive Motions

The 2022 and 2023 amendments changed §§ 1081.212 (Rule 212) and 1018.213 (Rule 213) to adopt a new procedure for rulings on dispositive motions, and made other minor conforming amendments. Specifically, the 2022 and 2023 amendments created a new process that allowed the Director to rule on a dispositive motion, refer the motion to the hearing officer, or rule on the motion in part and refer it in part. A dispositive motion includes a motion to dismiss or a motion for summary disposition.

In its May 2025 proposal to rescind, the CFPB noted particular concerns that these amendments concentrated authority in the Director at the expense of the hearing officer. The CFPB also noted that this process was atypical in the Executive Branch, where the norm is for hearing officers to decide dispositive motions.

One coalition of trade groups, one trade association, and one public policy think tank supported rescinding these amendments, particularly noting the concerns in the proposal about the harms related to concentration of authority in the Director. One commenter pointed out that the Director's new authority to rule on dispositive motions relinquished the authority of the administrative law judge. This commenter stated that this concentration of power was particularly concerning given that the Director is the same individual who initially authorizes the public enforcement actions.

The coalition of trade associations also pointed out that concentrating authority in the Director could result in legal uncertainty and instability given that the Director often changes with new administrations. This commenter further noted that the amendments could risk depriving defendants of due process because the Director is not sufficiently impartial. The commenter pointed out that the Director personally approves the filing of the enforcement action and, therefore, has a vested interest in the success of that enforcement action. As a result, this commenter asserted that the amendments increase the risk that administrative proceedings before the CFPB will not provide the necessary impartiality and, therefore, the required procedural due process protections to defendant companies. Another commenter expressed a similar concern that this concentration of authority in the Director combines the distinct functions of investigator, prosecutor, and adjudicator, thus potentially undermining the fairness of the CFPB's adjudications. One commenter also stated that the new adjudicative process denied defendants meaningful access to Article III courts and noted that rescission of the amendments would enhance the fairness of the process and access to those courts.

The coalition of trade associations also pointed out that recent Supreme Court legal precedent supports the proposal to rescind the amendments. Specifically, this commenter noted that the proposed rescission of the amendments was consistent with the Supreme Court's ruling in *Securities and Exchange Commission* v. *Jarkesy,* because although the commenter stated that the *Jarkesy* case was not directly on point, it affirmed the constitutional rights of defendants subject to administrative hearings, and as such was consistent with the proposed rescission, which restored greater rights of access to Federal courts to regulated entities.[8]

Three individual commenters opposed the rescission of the amendments related to dispositive motions. One commenter stated that existing checks and balances on the Director's authority were sufficient and that a repeal of the amendments would be harmful because it would centralize power in a ''single official,'' the ALJ. Another commenter stated that allowing the Director to decide dispositive motions serves as a check on potential bias or inconsistency from hearing officers and that rescinding this amendment would centralize too much discretion in a single official without procedural safeguards.

Another individual commenter noted that the amendments generally could hamper future leadership. Two commenters generally stated that the proposal lacked evidence that the amendments were unnecessary or that the amendments resulted in any harm created by concentrating power in the Director.

For the reasons set forth, herein, the CFPB is finalizing the rescission of amendments to Rule 212 and Rule 213, as proposed.

As industry commenters noted, the CFPB agrees that these amendments concentrated power in the Director and relinquished power from the ALJ as hearing officer. This was a concern noted in industry comments to the 2022 and 2023 amendments, and the CFPB believes that the concern was incorrectly downplayed at that time. The Director has substantial power in adjudication proceedings, and the CFPB does not believe that it is necessary to increase that power further, in a manner atypical in the Executive Branch. Further, the CFPB disagrees with commenters who argued that a rescission of the amendment could be harmful because it would result in a concentration of power in the ALJ. The CFPB finds this argument unpersuasive because the Director retains the ultimate ability to issue a decision and order on the matter. Further, the Bureau believes that the Director's ability to rule on dispositive motions could add greater risk of bias or inconsistency within and across proceedings.

The CFPB also appreciates the concern raised by commenters that this concentration of power in the Director may present procedural due process concerns and may undermine fairness, particularly because, as a commenter noted, the Director reviewed and approved earlier enforcement actions related to the defendant and so may not be able to act as an impartial arbiter when ruling on dispositive motions. The CFPB also believes it is important that its adjudication proceedings align with constitutional requirements and agrees with the comment noting that the principles articulated in the recent Supreme Court precedent in *Securities and Exchange Commission* v. *Jarkesy* resonate with the notion that adjudication by Federal agencies can risk denying a constitutional right to

[6] Whether sections 1022(b)(2)(A) and 1022(b)(2)(B) are applicable to this rule is unclear, but in order to inform the rulemaking more fully the Bureau performed the described analysis and consultations.

[7] 12 U.S.C. 5563(e).

[8] *Sec. & Exch. Comm'n* v. *Jarkesy,* 603 U.S. 109 (2024) (holding that when the Securities and Exchange Commission seeks civil penalties against a defendant for securities fraud, the Seventh Amendment entitles the defendant to a jury trial).

Article III courts.[9] As that commenter pointed out, it highlights the potential harms of adjudication proceedings if they concentrate greater power in the Director while failing to provide appropriate protections.

Accordingly, the CFPB is rescinding amendments to §§ 1081.212 and 1081.213 related to dispositive motions and making other conforming changes consistent with this rescission.

B. Other Rescissions

The CFPB also proposed to rescind other amendments because they further concentrated power in the Director or because they were unnecessary. In this section, the CFPB discusses the following amendments: § 1081.203 amendments related to scheduling conferences; § 1081.204(c) amendments related to bifurcation of proceedings; §§ 1081.208 and 1081.209 amendments related to subpoenas and depositions; and § 1081.408 amendments related to issue exhaustion.

First, the 2022 and 2023 amendments made changes to § 1081.203 related to scheduling conferences by adding new requirements for a scheduling conference disclosure, as well as a process to correct and update that disclosure, if necessary.

Second, the 2022 and 2023 amendments added a new § 1081.204(c) (Rule 204(c)) to address bifurcation of proceedings. Rule 204(c) provided that the Director may order that the proceeding be divided into two or more stages, if the Director determines that it would promote efficiency in the proceeding or for other good cause.

Third, the 2022 and 2023 amendments made certain interrelated changes to sections related to subpoenas and depositions, §§ 1081.208 and 1081.209 (Rules 208 and 209). Specifically, the 2022 and 2023 amendments to the Rules of Practice amended Rule 209 to permit discovery depositions—either by oral examination or written questions—in addition to depositions of unavailable witnesses. In addition, under amended Rules 208 and 209, among other changes, a party must request that the hearing officer issue a subpoena for the deposition.

Fourth, the 2022 and 2023 amendments to the Rules of Practice added a new § 1081.408 (Rule 408), related to issue exhaustion, including that under the amended rule, a party must raise an argument before the hearing officer, or else it is not preserved for later consideration by the Director. In addition, a party must raise an argument before the Director, or else it is not preserved for later consideration by a court.

As discussed above, three commenters from a trade association, a coalition of trade groups, and a public policy think tank generally supported the proposal to rescind the amendments. One commenter argued that rescinding the amendments would better ensure that the CFPB's process provided more meaningful access to Article III courts. This commenter specifically argued that rescinding the amendment related to issue exhaustion would make it easier for regulated entities to preserve claims for appeals, thus reducing the risk of unfair proceedings in the CFPB's administrative forum.

In contrast, three individual commenters opposed the rescission of the amendments. Commenters generally noted that the rescission was unsupported by evidence and that the amendments enhanced transparency and fairness. These commenters also specifically opposed the rescission of amendments related to the deposition process. One commenter stated that depositions could enhance the discovery process and, therefore, could help expose facts. Another commenter supported these changes as procedural enhancements that helped ensure fair, transparent, and efficient adjudications by allowing parties to present thorough evidence and preventing undue delays. This commenter noted that the amendments generally would strengthen due process and improve case resolution. Two commenters also specifically noted opposition to rescinding the amendment related to bifurcation with one commenter stating that the bifurcation of the proceedings would help streamline cases.

After careful consideration of the comments, the CFPB agrees with the commenters who supported rescission of the amendments under § 1081.203(c), (d), and (e) related to disclosures required for scheduling conferences; amendments under § 1081.204(c) related to bifurcation of proceedings; amendments under §§ 1081.208 and 1081.209 related to subpoenas and depositions; and amendments under § 1081.408 related to issue exhaustion.

The CFPB concludes that a power to bifurcate proceedings into multiple stages deciding different issues is not necessary because it is normally most efficient to decide all issues together. Moreover, as noted in the proposal, the CFPB is concerned that the amendments concentrated power in the Director. The amendments related to bifurcation, for example, provided that the Director may order that the proceeding be divided into two or more stages. This amendment gives even greater decision making power to the Director in the adjudication proceeding, which may further undermine the fairness of the proceedings, particularly given that the Director will have an ultimate ability to later review the proceedings. As a result, this early intervention by the Director as to whether to bifurcate proceedings risks potential bias and inconsistency between different adjudication proceedings. Further, although the 2023 Rule on Adjudicatory Proceedings stated with little reasoning that providing another mechanism for the Director to exercise power by enabling the Director to rule on bifurcation was not problematic, the CFPB believes that this additional mechanism to exercise authority serves to further concentrate power, thereby further undermining the procedural fairness.

The CFPB considers the issue exhaustion provision unnecessary because it is duplicative of general principles of administrative law that courts apply. The CFPB also believes that the amendments related to issue exhaustion provided an express avenue for the Director to retain discretion to consider an unpreserved argument in a manner that further concentrated power.

Finally, the CFPB believes amendments related to depositions were unnecessary and potentially could add burden and cost to the adjudicatory process because of the cost and time associated with scheduling and handling subpoenas and depositions. The CFPB also believes that the amendments under § 1081.203 related to new requirements related to disclosures for scheduling conferences were unnecessary.

Therefore, having taken into consideration the comments on these amendments, the CFPB has decided to finalize the rescission of amendments under § 1081.203(c), (d), and (e) related to disclosures for scheduling conferences; amendments under § 1081.204(c) related to bifurcation, the amendments to §§ 1081.208 and 1081.209 related to depositions and subpoenas, and § 1081.408 related to issue exhaustion.

C. Rescissions of Unnecessary Technical Amendments

Consistent with the May 2025 proposal to rescind unnecessary amendments, the CFPB also intends to rescind several unnecessary technical changes made as part of the 2022 and 2023 amendments. First, the CFPB is rescinding amendments that retitled the hearing officer's ''recommended

[9] *Jarkesy,* 603 U.S. at 109.

decision'' as ''preliminary findings and conclusions.'' Second, the CFPB is also rescinding unnecessary amendments that replaced gender pronouns with more direct references to the subject of the sentence. For example, instead of using ''his or her,'' the 2022 and 2023 amendments refer to the relevant person, *e.g.,* ''the Director'' or the ''Hearing Officer.'' Third, the CFPB is rescinding various unnecessary verb changes from the term ''shall'' with the terms ''must,'' ''may,'' ''will,'' or ''should.'' The CFPB did not receive any specific comments on these technical changes and believes it is appropriate to rescind all of them as unnecessary.

D. Retentions

1081.114(a) Construction of Time Limits

The CFPB's 2022 and 2023 amendments to the Rules of Practice changed Rule 114 to simplify and clarify the provisions describing how deadlines are computed and adjusted most of the 10-day periods in the Rules of Practice to account for the change in computation method by setting 14 days as the new period. The CFPB implemented these changes because it determined that the prior method of computing deadlines was unnecessarily complicated and led to counterintuitive results. The changed method of calculation was also based on similar amendments made to Fed. R. Civ. P. 6(a) in 2009.[10]

Commenters noted that the 2022 and 2023 amendments clarify[ied] deadlines, and asserted that the provisions ''adjusting rules on timing [and] deadlines'' among others, ''are essential for . . . efficient adjudications.''

Upon further consideration, the CFPB agrees with commenters that the changed computation method in the 2022 and 2023 amendments were clarifying, and reverting to the prior deadlines and calculation methods would generate confusion. Accordingly, the CFPB will retain the portions of Rule 114 that simplify and clarify the method for computing deadlines, as well as those conforming adjustments that change the 10-day periods throughout the Rules of Practice to 14-day periods.

1081.206 Availability of Documents for Inspection and Copying

The CFPB's 2022 and 2023 amendments to the Rules of Practice changed Rule 206 to permit the CFPB to provide electronic copies of documents to respondents in most cases, rather than requiring the CFPB to make the documents available for inspection and copying at the CFPB's office where they are ordinarily maintained.

Upon further consideration, the CFPB believes that it should preserve its ability to provide electronic copies of documents to respondents, as this will benefit parties in adjudication by reducing time and cost burdens associated with traveling to inspect and copy physical records.

Accordingly, the CFPB will retain the portions of Rule 206 that permit it to provide electronic copies of documents to respondents.

Retention of Certain Global Technical Nomenclature Amendments

In addition to the portions of the 2022 and 2023 amendments to the Rules of Practice retained above, the CFPB is retaining certain technical amendments made in the 2022 and 2023 amendments to avoid ambiguity and confusion. The amendments replaced certain uses of the term ''the Bureau'' with either ''the Director,'' ''the Office of Administrative Adjudication,'' or ''the Office of Enforcement,'' in order to avoid ambiguity about which CFPB organ is being referenced.[11] The CFPB is retaining those changes where reverting would create ambiguity and confusion.

IV. CFPA Section 1022(b) Analysis

In developing this rule, the CFPB has considered the rule's benefits, costs, and impacts in accordance with section 1022(b)(2)(A) of the CFPA. The CFPB discussed the hypothetical benefits and costs of a more- or less-cost-effective process for adjudication proceedings in the February 2022 rule. In practice, no administrative proceedings have been conducted under the Rules of Practice since the 2022 and 2023 amendments, and only two cases have been brought through the administrative adjudication process from start to finish since the process was established in 2012. As such, any benefits, costs, or impacts to consumers or covered persons are likely to be minimal.

V. Executive Order 12866

The Office of Information and Regulatory Affairs within the Office of Management and Budget (OMB) has determined that this action is not a ''significant regulatory action'' under Executive Order 12866, as amended.

VI. Other Regulatory Requirements

The Rules of Practice for Adjudication Proceedings is a rule of agency organization, procedure, or practice, and, therefore, exempt from the notice-and-comment rulemaking requirements of the Administrative Procedure Act.[12] However, the Bureau accepted comments on the rule and is issuing this rule after considering those comments. Because no notice of proposed rulemaking was required, the Regulatory Flexibility Act does not require an initial or final regulatory flexibility analysis for this rule.

Moreover, the Bureau's Acting Director certifies that this rule will not have a significant economic impact on a substantial number of small entities. Therefore, an analysis is also not required for that reason.

The rule imposes compliance burdens only on the handful of entities that are respondents in adjudication proceedings or third-party recipients of discovery requests. Some of the handful of affected entities may be small entities under the Regulatory Flexibility Act, but they would represent an extremely small fraction of small entities in consumer financial services markets. Accordingly, the number of small entities affected is not substantial.

The Bureau has also determined that this rule does not impose any new or revise any existing recordkeeping, reporting, or disclosure requirements on covered entities or members of the public that would be collections of information requiring approval by the Office of Management and Budget under the Paperwork Reduction Act.[13]

VII. Severability

If any provision of this rule, or any application of a provision, is stayed or determined to be invalid, the remaining provisions or applications are severable and shall continue in effect.

List of Subjects in 12 CFR Part 1081

Administrative practice and procedure, Banks, Banking, Consumer protection, Credit unions, Law enforcement, National banks, Savings associations, Trade practices.

Authority and Issuance

For the reasons set forth above, the Bureau revises 12 CFR part 1081 to read as follows:

PART 1081—RULES OF PRACTICE FOR ADJUDICATION PROCEEDINGS

Subpart A—General Rules

Sec.

[10] 87 FR 10028, 10029 (Feb. 22, 2022).

[11] 87 FR 10228 at 10033.

[12] 5 U.S.C. 553(b).

[13] 44 U.S.C. 3501–3521.

Authority: 12 U.S.C. 5512(b)(1), 5563(e).

Subpart A—General Rules

§ 1081.100 Scope of the rules of practice.

This part prescribes rules of practice and procedure applicable to adjudication proceedings authorized by section 1053 of the Dodd-Frank Wall Street Reform and Consumer Protection Act of 2010 (Dodd-Frank Act) to ensure or enforce compliance with the provisions of title X of the Dodd-Frank Act, rules prescribed by the Bureau under title X of the Dodd-Frank Act, and any other Federal law or regulation that the Bureau is authorized to enforce. These rules of practice do not govern the conduct of Bureau investigations, investigational hearings or other proceedings that do not arise from proceedings after a notice of charges.

§ 1081.101 Expedition and fairness of proceedings.

To the extent practicable, consistent with requirements of law, the Bureau's policy is to conduct such adjudication proceedings fairly and expeditiously. In the conduct of such proceedings, the hearing officer and counsel for all parties shall make every effort at each stage of a proceeding to avoid delay. With the consent of the parties, the Director, at any time, or the hearing officer at any time prior to the filing of his or her recommended decision, may shorten any time limit prescribed by this part.

§ 1081.102 Rules of construction.

For the purposes of this part:

(a) Any term in the singular includes the plural, and the plural includes the singular, if such use would be appropriate;

(b) Any use of a masculine, feminine, or neutral gender encompasses all three, if such use would be appropriate;

(c) Unless context requires otherwise, a party's counsel of record, if any, may, on behalf of that party, take any action required to be taken by the party; and

(d) To the extent this part uses terms defined by section 1002 of the Dodd-Frank Act, such terms shall have the same meaning as set forth therein, unless defined differently by § 1081.103.

§ 1081.103 Definitions.

For the purposes of this part, unless explicitly stated to the contrary:

Dodd-Frank Act means the Dodd-Frank Wall Street Reform and Consumer Protection Act of 2010, Public Law 111–203 (July 21, 2010).

Adjudication proceeding means a proceeding conducted pursuant to section 1053 of the Dodd-Frank Act and intended to lead to the formulation of a final order other than a temporary order to cease and desist issued pursuant to section 1053(c) of the Dodd-Frank Act.

Bureau means the Bureau of Consumer Financial Protection.

Chief hearing officer means the hearing officer charged with assigning hearing officers to specific proceedings, in the event there is more than one hearing officer available to the Bureau.

Counsel means any person representing a party pursuant to § 1081.107.

Decisional employee means any employee of the Bureau who has not engaged in an investigative or prosecutorial role in a proceeding and who may assist the Director or the hearing officer, respectively, in preparing orders, recommended decisions, decisions, and other documents under this part.

Director means the Director of the Bureau or a person authorized to perform the functions of the Director in accordance with the law.

Enforcement counsel means any individual who files a notice of appearance as counsel on behalf of the Office of Enforcement in an adjudication proceeding.

Final order means an order issued by the Bureau with or without the consent of the respondent, which has become final, without regard to the pendency of any petition for reconsideration or review.

General Counsel means the General Counsel of the Bureau or any Bureau employee to whom the General Counsel has delegated authority to act under this part.

Hearing officer means an administrative law judge or any other person duly authorized to preside at a hearing.

Notice of charges means the pleading that commences an adjudication proceeding, as described in § 1081.200, except that it does not include a stipulation and consent order under § 1081.200(d).

Office of Administrative Adjudication means the office of the Bureau responsible for conducting adjudication proceedings.

Office of Enforcement means the office of the Bureau responsible for enforcement of Federal consumer financial law.

Party means the Office of Enforcement, any person named as a party in any notice of charges issued

pursuant to this part, and, to the extent applicable, any person who intervenes in the proceeding pursuant to § 1081.119(a) to seek a protective order.

Person means an individual, partnership, company, corporation, association (incorporated or unincorporated), trust, estate, cooperative organization, or other entity.

Person employed by the Bureau means Bureau employees, contractors, agents, and others acting for or on behalf of the Bureau, or at its direction, including consulting experts.

Respondent means the party named in the notice of charges.

State means any State, territory, or possession of the United States, the District of Columbia, the Commonwealth of Puerto Rico, the Commonwealth of the Northern Mariana Islands, Guam, American Samoa, or the United States Virgin Islands or any federally recognized Indian tribe, as defined by the Secretary of the Interior under section 104(a) of the Federally Recognized Indian Tribe List Act of 1994, 25 U.S.C. 479a–1(a).

§ 1081.104 Authority of the hearing officer.

(a) *General rule.* The hearing officer shall have all powers necessary to conduct a proceeding in a fair and impartial manner and to avoid unnecessary delay. No provision of this part shall be construed to limit the powers of the hearing officers provided by the Administrative Procedure Act, 5 U.S.C. 556, 557.

(b) *Powers.* The powers of the hearing officer include but are not limited to the power:

(1) To administer oaths and affirmations;

(2) To issue subpoenas, subpoenas *duces tecum,* and protective orders, as authorized by this part, and to quash or modify any such subpoenas or orders;

(3) To take depositions or cause depositions to be taken;

(4) To receive relevant evidence and to rule upon the admission of evidence and offers of proof;

(5) To regulate the course of a proceeding and the conduct of parties and their counsel;

(6) To reject written submissions that materially fail to comply with the requirements of this part, and to deny confidential status to documents and testimony without prejudice until a party complies with all relevant rules of this chapter;

(7) To hold conferences for settlement, simplification of the issues, or any other proper purpose and require the attendance at any such conference of at least one representative of each party who has authority to negotiate concerning the resolution of issues in controversy;

(8) To inform the parties as to the availability of one or more alternative means of dispute resolution, and to encourage the use of such methods;

(9) To certify questions to the Director for his or her determination in accordance with the rules of this part;

(10) To consider and rule upon, as justice may require, all procedural and other motions appropriate in adjudication proceedings;

(11) To issue and file recommended decisions;

(12) To recuse himself or herself by motion made by a party or on his or her own motion;

(13) To issue such sanctions against parties or their counsel as may be necessary to deter repetition of sanctionable conduct or comparable conduct by others similarly situated, as provided for in this part or as otherwise necessary to the appropriate conduct of hearings and related proceedings, provided that no sanction shall be imposed before providing the sanctioned person an opportunity to show cause why no such sanction should issue; and

(14) To do all other things necessary and appropriate to discharge the duties of a presiding officer.

§ 1081.105 Assignment, substitution, performance, disqualification of hearing officer.

(a) *How assigned.* In the event that more than one hearing officer is available to the Bureau for the conduct of proceedings under this part, the presiding hearing officer shall be designated by the chief hearing officer, who shall notify the parties of the hearing officer designated.

(b) *Interference.* Hearing officers shall not be subject to the supervision or direction of, or responsible to, any officer, employee, or agent engaged in the performance of investigative or prosecuting functions for the Bureau, and all direction by the Bureau to the hearing officer concerning any adjudication proceedings shall appear in and be made part of the record.

(c) *Disqualification of hearing officers.* (1) When a hearing officer deems himself or herself disqualified to preside in a particular proceeding, he or she shall issue a notice stating that he or she is withdrawing from the matter and setting forth the reasons therefore.

(2) Any party who has a reasonable, good faith basis to believe that a hearing officer has a personal bias, or is otherwise disqualified from hearing a case, may make a motion to the hearing officer that the hearing officer withdraw. The motion shall be accompanied by an affidavit setting forth the facts alleged to constitute grounds for disqualification. Such motion shall be filed at the earliest practicable time after the party learns, or could reasonably have learned, of the alleged grounds for disqualification. If the hearing officer does not disqualify himself or herself within 14 days, he or she shall certify the motion to the Director pursuant to § 1081.211, together with any statement he or she may wish to have considered by the Director. The Director shall promptly determine the validity of the grounds alleged, either directly or on the report of another hearing officer appointed to conduct a hearing for that purpose, and shall either direct the reassignment of the matter or confirm the hearing officer's continued role in the matter.

(d) *Unavailability of hearing officer.* In the event that the hearing officer withdraws or is otherwise unable to perform the duties of the hearing officer, the chief hearing officer or the Director shall designate another hearing officer to serve.

§ 1081.106 Deadlines.

The deadlines for action by the hearing officer established by §§ 1081.203, 1081.205, 1081.211, 1081.212, and 1081.400, or elsewhere in this part, confer no substantive rights on respondents.

§ 1081.107 Appearance and practice in adjudication proceedings.

(a) *Appearance before the Bureau or a hearing officer.* (1) *By attorneys.* Any member in good standing of the bar of the highest court of any State may represent others before the Bureau if such attorney is not currently suspended or debarred from practice before the Bureau or by a court of the United States or of any State.

(2) *By non-attorneys.* So long as such individual is not currently suspended or debarred from practice before the Bureau:

(i) An individual may appear on his or her own behalf;

(ii) A member of a partnership may represent the partnership;

(iii) A duly authorized officer of a corporation, trust, or association may represent the corporation, trust or association; and

(iv) A duly authorized officer or employee of any government unit, agency, or authority may represent that unit, agency, or authority.

(3) *Notice of appearance.* Any individual acting as counsel on behalf of a party, including Enforcement counsel, shall file a notice of appearance at or

before the time that the individual submits papers or otherwise appears on behalf of a party in the adjudication proceeding. The notice of appearance must include a written declaration that the individual is currently qualified as provided in paragraph (a)(1) or (2) of this section and is authorized to represent the particular party, and if applicable, must include the attorney's jurisdiction of admission or qualification, attorney identification number, and a statement by the appearing attorney attesting to his or her good standing within the legal profession. By filing a notice of appearance on behalf of a party in an adjudication proceeding, the counsel agrees and represents that he or she is authorized to accept service on behalf of the represented party and that, in the event of withdrawal from representation, he or she will, if required by the hearing officer, continue to accept service until a new counsel has filed a notice of appearance or until the represented party indicates that he or she will proceed on a pro se basis. The notice of appearance shall provide the representative's email address, telephone number, and business address and, if different from the representative's addresses, electronic or other address at which the represented party may be served.

(b) *Sanctions.* Dilatory, obstructionist, egregious, contemptuous, or contumacious conduct at any phase of any adjudication proceeding may be grounds for exclusion or suspension of counsel from the proceeding. An order imposing a sanction must describe the sanctioned conduct and explain the basis for the sanction.

(c) *Standards of conduct; disbarment.* (1) All attorneys practicing before the Bureau shall conform to the standards of ethical conduct required by the bars of which the attorneys are members.

(2) If for good cause shown, the Director believes that any attorney is not conforming to such standards, or that an attorney or counsel to a party has otherwise engaged in conduct warranting disciplinary action, the Director may issue an order requiring such person to show cause why he should not be suspended or disbarred from practice before the Bureau. The alleged offender shall be granted due opportunity to be heard in his or her own defense and may be represented by counsel. Thereafter, if warranted by the facts, the Director may issue against the attorney or counsel an order of reprimand, suspension, or disbarment.

§ 1081.108 Good faith certification.

(a) *General requirement.* Every filing or submission of record following the issuance of a notice of charges shall be signed by at least one counsel of record in his or her individual name and shall state counsel's address, email address, and telephone number. A party who acts as his or her own counsel shall sign his or her individual name and state his or her address, email address, and telephone number on every filing or submission of record. Papers filed by electronic transmission may be signed with an ''/s/'' notation, which shall be deemed the signature of the party or representative whose name appears below the signature line.

(b) *Effect of signature.* (1) The signature of counsel or a party shall constitute a certification that: the counsel or party has read the filing or submission of record; to the best of his or her knowledge, information, and belief formed after reasonable inquiry, the filing or submission of record is well-grounded in fact and is warranted by existing law or a good faith argument for the extension, modification, or reversal of existing law; and the filing or submission of record is not made for any improper purpose, such as to harass or to cause unnecessary delay or needless increase in the cost of litigation.

(2) If a filing or submission of record is not signed, the hearing officer shall strike the filing or submission of record, unless it is signed promptly after the omission is called to the attention of the filer.

(c) *Effect of making oral motion or argument.* The act of making any oral motion or oral argument by any counsel or party constitutes a certification that to the best of his or her knowledge, information, and belief formed after reasonable inquiry, his or her statements are well-grounded in fact and are warranted by existing law or a good faith argument for the extension, modification, or reversal of existing law, and are not made for any improper purpose, such as to harass or to cause unnecessary delay or needless increase in the cost of litigation.

(d) *Sanctions.* Counsel or a party that fails to abide by the requirements of this section may be subject to sanctions pursuant to § 1081.104(b)(13).

§ 1081.109 Conflict of interest.

(a) *Conflict of interest in representation.* No person shall appear as counsel for another person in an adjudication proceeding if it reasonably appears that such representation may be materially limited by that counsel's responsibilities to a third person or by the counsel's own interests. The hearing officer may take corrective measures at any stage of a proceeding to cure a conflict of interest in representation, including the issuance of an order limiting the scope of representation or disqualifying an individual from appearing in a representative capacity for the duration of the proceeding.

(b) *Certification and waiver.* If any person appearing as counsel represents two or more parties to an adjudication proceeding or also represents a non-party on a matter relevant to an issue in the proceeding, counsel must certify in writing at the time of filing the notice of appearance required by § 1081.107(a)(3):

(1) That the counsel has personally and fully discussed the possibility of conflicts of interest with each such party and non-party; and

(2) That each such party and/or non-party waives any right it might otherwise have had to assert any known conflicts of interest or to assert any conflicts of interest during the course of the proceeding.

§ 1081.110 Ex parte communication.

(a) *Definitions.* (1) For purposes of this section, *ex parte communication* means any material oral or written communication relevant to the merits of an adjudication proceeding that was neither on the record nor on reasonable prior notice to all parties that takes place between:

(i) An interested person not employed by the Bureau (including such person's counsel); and

(ii) The hearing officer handling the proceeding, the Director, or a decisional employee.

(2) *Exception.* A request for status of the proceeding does not constitute an ex parte communication.

(3) *Pendency of an adjudication proceeding* means the time from when the Bureau issues a notice of charges, unless the person responsible for the communication has knowledge that a notice of charges will be issued, in which case the pendency of an adjudication shall commence at the time of his or her acquisition of such knowledge, or from when an order by a court of competent jurisdiction remanding a Bureau decision and order for further proceedings becomes effective, until the time the Director enters his or her final decision and order in the proceeding and the time permitted to seek reconsideration of that decision and order has elapsed. For purposes of this section, an order of remand by a court of competent jurisdiction shall be deemed to become effective when the Bureau's right to

petition for review or for a writ of certiorari has lapsed without a petition having been filed, or when such a petition has been denied. If a petition for reconsideration of a Bureau decision is filed pursuant to § 1081.406, the matter shall be considered to be a pending adjudication proceeding until the time the Bureau enters an order disposing of the petition.

(b) *Prohibited ex parte communications.* During the pendency of an adjudication proceeding, except to the extent required for the disposition of ex parte matters as authorized by law or as otherwise authorized by this part:

(1) No interested person not employed by the Bureau shall make or knowingly cause to be made to the Director, or to the hearing officer, or to any decisional employee, an ex parte communication; and

(2) The Director, the hearing officer, or any decisional employee shall not make or knowingly cause to be made to any interested person not employed by the Bureau any ex parte communication.

(c) *Procedure upon occurrence of ex parte communication.* If an ex parte communication prohibited by paragraph (b) of this section is received by the hearing officer, the Director, or any decisional employee, that person shall cause all such written communications (or, if the communication is oral, a memorandum stating the substance of the communication) to be placed on the record of the proceeding and served on all parties. All other parties to the proceeding shall have an opportunity, within 14 days of receipt of service of the ex parte communication, to file responses thereto and to recommend any sanctions, in accordance with paragraph (d) of this section, that they believe to be appropriate under the circumstances.

(d) *Sanctions*—(1) *Adverse action on claim.* Upon receipt of an ex parte communication knowingly made or knowingly caused to be made by a party and prohibited by paragraph (b) of this section, the Director or hearing officer, as appropriate, may, to the extent consistent with the interests of justice and the policy of the underlying statutes, require the party to show cause why his claim or interest in the proceeding should not be dismissed, denied, disregarded, or otherwise adversely affected on account of such violation.

(2) *Discipline of persons practicing before the Bureau.* The Director may, to the extent not prohibited by law, censure, suspend, or revoke the privilege to practice before the Bureau of any person who makes, or solicits the making of, an unauthorized ex parte communication.

(e) *Separation of functions.* Except to the extent required for the disposition of ex parte matters as authorized by law, the hearing officer may not consult a person or party on any matter relevant to the merits of the adjudication, unless upon notice and opportunity for all parties to participate. An employee or agent engaged in the performance of investigative or prosecuting functions for the Bureau in a case, other than the Director, may not, in that or a factually related case, participate or advise in the decision, recommended decision, or agency review of the recommended decision, except as witness or counsel in public proceedings.

§ 1081.111 Filing of papers.

(a) *Filing.* The following papers must be filed by parties in an adjudication proceeding: the notice of charges, proof of service of the notice of charges, notices of appearance, answer, the disclosure statement required under § 1081.201(e), motion, brief, request for issuance or enforcement of a subpoena, response, opposition, reply, notice of appeal, or petition for reconsideration. The hearing officer shall file all written orders, rulings, notices, or requests. Any papers required to be filed shall be filed with the Office of Administrative Adjudication, except as otherwise provided in this section.

(b) *Manner of filing.* Unless otherwise specified by the Director or the hearing officer, filing may be accomplished by:

(1) Electronic transmission in accordance with guidance issued by the Office of Administrative Adjudication; or

(2) Any of the following methods if respondent demonstrates, in accordance with guidance issued by the Office of Administrative Adjudication, that electronic filing is not practicable:

(i) Personal delivery;

(ii) Delivery to a reliable commercial courier service or overnight delivery service; or

(iii) Mailing the papers through the U.S. Postal Service by First Class Mail, Registered Mail, Certified Mail or Express Mail.

(c) *Papers filed in an adjudication proceeding are presumed to be public.* Unless otherwise ordered by the Director or the hearing officer, all papers filed in connection with an adjudication proceeding are presumed to be open to the public. The Bureau may provide public access to and publish any papers filed in an adjudication proceeding except if there is a pending motion for a protective order filed pursuant to § 1081.119, or if there is an order from the Director, hearing officer, or a Federal court authorizing the confidential treatment of the papers filed.

§ 1081.112 Formal requirements as to papers filed.

(a) *Form.* All papers filed by parties must:

(1) Set forth the name, address, telephone number, and email address of the counsel or party making the filing;

(2) Be double-spaced (except for single-spaced footnotes and single-spaced indented quotations) and printed or typewritten on 8½ x 11 inch paper in 12-point or larger font;

(3) Include at the head of the paper, or on a title page, a caption setting forth the title of the case, the docket number of the proceeding, and a brief descriptive title indicating the purpose of the paper;

(4) Be paginated with margins at least one inch wide; and

(5) If filed by other than electronic means, be stapled, clipped, or otherwise fastened in a manner that lies flat when opened.

(b) *Signature.* All papers must be dated and signed as provided in § 1081.108.

(c) *Number of copies.* Unless otherwise specified by the Director or the hearing officer, one copy of all documents and papers shall be filed if filing is by electronic transmission. If filing is accomplished by any other means, an original and one copy of all documents and papers shall be filed, except that only one copy of transcripts of testimony and exhibits must be filed.

(d) *Authority to reject document for filing.* The Office of Administrative Adjudication or the hearing officer may reject a document for filing that materially fails to comply with this part.

(e) *Sensitive personal information.* Sensitive personal information means an individual's Social Security number, taxpayer identification number, financial account number, credit card or debit card number, driver's license number, State-issued identification number, passport number, date of birth (other than year), and any sensitive health information identifiable by individual, such as an individual's medical records. Sensitive personal information shall not be included in, and must be redacted or omitted from, filings unless the person filing the paper determines that such information is relevant or otherwise necessary for the conduct of the proceeding. If the person filing a paper determines the sensitive personal information contained in the paper is relevant or necessary to the proceeding, the person shall file the paper in accordance with paragraph (f)

of this section, including filing an expurgated copy of the paper with the sensitive personal information redacted.

(f) *Confidential treatment of information in certain filings.* A party seeking confidential treatment of information contained in a filing must contemporaneously file either a motion requesting such treatment in accordance with § 1081.119 or a copy of the order from the Director, hearing officer, or Federal court authorizing such confidential treatment. The filing must comply with any applicable order of the Director or hearing officer and must be accompanied by:

(1) A complete, sealed copy of the documents containing the materials as to which confidential treatment is sought, with the allegedly confidential material clearly marked as such, and with the first page of the document labeled ''Under Seal.'' If the movant seeks or has obtained a protective order against disclosure to other parties as well as the public, copies of the documents shall not be served on other parties; and

(2) An expurgated copy of the materials as to which confidential treatment is sought, with the allegedly confidential materials redacted. The redacted version shall indicate any omissions with brackets or ellipses, and its pagination and depiction of text on each page shall be identical to that of the sealed version.

(g) *Certificate of service.* Any papers filed in an adjudication proceeding shall contain proof of service on all other parties or their counsel in the form of a statement of the date and manner of service and of the names of the persons served, certified by the person who made service. The certificate of service must be affixed to the papers filed and signed in accordance with § 1081.108.

§ 1081.113 Service of papers.

(a) *When required.* In every adjudication proceeding, each paper required to be filed by § 1081.111 shall be served upon each party in the proceeding in accordance with the provisions of this section; provided, however, that absent an order to the contrary, no service shall be required for motions which are to be heard ex parte.

(b) *Upon a person represented by counsel.* Whenever service is required to be made upon a person represented by counsel who has filed a notice of appearance pursuant to § 1081.107(a)(3), service shall be made pursuant to paragraph (c) of this section upon counsel, unless service upon the person represented is ordered by the Director or the hearing officer, as appropriate.

(c) *Method of service.* Except as provided in paragraph (d) of this section or as otherwise ordered by the hearing officer or the Director, service shall be made by delivering a copy of the filing by one of the following methods:

(1) Transmitting the papers by electronic transmission where the persons so serving each other have consented to service by specified electronic transmission and provided the Bureau and the parties with notice of the means for service by electronic transmission (*e.g.,* email address or facsimile number);

(2) Handing a copy to the person required to be served; or leaving a copy at the person's office with a clerk or other person in charge thereof, or, if there is no one in charge, leaving it in a conspicuous place therein; or, if the office is closed or the person to be served has no office, leaving it at the person's dwelling or usual place of abode with some person of suitable age and discretion then residing therein;

(3) Mailing the papers through the U.S. Postal Service by First Cass Mail, Registered Mail, Certified Mail, or Express Mail delivery addressed to the person; or

(4) Sending the papers through a third-party commercial courier service or express delivery service.

(d) *Service of certain papers by the Office of Enforcement or the Office of Administrative Adjudication*—(1) *Service of a notice of charges by the Office of Enforcement.* (i) *To individuals.* Notice of a proceeding shall be made to an individual by delivering a copy of the notice of charges to the individual or to an agent authorized by appointment or by law to receive such notice. Delivery, for purposes of this paragraph (d)(1)(i), means handing a copy of the notice to the individual; or leaving a copy at the individual's office with a clerk or other person in charge thereof; or leaving a copy at the individual's dwelling house or usual place of abode with some person of suitable age and discretion then residing therein; or sending a copy of the notice addressed to the individual through the U.S. Postal Service by Registered Mail, Certified Mail or Express Mail delivery, or by third-party commercial carrier, for overnight delivery and obtaining a confirmation of receipt.

(ii) *To corporations or entities.* Notice of a proceeding shall be made to a person other than a natural person by delivering a copy of the notice of charges to an officer, managing or general agent, or any other agent authorized by appointment or law to receive such notice, by any method specified in paragraph (d)(1)(i) of this section.

(iii) *Upon persons registered with the Bureau.* In addition to any other method of service specified in paragraph (d)(1)(i) or (ii) of this section, notice may be made to a person currently registered with the Bureau by sending a copy of the notice of charges addressed to the most recent business address shown on the person's registration form by U.S. Postal Service certified, registered, or Express Mail and obtaining a confirmation of receipt or attempted delivery.

(iv) *Upon persons in a foreign country.* Notice of a proceeding to a person in a foreign country may be made by any method specified in paragraph (d)(1) of this section, or by any other method reasonably calculated to give notice, provided that the method of service used is not prohibited by the law of the foreign country.

(v) *Record of service.* The Office of Enforcement will maintain and file a record of service of the notice of charges on parties, identifying the party given notice, the method of service, the date of service, the address to which service was made, and the person who made service. If service is made in person, the certificate of service shall state, if available, the name of the individual to whom the notice of charges was given. If service is made by U.S. Postal Service Registered Mail, Certified Mail, or Express Mail, the Office of Enforcement will maintain the confirmation of receipt or attempted delivery. If service is made to an agent authorized by appointment to receive service, the certificate of service shall be accompanied by evidence of the appointment.

(vi) *Waiver of service.* In lieu of service as set forth in paragraph (d)(1)(i) or (ii) of this section, the party may be provided a copy of the notice of charges by First Class Mail or other reliable means if a waiver of service is obtained from the party and placed in the record.

(2) *Service of recommended decisions and final orders.* Recommended decisions issued by the hearing officer and final orders issued by the Bureau shall be served promptly on each party pursuant to any method of service authorized under paragraph (d)(1) of this section. Such decisions and orders may also be served by electronic transmission if the party to be served has agreed to accept such service in writing, signed by the party or its counsel, and has provided the Bureau with information concerning the manner of electronic transmission.

§ 1081.114 Construction of time limits.

(a) *General rule.* In computing any time period prescribed by this part, by order of the Director or a hearing officer, or by any applicable statute, exclude the day of the event that triggers the period, count every day, including intermediate Saturdays, Sundays, and Federal holidays, and include the last day of the period unless it is a Saturday, Sunday, or Federal holiday as set forth in 5 U.S.C. 6103(a). When the last day is a Saturday, Sunday, or Federal holiday, the period runs until the end of the next day that is not a Saturday, Sunday, or Federal holiday.

(b) *When papers are deemed to be filed or served.* Filing and service are deemed to be effective:

(1) In the case of personal service or same day commercial courier delivery, upon actual receipt by person served;

(2) In the case of overnight commercial delivery service, Express Mail delivery, First Class Mail, Registered Mail, or Certified Mail, upon deposit in or delivery to an appropriate point of collection; or

(3) In the case of electronic transmission, upon transmission.

(c) *Calculation of time for service and filing of responsive papers.* Whenever a time limit is measured by a prescribed period from the service of any notice or paper, the applicable time limits are calculated as follows:

(1) If service is made by First Class Mail, Registered Mail, or Certified Mail, add three calendar days to the prescribed period;

(2) If service is made by Express Mail or overnight delivery service, add one calendar day to the prescribed period; or

(3) If service is made by electronic transmission, add one calendar day to the prescribed period.

§ 1081.115 Change of time limits.

(a) Except as otherwise provided by law, the hearing officer may, in any proceeding before him or her, for good cause shown, extend the time limits prescribed by this part or by any notice or order issued in the proceedings. After appeal to the Director pursuant to § 1081.402, the Director may grant extensions of the time limits for good cause shown. Extensions may be granted on the motion of a party after notice and opportunity to respond is afforded all non-moving parties or on the Director's or the hearing officer's own motion, as appropriate.

(b) *Considerations in determining whether to extend time limits or grant postponements, adjournments and extensions.* Motions for extensions of time filed pursuant to paragraph (a) of this section are generally disfavored. In determining whether to grant any motions, the Director or hearing officer, as appropriate, shall consider, in addition to any other relevant factors:

(1) The length of the proceeding to date;

(2) The number of postponements, adjournments or extensions already granted;

(3) The stage of the proceedings at the time of the motion;

(4) The impact of the motion on the hearing officer's ability to complete the proceeding in the time specified by § 1081.400(a); and

(5) Any other matters as justice may require.

(c) *Time limit.* Postponements, adjournments, or extensions of time for filing papers shall not exceed 21 days unless the Director or the hearing officer, as appropriate, states on the record or sets forth in a written order the reasons why a longer period of time is necessary.

(d) *No effect on deadline for recommended decision.* The granting of any extension of time pursuant to this section shall not affect any deadlines set pursuant to § 1081.400(a).

§ 1081.116 Witness fees and expenses.

Respondents shall pay to witnesses subpoenaed for testimony or depositions on their behalf the same fees for attendance and mileage as are paid in the United States district courts in proceedings in which the United States is a party, provided that, in the case of a deposition subpoena addressed to a party, no witness fees or mileage need be paid. Fees for witnesses shall be tendered in advance by any respondent requesting the issuance of a subpoena, except that fees and mileage need not be tendered in advance where the Office of Enforcement is the party requesting the subpoena. The Bureau shall pay to witnesses subpoenaed for testimony or depositions on behalf of the Office of Enforcement the same fees for attendance and mileage as are paid in the United States district courts in proceedings in which the United States is a party, but the Bureau need not tender such fees in advance.

§ 1081.117 Bureau's right to conduct examination, collect information.

Nothing contained in this part limits in any manner the right of the Bureau to conduct any examination, inspection, or visitation of any person, to conduct or continue any form of investigation authorized by law, to collect information in order to monitor the market for risks to consumers in the offering or provision of consumer financial products or services, or to otherwise gather information in accordance with law.

§ 1081.118 Collateral attacks on adjudication proceedings.

Unless a court of competent jurisdiction, or the Director for good cause, so directs, if an interlocutory appeal or collateral attack is brought in any court concerning all or any part of an adjudication proceeding, the challenged adjudication proceeding shall continue without regard to the pendency of that court proceeding. No default or other failure to act as directed in the adjudication proceeding within the times prescribed in this part shall be excused based on the pendency before any court of any interlocutory appeal or collateral attack.

§ 1081.119 Confidential information; protective orders.

(a) Rights of third parties. Any party that intends to disclose information obtained from a third party that is subject to a claim of confidentiality must provide notice to the third party at least seven days prior to the proposed disclosure of such information. In response to such notice, the third party may consent to the disclosure of such information, which may be conditioned on the entry of an appropriate protective order, or may intervene in the proceeding for the limited purpose of moving for a protective order pursuant to this section. Any written filing by a party that contains such confidential information must be accompanied by a certification that proper notice was provided. The act of making any oral motion or oral argument by any counsel or party which contains such confidential information constitutes a certification that proper notice was provided. A third party wishing to intervene for purposes of protecting its confidential information may file a single motion, in conformity with all applicable rules, setting forth the basis of both the third party's right to intervene and the basis for the protective order, in conformity with paragraph (b) of this section.

(b) *Procedure.* In any adjudication proceeding, a party, including a third party who has intervened pursuant to paragraph (a) of this section, may file a motion requesting a protective order to limit from disclosure to other parties or to the public documents or testimony that contain confidential information. The motion should include a general summary or extract of the documents or testimony without revealing confidential details, and a copy of the proposed protective order. A motion for confidential treatment of documents

should be filed in accordance with § 1081.112(f), and all other applicable rules.

(c) *Basis for issuance.* Documents and testimony introduced in a public hearing, or filed in connection with an adjudication proceeding, are presumed to be public. A motion for a protective order shall be granted:

(1) Upon a finding that public disclosure will likely result in a clearly defined, serious injury to the party or third party requesting confidential treatment;

(2) After finding that the material constitutes sensitive personal information, as defined in § 1081.112(e);

(3) If all parties, including third parties to the extent their information is at issue, stipulate to the entry of a protective order; or

(4) Where public disclosure is prohibited by law.

(d) *Requests for additional information supporting confidentiality.* The hearing officer may require a movant under paragraph (b) of this section to furnish in writing additional information with respect to the grounds for confidentiality. Failure to supply the information so requested within seven days from the date of receipt by the movant of a notice of the information required shall be deemed a waiver of the objection to public disclosure of that portion of the documents to which the additional information relates, unless the hearing officer shall otherwise order for good cause shown at or before the expiration of such seven-day period.

(e) *Confidentiality of documents pending decision.* Pending a determination of a motion under this section, the documents as to which confidential treatment is sought and any other documents that would reveal the confidential information in those documents shall be maintained under seal and shall be disclosed only in accordance with orders of the hearing officer. Any order issued in connection with a motion under this section shall be public unless the order would disclose information as to which a protective order has been granted, in which case that portion of the order that would reveal the protected information shall be nonpublic.

§ 1081.120 Settlement.

(a) *Availability.* Any respondent in an adjudication proceeding instituted under this part, may, at any time, propose in writing an offer of settlement.

(b) *Procedure.* An offer of settlement shall state that it is made pursuant to this section; shall recite or incorporate as a part of the offer the provisions of paragraphs (c)(3) and (4) of this section; shall be signed by the person making the offer, not by counsel; and shall be submitted to enforcement counsel.

(c) *Consideration of offers of settlement.* (1) Offers of settlement shall be considered when time, the nature of the proceedings, and the public interest permit.

(2) Any settlement offer shall be presented to the Director with a recommendation, except that, if the recommendation is unfavorable, the offer shall not be presented to the Director unless the person making the offer so requests.

(3) By submitting an offer of settlement, the person making the offer waives, subject to acceptance of the offer:

(i) All hearings pursuant to the statutory provisions under which the proceeding has been instituted;

(ii) The filing of proposed findings of fact and conclusions of law;

(iii) Proceedings before, and a recommended decision by, a hearing officer;

(iv) All post-hearing procedures;

(v) Judicial review by any court; and

(vi) Any objection to the jurisdiction of the Bureau under section 1053 of the Dodd-Frank Act.

(4) By submitting an offer of settlement the person further waives:

(i) Such provisions of this part or other requirements of law as may be construed to prevent any Bureau employee from participating in the preparation of, or advising the Director as to, any order, opinion, finding of fact, or conclusion of law to be entered pursuant to the offer; and

(ii) Any right to claim bias or prejudgment by the Director based on the consideration of or discussions concerning settlement of all or any part of the proceeding.

(5) If the Director rejects the offer of settlement, the person making the offer shall be notified of the Director's action and the offer of settlement shall be deemed withdrawn. The rejected offer shall not constitute a part of the record in any proceeding against the person making the offer, provided, however, that rejection of an offer of settlement does not affect the continued validity of waivers pursuant to paragraph (c)(4) of this section with respect to any discussions concerning the rejected offer of settlement.

(d) *Consent orders.* If the Director accepts the offer of settlement, all terms and conditions of a settlement entered into under this section shall be recorded in a written stipulation signed by all settling parties, and a consent order concluding the proceeding. The stipulation and consent order shall be filed pursuant to § 1081.111, and shall recite or incorporate as a part of the stipulation the provisions of paragraphs (c)(3) and (4) of this section. The Director will then issue a consent order, which shall be a final order concluding the proceeding.

§ 1081.121 Cooperation with other agencies.

It is the policy of the Bureau to cooperate with other governmental agencies to avoid unnecessary overlap or duplication of regulatory functions.

Subpart B—Initiation of Proceedings and Prehearing Rules

§ 1081.200 Commencement of proceeding and contents of notice of charges.

(a) *Commencement of proceeding.* A proceeding governed by subparts A through D of this part is commenced when the Bureau, through the Office of Enforcement, files a notice of charges in accordance with § 1081.111. The notice of charges must be served by the Office of Enforcement upon the respondent in accordance with § 1081.113(d)(1).

(b) *Contents of a notice of charges.* The notice of charges must set forth:

(1) The legal authority for the proceeding and for the Bureau's jurisdiction over the proceeding;

(2) A statement of the matters of fact and law showing that the Bureau is entitled to relief;

(3) A proposed order or prayer for an order granting the requested relief;

(4) The time and place of the hearing as required by law or regulation;

(5) The time within which to file an answer as required by law or regulation;

(6) That the answer shall be filed and served in accordance with subpart A of this part; and

(7) The docket number for the adjudication proceeding.

(c) *Publication of notice of charges.* Unless otherwise ordered by the Director, the notice of charges shall be given general circulation by release to the public, by publication on the Bureau's website and, where directed by the hearing officer or the Director, by publication in the **Federal Register**. The Bureau may publish any notice of charges after 14 days from the date of service except if there is a pending motion for a protective order filed pursuant to § 1081.119.

(d) *Commencement of proceeding through a consent order.* Notwithstanding paragraph (a) of this section, where the parties agree to settlement before the filing of a notice of charges, a proceeding may be commenced by filing a stipulation and

consent order. The stipulation and consent order shall be filed pursuant to § 1081.111. The stipulation shall contain the information required under § 1081.120(d), and the consent order shall contain the information required under paragraphs (b)(1) and (2) of this section. The proceeding shall be concluded upon issuance of the consent order by the Director.

(e) *Voluntary dismissal*—(1) *Without an order.* The Office of Enforcement may voluntarily dismiss an adjudication proceeding without an order entered by a hearing officer by filing either:

(i) A notice of dismissal before the respondent(s) serves an answer; or

(ii) A stipulation of dismissal signed by all parties who have appeared.

(2) *Effect.* Unless the notice or stipulation states otherwise, the dismissal is without prejudice, and does not operate as an adjudication on the merits.

§ 1081.201 Answer and disclosure statement and notification of financial interest.

(a) *Time to file answer.* Within 14 days of service of the notice of charges, respondent shall file an answer as designated in the notice of charges.

(b) *Content of answer.* An answer must specifically respond to each paragraph or allegation of fact contained in the notice of charges and must admit, deny, or state that the party lacks sufficient information to admit or deny each allegation of fact. A statement of lack of information has the effect of a denial. Denials must fairly meet the substance of each allegation of fact denied; general denials are not permitted. When a respondent denies part of an allegation, that part must be denied and the remainder specifically admitted. Any allegation of fact in the notice of charges which is not denied in the answer shall be deemed admitted for purposes of the proceeding. A respondent is not required to respond to the portion of a notice of charges that constitutes the prayer for relief or proposed order. The answer must set forth affirmative defenses, if any, asserted by the respondent.

(c) *If the allegations of the complaint are admitted.* If the respondent elects not to contest the allegations of fact set forth in the notice of charges, the answer shall consist of a statement that the respondent admits all of the material allegations to be true. Such an answer shall constitute a waiver of hearings as to the facts alleged in the notice of charges, and together with the notice of charges will provide a record basis on which the hearing officer shall issue a recommended decision containing appropriate findings and conclusions and a proposed order disposing of the proceeding. In such an answer, the respondent may, however, reserve the right to submit proposed findings of fact and conclusions of law under § 1081.305.

(d) *Default.* (1) Failure of a respondent to file an answer within the time provided shall be deemed to constitute a waiver of the respondent's right to appear and contest the allegations of the notice of charges and to authorize the hearing officer, without further notice to the respondent, to find the facts to be as alleged in the notice of charges and to enter a recommended decision containing appropriate findings and conclusions. In such cases, respondent shall have no right to appeal pursuant to § 1081.402, but must instead proceed pursuant to paragraph (d)(2) of this section.

(2) A motion to set aside a default shall be made within a reasonable time, state the reasons for the failure to appear or defend, and specify the nature of the proposed defense in the proceeding. In order to prevent injustice and on such conditions as may be appropriate, the hearing officer, at any time prior to the filing of the recommended decision, or the Director, at any time, may for good cause shown set aside a default.

(e) *Disclosure statement and notification of financial interest*—(1) *Who must file; contents.* A respondent, nongovernmental intervenor, or nongovernmental amicus must file a disclosure statement and notification of financial interest that:

(i) Identifies any parent corporation, any publicly owned corporation owning ten percent or more of its stock, and any publicly owned corporation not a party to the proceeding that has a financial interest in the outcome of the proceeding and the nature of that interest; or

(ii) States that there are no such corporations.

(2) *Time for filing; supplemental filing.* A respondent, nongovernmental intervenor, or nongovernmental amicus must:

(i) File the disclosure statement with its first appearance, pleading, motion, response, or other request addressed to the hearing officer or the Bureau; and

(ii) Promptly file a supplemental statement if any required information changes.

§ 1081.202 Amended pleadings.

(a) *Amendments before the hearing.* The notice of charges, answer, or any other pleading may be amended or supplemented only with the opposing party's written consent or leave of the hearing officer. The respondent must answer an amended notice of charges within the time remaining for the respondent's answer to the original notice of charges, or within 14 days after service of the amended notice of charges, whichever is later, unless the hearing officer orders otherwise for good cause.

(b) *Amendments to conform to the evidence.* When issues not raised in the notice of charges or answer are tried at the hearing by express or implied consent of the parties, they will be treated in all respects as if they had been raised in the notice of charges or answer, and no formal amendments are required. If evidence is objected to at the hearing on the ground that it is not within the issues raised by the notice of charges or answer, the hearing officer may admit the evidence when admission is likely to assist in adjudicating the merits of the action and the objecting party fails to satisfy the hearing officer that the admission of such evidence would unfairly prejudice that party's action or defense upon the merits. The hearing officer may grant a continuance to enable the objecting party to meet such evidence.

§ 1081.203 Scheduling conference.

(a) *Meeting of the parties before scheduling conference.* As early as practicable before the scheduling conference described in paragraph (b) of this section, counsel for the parties shall meet to discuss the nature and basis of their claims and defenses and the possibilities for a prompt settlement or resolution of the case. The parties shall also discuss and agree, if possible, on the matters set forth in paragraph (b) of this section.

(b) *Scheduling conference.* Within 21 days of service of the notice of charges or such other time as the parties and hearing officer may agree, counsel for all parties shall appear before the hearing officer in person at a specified time and place or by telephone for the purpose of scheduling the course and conduct of the proceeding. This meeting or telephone conference is called a *scheduling conference.* At the scheduling conference, counsel for the parties shall be prepared to address:

(1) Determination of the dates and location of the hearing, including, in proceedings under section 1053(b) of the Dodd-Frank Act, whether the hearing should commence later than 60 days after service of the notice of charges;

(2) Simplification and clarification of the issues;

(3) Amendments to pleadings;

(4) Settlement of any or all issues;

(5) Production of documents as set forth in § 1081.206 and of witness statements as set forth in § 1081.207, and prehearing production of documents in response to subpoenas *duces tecum* as set forth in § 1081.208;

(6) Whether or not the parties intend to move for summary disposition of any or all issues;

(7) Whether the parties intend to seek the deposition of witnesses pursuant to § 1081.209;

(8) A schedule for the exchange of expert reports and the taking of expert depositions, if any; and

(9) Such other matters as may aid in the orderly disposition of the proceeding.

(c) *Transcript.* The hearing officer, in his or her discretion, may require that a scheduling conference be recorded by a court reporter. A transcript of the conference and any materials filed, including orders, becomes part of the record of the proceeding. A party may obtain a copy of the transcript at his or her expense.

(d) *Scheduling order.* At or within seven days following the conclusion of the scheduling conference, the hearing officer shall serve on each party an order setting forth the date and location of the hearing and any agreements reached and any procedural determinations made.

(e) *Failure to appear, default.* Any person who is named in a notice of charges as a person against whom findings may be made or sanctions imposed and who fails to appear, in person or through counsel, at a scheduling conference of which he or she has been duly notified may be deemed in default pursuant to § 1081.201(d)(1). A party may make a motion to set aside a default pursuant to § 1081.201(d)(2).

(f) *Public access.* The scheduling conference shall be public unless the hearing officer determines, based on the standard set forth in § 1081.119(c), that the conference (or any part thereof) shall be closed to the public.

§ 1081.204 Consolidation and severance of actions.

(a) *Consolidation.* (1) On the motion of any party, or on the hearing officer's own motion, the hearing officer may consolidate, for some or all purposes, any two or more proceedings, if each such proceeding involves or arises out of the same transaction, occurrence or series of transactions or occurrences, or involves at least one common respondent or a material common question of law or fact, unless such consolidation would cause unreasonable delay or injustice.

(2) In the event of consolidation under paragraph (a)(1) of this section, appropriate adjustment to the prehearing schedule may be made to avoid unnecessary expense, inconvenience, or delay.

(b) *Severance.* The hearing officer may, upon the motion of any party, sever the proceeding for separate resolution of the matter as to any respondent only if the hearing officer finds that:

(1) Undue prejudice or injustice to the moving party would result from not severing the proceeding; and

(2) Such undue prejudice or injustice would outweigh the interests of judicial economy and expedition in the complete and final resolution of the proceeding.

§ 1081.205 Non-dispositive motions.

(a) *Scope.* This section applies to all motions except motions to dismiss and motions for summary disposition. A non-dispositive motion filed pursuant to another section of this part shall comply with any specific requirements of that section and this section to the extent these requirements are not inconsistent.

(b) *In writing.* (1) Unless made during a hearing or conference, an application or request for an order or ruling must be made by written motion.

(2) All written motions must state with particularity the relief sought and must be accompanied by a proposed order.

(3) No oral argument may be held on written motions except as otherwise directed by the hearing officer. Written memoranda, briefs, affidavits or other relevant material or documents may be filed in support of or in opposition to a motion.

(c) *Oral motions.* The Director or the hearing officer, as appropriate, may order that an oral motion be submitted in writing.

(d) *Responses and replies.* (1) Except as otherwise provided in this section, within 14 days after service of any written motion, or within such other period of time as may be established by the hearing officer or the Director, as appropriate, any party may file a written response to a motion. The hearing officer shall not rule on any oral or written motion before each party has had an opportunity to file a response.

(2) Reply briefs, if any, may be filed within seven days after service of the response.

(3) The failure of a party to oppose a written motion or an oral motion made on the record is deemed consent by that party to the entry of an order substantially in the form of the order accompanying the motion.

(e) *Length limitations.* No motion subject to this section (together with the brief in support of the motion) or brief in response to the motion shall exceed 15 pages in length, exclusive of pages containing the table of contents, table of authorities, and any addendum that consists solely of copies of applicable cases, pertinent legislative provisions or rules, and exhibits. No reply brief shall exceed six pages in length, exclusive of pages containing the table of contents, table of authorities, and any addendum that consists solely of copies of applicable cases, pertinent legislative provisions or rules, and exhibits. Motions for leave to file motions and briefs in excess of these limitations are disfavored.

(f) *Meet and confer requirements.* Each motion filed under this section shall be accompanied by a signed statement representing that counsel for the moving party has conferred or made a good faith effort to confer with opposing counsel in a good faith effort to resolve by agreement the issues raised by the motion and has been unable to reach such an agreement. If some of the matters in controversy have been resolved by agreement, the statement shall specify the matters so resolved and the matters remaining unresolved.

(g) *Ruling on non-dispositive motions.* Unless otherwise provided by a relevant section of this part, a hearing officer shall rule on non-dispositive motions. Such ruling shall be issued within 14 days after the expiration of the time period allowed for the filing of all motion papers authorized by this section. The Director, for good cause, may extend the time allowed for a ruling.

(h) *Proceedings not stayed.* A motion under consideration by the Director or the hearing officer shall not stay proceedings before the hearing officer unless the Director or the hearing officer, as appropriate, so orders.

(i) *Dilatory motions.* Frivolous, dilatory, or repetitive motions are prohibited. The filing of such motions may form the basis for sanctions.

§ 1081.206 Availability of documents for inspection and copying.

For purposes of this section, the term *documents* shall include any book, document, record, report, memorandum, paper, communication, tabulation, chart, logs, electronic files, or other data or data compilations stored in any medium.

(a) *Documents to be available for inspection and copying.* (1) Unless otherwise provided by this section, or by order of the hearing officer, the Office of Enforcement shall make

available for inspection and copying by any respondent documents obtained by the Office of Enforcement prior to the institution of proceedings, from persons not employed by the Bureau, in connection with the investigation leading to the institution of proceedings. Such documents shall include:

(i) Any documents turned over in response to civil investigative demands or other written requests to provide documents or to be interviewed issued by the Office of Enforcement;

(ii) All transcripts and transcript exhibits; and

(iii) Any other documents obtained from persons not employed by the Bureau.

(2) In addition, the Office of Enforcement shall make available for inspection and copying by any respondent:

(i) Each civil investigative demand or other written request to provide documents or to be interviewed issued by the Office of Enforcement in connection with the investigation leading to the institution of proceedings; and

(ii) Any final examination or inspection reports prepared by any other Office of the Bureau if the Office of Enforcement either intends to introduce any such report into evidence or to use any such report to refresh the recollection of, or impeach, any witness.

(3) Nothing in paragraph (a) of this section shall limit the right of the Office of Enforcement to make available any other document, or shall limit the right of a respondent to seek access to or production pursuant to subpoena of any other document, or shall limit the authority of the hearing officer to order the production of any document pursuant to subpoena.

(4) Nothing in paragraph (a) of this section shall require the Office of Enforcement to produce a final examination or inspection report prepared by any other Office of the Bureau or any other government agency to a respondent who is not the subject of that report.

(b) *Documents that may be withheld.* (1) The Office of Enforcement may withhold a document if:

(i) The document is privileged;

(ii) The document is an internal memorandum, note or writing prepared by a person employed by the Bureau or another government agency, other than an examination or supervision report as specified in paragraph (a)(2)(ii) of this section, or would otherwise be subject to the work product doctrine and will not be offered in evidence;

(iii) The document was obtained from a domestic or foreign governmental entity and is either not relevant to the resolution of the proceeding or was provided on condition that the information not be disclosed;

(iv) The document would disclose the identity of a confidential source;

(v) Applicable law prohibits the disclosure of the document; or

(vi) The hearing officer grants leave to withhold a document or category of documents as not relevant to the subject matter of the proceeding or otherwise, for good cause shown.

(2) Nothing in paragraph (b)(1) of this section authorizes the Office of Enforcement in connection with an adjudication proceeding to withhold material exculpatory evidence in the possession of the Office that would otherwise be required to be produced pursuant to paragraph (a) of this section.

(c) *Withheld document list.* The hearing officer may require the Office of Enforcement to produce a list of documents or categories of documents withheld pursuant to paragraphs (b)(1)(i) through (v) of this section or to submit to the hearing officer any document withheld, except for any documents that are being withheld pursuant to paragraph (b)(1)(iii) of this section, in which case the Office of Enforcement shall inform the other parties of the fact that such documents are being withheld, but no further disclosures regarding those documents shall be required. The hearing officer may determine whether any withheld document should be made available for inspection and copying. When similar documents are withheld pursuant to paragraphs (b)(1)(i) through (v) of this section, those documents may be identified by category instead of by individual document. The hearing officer retains discretion to determine when an identification by category is insufficient.

(d) *Timing of inspection and copying.* Unless otherwise ordered by the hearing officer, the Office of Enforcement shall commence making documents available to a respondent for inspection and copying pursuant to this section no later than 14 days after service of the notice of charges.

(e) *Place of inspection and copying.* Documents subject to inspection and copying pursuant to this section shall be made available to the respondent for inspection and copying at the Bureau office where they are ordinarily maintained, or at such other place as the parties, in writing, may agree. A respondent shall not be given custody of the documents or leave to remove the documents from the Bureau's offices pursuant to the requirements of this section other than by written agreement of the Office of Enforcement. Such agreement shall specify the documents subject to the agreement, the date they shall be returned, and such other terms or conditions as are appropriate to provide for the safekeeping of the documents. If the Office of Enforcement determines that production of some or all the documents required to be produced under this section can be produced in an electronic format, the Office of Enforcement may instead produce the documents in an electronic format.

(f) *Copying costs and procedures.* The respondent may obtain a photocopy of any documents made available for inspection or, at the discretion of the Office of Enforcement, electronic copies of such documents. The respondent shall be responsible for the cost of photocopying. Unless otherwise ordered, charges for copies made by the Office of Enforcement at the request of the respondent will be at the rate charged pursuant to part 1070. The respondent shall be given access to the documents at the Bureau's offices or such other place as the parties may agree during normal business hours for copying of documents at the respondent's expense.

(g) *Duty to supplement.* If the Office of Enforcement acquires information that it intends to rely upon at a hearing after making its disclosures under paragraph (a)(1) of this section, the Office of Enforcement shall supplement its disclosures to include such information.

(h) *Failure to make documents available—harmless error.* In the event that a document required to be made available to a respondent pursuant to this section is not made available by the Office of Enforcement, no rehearing or redecision of a proceeding already heard or decided shall be required unless the respondent establishes that the failure to make the document available was not harmless error.

(i) *Disclosure of privileged or protected information or communications; scope of waiver; obligations of receiving party.* (1) The disclosure of privileged or protected information or communications by any party during an adjudication proceeding shall not operate as a waiver if:

(i) The disclosure was inadvertent;

(ii) The holder of the privilege or protection took reasonable steps to prevent disclosure; and

(iii) The holder promptly took reasonable steps to rectify the error, including notifying any party that received the information or communication of the claim and the basis for it.

(2) After being notified, the receiving party must promptly return, sequester, or destroy the specified information and any copies it has; must not use or disclose the information until the claim is resolved; must take reasonable steps to retrieve the information if the party disclosed it before being notified; and may promptly present the information to the hearing officer under seal for a determination of the claim. The producing party must preserve the information until the claim is resolved.

(3) The disclosure of privileged or protected information or communications by any party during an adjudication proceeding shall waive the privilege or protection, with respect to other parties to the proceeding, as to undisclosed information or communications only if:

(i) The waiver is intentional;

(ii) The disclosed and undisclosed information or communications concern the same subject matter; and

(iii) They ought in fairness to be considered together.

§ 1081.207 Production of witness statements.

(a) *Availability.* Any respondent may move that the Office of Enforcement produce for inspection and copying any statement of any person called or to be called as a witness by the Office of Enforcement that pertains, or is expected to pertain, to his or her direct testimony and that would be required to be produced pursuant to the Jencks Act, 18 U.S.C. 3500, if the adjudication proceeding were a criminal proceeding. For purposes of this section, the term ''statement'' shall have the meaning set forth in 18 U.S.C. 3500(e). Such production shall be made at a time and place fixed by the hearing officer and shall be made available to any party, provided, however, that the production must be made under conditions intended to preserve the items to be inspected or copied.

(b) *Failure to produce—harmless error.* In the event that a statement required to be made available to a respondent pursuant to this section is not made available by the Office of Enforcement, no rehearing or redecision of a proceeding already heard or decided shall be required unless the respondent establishes that the failure to make the statement available was not harmless error.

§ 1081.208 Subpoenas.

(a) *Availability.* In connection with any hearing ordered by the hearing officer, a party may request the issuance of one or more subpoenas requiring the attendance and testimony of witnesses at the designated time and place of the hearing, or the production of documentary or other tangible evidence returnable at any designated time or place.

(b) *Procedure.* Unless made on the record at a hearing, requests for issuance of a subpoena shall be made in writing, and filed and served on each party pursuant to subpart A of this part. The request must contain a proposed subpoena and a brief statement showing the general relevance and reasonableness of the scope of testimony or documents sought.

(c) *Signing may be delegated.* A hearing officer may authorize issuance of a subpoena, and may delegate the manual signing of the subpoena to any other person.

(d) *Standards for issuance.* The hearing officer shall promptly issue any subpoena requested pursuant to this section. However, where it appears to the hearing officer that the subpoena sought may be unreasonable, oppressive, excessive in scope, or unduly burdensome, he or she may, in his or her discretion, as a condition precedent to the issuance of the subpoena, require the person seeking the subpoena to show further the general relevance and reasonable scope of the testimony or other evidence sought. If after consideration of all the circumstances, the hearing officer determines that the subpoena or any of its terms is unreasonable, oppressive, excessive in scope, or unduly burdensome, he or she may refuse to issue the subpoena, or issue it only upon such conditions as fairness requires. In making the foregoing determination, the hearing officer may inquire of the other participants whether they will stipulate to the facts sought to be proved.

(e) *Service.* Upon issuance by the hearing officer, the party making the request shall serve the subpoena on the person named in the subpoena and on each party in accordance with § 1081.113(c). Subpoenas may be served in any State, territory, possession of the United States, or the District of Columbia, on any person or company doing business in any State, territory, possession of the United States, or the District of Columbia, or as otherwise permitted by law.

(f) *Tender of fees required.* When a subpoena compelling the attendance of a person at a hearing is issued at the request of anyone other than an officer or agency of the United States, service is valid only if the subpoena is accompanied by a tender to the subpoenaed person of the fees for one day's attendance and mileage specified by § 1081.116.

(g) *Production of documentary material.* Production of documentary material in response to a subpoena shall be made under a sworn certificate, in such form as the subpoena designates, by the person to whom the subpoena is directed or, if not a natural person, by any person having knowledge of the facts and circumstances relating to such production, to the effect that all of the documentary material required by the subpoena and in the possession, custody, or control of the person to whom the subpoena is directed has been produced and made available to the custodian.

(h) *Motion to quash or modify.* (1) *Procedure.* Any person to whom a subpoena is directed, or who is an owner, creator, or the subject of the documents that are to be produced pursuant to a subpoena, or any party may, prior to the time specified therein for compliance, but in no event more than seven days after the date of service of such subpoena, move that the subpoena be quashed or modified. Such motion shall be filed and served on all parties pursuant to subpart A of this part. Notwithstanding § 1081.205, the party on whose behalf the subpoena was issued or enforcement counsel may, within seven days of service of the motion, file a response to the motion. Reply briefs are not permitted unless requested by the hearing officer. Filing a motion to modify a subpoena does not stay the movant's obligation to comply with those portions of the subpoena that the person has not sought to modify.

(2) *Standards governing motion to quash or modify.* If compliance with the subpoena would be unreasonable, oppressive, or unduly burdensome, the hearing officer shall quash or modify the subpoena, or may order return of the subpoena only upon specified conditions. These conditions may include but are not limited to a requirement that the party on whose behalf the subpoena was issued shall make reasonable compensation to the person to whom the subpoena was addressed for the cost of copying or transporting evidence to the place for return of the subpoena.

(i) *Enforcing subpoenas.* If a subpoenaed person fails to comply with any subpoena issued pursuant to this section or any order of the hearing officer which directs compliance with all or any portion of a subpoena, the Bureau's General Counsel may, on its own motion or at the request of the party on whose behalf the subpoena was issued, apply to an appropriate United States district court, in the name of the

Bureau but on relation of such party, for an order requiring compliance with so much of the subpoena as the hearing officer has not quashed or modified, unless, in the judgment of the General Counsel, the enforcement of such subpoena would be inconsistent with law and the policies of title X of the Dodd-Frank Act. Failure to request that the Bureau's General Counsel seek enforcement of a subpoena constitutes a waiver of any claim of prejudice predicated upon the unavailability of the testimony or evidence sought.

§ 1081.209 Deposition of witness unavailable for hearing.

(a) *General rules.* (1) If a witness will not be available for the hearing, a party desiring to preserve that witness's testimony for the record may request in accordance with the procedures set forth in this section that the hearing officer issue a subpoena, including a subpoena *duces tecum,* requiring the attendance of the witness at a deposition. The hearing officer may issue a deposition subpoena under this section upon a showing that:

(i) The witness will be unable to attend or may be prevented from attending the hearing because of age, sickness, or infirmity, or will otherwise be unavailable;

(ii) The witness's unavailability was not procured or caused by the subpoenaing party;

(iii) The testimony is reasonably expected to be material; and

(iv) Taking the deposition will not result in any undue burden to any other party and will not cause undue delay of the proceeding.

(2) In addition to making a showing as required by paragraph (a)(1) of this section, the request for a deposition subpoena must contain a proposed deposition subpoena and a brief statement showing the general relevance and reasonableness of the scope of testimony and documents sought, and the time and place for taking the deposition. Any request to record the deposition by audio-visual means must be made in the request for a deposition subpoena.

(3) Any requested deposition subpoena that sets forth a valid basis for its issuance must be promptly issued, unless the hearing officer on his or her own motion requires a written response or requires attendance at a conference concerning whether the requested subpoena should be issued. However, where it appears to the hearing officer that the deposition subpoena sought may be unreasonable, oppressive, excessive in scope, or unduly burdensome, he or she may, in his or her discretion, as a condition precedent to the issuance of the deposition subpoena, require the person seeking the deposition subpoena to show further the general relevance and reasonable scope of the testimony or other evidence sought. If after consideration of all the circumstances, the hearing officer determines that the deposition subpoena or any of its terms is unreasonable, oppressive, excessive in scope, or unduly burdensome, he or she may refuse to issue the deposition subpoena, or issue it only upon such conditions as fairness requires. In making the foregoing determination, the hearing officer may inquire of the other participants whether they will stipulate to the facts sought to be proved.

(4) Unless the hearing officer orders otherwise, no deposition under this section shall be taken on fewer than 14 days' notice to the witness and all parties.

(b) *Procedure.* Unless made on the record at a hearing, requests for issuance of a deposition subpoena shall be made in writing, and filed and served on each party pursuant to subpart A of this part.

(c) *Signing may be delegated.* A hearing officer may authorize issuance of a deposition subpoena, and may delegate the manual signing of the deposition subpoena to any other person.

(d) *Service.* Upon issuance by the hearing officer, the party making the request shall serve the subpoena on the person named in the subpoena and on each party in accordance with § 1081.113(c). Deposition subpoenas may be served in any State, territory, possession of the United States, or the District of Columbia, on any person or company doing business in any State, territory, possession of the United States, or the District of Columbia, or as otherwise permitted by law.

(e) *Tender of fees required.* When a subpoena compelling the attendance of a person at a deposition is issued at the request of anyone other than an officer or agency of the United States, service is valid only if the subpoena is accompanied by a tender to the subpoenaed person of the fees for one day's attendance and mileage specified by § 1081.116.

(f) *Motion to quash or modify.* (1) *Procedure.* Any person to whom a deposition subpoena is directed, or who is an owner, creator, or the subject of the documents that are to be produced pursuant to a deposition subpoena, or any party may, prior to the time specified therein for compliance, but in no event more than ten days after the date of service of such subpoena, move that the deposition subpoena be quashed or modified. Such motion must include a statement of the basis for the motion to quash or modify the deposition subpoena, and shall be filed and served on all parties pursuant to subpart A of this part. Notwithstanding § 1081.205, the party on whose behalf the deposition subpoena was issued or enforcement counsel may, within five days of service of the motion, file a response to the motion. Reply briefs are not permitted unless requested by the hearing officer.

(2) *Standards governing motion to quash or modify.* If compliance with the deposition subpoena would be unreasonable, oppressive or unduly burdensome, or the deposition subpoena does not meet the requirements set forth in paragraph (a)(1) of this section, the hearing officer shall quash or modify the deposition subpoena, or may order return of the deposition subpoena only upon specified conditions. These conditions may include but are not limited to a requirement that the party on whose behalf the deposition subpoena was issued shall make reasonable compensation to the person to whom the deposition subpoena was addressed for the cost of copying or transporting evidence to the place for return of the deposition subpoena.

(g) *Procedure upon deposition.* (1) Depositions shall be taken before any person before whom a deposition may be taken pursuant to the Federal Rules of Civil Procedure (the ''deposition officer'').

(2) The witness being deposed may have an attorney present during the deposition.

(3) Each witness testifying pursuant to a deposition subpoena must be duly sworn, and each party shall have the right to examine the witness. Objections to questions or documents must be in short form, stating the grounds for the objection. Objections to questions of evidence shall be noted by the deposition officer upon the deposition, but a deposition officer other than the hearing officer shall not have the power to decide on the competency, materiality, or relevance of evidence. Failure to object to questions or documents is not deemed a waiver except where the ground for the objection might have been avoided if the objection had been timely presented. All questions, answers, and objections must be recorded.

(4) The deposition must be subscribed by the witness, unless the parties and the witness, by stipulation, have waived the signing, or the witness is ill, cannot be found, or has refused to sign. If the deposition is not subscribed by the

witness, the court reporter taking the deposition shall certify that the transcript is a true and complete transcript of the deposition.

(5) The original deposition transcript and exhibits shall be filed with the Office of Administrative Adjudication. The cost of the transcript shall be paid by the party requesting the deposition. A copy of the deposition shall be available to the deponent and each party for purchase at prescribed rates.

(h) *Enforcing subpoenas.* Any party may move before the hearing officer for an order compelling the witness to answer any questions the witness has refused to answer or submit any evidence the witness has refused to submit during the deposition. If a subpoenaed person fails to comply with any order of the hearing officer which directs compliance with all or any portion of a deposition subpoena under this section, the Bureau's General Counsel may, on its own motion or at the request of the party on whose behalf the subpoena was issued, apply to an appropriate United States district court, in the name of the Bureau but on relation of such party, for an order requiring compliance with so much of the subpoena as the hearing officer has not quashed or modified, unless, in the judgment of the General Counsel, the enforcement of such subpoena would be inconsistent with law and the policies of title X of the Dodd-Frank Act. Failure to request that the Bureau seek enforcement of a subpoena constitutes a waiver of any claim of prejudice predicated upon the unavailability of the testimony or evidence sought.

§ 1081.210 Expert discovery.

(a) At a date set by the hearing officer at the scheduling conference, each party shall serve the other with a report prepared by each of its expert witnesses. Each party shall serve the other parties with a list of any rebuttal expert witnesses and a rebuttal report prepared by each such witness not later than 28 days after the deadline for service of expert reports, unless another date is set by the hearing officer. A rebuttal report shall be limited to rebuttal of matters set forth in the expert report for which it is offered in rebuttal. If material outside the scope of fair rebuttal is presented, a party may file a motion not later than seven days after the deadline for service of rebuttal reports, seeking appropriate relief with the hearing officer, including striking all or part of the report, leave to submit a surrebuttal report by the party's own experts, or leave to call a surrebuttal witness and to submit a surrebuttal report by that witness.

(b) No party may call an expert witness at the hearing unless he or she has been listed and has provided reports as required by this section, unless otherwise directed by the hearing officer at a scheduling conference. Each side will be limited to calling at the hearing five expert witnesses, including any rebuttal or surrebuttal expert witnesses. A party may file a motion seeking leave to call additional expert witnesses due to extraordinary circumstances.

(c) Each report shall be signed by the expert and contain a complete statement of all opinions to be expressed and the basis and reasons therefore; the data, materials, or other information considered by the witness in forming the opinions; any exhibits to be used as a summary of or support for the opinions; the qualifications of the witness, including a list of all publications authored or co-authored by the witness within the preceding ten years; the compensation to be paid for the study and testimony; and a listing of any other cases in which the witness has testified or sought to testify as an expert at trial or hearing, or by deposition within the preceding four years. A rebuttal or surrebuttal report need not include any information already included in the initial report of the witness.

(d) A party may depose any person who has been identified as an expert whose opinions may be presented at trial. Unless otherwise ordered by the hearing officer, a deposition of any expert witness shall be conducted after the disclosure of a report prepared by the witness in accordance with paragraph (a) of this section, and at least seven days prior to the deadline for submission of rebuttal expert reports. A deposition of an expert witness shall be completed no later than 14 days before the hearing unless otherwise ordered by the hearing officer. No expert deposition shall exceed eight hours on the record, absent agreement of the parties or an order of the hearing officer for good cause shown. Expert depositions shall be conducted pursuant to the procedures set forth in § 1081.209(g).

(e) A party may not discover facts known or opinions held by an expert who has been retained or specifically employed by another party in anticipation of litigation or preparation for the hearing and who is not listed as a witness for the hearing. A party may not discover drafts of any report required by this section, regardless of the form in which the draft is recorded, or any communications between another party's attorney and any of that other party's experts, regardless of the form of the communications, except to the extent that the communications:

(1) Relate to compensation for the testifying expert's study or testimony;

(2) Identify facts or data that the other party's attorney provided and that the testifying expert considered in forming the opinions to be expressed; or

(3) Identify assumptions that the other party's attorney provided and that the testifying expert relied on in forming the opinions to be expressed.

(f) The hearing officer shall have the discretion to dispense with the requirement of expert discovery in appropriate cases.

§ 1081.211 Interlocutory review.

(a) *Availability.* The Director may, at any time, direct that any matter be submitted to him or her for review. Subject to paragraph (c) of this section, the hearing officer may, on his or her own motion or on the motion of any party, certify any matter for interlocutory review by the Director. This section is the exclusive remedy for review of a hearing officer's ruling or order prior to the Director's consideration of the entire proceeding.

(b) *Procedure.* Any party's motion for certification of a ruling or order for interlocutory review shall be filed with the hearing officer within seven days of service of the ruling or order, shall specify the ruling or order or parts thereof for which interlocutory review is sought, shall attach any other portions of the record on which the moving party relies, and shall otherwise comply with § 1081.205. Notwithstanding § 1081.205, any response to such a motion must be filed within seven days of service of the motion. The hearing officer shall issue a ruling on the motion within seven days of the deadline for filing a response.

(c) *Certification process.* Unless the Director directs otherwise, a ruling or order may not be submitted to the Director for interlocutory review unless the hearing officer, upon the hearing officer's motion or upon the motion of a party, certifies the ruling or order in writing. The hearing officer shall not certify a ruling or order unless:

(1) The ruling or order would compel testimony of Bureau officers or employees, or those from another governmental agency, or the production of documentary evidence in the custody of the Bureau or another governmental agency;

(2) The ruling or order involves a motion for disqualification of the hearing officer pursuant to § 1081.105(c)(2);

(3) The ruling or order suspended or barred an individual from appearing

before the Bureau pursuant to § 1081.107(c); or

(4) Upon motion by a party, the hearing officer is of the opinion that:

(i) The ruling or order involves a controlling question of law as to which there is substantial ground for difference of opinion; and

(ii) An immediate review of the ruling or order is likely to materially advance the completion of the proceeding or subsequent review will be an inadequate remedy.

(d) *Interlocutory review.* A party whose motion for certification has been denied by the hearing officer may petition the Director for interlocutory review.

(e) *Director review.* The Director shall determine whether or not to review a ruling or order certified under this section or the subject of a petition for interlocutory review. Interlocutory review is disfavored, and the Director will grant a petition to review a hearing officer's ruling or order prior to his or her consideration of a recommended decision only in extraordinary circumstances. The Director may decline to review a ruling or order certified by a hearing officer pursuant to paragraph (c) of this section or the petition of a party who has been denied certification if he or she determines that interlocutory review is not warranted or appropriate under the circumstances, in which case he or she may summarily deny the petition. If the Director determines to grant the review, he or she will review the matter and issue his or her ruling and order in an expeditious fashion, consistent with the Bureau's other responsibilities.

(f) *Proceedings not stayed.* The filing of a motion requesting that the hearing officer certify any of his or her prior rulings or orders for interlocutory review or a petition for interlocutory review filed with the Director, and the grant of any such review, shall not stay proceedings before the hearing officer unless he or she, or the Director, shall so order. The Director will not consider a motion for a stay unless the motion shall have first been made to the hearing officer.

§ 1081.212 Dispositive motions.

(a) *Dispositive motions.* This section governs the filing of motions to dismiss and motions for summary disposition. The filing of any such motion does not obviate a party's obligation to file an answer or take any other action required by this part or by an order of the hearing officer, unless expressly so provided by the hearing officer.

(b) *Motions to dismiss.* A respondent may file a motion to dismiss asserting that, even assuming the truth of the facts alleged in the notice of charges, it is entitled to dismissal as a matter of law.

(c) *Motion for summary disposition.* A party may make a motion for summary disposition asserting that the undisputed pleaded facts, admissions, affidavits, stipulations, documentary evidence, matters as to which official notice may be taken, and any other evidentiary materials properly submitted in connection with a motion for summary disposition show that:

(1) There is no genuine issue as to any material fact; and

(2) The moving party is entitled to a decision in its favor as a matter of law.

(d) *Filing of motions for summary disposition and responses.* (1) After a respondent's answer has been filed and documents have been made available to the respondent for inspection and copying pursuant to § 1081.206, any party may move for summary disposition in its favor of all or any part of the proceeding.

(2) A motion for summary disposition must be accompanied by a statement of the material facts as to which the moving party contends there is no genuine issue. Such motion must be supported by documentary evidence, which may take the form of admissions in pleadings, stipulations, depositions, investigatory depositions, transcripts, affidavits and any other evidentiary materials that the moving party contends support his or her position. The motion must also be accompanied by a brief containing the points and authorities in support of the contention of the moving party. Any party opposing a motion for summary disposition must file a statement setting forth those material facts as to which he or she contends a genuine dispute exists. Such opposition must be supported by evidence of the same type as may be submitted in support of a motion for summary disposition and a brief containing the points and authorities in support of the contention that summary disposition would be inappropriate.

(3) Any affidavit or declaration submitted in support of or in opposition to a motion for summary disposition shall set forth such facts as would be admissible in evidence, shall show affirmatively that the affiant is competent to testify to the matters stated therein, and must be signed under oath and penalty of perjury.

(e) *Page limitations for dispositive motions.* A motion to dismiss or for summary disposition, together with any brief in support of the motion (exclusive of any declarations, affidavits, or attachments) shall not exceed 35 pages in length. Motions for extensions of this length limitation are disfavored.

(f) *Opposition and reply response time and page limitation.* Any party, within 21 days after service of a dispositive motion, or within such time period as allowed by the hearing officer, may file a response to such motion. The length limitations set forth in paragraph (e) of this section shall also apply to such responses. Any reply brief filed in response to an opposition to a dispositive motion shall be filed within seven days after service of the opposition. Reply briefs shall not exceed ten pages.

(g) *Oral argument.* At the request of any party or on his or her own motion, the hearing officer may hear oral argument on a dispositive motion.

(h) *Decision on motion.* Within 30 days following the expiration of the time for filing all responses and replies to any dispositive motion, the hearing officer shall determine whether the motion shall be granted. If the hearing officer determines that dismissal or summary disposition is warranted, he or she shall issue a recommended decision granting the motion. If the hearing officer finds that no party is entitled to dismissal or summary disposition, he or she shall make a ruling denying the motion. If it appears that a party, for good cause shown, cannot present by affidavit, prior to hearing, facts essential to justify opposition to the motion, the hearing officer shall deny or defer the motion.

§ 1081.213 Partial summary disposition.

If on a motion for summary disposition under § 1081.212 a decision is not rendered upon the whole case or for all the relief asked and a hearing is necessary, the hearing officer shall issue an order specifying the facts that appear without substantial controversy and directing further proceedings in the action. The facts so specified shall be deemed established.

§ 1081.214 Prehearing conferences.

(a) *Prehearing conferences.* The hearing officer may, in addition to the scheduling conference, on his or her own motion or at the request of any party, direct counsel for the parties to meet with him or her (in person or by telephone) at a prehearing conference for further discussion of the issues outlined in § 1081.203, or for discussion of any additional matters that in the view of the hearing officer will aid in an orderly disposition of the proceeding, including but not limited to:

(1) Identification of potential witnesses and limitation on the number of witnesses;

(2) The exchange of any prehearing materials including witness lists, statements of issues, exhibits, and any other materials;

(3) Stipulations, admissions of fact, and the contents, authenticity, and admissibility into evidence of documents;

(4) Matters of which official notice may be taken; and

(5) Whether the parties intend to introduce prior sworn statements of witnesses as set forth in § 1081.303(h).

(b) *Transcript.* The hearing officer, in his or her discretion, may require that a prehearing conference be recorded by a court reporter. A transcript of the conference and any materials filed, including orders, becomes part of the record of the proceeding. A party may obtain a copy of the transcript at his or her expense.

(c) *Public access.* Any prehearing conferences shall be public unless the hearing officer determines, based on the standard set forth in § 1081.119(c), that the conference (or any part thereof) shall be closed to the public.

§ 1081.215 Prehearing submissions.

(a) *Generally.* Within the time set by the hearing officer, but in no case later than 14 days before the start of the hearing, each party shall serve on every other party:

(1) A prehearing statement, which shall include an outline or narrative summary of its case or defense, and the legal theories upon which it will rely;

(2) A final list of witnesses to be called to testify at the hearing, including the name and address of each witness and a short summary of the expected testimony of each witness;

(3) Any prior sworn statements that a party intends to admit into evidence pursuant to § 1081.303(h);

(4) A list of the exhibits to be introduced at the hearing along with a copy of each exhibit; and

(5) Any stipulations of fact or liability.

(b) *Expert witnesses.* Each party who intends to call an expert witness shall also serve, in addition to the information required by paragraph (a)(2) of this section, a statement of the expert's qualifications, a listing of other proceedings in which the expert has given or sought to give expert testimony at trial or hearing or by deposition within the preceding four years, and a list of publications authored or co-authored by the expert within the preceding ten years, to the extent such information has not already been provided pursuant to § 1081.210.

(c) *Effect of failure to comply.* No witness may testify and no exhibits may be introduced at the hearing if such witness or exhibit is not listed in the prehearing submissions pursuant to paragraph (a) of this section, except for good cause shown.

§ 1081.216 Amicus participation.

(a) *Availability.* An amicus brief may be filed only if:

(1) A motion for leave to file the brief has been granted;

(2) The brief is accompanied by written consent of all parties;

(3) The brief is filed at the request of the Director or the hearing officer, as appropriate; or

(4) The brief is presented by the United States or an officer or agency thereof, or by a State or a political subdivision thereof.

(b) *Procedure.* An amicus brief may be filed conditionally with the motion for leave. The motion for leave shall identify the interest of the movant and shall state the reasons why a brief of an amicus curiae is desirable. Except as all parties otherwise consent, any amicus curiae shall file its brief within the time allowed the party whose position the amicus will support, unless the Director or hearing officer, as appropriate, for good cause shown, grants leave for a later filing. In the event that a later filing is allowed, the order granting leave to file shall specify when an opposing party may reply to the brief.

(c) *Motions.* A motion for leave to file an amicus brief shall be subject to § 1081.205.

(d) *Formal requirements as to amicus briefs.* Amicus briefs shall be filed pursuant to § 1081.111 and shall comply with the requirements of § 1081.112 and shall be subject to the length limitation set forth in § 1081.212(e).

(e) *Oral argument.* An amicus curiae may move to present oral argument at any hearing before the hearing officer, but such motions will be granted only for extraordinary reasons.

Subpart C—Hearings

§ 1081.300 Public hearings.

All hearings in adjudication proceedings shall be public unless a confidentiality order is entered by the hearing officer pursuant to § 1081.119 or unless otherwise ordered by the Director on the grounds that holding an open hearing would be contrary to the public interest.

§ 1081.301 Failure to appear.

Failure of a respondent to appear in person or by a duly authorized counsel at the hearing constitutes a waiver of respondent's right to a hearing and may be deemed an admission of the facts as alleged and consent to the relief sought in the notice of charges. Without further proceedings or notice to the respondent, the hearing officer shall file a recommended decision containing findings of fact and addressing the relief sought in the notice of charges.

§ 1081.302 Conduct of hearings.

All hearings shall be conducted in a fair, impartial, expeditious, and orderly manner. Enforcement counsel shall present its case-in-chief first, unless otherwise ordered by the hearing officer, or unless otherwise expressly specified by law or regulation. Enforcement counsel shall be the first party to present an opening statement and a closing statement, and may make a rebuttal statement after the respondent's closing statement. If there are multiple respondents, respondents may agree among themselves as to their order of presentation of their cases, but if they do not agree, the hearing officer shall fix the order.

§ 1081.303 Evidence.

(a) *Burden of proof.* Enforcement counsel shall have the burden of proof of the ultimate issue(s) of the Bureau's claims at the hearing.

(b) *Admissibility.* (1) Except as is otherwise set forth in this section, relevant, material, and reliable evidence that is not unduly repetitive is admissible to the fullest extent authorized by the Administrative Procedure Act and other applicable law. Irrelevant, immaterial, and unreliable evidence shall be excluded.

(2) Evidence, even if relevant, may be excluded if its probative value is substantially outweighed by the danger of unfair prejudice or confusion of the issues; if the evidence would be misleading; or based on considerations of undue delay, waste of time, or needless presentation of cumulative evidence.

(3) Evidence that constitutes hearsay may be admitted if it is relevant, material, and bears satisfactory indicia of reliability so that its use is fair. Hearsay is a statement, other than one made by the declarant while testifying at the hearing, offered in evidence to prove the truth of the matter asserted. If otherwise meeting the standards for admissibility described in this section, transcripts of depositions, investigational hearings, prior testimony in Bureau or other proceedings, and any other form of hearsay shall be admissible and shall not be excluded solely on the ground that they are or contain hearsay.

(4) Evidence that would be admissible under the Federal Rules of Evidence is admissible in a proceeding conducted

pursuant to this part. Evidence that would be inadmissible under the Federal Rules of Evidence may not be deemed or ruled to be inadmissible in a proceeding conducted pursuant to this part solely on that basis.

(c) *Official notice.* Official notice may be taken of any material fact that is not subject to reasonable dispute in that it is either generally known or capable of accurate and ready determination by resort to sources whose accuracy cannot reasonably be questioned. If official notice is requested or is taken of a material fact not appearing in the evidence in the record, the parties, upon timely request, shall be afforded an opportunity to disprove such noticed fact.

(d) *Documents.* (1) A duplicate copy of a document is admissible to the same extent as the original, unless a genuine issue is raised as to whether the copy is in some material respect not a true and legible copy of the original.

(2) Subject to the requirements of paragraph (b) of this section, any document, including a report of examination, supervisory activity, inspection or visitation, prepared by the Bureau, a prudential regulator, as that term is defined in section 1002(24) of the Dodd-Frank Act, or by a State regulatory agency, is presumptively admissible either with or without a sponsoring witness.

(3) Witnesses may use existing or newly created charts, exhibits, calendars, calculations, outlines, or other graphic material to summarize, illustrate, or simplify the presentation of testimony. Such materials may, subject to the hearing officer's discretion, be used with or without being admitted into evidence.

(4) As respondents are in the best position to determine the nature of documents generated by such respondents and which come from their own files, the burden of proof is on the respondent to introduce evidence to rebut a presumption that such documents are authentic and kept in the regular course of business.

(e) *Objections.* (1) Objections to the admissibility of evidence must be timely made and rulings on all objections must appear on the record.

(2) Whenever evidence is excluded from the record, the party offering such evidence may make an offer of proof, which shall be included in the record. Rejected exhibits, adequately marked for identification, shall be retained pursuant to § 1081.306(b) so as to be available for consideration by any reviewing authority.

(3) Failure to object to admission of evidence or to any ruling constitutes a waiver of the objection.

(f) *Stipulations.* (1) The parties may, at any stage of the proceeding, stipulate as to any relevant matters of fact or the authentication of any relevant documents. Such stipulations must be received in evidence at a hearing and are binding on the parties with respect to the matters therein stipulated.

(2) Unless the hearing officer directs otherwise, all stipulations of fact and law previously agreed upon by the parties, and all documents, the admissibility of which have been previously stipulated, will be admitted into evidence upon commencement of the hearing.

(g) *Presentation of evidence.* (1) A witness at a hearing for the purpose of taking evidence shall testify under oath or affirmation.

(2) A party is entitled to present its case or defense by sworn oral testimony and documentary evidence, to submit rebuttal evidence, and to conduct such cross-examination as, in the discretion of the hearing officer, may be required for a full and true disclosure of the facts.

(3) An adverse party, or an officer, agent, or employee thereof, and any witness who appears to be hostile, unwilling, or evasive, may be interrogated by leading questions and may also be contradicted and impeached by the party calling him or her.

(4) The hearing officer shall exercise reasonable control over the mode and order of interrogating witnesses and presenting evidence so as to:

(i) Make the interrogation and presentation effective for the ascertainment of the truth;

(ii) Avoid needless consumption of time; and

(iii) Protect witnesses from harassment or undue embarrassment.

(5) The hearing officer may permit a witness to appear at a hearing via video conference or telephone for good cause shown.

(h) *Introducing prior sworn statements of witnesses into the record.* At a hearing, any party wishing to introduce a prior, sworn statement of a witness, not a party, otherwise admissible in the proceeding, may make a motion setting forth the reasons therefore. If only part of a statement is offered in evidence, the hearing officer may require that all relevant portions of the statement be introduced. If all of a statement is offered in evidence, the hearing officer may require that portions not relevant to the proceeding be excluded. A motion to introduce a prior sworn statement may be granted if:

(1) The witness is dead;

(2) The witness is out of the United States, unless it appears that the absence of the witness was procured by the party offering the prior sworn statement;

(3) The witness is unable to attend or testify because of age, sickness, infirmity, imprisonment, or other disability;

(4) The party offering the prior sworn statement has been unable to procure the attendance of the witness by subpoena; or

(5) In the discretion of the hearing officer, it would be desirable, in the interests of justice, to allow the prior sworn statement to be used. In making this determination, due regard shall be given to the presumption that witnesses will testify orally in an open hearing. If the parties have stipulated to accept a prior sworn statement in lieu of live testimony, consideration shall also be given to the convenience of the parties in avoiding unnecessary expense.

§ 1081.304 Record of the hearing.

(a) *Reporting and transcription.* Hearings shall be stenographically reported and transcribed under the supervision of the hearing officer, and the original transcript shall be a part of the record and the sole official transcript. The live oral testimony of each witness may be video recorded digitally, in which case the video recording and the written transcript of the testimony shall be made part of the record. Copies of transcripts shall be available from the reporter at prescribed rates.

(b) *Corrections.* Corrections of the official transcript may be made only when they involve errors affecting substance and then only in the manner herein provided. Corrections ordered by the hearing officer or agreed to in a written stipulation signed by all counsel and parties not represented by counsel, and approved by the hearing officer, shall be included in the record, and such stipulations, except to the extent they are capricious or without substance, shall be approved by the hearing officer. Corrections shall not be ordered by the hearing officer except upon notice and opportunity for the hearing of objections. Such corrections shall be made by the official reporter by furnishing substitute type pages, under the usual certificate of the reporter, for insertion in the official record. The original uncorrected pages shall be retained in the files of the Bureau.

(c) *Closing of the hearing record.* Upon completion of the hearing, the hearing officer shall issue an order closing the hearing record after giving the parties seven days to determine if

the record is complete or needs to be supplemented. The hearing officer shall retain the discretion to permit or order correction of the record as provided in paragraph (b) of this section.

§ 1081.305 Post-hearing filings.

(a) *Proposed findings and conclusions and supporting briefs.* (1) Using the same method of service for each party, the hearing officer shall serve notice upon each party that the certified transcript, together with all hearing exhibits and exhibits introduced but not admitted into evidence at the hearing, has been filed promptly after that filing. Any party may file with the hearing officer proposed findings of fact, proposed conclusions of law, and a proposed order within 28 days following service of this notice by the hearing officer or within such longer period as may be ordered by the hearing officer.

(2) Proposed findings and conclusions must be supported by citation to any relevant authorities and by page references to any relevant portions of the record. A post-hearing brief may be filed in support of proposed findings and conclusions, either as part of the same document or in a separate document.

(b) *Responsive briefs.* Responsive briefs may be filed within 14 days after the date on which the parties' proposed findings, conclusions, and order are due. Responsive briefs must be strictly limited to responding to matters, issues, or arguments raised in another party's papers. A party who has not filed proposed findings of fact and conclusions of law or a post-hearing brief may not file a responsive brief. Unless directed by the hearing officer, reply briefs are not permitted.

(c) *Order of filing.* The hearing officer shall not order the filing by any party of any post-hearing brief or responsive brief in advance of the other party's filing of its post-hearing brief or responsive brief.

§ 1081.306 Record in proceedings before hearing officer; retention of documents; copies.

(a) *Contents of the record.* The record of the proceeding shall consist of:

(1) The notice of charges, the answer, and any amendments thereto;

(2) Each motion, submission, or other paper filed in the proceedings, and any amendments and exceptions to or regarding them;

(3) Each stipulation, transcript of testimony, and any document or other item admitted into evidence;

(4) Any transcript of a conference or hearing before the hearing officer;

(5) Any amicus briefs filed pursuant to § 1081.216;

(6) With respect to a request to disqualify a hearing officer or to allow the hearing officer's withdrawal under § 1081.105(c), each affidavit or transcript of testimony taken and the decision made in connection with the request;

(7) All motions, briefs, and other papers filed on interlocutory appeal;

(8) All proposed findings and conclusions;

(9) Each written order issued by the hearing officer or Director; and

(10) Any other document or item accepted into the record by the hearing officer.

(b) *Retention of documents not admitted.* Any document offered into evidence but excluded shall not be considered part of the record. The Office of Administrative Adjudication shall retain any such document until the later of the date upon which an order by the Director ending the proceeding becomes final and not appealable, or upon the conclusion of any judicial review of the Director's order.

(c) *Substitution of copies.* A true copy of a document may be substituted for any document in the record or any document retained pursuant to paragraph (b) of this section.

Subpart D—Decision and Appeals

§ 1081.400 Recommended decision of the hearing officer.

(a) *Time period for filing recommended decision.* Subject to paragraph (b) of this section, the hearing officer shall file a recommended decision no later than 90 days after the deadline for filing post-hearing responsive briefs pursuant to § 1081.305(b) and in no event later than 360 days after filing of the notice of charges.

(b) *Extension of deadlines.* In the event the hearing officer presiding over the proceeding determines that it will not be possible to issue the recommended decision within the time periods specified in paragraph (a) of this section, the hearing officer shall submit a written request to the Director for an extension of the time period for filing the recommended decision. This request must be filed no later than 28 days prior to the expiration of the time for issuance of a recommended decision. The request will be served on all parties in the proceeding, who may file with the Director briefs in support of or in opposition to the request. Any such briefs must be filed within seven days of service of the hearing officer's request and shall not exceed five pages. If the Director determines that additional time is necessary or appropriate in the public interest, the Director shall issue an order extending the time period for filing the recommended decision.

(c) *Content.* (1) A recommended decision shall be based on a consideration of the whole record relevant to the issues decided, and shall be supported by reliable, probative, and substantial evidence. The recommended decision shall include a statement of findings of fact (with specific page references to principal supporting items of evidence in the record) and conclusions of law, as well as the reasons or basis therefore, as to all the material issues of fact, law, or discretion presented on the record and the appropriate order, sanction, relief or denial thereof. The recommended decision shall also state that a notice of appeal may be filed within 14 days after service of the recommended decision and include a statement that, unless a party timely files and perfects a notice of appeal of the recommended decision, the Director may adopt the recommended decision as the final decision and order of the Bureau without further opportunity for briefing or argument.

(2) Consistent with paragraph (a) of this section, when more than one claim for relief is presented in an adjudication proceeding, or when multiple parties are involved, the hearing officer may direct the entry of a recommended decision as to one or more but fewer than all of the claims or parties only upon an express determination that there is no just reason for delay and upon an express direction for the entry of a recommended decision.

(d) *By whom made.* The recommended decision shall be made and filed by the hearing officer who presided over the hearings, except when he or she shall have become unavailable to the Bureau.

(e) *Reopening of proceeding by hearing officer; termination of jurisdiction.* (1) At any time from the close of the hearing record pursuant to § 1081.304(c) until the filing of his or her recommended decision, a hearing officer may reopen the proceeding for the receipt of further evidence for good cause shown.

(2) Except for the correction of clerical errors or pursuant to an order of remand from the Director, the jurisdiction of the hearing officer is terminated upon the filing of his or her recommended decision with respect to those issues decided pursuant to paragraph (c) of this section.

(f) *Filing, service, and publication.* Upon filing by the hearing officer of the

recommended decision, the Office of Administrative Adjudication shall promptly transmit the recommended decision to the Director and serve the recommended decision upon the parties.

§ 1081.401 Transmission of documents to Director; record index; certification.

(a) *Filing of index.* At the same time the Office of Administrative Adjudication transmits the recommended decision to the Director, the hearing officer shall furnish to the Director a certified index of the entire record of the proceedings. The certified index shall include, at a minimum, an entry for each paper, document or motion filed in the proceeding, the date of the filing, and the identity of the filer. The certified index shall also include an exhibit index containing, at a minimum, an entry consisting of exhibit number and title or description for each exhibit introduced and admitted into evidence and each exhibit introduced but not admitted into evidence.

(b) *Retention of record items by the Office of Administrative Adjudication.* After the close of the hearing, the Office of Administrative Adjudication shall retain originals of any motions, exhibits or any other documents filed with, or accepted into evidence by, the hearing officer, or any other portions of the record that have not already been filed with the Office of Administrative Adjudication.

§ 1081.402 Notice of appeal; review by the Director.

(a) *Notice of appeal.* (1) *Filing.* Any party may file exceptions to the recommended decision of the hearing officer by filing a notice of appeal with the Office of Administrative Adjudication within 14 days after service of the recommended decision. The notice shall specify the party or parties against whom the appeal is taken and shall designate the recommended decision or part thereof appealed from. If a timely notice of appeal is filed by a party, any other party may thereafter file a notice of appeal within seven days after service of the first notice, or within 14 days after service of the recommended decision, whichever period expires last.

(2) *Perfecting a notice of appeal.* Any party filing a notice of appeal must perfect its appeal by filing its opening appeal brief within 28 days of service of the recommended decision. Any party may respond to the opening appeal brief by filing an answering brief within 28 days of service of the opening brief. Any party may file a reply to an answering brief within seven days of service of the answering brief. These briefs must conform to the requirements of § 1081.403.

(b) *Director review other than pursuant to an appeal.* In the event no party perfects an appeal of the recommended decision, the Director shall, within 42 days after the date of service of the recommended decision, either issue a final decision and order adopting the recommended decision, or order further briefing regarding any portion of the recommended decision. The Director's order for further briefing shall set forth the scope of review and the issues that will be considered and will make provision for the filing of briefs in accordance with the timelines set forth in paragraph (a)(2) of this section (except that that opening briefs shall be due within 28 days of service of the order of review) if deemed appropriate by the Director.

(c) *Exhaustion of administrative remedies.* Pursuant to 5 U.S.C. 704, a perfected appeal to the Director of a recommended decision pursuant to paragraph (a) of this section is a prerequisite to the seeking of judicial review of a final decision and order, or portion of the final decision and order, adopting the recommended decision.

§ 1081.403 Briefs filed with the Director.

(a) *Contents of briefs.* Briefs shall be confined to the particular matters at issue. Each exception to the findings or conclusions being reviewed shall be stated succinctly. Exceptions shall be supported by citation to the relevant portions of the record, including references to the specific pages relied upon, and by concise argument including citation of such statutes, decisions, and other authorities as may be relevant. If the exception relates to the admission or exclusion of evidence, the substance of the evidence admitted or excluded shall be set forth in the brief, in an appendix thereto, or by citation to the record. Reply briefs shall be confined to matters in answering briefs of other parties.

(b) *Length limitation.* Except with leave of the Director, opening and answering briefs shall not exceed 30 pages, and reply briefs shall not exceed 15 pages, exclusive of pages containing the table of contents, table of authorities, and any addendum that consists solely of copies of applicable cases, pertinent legislative provisions or rules, and exhibits. Motions to file briefs in excess of these limitations are disfavored.

§ 1081.404 Oral argument before the Director.

(a) *Availability.* The Director will consider appeals, motions, and other matters properly before him or her on the basis of the papers filed by the parties without oral argument unless the Director determines that the presentation of facts and legal arguments in the briefs and record and decisional process would be significantly aided by oral argument, in which case the Director shall issue an order setting the date on which argument shall be held. A party seeking oral argument shall so indicate on the first page of its opening or answering brief.

(b) *Public arguments; transcription.* All oral arguments shall be public unless otherwise ordered by the Director. Oral arguments before the Director shall be reported stenographically, unless otherwise ordered by the Director. Motions to correct the transcript of oral argument shall be made according to the same procedure provided in § 1081.304(b).

§ 1081.405 Decision of the Director.

(a) Upon appeal from or upon further review of a recommended decision, the Director will consider such parts of the record as are cited or as may be necessary to resolve the issues presented and, in addition, will, to the extent necessary or desirable, exercise all powers which he or she could have exercised if he or she had made the recommended decision. In proceedings before the Director, the record shall consist of all items part of the record below in accordance with § 1081.306; any notices of appeal or order directing review; all briefs, motions, submissions, and other papers filed on appeal or review; and the transcript of any oral argument held. Review by the Director of a recommended decision may be limited to the issues specified in the notice(s) of appeal or the issues, if any, specified in the order directing further briefing. On notice to all parties, however, the Director may, at any time prior to issuance of his or her decision, raise and determine any other matters that he or she deems material, with opportunity for oral or written argument thereon by the parties.

(b) Decisional employees may advise and assist the Director in the consideration and disposition of the case.

(c) In rendering his or her decision, the Director will affirm, adopt, reverse, modify, set aside, or remand for further proceedings the recommended decision and will include in the decision a statement of the reasons or basis for his

or her actions and the findings of fact upon which the decision is predicated.

(d) At the expiration of the time permitted for the filing of reply briefs with the Director, the Office of Administrative Adjudication will notify the parties that the case has been submitted for final Bureau decision. The Director will issue and the Office of Administrative Adjudication will serve the Director's final decision and order within 90 days after such notice, unless within that time the Director orders that the adjudication proceeding or any aspect thereof be remanded to the hearing officer for further proceedings.

(e) Copies of the final decision and order of the Director shall be served upon each party to the proceeding, upon other persons required by statute, and, if directed by the Director or required by statute, upon any appropriate State or Federal supervisory authority. The final decision and order will also be published on the Bureau's website or as otherwise deemed appropriate by the Bureau.

§ 1081.406 Reconsideration.

Within 14 days after service of the Director's final decision and order, any party may file with the Director a petition for reconsideration, briefly and specifically setting forth the relief desired and the grounds in support thereof. Any petition filed under this section must be confined to new questions raised by the final decision or final order and upon which the petitioner had no opportunity to argue, in writing or orally, before the Director. No response to a petition for reconsideration shall be filed unless requested by the Director, who will request such response before granting any petition for reconsideration. The filing of a petition for reconsideration shall not operate to stay the effective date of the final decision or order or to toll the running of any statutory period affecting such decision or order unless specifically so ordered by the Director.

§ 1081.407 Effective date; stays pending judicial review.

(a) Other than consent orders, which shall become effective at the time specified therein, an order to cease and desist or for other affirmative action under section 1053(b) of the Dodd-Frank Act becomes effective at the expiration of 30 days after the date of service pursuant to § 1081.113(d)(2), unless the Director agrees to stay the effectiveness of the order pursuant to this section.

(b) Any party subject to a final decision and order, other than a consent order, may apply to the Director for a stay of all or part of that order pending judicial review.

(c) A motion for stay shall state the reasons a stay is warranted and the facts relied upon, and shall include supporting affidavits or other sworn statements, and a copy of the relevant portions of the record. The motion shall address the likelihood of the movant's success on appeal, whether the movant will suffer irreparable harm if a stay is not granted, the degree of injury to other parties if a stay is granted, and why the stay is in the public interest.

(d) A motion for stay shall be filed within 28 days of service of the order on the party. Any party opposing the motion may file a response within seven days after receipt of the motion. The movant may file a reply brief, limited to new matters raised by the response, within seven days after receipt of the response.

(e) The commencement of proceedings for judicial review of a final decision and order of the Director does not, unless specifically ordered by the Director or a reviewing court, operate as a stay of any order issued by the Director. The Director may, in his or her discretion, and on such terms as he or she finds just, stay the effectiveness of all or any part of an order pending a final decision on a petition for judicial review of that order.

Subpart E—Temporary Cease-and-Desist Proceedings

§ 1081.500 Scope.

(a) This subpart prescribes the rules of practice and procedure applicable to the issuance of a temporary cease-and-desist order authorized by section 1053(c) of the Dodd-Frank Act (12 U.S.C. 5563(c)).

(b) The issuance of a temporary cease-and-desist order does not stay or otherwise affect the proceedings instituted by the issuance of a notice of charges, which are governed by subparts A through D of this part.

§ 1081.501 Basis for issuance, form, and service.

(a) *In general.* The Director or his or her designee may issue a temporary cease-and-desist order if he or she determines that one or more of the alleged violations specified in a notice of charges, or the continuation thereof, is likely to cause the respondent to be insolvent or otherwise prejudice the interests of consumers before the completion of the adjudication proceeding. A temporary cease-and-desist order may require the respondent to cease and desist from any violation or practice specified in the notice of charges and to take affirmative action to prevent or remedy such insolvency or other condition pending completion of the proceedings initiated by the issuance of a notice of charges.

(b) *Incomplete or inaccurate records.* When a notice of charges specifies, on the basis of particular facts and circumstances, that the books and records of a respondent are so incomplete or inaccurate that the Bureau is unable to determine the financial condition of the respondent or the details or purpose of any transaction or transactions that may have a material effect on the financial condition of the respondent, then the Director or his or her designee may issue a temporary order requiring:

(1) The cessation of any activity or practice which gave rise, whether in whole or in part, to the incomplete or inaccurate state of the books or records; or

(2) Affirmative action to restore such books or records to a complete and accurate state, until the completion of the adjudication proceeding.

(c) *Content, scope, and form of order.* Every temporary cease-and-desist order accompanying a notice of charges shall describe:

(1) The basis for its issuance, including the alleged violations and the harm that is likely to result without the issuance of an order; and

(2) The act or acts the respondent is to take or refrain from taking.

(d) *Effective and enforceable upon service.* A temporary cease-and-desist order is effective and enforceable upon service.

(e) *Service.* Service of a temporary cease-and-desist order shall be made pursuant to § 1081.113(d).

§ 1081.502 Judicial review, duration.

(a) *Availability of judicial review.* Judicial review of a temporary cease-and-desist order shall be available solely as provided in section 1053(c)(2) of the Dodd-Frank Act (12 U.S.C. 5563(c)(2)). Any respondent seeking judicial review of a temporary cease-and-desist order issued under this subpart must, not later than ten days after service of the temporary cease-and-desist order, apply to the United States district court for the judicial district in which the residence or principal office or place of business of the respondent is located, or the United States District Court for the District of Columbia, for an injunction setting aside, limiting, or suspending the enforcement, operation, or effectiveness of such order.

(b) *Duration.* Unless set aside, limited, or suspended by the Director or his or her designee, or by a court in proceedings authorized under section

1053(c)(2) of the Dodd-Frank Act (12 U.S.C. 5563(c)(2)), a temporary cease-and-desist order shall remain effective and enforceable until:

(1) The effective date of a final order issued upon the conclusion of the adjudication proceeding.

(2) With respect to a temporary cease-and-desist order issued pursuant to § 1081.501(b) only, the Bureau determines by examination or otherwise that the books and records are accurate and reflect the financial condition of the respondent, and the Director or his or her designee issues an order terminating, limiting, or suspending the temporary cease-and-desist order.

Russell Vought,

Acting Director, Consumer Financial Protection Bureau.

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CONSUMER FINANCIAL PROTECTION BUREAU

12 CFR Part 1092

[Docket No. CFPB–2025–0011]

RIN 3170–AB32

Registry of Nonbank Covered Persons Subject to Certain Agency and Court Orders; Rescission

AGENCY: Consumer Financial Protection Bureau.

ACTION: Final rule.

SUMMARY: The Consumer Financial Protection Bureau (Bureau or CFPB) is issuing a final rule to rescind its rule requiring certain types of nonbank covered persons subject to certain final public orders obtained or issued by a government agency in connection with the offering or provision of a consumer financial product or service to report the existence of the orders and related information to a Bureau registry.

DATES: This rule is effective on October 29, 2025.

FOR FURTHER INFORMATION CONTACT: Dave Gettler, Paralegal, Office of Regulations, at 202–435–7700. If you require this document in an alternative electronic format, please contact *CFPB_Accessibility@cfpb.gov.*

SUPPLEMENTARY INFORMATION:

I. Summary of the Final Rule

Pursuant to its authority under sections 1022(b), 1022(c)(1)–(4), and 1024(b) of the Consumer Financial Protection Act of 2010, 12 U.S.C. 5512 and 5514 (CFPA), the Bureau is adopting this final rule to rescind its rule adopted on July 8, 2024, via 89 FR 56028, Registry of Nonbank Covered Persons Subject to Certain Agency and Court Orders, and codified in 12 CFR part 1092 (the ''NBR Rule''). The NBR Rule requires certain types of nonbank covered persons subject to certain final public orders obtained or issued by a government agency in connection with the offering or provision of a consumer financial product or service to report the existence of those orders and related information to a Bureau registry.

The Bureau is finalizing the rescission of the NBR Rule based on concerns that the costs the rule imposes on regulated entities, which may be passed on to consumers, are not justified by the speculative and unquantified benefits to consumers discussed in the analysis proffered in the NBR Rule. In addition, the Bureau is finalizing this rescission based in part on the cost to the Bureau of maintaining the registration system created by the NBR Rule, which the Bureau believes is not a necessary tool to effectively monitor and reduce potential risks to consumers.

II. Background

A. The NBR Rule

The Bureau published the NBR Rule in the **Federal Register** on July 8, 2024, and it took effect on September 16, 2024. The Bureau stated that it was issuing the NBR Rule, as described below, because it believed the statutory purposes of the Bureau's market monitoring and nonbank supervision responsibilities would be furthered by the collection and publication of information about the existence of covered orders at covered nonbanks, and in the case of supervised registered entities, steps taken to comply with those covered orders. Specifically, it believed that the Bureau's establishment of a centralized system for collecting and publishing information about covered orders against covered nonbanks would lead to more efficient and effective monitoring, detection, assessment, public awareness, and mitigation of the risks posed to consumers by violations of Federal consumer financial law, including repeat violations. The NBR Rule generally found that such outcomes, if achieved, would be beneficial to consumers.

Underlying the purported utility of the NBR Rule was the Bureau's repeated assertion that the registry established by the rule would help to address risks to consumers related to corporate recidivism engaged in by covered nonbanks. For example, the Bureau stated that the NBR Rule would ''focus on monitoring for risks to consumers related to repeat offenders of consumer protection law'' and that a public registry ''will help the Bureau and the broader public monitor trends concerning corporate recidivism relating to consumer protection law, including areas where prior violations of law are indicia of risks to consumers.'' [1] In addition, the Bureau stated that the registry ''will provide a valuable mechanism to help ensure the Bureau is rapidly made aware of . . . repeat offenders across a range of markets and enforcement agencies.'' [2] According to the Bureau's analysis, ''repeat law violator status . . . is a highly pertinent characteristic'' of nonbank covered persons,[3] to the extent that the Bureau intended to ''mitigate recidivism and more effectively deter unlawful behavior'' by creating a public registry.[4] Thus, while maintaining that ''the registry will accomplish a number of goals,'' the Bureau emphasized that it would have ''a particular focus on monitoring for risks to consumers related to repeat offenders of consumer protection law.'' [5]

The NBR Rule imposes information collection requirements on most nonbank covered persons to the extent they are subject to certain public agency and court orders, including orders under numerous different provisions in Federal and State law (''covered orders'').[6] Specifically, the NBR Rule contains three sets of provisions: (1) a covered order registration requirement for virtually all nonbanks engaged in the offering or providing of any consumer financial product or service (''covered nonbanks''); [7] (2) an annual covered

[1] 89 FR 56028 at 56029–30.

[2] *Id.* at 56035; *see also id.* at 56031 (stating the Bureau's belief that monitoring for covered orders ''will allow the Bureau to track specific instances of, and more general developments regarding, potential corporate recidivism'').

[3] *Id.* at 56036.

[4] *Id.* at 56042.

[5] *Id.* at 56062.

[6] In § 1092.201(e), the NBR Rule defines a ''covered order'' as an order that, among other things, has an effective date on or after January 1, 2017, and imposes certain obligations on the covered nonbank based on an alleged violation of a covered law. In § 1092.201(c), the regulation defines ''covered law'' as including Federal consumer financial law as well as a number of other laws enforced by the Bureau, the prohibition against unfair or deceptive acts or practices in section 5 of the Federal Trade Commission Act and its implementing rules enforced by other Federal agencies, and certain State laws as described in § 1092.202(c)(4)–(6), including several hundred of which are specified in appendix A to part 1092.

[7] In § 1092.201(d), the NBR Rule defines ''covered nonbank'' as including most types of nonbanks, with specified exceptions for insured depository institutions, insured credit unions, a person who is a covered person solely due to being a related person, a State, a natural person, certain motor

order compliance reporting requirement for Bureau-supervised registered entities; and (3) provisions authorizing the Bureau to publish certain information collected pursuant to the registration requirement.[8] Below, this final rule provides general background on key aspects of each of these sets of provisions.[9]

First, the NBR Rule generally requires registration by covered nonbanks that are subject to covered orders that are in effect as of September 16, 2024, or that take effect on that date or at any later time. The NBR Rule requires these covered nonbanks to register with the Bureau and to submit certain information about each covered order to the Bureau.[10] Under § 1092.202(b), each covered nonbank must submit identifying information and administrative information as described in § 1092.202(c),[11] as well as information regarding each covered order described in § 1092.202(d) as follows:

(1) A fully executed, accurate, and complete copy of the covered order, in a format specified by the Bureau; provided that any portions of a covered order that are not public shall not be submitted, and these portions shall be clearly marked on the copy submitted;

(2) In connection with each applicable covered order, information identifying:

(i) The agency(ies) and court(s) that issued or obtained the covered order, as applicable;

(ii) The effective date of the covered order;

(iii) The date of expiration, if any, of the covered order, or a statement that there is none;

(iv) All covered laws found to have been violated or, for orders issued upon the parties' consent, alleged to have been violated; and

(v) Any docket, case, tracking, or other similar identifying number(s) assigned to the covered order by the applicable agency(ies) or court(s).[12]

The NBR Rule also requires registrants to submit certain updated information to the Bureau regarding the status of the covered order on an ongoing basis.[13]

Alternatively, for covered orders that are not obtained or issued by the Bureau and that are published on the NMLS Consumer Access website at *www.NMLS.ConsumerAccess.org,*[14] the covered nonbank may satisfy the registration requirement by submitting more limited information for the purposes of identifying the covered nonbank and the NMLS-published covered order as described in § 1092.203(b) and as specified in filing instructions provided by the Bureau.[15] Under this alternative, there is no requirement to provide updates on an ongoing basis.

In addition to the information collection requirements for registration of a covered nonbank described above, the NBR Rule includes certain related provisions and additional information requirements, such as a requirement to provide corrected information.[16]

Second, in § 1092.204, the NBR Rule imposes certain additional annual reporting requirements for covered nonbanks that are Bureau-supervised registered entities, as defined in § 1092.201(q) (excluding, among others, entities with less than $5 million in annual receipts from offering or providing consumer financial products or services). These annual reporting requirements apply to covered orders that are not registered as NMLS-published covered orders and that have an effective date on or after applicable nonbank registry implementation dates under § 1092.206.[17] As elaborated in § 1092.204, among other things, the NBR Rule requires the supervised registered entity to designate an attesting executive for the covered order (§ 1092.204(b)), to provide the attesting executive with access to certain documents and information (§ 1092.204(c)), and to submit a written statement to the Bureau on an annual basis that includes the information described in § 1092.204(d)—namely, a description of the steps the attesting executive has undertaken to review and oversee the supervised registered entity's activities subject to the applicable covered order for the preceding calendar year and an attestation as to whether, to the attesting executive's knowledge, the supervised registered entity during the preceding calendar year identified any violations or other instances of noncompliance with any obligations imposed in a public provision of the covered order based on a violation of a covered law—and is signed by the attesting executive.[18]

In connection with the NBR Rule, the Bureau provided certain estimates of the paperwork burdens of the above two information collection requirements. For the initial registration of a single order and the first annual report on that order by a supervised registered entity, the Bureau estimated 35 hours of paperwork burden (5 hours for the initial registration and 30 hours for the annual report including recordkeeping costs). It further estimated an overall paperwork burden on covered nonbanks from these two steps alone as in excess of 271,000 hours.[19] In dollar terms, the

vehicle dealers, and persons subject to certain exclusions in CFPA section 1027.

[8] Covered nonbanks also must submit required information in accordance with the Bureau's filing instructions. *See* § 1090.102(a); CFPB Nonbank Registration Filing Instructions Guide (FIG) (Jan. 2025), *https://files.consumerfinance.gov//f/documents/cfpb_nonbank-registration_filing-instructions-guide.pdf.*

[9] The NBR Rule also contains provisions pursuant to which persons may submit filings to the Bureau's nonbank registry stating that they have a good-faith basis to believe that the NBR Rule or one or more of its provisions does not apply. *See* § 1092.202(g) & 204(f). These are not mandatory information collection requirements and are not discussed further here.

[10] Registration is required within 90 days after the applicable nonbank registry implementation date, or 90 days after the effective date of the covered order, whichever is later. *See* § 1092.202(b)(2). The implementation dates are October 16, 2024, for supervised registrants that are larger participants under CFPB larger participant rules (resulting in a registration deadline of January 14, 2025), January 14, 2025, for all other supervised registrants (resulting in a registration deadline of April 14, 2025), and April 14, 2025, for all other covered nonbanks (resulting in a registration deadline of July 14, 2025). *See https://www.consumerfinance.gov/data-research/nbr-submission/.*

[11] In § 1092.201(a), the NBR Rule defines ''administrative information'' as ''contact information'' regarding the registrant and ''other information submitted or collected to facilitate administration'' of the nonbank registry. In § 1092.201(g), the NBR Rule defines ''identifying information'' as ''existing information available to the covered nonbank that uniquely identifies it,'' including certain information further specified in the definition.

[12] At the time of registration of a covered order, supervised registered entities also must provide additional information, as described in § 1092.202(d)(3) (requiring the name and title of an ''attesting executive'' for purposes of annual reporting on covered order compliance as described further below).

[13] For example, registered entities must submit a filing to the nonbank registry within 90 days after the effective date of a termination, modification, or abrogation of the covered order, or its ceasing to be a covered order. *See* § 1092.202(f).

[14] See definition of ''NMLS-published covered order'' at § 1092.201(k).

[15] Currently, the filing instructions require registrants that register a NMLS-published covered order via optional one-time registration to provide the order's effective date, identifying number (*e.g.,* docket or similar tracking number), and, if applicable, an explanation of any differences between information entered for the order and the information about the order that is published on the NMLS Consumer Access website.

[16] Certain additional requirements and definitions apply to the registration requirement, as elaborated in §§ 1092.200–203 & 205 and supplemented by subpart A of part 1092. For example, registered entities must file corrections within 30 days after becoming aware or having reason to know of an inaccuracy in their prior submissions. *See* § 1092.205(c).

[17] The implementation dates for supervised registrants subject to the annual reporting requirement are October 16, 2024, for supervised registrants that are larger participants under CFPB larger participant rules, and January 14, 2025, for all other supervised registrants. *See https://www.consumerfinance.gov/data-research/nbr-submission/.*

[18] Certain additional requirements and definitions apply to the written statement requirement, as elaborated in §§ 1092.200 & 204 and supplemented by subpart A of part 1092.

[19] *See* OIRA ICR Ref. No. 202407–3170–001 and Supporting Statement, *https://www.reginfo.gov/public/do/PRAViewICR?ref_nbr=202407-3170-001.*

NBR Rule estimated that between 1,550 and 7,752 covered nonbanks would incur a labor cost of $350 each for an initial registration of an order and $2,100 for a supervised registered entity to comply with an annual cycle of reporting for an order.[20] Of course, to the extent any covered nonbank did in fact have multiple covered orders, its burden would be higher, and the burden of correction and updates also is not included in these estimates. In addition, while these estimates only accounted for a single cycle of an annual report, the NBR Rule requires annual reporting for at least 10 years.[21] In any event, the NBR Rule acknowledges that the information collection requirements and other impacts led to the designation of the rule as a ''major rule'' under the Congressional Review Act.[22]

Third, in § 1092.205(a), the NBR Rule authorizes the Bureau to make available to the public on its internet website information, other than administrative information, that covered nonbanks submit to the nonbank registry pursuant to the registration requirement described above. Under § 1092.205(b), the NBR Rule also authorizes the Bureau to publish aggregate information collected pursuant to the registration requirement as well as the annual reporting requirement described above.[23] While neither provision requires publication by the Bureau, the NBR Rule stated that ''[t]he Bureau intends to publish this information on its website and potentially in other forms.'' [24] It also stated that the Bureau was ''reserving the option not to publish information based on operational considerations, such as resource constraints.'' [25]

In its statement submitted to the Office of Management and Budget to support the collection of information established by the NBR Rule, the Bureau estimated that the annual costs to the Federal government to operate the registry would amount to ''$2.5 million for external vendor support and 10,400 hours of Federal staff time.'' [26] Of this amount, the Bureau explained that approximately $1,900,000 would be needed ''for developer support to operate and maintain the data collection system'' and $600,000 would be needed ''for an online user support function (including technical writing support for user help articles).'' [27] In addition, the Bureau estimated that it would need five full-time employees to support the registry, including by ''responding to respondents' substantive questions regarding rule compliance, data intake and quality control, managing technical system updates for mission critical needs, and overseeing external vendor work.'' [28]

B. The Proposal To Rescind the NBR Rule

On May 14, 2025, the Bureau published a proposal to rescind the NBR Rule (''Proposed Rescission Rule'').[29] The Bureau stated it was proposing to rescind the NBR Rule ''based upon concern that the costs the rule imposes on regulated entities, and which may in large part be passed on to consumers, are not justified by the speculative and unquantified benefits to consumers discussed in the analysis proffered in the NBR Rule.'' [30] It described the costs imposed on regulated entities as a ''significant regulatory burden'' that was highlighted not only by industry comments, but also by the Small Business Administration's Office of Advocacy and the Conference of State Bank Supervisors.

The Proposed Rescission Rule also stated the Bureau's belief that the NBR Rule is not a necessary tool for monitoring and reducing risks to consumers from bad actors. It further noted the role that multiple other Federal and State agencies play in the enforcement of Federal consumer financial laws.[31]

III. Consultation

In developing this final rule, the Bureau consulted with the Board of Governors of the Federal Reserve System, the Federal Deposit Insurance Corporation (FDIC), the Office of the Comptroller of the Currency (OCC), the National Credit Union Administration (NCUA), the Federal Trade Commission (FTC), and the Farm Credit Administration (FCA) on, among other things, consistency with any prudential, market, or systemic objectives administered by such agencies.[32] The Bureau also consulted with State agencies, including State agencies involved in supervision of nonbanks and State agencies charged with law enforcement, as well as with Tribal governments.[33]

IV. Legal Authority

The Bureau relied on its authority under the CFPA when it voluntarily promulgated the NBR Rule. In light of its decision to rescind the NBR Rule, the Bureau is issuing this final rule to revoke the NBR Rule pursuant to that authority.

CFPA section 1022(b)(1) authorizes the Bureau to prescribe rules ''as may be necessary or appropriate to enable the Bureau to administer and carry out the purposes and objectives of the Federal consumer financial laws, and to prevent evasions thereof.'' [34] CFPA section 1022(b)(2) prescribes certain standards for rulemaking that the Bureau must follow in exercising its authority under section 1022(b)(1); these standards are discussed in part XI below.

The Bureau relied in part on CFPA section 1022(c)(1)–(4) and 1022(c)(7) to collect information and authorize publication of certain information collected under the NBR Rule. CFPA section 1022(c)(1)–(4) authorize the Bureau to prescribe rules to collect information from covered persons for the purposes of monitoring for risks to consumers in the offering or provision of consumer financial products or services, and to publicly release information obtained pursuant to CFPA section 1022, subject to specified limitations.[35] CFPA section 1022(c)(7)(A) authorizes the Bureau to ''prescribe rules regarding registration requirements applicable to a covered person, other than an insured depository institution, insured credit

[20] 89 FR 56028 at 56137, 56148.

[21] § 1092.202(e).

[22] Based on the impacts of the NBR Rule (including its information collection requirements discussed above and its publication provisions described further below), the Office of Information and Regulatory Affairs designated the NBR Rule as a ''major rule'' as defined by 5 U.S.C. 804(2). 89 FR 56028 at 56150.

[23] Certain additional requirements and definitions apply to the publication provisions, as elaborated in § 1092.200 and supplemented by subpart A of part 1092.

[24] 89 FR 56028; *see also id.* at 56031 (describing how the Bureau may publish the identity of the attesting executive).

[25] *Id.* at 56041.

[26] Supporting Statement for Registry of Nonbank Covered Persons Subject to Certain Agency and Court Orders, OMB Control Number: 3170–0076 (July 9, 2024), at 10, *https://www.reginfo.gov/public/do/PRAViewDocument?ref_nbr=202407-3170-001.*

[27] *Id.*

[28] *Id.*

[29] 90 FR 20406 (May 14, 2025).

[30] *Id.* at 20407.

[31] Meanwhile, as it was considering the Proposed Rescission Rule, the Bureau also announced on April 11, 2025, that ''it will not prioritize enforcement or supervision actions with regard to entities that do not satisfy future deadlines under'' the NBR Rule. CFPB Offers Regulatory Relief from Registration Requirements for Small Loan Providers (Apr. 11, 2025), *https://www.consumerfinance.gov/about-us/newsroom/cfpb-offers-regulatory-relief-from-registration-requirements-for-small-loan-providers/.*

[32] *See* 12 U.S.C. 5512(b)(2)(B).

[33] *See* 12 U.S.C. 5512(c)(7)(C), 5514(b)(7)(D); *see also* 12 U.S.C. 5481(27) (defining the term ''State'' as including ''any federally recognized Indian tribe, as defined by the Secretary of the Interior under'' 25 U.S.C. 5131(a)).

[34] 12 U.S.C. 5512(b)(1).

[35] 12 U.S.C. 5512(c)(1)–(4).

union, or related person.'' [36] CFPA section 1022(c)(7)(B) provides that, ''[s]ubject to rules prescribed by the Bureau, the Bureau may publicly disclose registration information to facilitate the ability of consumers to identify covered persons that are registered with the Bureau.'' [37]

Section 1024(b) of the CFPA authorizes the Bureau to exercise supervisory authority over certain nonbank covered persons as defined in CFPA section 1024(a)(1).[38] Section 1024(b)(1) requires the Bureau to periodically require reports and conduct examinations of persons subject to its supervisory authority to assess compliance with Federal consumer financial law, obtain information about the activities and compliance systems or procedures of persons subject to its supervisory authority, and detect and assess risks to consumers and to markets for consumer financial products and services.[39] Section 1024(b)(2) requires that the Bureau exercise its supervisory authority over nonbank covered persons under section 1024(b)(1) based on its assessment of risks posed to consumers in the relevant product markets and geographic markets, and taking into consideration, as applicable: ''(A) the asset size of the covered person; (B) the volume of transactions involving consumer financial products or services in which the covered person engages; (C) the risks to consumers created by the provision of such consumer financial products or services; (D) the extent to which such institutions are subject to oversight by State authorities for consumer protection; and (E) any other factors that the Bureau determines to be relevant to a class of covered persons.'' [40]

Section 1024(b)(7) of the CFPA identifies three independent sources of Bureau rulemaking authority, on which the Bureau relied in promulgating the NBR Rule. First, section 1024(b)(7)(A) requires the Bureau to prescribe rules to facilitate the supervision of nonbank covered persons subject to the Bureau's supervisory authority and assessment and detection of risks to consumers.[41] Second, section 1024(b)(7)(B) authorizes the Bureau to require nonbank covered persons subject to its supervisory authority to ''generate, provide, or retain records for the purposes of facilitating supervision of such persons and assessing and detecting risks to consumers.'' [42] Third, section 1024(b)(7)(C) authorizes the Bureau to prescribe rules regarding nonbank covered persons subject to its supervisory authority ''to ensure that such persons are legitimate entities and are able to perform their obligations to consumers.'' [43]

V. General Comments on the Proposed Rescission Rule

A. General Comments Received on the Proposed Rescission Rule

The Bureau received a total of 16 comments on the Proposed Rescission Rule, including 7 comments from 9 industry associations, a comment from the SBA Office of Advocacy, a comment from an association representing State financial regulators, 2 comments from nonprofit consumer advocacy organizations, and 5 comments from individuals. Comments pertaining to specific requirements or provisions of the NBR Rule and to the NBR Rule's impacts are discussed in sections VI, VII, VIII, X, and XI below.

Comments from the SBA Office of Advocacy, the State financial regulator association, most industry associations, and some individuals expressly supported rescission of the entire NBR Rule. As described below, many of these comments asserted that the NBR Rule's registration requirements for covered nonbanks subject to covered orders and written-statement requirements for supervised registered entities were duplicative, unnecessary, or significantly burdensome. They also expressed similar views of the NBR Rule's authorization for the Bureau to publish certain registration information. An individual commenter expressed support for the proposed rescission but suggested that the Bureau replace the NBR Rule with a rule mandating registration of nonbanks with the Bureau's complaint portal.

The two nonprofit organizations and an individual commenter opposed the Proposed Rescission Rule. One of the nonprofits stated that nonbanks now provide a substantial share of consumer financial products and services and pose heightened risks, including to consumers they described as vulnerable to harm. According to this commenter, the NBR Rule promotes transparency and enhances competition and consumer choice, while rescission would limit regulatory oversight and result in financial and informational costs to consumers. The other nonprofit stated that the NBR Rule's registry will help regulators, consumer advocates, and the public more broadly to identify repeat offenders and patterns of misconduct, and that rescinding the rule would conceal recidivism, which would grow as a result.

With respect to the NBR Rule's scope, a joint comment from banking industry trade groups discussed those groups' previously raised objections to the NBR Rule's inclusion of nonbank affiliates of insured depository institutions and insured credit unions and to the rule's written-statement requirements. A credit union trade association objected to the rule's coverage of credit union service organizations (CUSOs) and privately insured credit unions, stating that these organizations have been effectively regulated by State credit union authorities and the National Credit Union Administration, respectively. Another industry association asserted that the NBR Rule's application to consent orders that were entered into prior to the rule's promulgation imposes unfair burdens on entities that agreed to such orders without knowing of potential exposure to penalties for failing to comply with the registration requirements, that doing so would expose them to the written-statement requirements (including potential penalties for failure to comply or submitting a false attestation), and the reputational impact of publication.

Some industry commenters questioned the Bureau's legal authority to issue the NBR Rule and whether the NBR Rule is consistent with provisions of the CFPA. Others suggested the NBR Rule intrudes on State supervisory and enforcement authority. In contrast, a nonprofit commenter stated that the NBR Rule was an appropriate use of the Bureau's legal authority.

A. Response to General Comments

The Bureau agrees with commenters who supported rescission of the NBR Rule because its various features are duplicative, unnecessary, or significantly burdensome. As stated in the Proposed Rescission Rule, and as explained in the analysis below, the Bureau does not believe the speculative and unquantified benefits to consumers and the public that were proffered in the NBR Rule justify the costs the rule imposes on regulated entities.[44]

The Bureau disagrees with commenters who opposed rescission of the NBR Rule on the basis of its

[36] 12 U.S.C. 5512(c)(7)(A).
[37] 12 U.S.C. 5512(c)(7)(B).
[38] 12 U.S.C. 5514.
[39] 12 U.S.C. 5514(b)(1).
[40] 12 U.S.C. 5514(b)(2).
[41] 12 U.S.C. 5514(b)(7)(A).
[42] 12 U.S.C. 5514(b)(7)(B).
[43] 12 U.S.C. 5514(b)(7)(C).
[44] The Bureau notes that concerns raised by commenters with respect to particular applications of the NBR Rule or questioning the legal authority underlying aspects of the NBR Rule are fully addressed by rescission, and no further response is needed.

supposed value to consumers and the public. Commenters provided no quantifiable support for the claim that the NBR Rule promotes or enhances transparency, competition, and consumer choice. As discussed below, any such benefits are speculative and likely minimal, as the rule concerns orders that are already publicly available and, as the Bureau acknowledged in the NBR Rule, consumers are unlikely to use the registry as a comparison-shopping tool. With respect to commenters who stated that rescission of the NBR Rule would result in a concealment of recidivism and thus cause recidivism to increase, recidivism is not hidden from enforcement agencies or the public because the orders that are required to be registered under the NBR Rule are already public. The Bureau further notes that no commenters responded to the Proposed Rescission Rule's request for ''non-speculative and methodologically rigorous analysis of the purported benefits and costs that were identified when the [NBR Rule] was promulgated,'' [45] including analysis to support the view that recidivism is a significant problem or that the registry created by the NBR Rule would address it, or that rescission would limit regulatory oversight and result in financial and informational costs to consumers.

B. Final Rule

For reasons explained above and below, the Bureau is finalizing its rescission of the NBR Rule, 12 CFR 1092, as proposed. As stated in the proposal, the Bureau is concerned that the costs the NBR Rule imposes on regulated entities, and that may be passed on to consumers, are not justified by the speculative and unquantified benefits to consumers discussed in the NBR Rule's analysis. Despite specifically seeking input from commenters pertaining to non-speculative and methodologically rigorous analysis of the NBR Rule's purported benefits, the Bureau received none. Accordingly, and because the Bureau concludes that the NBR Rule is not necessary as a tool to effectively monitor and reduce potential risks to consumers from bad actors, the Bureau is finalizing the rescission in its entirety.

Below, the Bureau analyzes the three key components of the NBR Rule codified at 12 CFR 1092.202–205, and the reasons for this rescission. Because the Bureau is finalizing rescission of all key components of the NBR Rule, it likewise is finalizing rescission of subpart A of § 1092, §§ 1092.200–201 and 206 of subpart B, and appendix A to § 1092, which are rendered inapplicable.[46]

VI. Rescission of Registration Requirements

A. Comments Received

Multiple commenters supported the proposed rescission of the NBR Rule's registration requirements because, in their view, these requirements are unnecessary for several reasons.

One industry association stated that the NBR Rule's estimate of the number of covered nonbanks with covered orders lacked a foundation, thereby undermining the premise that there is a recidivism problem to solve, and further stated that requiring registration of an order by a company with one offense does not address recidivism. The same commenter further observed that, in its view, the NBR Rule does not actually address recidivism because orders that involve no admission or denial of liability often do not reflect wrongdoing or address actual harm, such that there is no ''offense'' to repeat. A mortgage industry association stated that, while it agreed that deterring recidivism is an important goal, it was unclear how the NBR Rule serves that goal by simply centralizing information about orders that are already public. Similarly, multiple industry commenters stated that existing supervisory and enforcement mechanisms adequately monitor for repeat offenders such that the Bureau's registry is not needed for this purpose.

One of these commenters, a private insurer of State-chartered credit unions, noted that the credit unions it insures are subject to comprehensive supervision not only by their State regulators but also by the commenter's risk monitoring and examination program, such that a Federal registry would not enhance supervision but instead would divert resources from member service and operational resilience. In addition, several industry commenters and an individual commenter posited that the registry is unnecessary as it is duplicative of the Nationwide Multistate Licensing System & Registry (NMLS), as well as other databases and public sources, such as State and Federal regulator websites and legal and regulatory databases, which already collect information pertaining to relevant orders.[47] One of these commenters suggested that the Bureau could gather data on its own instead of creating a new reporting requirement, to the extent the Bureau views consolidation of information as essential. As to whether a gap exists between what is reported on NMLS and any other orders subject to registration under the NBR Rule, one commenter stated that any such gap appears to relate to the Bureau's own orders or to the lack of reporting on some industry sectors in NMLS, and described the lack of centralization of such information as a ''weak rationale'' for maintaining the Bureau's registry. One industry commenter noted that nonbanks are required to hold State licenses for which they apply through NMLS, and that as part of the application process, companies must submit an MU1 Form that requires disclosure of whether, in the past ten years, any State or Federal regulatory agency found the entity or a control affiliate to have been involved in a violation of a financial services-related regulation or statute or entered an order against the entity or a control affiliate in connection with a financial services-related activity, among other items. These companies also must provide an explanation and copy of any such order, and other State regulators are notified of the action. An association representing State financial regulators stated that the NBR Rule creates a costly reporting, registration, and compliance regime that warrants rescission in light of its duplicative nature. And an industry commenter and an individual suggested that the covered order registration requirements would negatively impact the incentive for firms to enter into settlements and otherwise cooperate with regulators.

Two nonprofit consumer advocacy groups opposed the proposed rescission of the registration requirements. These commenters stated that NBR Rule registry centralizes public information regarding violations related to Federal consumer financial law that is highly decentralized, including across agency and court orders. In their view, the registry uniquely centralizes

[45] 90 FR 20406 at 20407.

[46] Subpart A of § 1092 contains general provisions relating to legal authority, general definitions, submission and use of registration information, and severability that apply generally to the Bureau's nonbank registration program. Sections 1092.200–201 and 206 of subpart B contain provisions relating to the scope and purpose, definitions, and phased implementation dates specific to the NBR Rule. Appendix A to § 1092 contains a list of State laws that fall under the definition of ''covered law'' in § 1092.201(c).

[47] A mortgage industry association commented that this duplication is not in keeping with the Bureau's obligation in CFPA section 1024(b)(2)(D), 12 U.S.C. 5514(b)(2)(D), to require reports from supervised nonbanks while taking into account ''the extent to which such institutions are subject to oversight by State authorities for consumer protection.''

information, which addresses a nonbank recidivism problem by enhancing the Bureau's risk-based prioritization of examinations and investigations, as well as its ability to spot emerging risks early. One of the commenters cited examples of repeat offenses against military families and older adults by nonbank mortgage and reverse mortgage lenders, respectively, and stated that a central repository of public orders can reveal broader patterns and risks associated with enforcement gaps in the financial marketplace.

B. Response to Comments

The Bureau agrees with commenters who stated that the NBR Rule did not establish the existence of a widespread problem of recidivism. The Bureau did not study the issue, and when State regulators jointly raised in commenting on the proposed registration rule that recidivism was not a major problem that merited the development of a new Federal registry, the Bureau simply responded that they had not proven that recidivism was *not* a problem.[48] Moreover, the Bureau agrees with commenters that the registration requirements do not actually address recidivism as they are overbroad in scope. The NBR Rule requires covered nonbanks with even just one covered order to register with the Bureau, largely belying the notion that the registry's focus is on identifying trends related to recidivism. The rule also requires registration of a wide range of orders for which nonbank liability is not uniformly established, and the underlying violations can vary drastically in degree of seriousness. This overbreadth and lack of precision creates burdens that far exceed those presented by alternative tools that the Bureau has for detecting and addressing any recidivism. For example, the Bureau may conduct risk-based follow-up examinations to assess compliance with orders that impose obligations under Federal consumer financial law, as well as investigations of credible allegations or indications of tangible consumer harm from potential violations of such orders.

Consequently, the Bureau disagrees with commenters who stated that the centralization of public information resulting from the NBR Rule's registration requirements addresses a recidivism problem among nonbanks because, as discussed above, neither commenters nor the NBR Rule presented evidence that such a problem exists, or if it does, that it presents greater risks to consumers as compared to other issues that fall under the Bureau's traditional focus on risk-based supervision or enforcement activities. It bears noting that, although one of these commenters identified examples of repeat offenses, it did so without the aid of a centralized registry of public orders, which underscores the availability of this information without the NBR Rule's imposed collection requirements.

The Bureau agrees with commenters who stated that the registration system created by the NBR Rule is largely duplicative of existing reporting and data collection mechanisms, including NMLS. In fact, the Bureau acknowledged as much in the NBR Rule in creating a one-time registration option for NMLS-published covered orders (defined to exclude orders that had been issued or obtained in whole or in part by the Bureau) that excepted from the rule's full and ongoing registration (and written-statement) requirements a substantial number of the orders that it originally proposed to cover. Yet even with respect to that option, it still required duplicative registration of information pertaining to the order with the Bureau when that information had already been filed with the NMLS.

C. Final Rule

The Bureau is finalizing its rescission of the NBR Rule's registration requirements at §§ 1092.202 and 1092.203 as proposed.

The NBR Rule's registration requirements were premised on a purported need for the Bureau to track the prevalence of covered orders issued against covered nonbanks, including for the purpose of addressing risk to consumers that arises from recidivism. For example, in its Background section in part II.A, the NBR Rule explained how nonbank providers of consumer financial products and services generally are subject to Federal consumer financial laws that the Bureau enforces, including, among others, the CFPA prohibition against unfair, deceptive, or abusive acts or practices (UDAAPs), which overlaps with similar prohibitions enforced by other Federal and State regulators. The NBR Rule then stated that the Bureau had brought nearly 350 enforcement actions against nonbanks since passage of the CFPA.

However, the NBR Rule provided no data on the prevalence of public agency and court orders against covered nonbanks, and only vague, limited information about the prevalence of recidivism.[49] For example, the NBR Rule did not state how many of the nearly 350 Bureau enforcement actions had resulted in orders imposing obligations on nonbanks for violation of Federal consumer financial law. Further, the NBR Rule did not disclose or estimate how many such orders had been violated. Instead, in the NBR Rule's single paragraph describing the number of Bureau enforcement actions, the NBR Rule asserted that ''[o]n numerous occasions'' the Bureau had ''uncovered companies that failed to comply with consent orders that the companies entered into with the Bureau voluntarily.'' [50] However, as the only support for that claim, the NBR Rule merely cited five Bureau enforcement actions against nonbanks operating in certain markets for consumer financial products and services and one against a bank.[51] Similarly, while noting that the Bureau highlights its supervisory work in a publication called *Supervisory Highlights,* the NBR Rule did not quantify instances of consent order violations published there.[52] The NBR Rule acknowledged, however, that the Bureau's existing supervisory processes for follow-up examinations of entities subject to consent orders is ''designed to stop recidivist behavior.'' [53]

In addition, the NBR Rule did not provide any data about similar orders issued by other Federal or State agencies. Based on the record, including this limited data, the Bureau did not conclude that recidivism by nonbank covered persons was widespread or that the risks it poses are notably greater than other risks to an extent that would justify the costs imposed by the NBR Rule. Indeed, in response to comments received on the proposal for the NBR Rule questioning the Bureau's stance that recidivism poses particular risks to consumers, the Bureau stated its belief that ''adoption of the final rule is appropriate even if recidivism among nonbanks currently presents only limited risks to consumers,'' as ''even one covered order may be probative of significant risk to consumers.'' [54] But this statement likewise failed to address whether it is appropriate to impose a

[48] 89 FR 56028 at 56062.

[49] While stating that it did not purport to define the term ''repeat offender,'' 89 FR 56028 at 56127 n.443, the NBR Rule described ''[r]ecidivism'' as occurring ''in the form of a company that repeatedly violates the law and as a result becomes subject to multiple orders, or in the form of a company that violates the orders to which it is subject.'' *Id.* at 56035.

[50] *Id.* at 56028–29.

[51] *Id.* at n.7.

[52] *Id.* at n.35 & 56125.

[53] *Id.* at 56030–31 (describing 2022 creation of ''Repeat Offender Unit'' but not providing any data about the extent to which it has identified recidivism in the many months prior to the issuance of the NBR Rule).

[54] 89 FR 56028 at 56062.

registration burden on entities in light of the speculative nature of the benefits provided by access to information about orders that are already publicly available. Even assuming *arguendo* that the existence of a single order is probative of consumer risk, the Bureau is capable of monitoring for this risk without a registry. At the same time, the NBR Rule acknowledged that a joint comment letter from State regulators ''stated that States have not witnessed widespread issues with or a growing trend of recidivism among nonbanks[.]'' [55] And while the NBR Rule noted that consumer advocate commenters stated that ''recidivism by nonbanks did pose risks to consumers,'' it did not describe those comments as indicating the prevalence or severity of recidivism.[56]

The NBR Rule's lack of establishment of recidivism as a pressing issue resulted in the rule's findings regarding the necessity and value of its registration requirements being based on speculative and unquantified benefits, which do not justify the costs the NBR Rule imposes on regulated entities. As described in the background in part II.A above, the Bureau repeatedly indicated that a primary goal of the NBR Rule was to address risks to consumers associated with corporate recidivism. However, the Bureau did not provide data to support or justify the assertion that recidivism poses risks warranting the registry it created.

Indeed, on its face, the notion that the types of recidivism considered in the NBR Rule categorically pose risks to consumers that warrants the creation of a registry of this kind is at best questionable. For example, under the NBR Rule's broad concept of recidivism,[57] a company that allegedly violates any single provision of Federal consumer financial law more than once and resolves that allegation concurrently through orders with multiple regulators is considered as posing registration-worthy recidivism-related risks, even though the matter may not involve significant consumer harm or ''repeating'' of a previous offense at all. Or, a small entity that settles matters related to disparate violations of minor, technical provisions for small amounts in two or three states over a period of years is deemed to pose risk to consumers warranting registration despite seeming to pose no greater risk—and in fact seeming to pose less risk—than an entity implicated in a single significant nationwide action that impacted a large number of consumers. Or, a large entity that agrees to a consent order to resolve a single significant matter would be treated as posing registration-worthy recidivism-related risk, even if it demonstrated order compliance and was not found to have violated any other law again. In fact, such an entity may pose less risk with respect to the conduct at issue than other entities whose similar conduct has gone undetected or unresolved by order. The Bureau's reasoning that imposing the NBR Rule's registration requirements on covered nonbanks with respect to *all* covered orders is the ''most effective and efficient mechanism for collecting this information'' was thus based on the unsubstantiated premise that recidivism or risks related to recidivism pose a pressing threat to consumers, and did not adequately consider the availability of other sources of information.[58] Indeed, the Bureau acknowledged this lack of an established basis when it stated in the NPRM for the NBR Rule that the monitoring for covered orders that would result from the registration requirements would allow the Bureau ''to track specific instances of, and more general developments regarding, *potential* corporate recidivism.'' [59]

In addition, the Bureau is finalizing the rescission of the NBR Rule's registration requirements because it concludes that these requirements are not necessary to fulfill its market monitoring and supervisory functions. The Bureau clearly can track its own orders and can easily track any other Federal regulatory orders. With respect to other orders, as noted above, in response to comments from State regulators and industry criticizing the burdensome and duplicative regime it had proposed, the Bureau in the NBR Rule finalized a system providing a one-time registration alternative for NMLS-published covered orders. The Bureau had not sought public comment on this alternative approach, which it recognized remained nonetheless duplicative to a large degree because the Bureau itself would use the existing State registry system to obtain information for such orders.[60] The Bureau has access to the NMLS and can directly access these orders without requiring those entities subject to them to submit them to the Bureau. Yet the Bureau did not consider whether to simply exclude NMLS-published orders entirely. Thus, the Bureau did not establish why Bureau registration of entities with NMLS-published covered orders was even necessary.

Relatedly, the NBR Rule's findings that registration is necessary to effectively monitor for and reduce potential risks to consumers from bad actors largely ignored the enforcement role played by multiple Federal and State agencies that monitor for compliance with their own orders, which contributes to an enforcement environment in which such risks are already mitigated. This is no less true for Bureau-issued orders, which the Bureau has long monitored for compliance without a registry. Accordingly, the NBR Rule's findings that registration is necessary to detect and assess risks to consumers and to facilitate Bureau supervision likewise are infirm. Because the registry was designed in large part to collect information regarding the Bureau's own orders and other Federal regulatory orders, both of which the Bureau can easily track, and information about NMLS-published covered orders, to which the Bureau already has access, the Bureau does not believe that the assumed benefits of the registry are justified in light of its costs and burdens.

The Bureau also is finalizing its rescission of the NBR Rule's registration requirements based on its conclusion that the rule's speculative and unquantified benefits do not justify the cost to the Bureau of maintaining the NBR system. As noted in section II above, the Bureau estimated that the annual costs to the Federal government to operate the registry would amount to ''$2.5 million for external vendor support and 10,400 hours of Federal staff time.'' [61] Consistent with its statement in the proposal, the Bureau does not believe the NBR Rule is a necessary tool to effectively monitor and reduce potential risks to consumers. Subsequent developments, including Congress's reduction of the Bureau's

[55] *Id.* at 56060. The NBR Rule also noted that consumer advocate commenters stated that ''recidivism by nonbanks did pose risks to consumers'' but did not describe those comments as indicating the prevalence or severity of recidivism.

[56] *Id.*

[57] 89 FR 56028 at 56128 n.443 (describing repeat violations with multiple orders, as well as violation of past orders, as indicia of ''recidivism'').

[58] *Id.* at 56101.

[59] 88 FR 6088, 6092 (Jan. 30, 2023) (emphasis added).

[60] 89 FR 56028 at 56088 (with regard to NMLS-published covered orders, ''the Bureau can use any information available through the NMLS to help inform its risk-based supervisory prioritization determinations'').

[61] Supporting Statement for Registry of Nonbank Covered Persons Subject to Certain Agency and Court Orders, OMB Control Number: 3170–0076 (July 9, 2024), at 10, *https://www.reginfo.gov/public/do/PRAViewDocument?ref_nbr=202407-3170-001.*

statutory budget cap,[62] underscore that the NBR Rule's costs are unjustified. The Bureau already has access to information about public orders as described above and already accounts for such information when carrying out its objectives, including, as noted above, through is risk-based supervisory prioritization, its examination process, its enforcement process, and its market monitoring processes.

VII. Rescission of Written Statement Requirements

A. Comments Received

Several commenters supported the proposed rescission of the NBR Rule's written-statement requirements because, in their view, these requirements are significantly burdensome and harmful.

One industry association commented that these requirements create legal exposure for supervised nonbanks that diverts their resources from productive uses. Multiple industry groups stated that the requirements expose attesting executives to liability, thereby creating a chilling effect that deters compliance professionals from serving in compliance roles with supervised nonbanks. One of these commenters expressed concern that the NBR Rule's policy of not publishing written statements could change, or that the NBR system could experience a data breach. Another stated that the requirement for executives to attest regarding compliance conflicts with established corporate compliance structures.

An industry association representing credit unions asserted that the written-statement requirements create a long-term burden that exceeds the burdens imposed by the orders themselves. An association representing State financial regulators expressed concern about the attestation requirement's application to State orders in particular, which it stated amounted to an unlawful encroachment by the Bureau on State authority.

On the other hand, both nonprofit commenters opposed rescission of the written-statement requirements. One of these commenters stated that the requirements help to prevent repeat issues by holding executive leadership accountable for order compliance, thereby creating pressure to take legal obligations seriously and driving cultural change in companies.

B. Response to Comments

The Bureau agrees with those commenters who noted that the written-statement requirements create legal exposure for supervised nonbanks and exposure to potential liability for attesting executives. Even if the Bureau were unlikely to pursue enforcement actions against supervised nonbanks or attesting executives for a lack of adequate compliance with these requirements, it is reasonable to expect that the possibility of such actions would be sufficient to generate apprehension among these entities and individuals. For example, in the final NBR Rule itself, the Bureau highlighted how the ''potential for criminal liability'' for false statements under 18 U.S.C. 1001 attached to the required signature of the written statement, and how such a risk would influence attesting executives.[63] In turn, these effects could hinder the ability of supervised nonbanks to recruit and retain compliance professionals, which could result in an increase in risks to consumers.

As noted above, the commenters that opposed rescission of the written-statement requirements cited the requirements' supposed beneficial effects with respect to reducing the likelihood of repeat offenses by nonbanks subject to the requirements. As with other aspects of the NBR Rule, this position is based on an unfounded premise that recidivism is a sufficiently widespread problem that exposes consumers to an amount of risk that warrants establishing the registry. As noted elsewhere, neither commenters nor the NBR Rule presented evidence that a recidivism problem exists, whether in consumer finance markets generally or with respect to nonbanks operating in Bureau-supervised markets, much less to an extent that would justify the costs imposed by the NBR Rule. In any case, the government agencies that issue or obtain orders can include obligations that executive leadership must satisfy, and that may create liability for executive leadership in the event of their noncompliance. As such, it is unclear how adding an attestation requirement to such obligations would result in any material increase in a firm's likelihood of taking its legal obligations seriously.

C. Final Rule

The Bureau is finalizing its rescission of the NBR Rule's written-statement requirements at § 1092.204 as proposed.

As was the case with other key components of the NBR Rule, the Bureau's findings regarding the necessity and value of the rule's written-statement requirements were based on speculative and unquantified benefits that do not justify the costs the NBR Rule imposes on regulated entities. Undergirding these findings was the unfounded belief that these requirements would help to address and prevent recidivism, which the Bureau did not establish posed risks to consumers to a degree that warranted the requirements' adoption.

The NBR Rule concluded that ''the requirements imposed by the final rule's written-statement requirements will impose only modest costs on entities beyond the costs entities are already incurring to ensure compliance with covered orders,'' [64] and implied that attesting executives would be reluctant to serve in such capacities only at supervised nonbanks that lack adequate compliance systems or do not endeavor in good faith to comply with orders.[65] However, this analysis did not adequately consider the possibility that compliance professionals may not be able to easily discern how scrupulous an entity is before taking on such a role, that some compliance professionals may not be willing to risk their reputations or expose themselves to liability even in exchange for a salary premium, why a registry is needed at all if so many firms are already complying with their orders in good faith, or the effect that prior similar requirements (*e.g.,* certifications of accuracy of financial reports required under the Sarbanes-Oxley Act of 2002) [66] may have had on recruitment. Furthermore, the Bureau's statements that written attestations would facilitate its supervision efforts, including by detecting and assessing risks to consumers, are difficult to reconcile with its own acknowledgment that most

[62] Public Law 119–21, sec. 30001, 139 Stat. 72, 126 (2025).

[63] 89 FR 56028 at 56114 (also noting how some commenters called for the Bureau to ''unambiguously articulate . . . the potential liability and intent standards''); *see also id.* at 56116 (noting how 18 U.S.C. 1001 ''provides incentives'' in regard to the written statement requirement). In light of such potential liability and how the NBR Rule did not provide the articulation commenters requested, maintaining the NBR Rule may be incompatible with the policy of the United States that ''[a]gencies promulgating regulations potentially subject to criminal enforcement should explicitly describe the conduct subject to criminal enforcement, the authorizing statutes, and the mens rea standard applicable to those offenses.'' E.O. 14294, ''Fighting Overcriminalization in Federal Regulations'' (May 9, 2025), sec. 2(d), 90 FR 20363 (May 14, 2025). *See also* Guidance on Referrals for Potential Criminal Enforcement, 90 FR 27530, 27531 (June 27, 2025) (Bureau policy statement explaining that, ''when formulating the regulatory text of Bureau NPRMs and final rules with criminal consequences that are published in the **Federal Register**, the Bureau intends to explicitly state a mens rea requirement for each element of a criminal regulatory offense, accompanied by citations to the relevant provisions of the authorizing statute.'').

[64] 89 FR 56028 at 56111.

[65] *Id.* at 56148.

[66] Public Law 107–204, 116 Stat. 745 (2002).

firms endeavor in good faith to comply with covered orders. These analytical shortcomings counsel strongly in favor of rescinding the written-statement requirements.

Moreover, the Bureau believes that, as a policy matter, the imposition of the written-statement requirements amounted to regulatory overreach. Supervised nonbanks already are subject to monitoring of compliance with orders by the State or Federal regulator that is charged with such action by the corresponding legislature. In fact, when a joint letter by State regulators objected to the written-statement requirements, arguing that they would frustrate and interfere with existing monitoring regimes, the Bureau excepted entities with State-issued covered orders published on NMLS from the written-statement requirements, and acknowledged that it could obtain information through memoranda of understanding and other means related to such entities' compliance. Yet the Bureau did not explain why, when other Federal regulators' orders similarly are readily available on their websites and the Bureau has information sharing agreements with those regulators, it could not take the same approach with them to prevent interfering with or frustrating their compliance monitoring. Indeed, in its supervisory and enforcement functions, the Bureau has long coordinated its work with other Federal regulators regarding their monitoring of orders they have imposed on supervised nonbanks related to Federal consumer financial law compliance. By requiring the submission of these written statements to the Bureau, where the Bureau itself has taken no action against the entity, the Bureau overstepped its regulatory role by imposing a monitoring tool on firms that are already subject to the applicable compliance regime enforced by their regulators. The Bureau has no interest in usurping the authority of other regulators in this manner.

VIII. Rescission of Publication Provisions

A. Comments Received

Several commenters supported the proposed rescission of the NBR Rule's authorization for the Bureau to publish registration information because, in their view, publication is unnecessary and burdensome for a variety of reasons.

Multiple industry associations and an association representing State regulators stated that company information and orders are already publicly available, including through NMLS, State and Federal agencies, the Better Business Bureau, and other sources. One of these commenters stated that, instead of publishing registration information that is already public, the Bureau could simply provide a link to the relevant information on the NMLS website or create a web portal of centralized information based on the Bureau's own data gathering that is not reliant on a reporting requirement. A mortgage industry association suggested that, to the extent company information and orders are not in NMLS, the Bureau could add them to NMLS. The same commenter stated that publicizing the information is unnecessary to help enforcement agencies because the orders themselves already generally provide for compliance monitoring.

Multiple industry commenters and an individual commenter stated that publication would create confusion and undue reputational harm to registrants, in part due to the inclusion of consent orders, which often contain no findings or admissions of wrongdoing and thus would be, in these commenters' view, indistinguishable from litigated cases or judgments. Two industry commenters likewise expressed concern that the Bureau would publicize ''unreliable'' registration information that is not indicative of misconduct or violations. In a similar vein, a credit union industry association stated that the registry would be overwhelmed with minor infractions. A mortgage industry association stated that the public identification of senior executives by name will make compliance recruiting difficult.

The two nonprofit commenters opposed the proposed rescission of the NBR Rule's authorization of publication because, in their view, publication would enhance deterrence of conduct that would lead to orders that are published, would enable less fragmented fact gathering and thus more efficient risk-based oversight by other regulators, and would provide a one-stop source of information for consumers and the public. These commenters stated that withdrawing the plan for a public registry would limit oversight, consumer shopping, choice, and competitiveness by making it harder for other regulators, consumers, and the public to identify recidivism and other patterns of misconduct by nonbanks. One of these commenters stated that a public registry is needed to help States pursue enforcement by identifying patterns and practices of misconduct in a context where the Bureau, in the commenter's view, is deemphasizing enforcement. These commenters also stated that it is unrealistic for consumers to conduct piecemeal research on all of the sources of information that a public Bureau registry would centralize.

B. Response to Comments

The Bureau agrees with commenters who noted that the information the NBR Rule authorizes for publication is already publicly available, which greatly limits the utility of Bureau publication of such information. The Bureau also agrees with commenters who stated that the mix of types of orders that would be subject to publication—including litigated judgments, consent orders, settlements involving no admission of liability, orders for which supervised nonbanks have submitted written statements affirming steps taken to review and oversee activities subject to the orders, or for which the Bureau or other regulators have found substantial compliance, and others—and the wide range of covered laws and scope and severity of harm implicated by such orders renders the value of publication to consumers and the public questionable at best. It is unlikely that consumers would be able to distinguish between orders that relate to actual instances of serious misconduct and those that relate to more benign (or disputed) violations, or to distinguish between orders that are truly indicative of significant harmful recidivism or recidivism-related risk. This lack of understanding could paint covered nonbanks subject to a variety of orders of varying degrees of seriousness and established liability with a broad brush as ''recidivists'' or ''repeat offenders'' and result in reputational impacts that put them at a competitive disadvantage.

The Bureau disagrees with commenters that opposed the rescission of the NBR Rule's authorization of publication based on an expectation that publication would enhance deterrence of conduct that would lead to the issuance of orders that are published. As a threshold matter, the mechanisms that operate to make covered orders public in the first instance did not prevent them from coming into existence. Regardless, these commenters provided no evidence to support their stated expectation that the Bureau's (re)publication of such orders would do so. And in any case, the potential for deterrence is not relevant inasmuch as the NBR Rule authorized publication of covered orders entered into prior to the NBR Rule's effective date, including

well before the Bureau even proposed the NBR Rule.[67]

Commenters opposed to rescission of the publication provisions also did not provide evidence to support the suggestion that publication would lead to efficiencies for other regulators, consumers, and the public. Indeed, the association representing State regulators supported rescission of the NBR Rule in its entirety based in large part on the rule's publication provisions resulting in duplication of publicly accessible information. In regard to consumer benefit, there is little if any indication that individual consumers would understand the complexities of the Bureau's NBR system and how it interrelates with the NMLS system. While the Bureau in the NBR Rule discussed potential benefits of publication beyond direct benefit to consumers, it nowhere established or even analyzed how useful comparatively a centralized database would be, for example, to researchers who already have access to NMLS Consumer Access, other State registries, and the websites of Federal regulators from which they can draw information, not to mention search engines and other evolving and extremely powerful research tools. Further, such researchers may continue to use those sources anyway, given that NMLS and other regulators' websites include more regulatory orders than the set of covered orders that the NBR Rule authorized the Bureau to publish on the Bureau's website.

C. Final Rule

The Bureau is finalizing its rescission of the NBR Rule's publication provisions at § 1092.205 as proposed.

In promulgating the NBR Rule, the Bureau maintained that the rule, including its planned publication of information submitted to the registry, would benefit consumers and the wider public. However, as noted above in response to comments, it is unlikely that consumers would find the registry useful, including as a tool to comparison-shop among providers of consumer financial products and services. Indeed, the Bureau acknowledged in the NBR Rule that it did ''not necessarily expect a wide group of consumers to rely routinely on the Bureau's registry when selecting consumer financial products or services,'' [68] thereby undermining the supposed benefits of the NBR Rule. Moreover, the Bureau stated its belief that most consumers would *not* change their behavior given that more direct and timely information (for example, loan disclosures provided during origination) has been found to be more impactful on consumer behavior than simply centralized publicly available information.[69] At the same time, the NBR Rule did not consider or explain how the Bureau planned to publicly present the information collected, much less test whether or how any form of publication could be beneficial.

Moreover, in the NBR Rule, the Bureau stated its plan to publish information submitted to the registry only on a discretionary basis, which underscores the speculative nature of the benefits of provisions in the NBR Rule authorizing such publication and touted by commenters opposed to rescission. The NBR Rule does not require the Bureau to publish the information, so by necessity, any benefits attached to the authorization to publish are purely theoretical, since the NBR Rule did not provide any guarantee that publication would occur.

By contrast, while the potential for publication may not provide actual benefits, the threat of publication does impose actual costs. As discussed above, even the threat of publicly identifying an attesting executive may affect recruiting and retention of compliance professionals.

In addition, the NBR Rule's discussion of costs that attach to any publication that does occur also was deficient. The Bureau stated in a rather conclusory manner that the ''potential publication of information related to consent orders . . . will not impose unfair costs on consenting entities.'' [70] While the Bureau might have hoped that such costs would not be unfair, it provided scant support for this belief; the Bureau merely repeated that the information that would be published would be factual public information, but did not suggest the Bureau had seriously considered how it may present such information publicly in a registry it characterized as for ''repeat offenders'' and ''recidivists,'' much less account for the fact that the NBR Rule made all covered orders eligible for publication even though they reflect varying degrees of liability and types of violations. The more relevant inquiry relates to the costs of the entire publication regime. The NBR Rule also found that the ''publication provisions of the rule will impose only minor costs on affected entities resulting from changes in consumer behavior.'' [71] The Bureau believes that even if these costs were only minor, they are not justifiable in light of the overall costs of the NBR Rule.

The Bureau notes that publication is possible only to the extent that the other costs of registration are borne by the Bureau. It is therefore necessary and appropriate to consider the entirety of these costs in weighing against any benefit of publication. As stated above, the Bureau estimated that annual costs to maintain the NBR system—including publication of information submitted to the registry—would be on the order of $2.5 million dollars and over 10,000 hours of Bureau staff time. In light of the Bureau's conclusion that the NBR Rule, including its publication provisions, is not necessary to monitor for or detect and assess risk to consumers or to facilitate the Bureau's supervisory functions, these costs are unjustified, especially when considered alongside the speculative and unquantified benefits of publication.

IX. Alternatives Considered

In finalizing its rescission of the NBR Rule, the Bureau has considered several possible alternatives. In each instance, the Bureau has concluded that only full rescission of the NBR Rule is appropriate at this time.

A. Partial Rescission

One potential alternative to full rescission of the NBR Rule is a partial rescission of certain of the rule's requirements or provisions. A partial rescission could take several forms.

The Bureau could rescind only the NBR Rule's written-statement requirements or its publication provisions, leaving in place the registration requirements.[72] Rescinding the written-statement requirements would have relieved the burdens those requirements place on supervised registered entities, including, among others, the direct labor costs associated with annual submission of written statements and costs associated with negative effects on recruiting and retention of compliance professionals. Rescinding the Bureau's authorization to publish registration information would relieve the burden on covered nonbanks that may face reputational

[67] *See* 12 CFR 1092.201(e)(5) (defining ''covered order'' to include those orders that, among other criteria, have ''an effective date on or later than January 1, 2017'').

[68] 89 FR 56028 at 56042.

[69] *Id.* at 56141.

[70] *Id. at* 56068.

[71] *Id.* at 56131.

[72] Rescission of only the registration requirements without rescinding the written-statement requirements or publication provisions effectively would achieve full rescission of the NBR Rule, since the latter two components are predicated on the first. Accordingly, the Bureau did not consider rescission of only the registration requirements as a reasonable alternative.

and other harms from publication. However, neither of these alternatives would address the duplicative nature of the registry or the costs to regulated entities and to the Bureau of maintaining the registration system. Because the Bureau has concluded that the collection of information mandated by the NBR Rule is not necessary, the Bureau declines to pursue partial rescission of the NBR Rule's other key components, which would leave the collection aspect in place.

Apart from, or in addition to, rescinding the NBR Rule's non-registration provisions, the Bureau could rescind certain aspects of the registration requirements. For example, the Bureau could have sought to limit the registration requirements to apply only to covered orders that do not appear on NMLS, so that covered nonbanks with such orders need not fulfill even the more limited registration obligation for NMLS-published covered orders. The Bureau also could have sought to require registration of only those orders issued or obtained by Federal agencies, or to eliminate or reduce the number of State laws listed in appendix A that qualify as covered laws under the NBR Rule. While these approaches likely would have resulted in a reduction of the number of nonbanks required to register with the Bureau, the burdens on those that would have retained registration obligations still would not have been justified by the rule's speculative and unquantified benefits. Nor would the Bureau need this more limited collection regime to fulfill its market monitoring and supervisory functions. Accordingly, the Bureau declines to pursue a partial rescission of the NBR Rule's registration requirements.

B. General Registration Requirement for Nonbanks

One commenter suggested another alternative to full rescission, wherein the NBR Rule would be amended such that it serves as a general requirement for nonbanks to register with the Bureau, regardless of whether they have covered orders. Under this alternative, according to the commenter, registration requirements would be tied to the Bureau's complaint portal.

A general requirement for nonbanks to register with the Bureau that is untethered to the nonbank being under a covered order would be materially different in scope and type from the NBR Rule. A shift to such an approach would require additional analysis of the costs and benefits involved and identification of unique benefits to consumers and the Bureau. The Bureau thus concludes that a general nonbank registration requirement is not an alternative to the NBR Rule but instead would amount to an entirely different alternative rulemaking, and therefore declines to pursue this approach.

X. Effective Date of Final Rule

Proposed Rescission Rule

The Administrative Procedure Act (APA) generally requires that substantive rules be published not less than 30 days before their effective dates, subject to exceptions.[73] The Bureau proposed that, once issued, the final rule would be effective on the date that it is published in the **Federal Register**, because the Bureau preliminarily found that two of the APA's exceptions would apply to the rule. First, the rule would ''grant[ ] or recognize[ ] an exemption or relieve[ ] a restriction,'' and second, there was ''good cause'' for the rescission of the NBR Rule to be immediately effective upon publication because the rescission would end all information submission requirements for regulated entities and so was not the kind of rule for which regulated entities would need additional time to conform their conduct.[74]

Comments Received

Two industry commenters supported the proposal for the rescission rule to take effect immediately upon publication in the **Federal Register**. One of these commenters stated that the rule should take effect immediately upon publication because rescission provides regulatory relief and imposes no burden on regulated entities. The other commenter agreed with the Bureau that the statutory exceptions to the general requirement apply and stated that there are no considerations that would support finalizing an effective date that is 30 or 60 days after publication.

Response to Comments Received

The final rule will take effect on the date of publication in the **Federal Register**. The Bureau agrees with the two commenters that the final rule meets the APA exceptions and that no additional time is needed because of the rule's deregulatory effects. Specifically, the final rule relieves covered nonbanks of the need to comply with the NBR Rule's registration and written-statement requirements. Good cause exists to expedite the final rule's effective date, as a final rule that is effective upon publication will provide immediate relief to such entities that otherwise may feel compelled to continue to expend resources to comply with the NBR Rule before its rescission becomes effective.

Final Rule

The effective date of the final rule is October 29, 2025.

XI. Dodd-Frank Act Section 1022(b) Analysis

A. Overview

In developing this final rule, the Bureau has considered the rule's potential benefits, costs, and impacts.[75] In developing this final rule, the Bureau has consulted with, or offered to consult with, the appropriate prudential regulators and other Federal agencies, including regarding consistency with any prudential, market, or systemic objectives administered by such agencies. Under CFPA sections 1022(c)(7)(C) and 1024(b)(7)(D), the Bureau has also consulted with State agencies.[76]

The Bureau is issuing this final rule to rescind the requirement that nonbanks report certain public agency and court orders imposing obligations based on violations of consumer protection laws because the Bureau believes this requirement unnecessarily imposes significant obligations on nonbank covered persons that are not justified by countervailing benefits to consumers or the Bureau.

The NBR Rule has three provisions. The first provision (hereinafter referred to as the ''Registration Provision'') requires nonbank covered persons that are subject to certain public orders to register with the Bureau and to submit copies of each such public order to the Bureau. The second provision (hereinafter referred to as the ''Supervisory Reports Provision'') requires nonbank covered persons that are subject to supervision and examination by the Bureau to prepare and submit an annual written statement, signed by a designated individual, regarding compliance with each covered public order with an effective date on or after the applicable implementation date for the rule. The third provision (hereinafter referred to as the ''Publication Provision'') describes the registration information the Bureau may

[73] 5 U.S.C. 553(d).

[74] 5 U.S.C. 553(d)(1), (3).

[75] Specifically, section 1022(b)(2)(A) of the CFPA requires the Bureau to consider the potential benefits and costs of the regulation to consumers and covered persons, including the potential reduction of access by consumers to consumer financial products and services; the impact of the proposed rule on insured depository institutions and insured credit unions with $10 billion or less in total assets as described in section 1026 of the CFPA; and the impact on consumers in rural areas. 12 U.S.C. 5512(b)(2)(A).

[76] 12 U.S.C. 5512(c)(7)(C), 5514(b)(7)(D).

make publicly available. Accordingly, for purposes of this analysis, this final rescission rule can be divided into three provisions that each rescind one of the three provisions of the NBR Rule.

B. Data Limitations and Quantification of Benefits, Costs, and Impacts

The discussion below relies in part on information that the Bureau has obtained from commenters, other regulatory agencies, and publicly available sources. The Bureau performed outreach with other regulatory agencies on many of the issues addressed by the NBR Rule that are further considered here. However, as discussed further below, the data are generally limited with which to quantify the costs, benefits, and impacts of the final provisions. In light of these data limitations, the analysis below generally provides a qualitative discussion of the benefits, costs, and impacts of the final provisions. General economic principles and the Bureau's experience and expertise in consumer financial markets, together with the limited data that are available, provide insight into these benefits, costs, and impacts.

The limited data that are available include the registrations the Bureau has received so far because of the NBR Rule. The registration deadlines that flowed from the NBR Rule were January 14, 2025, for larger participants, April 14, 2025, for other supervised nonbanks, and July 14, 2025, for other covered nonbanks. Because as time progressed market participants likely assessed a decreasing probability that the NBR Rule would be maintained or enforced, the registration data are most likely to be accurate for larger participants, less likely to be accurate for other supervised nonbanks, and even less likely to be accurate for other covered nonbanks.

Roughly 250 entities have so far created an account in the NBR system. However, of these only roughly 110 have registered an order. Very few entities submitted a good-faith notice that they were not covered nonbanks or that their orders were not covered orders, so a majority of the registrations received so far are incomplete. This could indicate that some entities were unsure of their obligations under the NBR Rule or confused by the NBR system. It could also indicate that some entities started the registration process but stopped when rescission of the NBR Rule became increasingly likely and interim enforcement of the NBR Rule became increasingly unlikely. Because the registration data are incomplete and not representative, the analysis below does not rely on them.

C. Baseline for Analysis

In evaluating the benefits, costs, and impacts of the final rule, the Bureau takes as a baseline the current legal framework regarding orders covered by the NBR Rule. Therefore, the baseline for the analysis of this final rule is that nonbank covered persons are required to register with the Bureau, nonbank covered persons subject to Bureau supervision and examination generally are required to prepare and submit annual reports regarding compliance with covered orders, and information on the nonbank covered persons and most corresponding covered orders may be published by the Bureau in the manner contemplated by the NBR Rule.

Relative to the baseline, the costs and benefits of this final rescission rule discussed below depend on how many nonbank covered persons would comply with the NBR Rule even if it were not prioritized for enforcement by the Bureau. The Bureau believes that, under the baseline, some nonbank covered persons would comply with the NBR Rule, but the Bureau cannot quantify how many.

This final rescission rule should affect the market as described below for as long as it is in effect. However, the costs, benefits, and impacts of any rule are difficult to predict far into the future. Therefore, the analysis below of the benefits, costs, and impacts of the final rule is most likely to be accurate for the first several years following implementation of the final rule.

D. Potential Benefits and Costs of the Final Rule to Consumers and Covered Persons

The costs and benefits of these provisions are discussed separately below. However, one benefit of this final rule applies to repealing these provisions jointly. The Bureau estimated in its PRA Supporting Statement for the NBR Rule that the annual costs to the Federal government to operate the registry would amount to ''$2.5 million for external vendor support and 10,400 hours of Federal staff time.'' [77] Some of these costs have already been incurred and are unrecoverable. Some other costs may be recoverable even under the baseline, such as some of the costs for ongoing external vendor support or internal reporting or reviews of incoming registrations for data quality and accuracy. However, other such costs may not be recoverable under the baseline because the Bureau would need to incur some of those costs with respect to the registrations it already has received and any registrations and supervisory reports it would continue to receive. In addition, other costs (such as allocating resources to evaluate the significance of any annual written statement reporting any instance of noncompliance with a covered order, coordinating with various external stakeholders seeking information from or about the registry, and performing cybersecurity audits) will be recoverable only under this final rule. Therefore, one benefit of this final rule will be to recover these costs.

With certain exceptions, the NBR Rule (and by extension this final rescission rule) applies to nonbank covered persons as defined in the CFPA, including persons that engage in offering or providing a consumer financial product or service.[78] Among others,[79] these products and services generally include those listed below, at least to the extent they are offered or provided for use by consumers primarily for personal, family, or household purposes:

- Extending credit and servicing loans;
- Extending or brokering certain leases of personal or real property;
- Providing real estate settlement services;
- Engaging in deposit-taking activities, transmitting or exchanging funds, or otherwise acting as a custodian of funds;
- Selling, providing, or issuing stored value or payment instruments;
- Providing check cashing, check collection, or check guaranty services;
- Providing payments or other financial data processing products or services to a consumer by any technological means;
- Providing financial advisory services;
- Collecting, analyzing, maintaining, or providing consumer report information or certain other account information; and
- Collecting debt related to any consumer financial product or service.[80]

[77] *See* discussion *supra.*

[78] For the full scope of the term ''covered person,'' *see* 12 U.S.C. 5481(6).

[79] For the full scope of the term ''consumer financial product or service,'' *see* 12 U.S.C. 5481(5).

[80] *See* 12 U.S.C. 5481(15) (defining term ''financial product or service'').

The Registration and Publication Provisions affect such covered persons (as that term is defined in 12 U.S.C. 5481(6)) that (1) are not insured depository institutions, insured credit unions, or related persons (as that term is defined in 12 U.S.C. 5481(25)), and (2) have had covered orders issued against them, unless such covered persons are subject to certain exclusions. The Supervisory Reports Provision affects such covered persons that (1) are subject to supervision and examination by the Bureau pursuant to CFPA section 1024(a),[81] (2) have had covered orders issued against them that took effect on or after the implementation date, (3) are at or above the $5 million annual receipt threshold specified in the NBR Rule,[82] unless such covered persons are subject to certain exclusions, and (4) are not registering all such covered orders under the one-time registration option for NMLS-published covered orders under § 1092.203.

To derive an estimate of the number of affected entities under the final rule using publicly available data, the Bureau used data from the most recent Economic Census. Table 1 below presents entity counts for the North American Industry Classification System (NAICS) codes that generally align with the financial services and products listed above. The markets defined by NAICS codes in some cases include entities that do not qualify as covered nonbanks under the NBR Rule. It is also possible that some covered nonbanks may not be counted in the table below, because, *e.g.,* the financial services they provide are not their primary line of business.

TABLE 1—POTENTIAL SCOPE OF PROPOSED RULE

NAICS name(s)	NAICS code(s)	Number of NAICS entities
Nondepository Credit Intermediation	5222	14,330
Activities Related to Credit Intermediation	5223	13,618
Portfolio Management	523920	24,430
Investment Advice	523930	17,510
Passenger Car Leasing	532112	449
Truck, Utility Trailer, and Recreational Vehicle Rental and Leasing.	532120	1,612
Activities Related to Real Estate	5313	79,563
Consumer Reporting	561450	307
Debt Collection	561440	3,224
Total		155,043

Therefore, for purposes of its analysis of this final rescission rule, the Bureau estimates that there are roughly 155,043 covered nonbanks. As noted above, covered nonbanks will only be affected by the NBR Rule (and by extension this final rescission rule) if they are subject to covered orders. Based on its experience and expertise, in its analysis for the NBR Rule the Bureau estimated and reaffirms here that perhaps one percent, and at most five percent, of covered nonbanks are subject to covered orders. Therefore, the Bureau estimates that this final rescission rule would likely affect between 1,550 and 7,752 covered nonbanks.

In the NBR Rule, the Bureau sought to check the reasonableness of its estimate by obtaining data from a database titled ''Violation Tracker,'' maintained by Washington, DC-based nonprofit Good Jobs First (*https://violationtracker.goodjobsfirst.org/*). As described in the NBR Rule, using these data the Bureau estimated that orders plausibly covered by the NBR Rule applied to roughly 3,700–4,000 unique entities. The Bureau notes that these numbers are consistent with its estimate of the number of entities likely to be affected by the final rule (1,550 to 7,752 covered nonbanks).

As discussed above, the Bureau has to date received roughly 250 submissions reflecting registrations or apparent efforts to begin registrations under the NBR Rule. Also, as discussed above, an unknown number of entities subject to the provisions of the NBR Rule have not yet registered or begun registrations with the Bureau, both because of the Bureau's announcement that it would not prioritize enforcement of these provisions and because of the Bureau's announcement that it would rescind the provisions. Therefore, the Bureau does not view 250 as a reliable estimate of the number of entities that will be affected by this final rule, but it is likely to be a lower bound on the number of entities that will be affected by this final rule. This lower bound is not inconsistent with the estimates above.

1. Registration Provision

Under this final provision, affected entities will no longer be required to provide to the Bureau: (1) identifying information and administrative information and (2) information regarding covered orders. For covered persons subject to the Registration Provision that have already completed registrations, most of the costs associated with the Registration Provision are unrecoverable.

For entities that have not yet complied with the Registration Provision but are subject to it, the benefits of this final provision depend on whether they would register under the baseline. For affected entities that would not comply with the Registration Provision under the baseline, the main benefit of this final provision will be to reduce legal risk. The Bureau cannot quantify this benefit. For affected entities that would comply with the Registration Provision under the baseline, the main benefit of this final provision is that they will no longer need to incur the costs to do so. The Bureau estimates this benefit to be on the order of at least a few hours of an employee's time per order. The benefit will likely be higher for firms with covered orders that are frequently modified. The benefit will likely be lower for firms that have NMLS-published covered orders and under the baseline would exercise the one-time registration with respect to those orders.

To obtain a quantitative estimate of the benefit of this final provision, the Bureau assesses the average hourly base wage rate for the reporting requirement at $50.88 per hour. This is the mean hourly wage for employees in four major occupational groups assessed to be most likely responsible for the registration process: Management ($68.15/hr); Legal

[81] 12 U.S.C. 5514(a).

[82] *See* 12 CFR 1092.201(q)(4).

Occupations ($66.19/hr); Business and Financial Operations ($45.04/hr); and Office and Administrative Support ($24.12hr).[83] We multiply the average hourly wage of $50.88 by the private industry benefits factor of 1.42 to get a fully loaded wage rate of $72.25/hr.[84] The Bureau includes these four occupational groups in order to account for the mix of specialized employees that may assist in the registration process. The Bureau assesses that the registration process is completed by office and administrative support employees that are generally responsible for the registrant's paperwork and other administrative tasks. Employees specialized in business and financial operations or in legal occupations likely provide information and assistance with the registration process. Senior officers and other managers likely review the registration information before it is submitted and may provide additional information. Assuming as outlined above a fully loaded hourly wage rate of roughly $72, and that complying with the Registration Provision would take around five hours of employees' time, yields an estimated cost of complying with the Registration Provision of around $360 per firm. Therefore, this final provision would provide a benefit of around $360 per firm.

In the NPRM for this rescission, the Bureau sought specific comment on the extent to which the costs imposed by the NBR Rule, if reversed by this final rule, would result in the benefit of reduced compliance burden to nonbank entities. One nonprofit commenter stated, with respect to the benefits to covered persons of rescinding the NBR Rule, that compliance with the rule's registration requirements is simple, such as through the one-time registration option, and supervised entities need only submit an annual certification. This is partially consistent with feedback the Bureau received from some initial registrants, who indeed stated that the registration process was simple but also that it was challenging for nonbanks to understand whether and when they needed to register. Another commenter stated that the NBR Rule understated the costs the Registration Provision imposed on covered entities. If this commenter is correct, then the benefits of this final provision estimated above are conservative, and the true benefits to nonbank covered persons will be larger.

This final provision will likely not impose any costs on affected entities.

This final provision will likely not bring significant benefits to consumers. As noted above, this final provision will lower costs for some firms, and those firms may respond to these decreased costs by decreasing prices for consumers. However, economic theory generally predicts no to low price passthrough rates for fixed operating costs like those imposed by the NBR Rule, although there is disagreement among researchers, depending upon assumptions.[85] Moreover, as discussed above, the benefits of this final provision will be limited, so any price decreases caused by the rule will also be limited. For example, if this final provision saves 4,000 firms each on average $360, then the total savings of this final provision that could be passed on to consumers in aggregate is $1,440,000. Most firms will not be affected at all by this final provision and so will not decrease prices because of this final provision.

This final provision will likely not impose any significant costs on consumers. Specifically, the Bureau believes that information submitted under the Registration Provision is not helpful for the fulfillment of its statutory duties and so it provides no benefits to consumers. Accordingly, rescinding the Registration Provision will impose no costs on consumers.

2. Supervisory Reports Provision

This provision will only affect covered nonbanks subject to Bureau supervision and examination that have a covered order that took effect on or after the implementation date and whose annual receipts from consumer financial products and services are $5 million or more. Furthermore, this provision will only affect such nonbanks that do not have, or under the baseline would choose not to exercise, the one-time registration option for NMLS-published covered orders. Therefore, this provision will affect fewer covered nonbanks and fewer consumers than the Registration Provision analyzed above.

For entities that have not yet complied with the Supervisory Reports Provision but are subject to it, the benefits of this provision depend on whether they would comply with the Supervisory Reports Provision under the baseline. For affected entities that would not comply with the Supervisory Reports Provision under the baseline, the main benefit of this final provision will be to reduce legal risk. The Bureau cannot quantify this benefit. For affected entities that would comply with the Supervisory Reports Provision under the baseline, the main benefit of this final provision is that they will no longer need to incur the costs to do so.

One effect on these entities will be that they will no longer need to designate an attesting executive. Under the existing NBR Rule, the attesting executive must be a duly appointed senior executive officer (or, if no such officer exists, the highest-ranking individual at the entity charged with managerial or oversight responsibilities) (i) whose assigned duties include ensuring the supervised registered entity's compliance with Federal consumer financial law, (ii) who possesses knowledge of the supervised registered entity's systems and procedures for achieving compliance with the covered order, and (iii) who has control over the supervised registered entity's efforts to comply with the covered order. The Bureau believes that, even under this final rule, most supervised entities will still take active steps to comply with covered orders and therefore will have such an officer or individual in place to oversee the entity's compliance with its obligations under the covered order. Therefore, the Bureau anticipates that rescinding this designation requirement will not change the ability of most supervised registered entities to name an attesting executive, were one required, so the overall benefit of rescinding the designation requirement will be small. However, rescinding this designation requirement will benefit supervised entities that lack a high-ranking officer or other employee with the requisite qualifications to serve as an attesting executive.

Under the baseline, the existing Supervisory Reports Provision requires that the supervised registered entity submit a written statement signed by the applicable attesting executive for each covered order to which it is subject. In the written statement, the attesting executive must: (i) generally describe the steps that the attesting executive has undertaken to review and oversee the supervised registered entity's activities subject to the applicable covered order for the preceding calendar year; and (ii) attest whether, to the attesting executive's knowledge, the supervised registered entity during the preceding calendar year identified any violations or other instances of noncompliance

[83] *See* U.S. Bureau of Labor Statistics, National Occupational Employment and Wage Estimates United States (May 2024), *https://www.bls.gov/oes/current/oes_nat.htm.*

[84] As of March 2025, the ratio between total compensation and wages for private industry workers is 1.42. *See* U.S. Bureau of Labor Statistics, Employer Costs for Employee Compensation: Private industry dataset (March 2025), *https://www.bls.gov/web/ecec/ecec-private-dataset.xlsx.*

[85] *See* Kamphorst et al., *Fixed costs matter even when the costs are sunk,* (2020) Economics Letters 195.

with any obligations that were imposed in a public provision of the covered order by the applicable agency or court based on a violation of a covered law.

The Bureau does not have the data to precisely quantify the benefit of the rescission of the written-statement requirement on impacted firms. Based on its experience and expertise, the Bureau believes that most entities subject to covered orders endeavor in good faith to comply with them and already have in place some manner of systems and procedures to help achieve such compliance. However, the Bureau also believes that even at entities endeavoring in good faith to comply with covered orders, executives (or potential executives) may be reluctant to take on the administrative and legal burden of signing the required attestation. Therefore, under the baseline, these entities may have difficulty hiring or retaining such executives, and may incur additional costs to do so. This is consistent with social science research finding that human behavior can be greatly affected by even small probabilities of losses.[86] It is also consistent with multiple comments submitted by several different trade associations, as well as feedback the Bureau received from industry after the registry system went live. The Bureau agrees with these commenters that rescinding the attestation provision will allow affected entities to attract and retain effective compliance professionals at lower cost. The Bureau cannot quantify this benefit.

While under the baseline the attesting executive must sign the written statement, the Bureau believes that other employees in other major occupational groups (Legal Occupations, Business and Financial Operations, and Office and Administrative Support) support the attesting executive in preparing the statement. Assuming that satisfying the written-statement requirement takes twenty hours of employees' time, and that the average cost to entities of an employee's time is roughly $72 an hour as discussed above, yields an estimate that the cost of this requirement on affected entities is roughly $1,440 per firm. Therefore, repealing this provision would further save affected entities roughly $1,440.

In addition, under the baseline, the Supervisory Reports Provision requires entities to maintain records related to the written statement for five years. Assuming that ensuring the necessary documents are properly stored also requires ten hours of employee time adds $720 to the costs to affected entities of this final provision. Therefore, another benefit of this final provision will be to save affected entities this estimated $720.

The benefits of this final provision may be even higher at larger entities, because identifying instances of noncompliance with obligations imposed in a public provision of a covered order may be more complex at larger entities. The benefits will also likely be higher at entities with multiple instances of noncompliance with public provisions of covered orders, or with multiple covered orders.

One commenter argued that the compliance attestation requirement helps to prevent repeat issues by holding executive leadership accountable for order compliance, and that rescission of the attestation requirement would increase the risk of repeat issues at supervised nonbanks and so impose a cost on consumers. It is possible that, under the baseline, some supervised registered entities would put in place extra systems and procedures to allow them to more confidently identify violations or other instances of noncompliance with any obligations that were imposed in a public provision of the covered order. If this final provision causes these entities not to put in place these systems, it could impose a cost on consumers. However, as noted above, based on its experience and expertise, the Bureau believes that most entities subject to covered orders endeavor in good faith to comply with them and will already have in place some manner of systems and procedures to help achieve such compliance. Therefore, the Bureau believes that the number of supervised registered entities that will not put in place significant new compliance systems and procedures as a result of the rule will be relatively small, generating little potential cost to consumers. Moreover, as discussed above the Bureau believes that rescinding the Supervisory Reports Provision will allow affected entities to more effectively attract and retain compliance professionals. This will benefit consumers, although the Bureau does not have data to quantify this benefit.

This provision will likely not impose any costs on affected entities or consumers. Specifically, the Bureau believes that information submitted under the Supervisory Reports Provision is not in a form that is likely to be helpful for its statutory duties and so provides no benefits to consumers, and so rescinding the Supervisory Reports Provision will impose no costs on consumers.

3. Publication Provision

The Publication Provision allows the Bureau, at its discretion, to publish on the Bureau's internet website (1) registered entities' identifying information, (2) information regarding covered orders that they provide to the Bureau, and (3) for supervised registered entities, the name and title of the attesting executive.

As discussed in part VIII above, the Bureau believes that publishing this information would be confusing and costly for consumers and firms, and provide little or no benefit to other regulators. Therefore, even under the baseline, the Bureau is unlikely to exercise its ability to publish this information, and so this information would not be published either under the baseline or under the final rule. Therefore, rescinding this provision will impose no costs on entities and no benefits or costs to consumers. The Bureau anticipates that, by providing more certainty that this information will not be published, this provision may provide benefits to some firms. The Bureau cannot quantify this benefit.

E. Potential Specific Impacts of the Final Rule

1. Insured Depository Institutions and Insured Credit Unions With $10 Billion or Less in Total Assets, as Described in Section 1026

This final rule will only apply to nonbanks. Therefore, it will have no direct impacts on any insured depository institution or insured credit union. The rule may have some indirect effects on some insured depository institutions and insured credit unions with $10 billion or less in total assets. For example, insured depository institutions and insured credit unions that are affiliated with affected entities might experience indirect benefits because the final rule may benefit their nonbank affiliates. Insured depository institutions and insured credit unions that compete with affected entities might experience indirect costs because of the proposed rule because the proposed rule may benefit their competitors. But as noted above, even for nonbanks that are directly affected by the final rule, the Bureau does not anticipate that the rule's impact will be significant in most cases. Therefore, the Bureau anticipates that any indirect effects on insured depository institutions or insured credit unions

[86] *See* Kahneman and Tversky, *Prospect Theory: An Analysis of Decision Under Risk,* (1979) Econometrica 47(2).

with $10 billion or less in total assets will be even less significant.

2. Impact of the Proposed Rule on Access to Consumer Financial Products and Services and on Consumers in Rural Areas

By benefiting affected covered nonbanks, the final rule may cause affected covered nonbanks to provide more or better financial products and services (or financial products and services at lower cost) to consumers. Therefore, the negative impact of the final rule on consumer access to financial products and services would be limited.

Broadly, the Bureau believes that the analysis above of the impact of the final rule on consumers in general is applicable to the impact of the final rule on consumers in rural areas as well. However, the impact of the final rule on consumers in rural areas will likely be relatively smaller if the proposed rule affects fewer entities in rural areas. The Bureau does not have high-quality data on the rural market share of entities that will be affected by the final rule, so the Bureau cannot judge with certainty the relative impact of the rule on rural areas. However, for certain large and well-studied markets, there is evidence that nonbanks have larger market shares in urban areas and smaller market shares in rural areas.[87] Based on this limited evidence, the Bureau expects that the impact of the final rule will be smaller in rural areas.

XII. Executive Order 12866

The Office of Information and Regulatory Affairs within the Office of Management and Budget (OMB) has determined that this action is not a ''significant regulatory action'' under E.O. 12866, as amended.

E.O. 12866 states that ''Federal agencies should promulgate only such regulations as are required by law, are necessary to interpret the law, or are made necessary by compelling public need, such as material failures of private markets. . . .'' The Bureau is not aware of the existence of a market failure or other compelling public need that would justify the retention of the ''Registry of Nonbank Covered Persons Subject to Certain Agency and Court Orders,'' adopted via 89 FR 56028 on July 8, 2024.

XIII. Regulatory Flexibility Act Analysis

A. Overview

The Regulatory Flexibility Act (RFA) generally requires an agency to conduct an initial regulatory flexibility analysis (IRFA) and a final regulatory flexibility analysis (FRFA) of any rule subject to notice-and-comment rulemaking requirements, unless the head of the agency certifies that the rule will not have a significant economic impact on a substantial number of small entities.[88] The Bureau also is subject to certain additional procedures under the RFA involving the convening of a panel to consult with small business representatives before proposing a rule for which an IRFA is required.[89]

A FRFA is not required for this final rule because it will not have a significant economic impact on a substantial number of small entities.

B. Impact of Final Provisions on Small Entities

The NBR Rule has three principal sets of substantive provisions. The first set of provisions (hereinafter referred to as the ''Registration Provision'') requires nonbank covered persons that are subject to certain public agency and court orders enforcing the law to register with the Bureau and to submit certain information related to those public orders to the Bureau. The second set of provisions (hereinafter referred to as the ''Supervisory Reports Provision'') requires nonbank covered persons that are supervised by the Bureau to prepare and submit an annual written statement, signed by a designated individual, regarding compliance with each covered public order that took effect after the applicable implementation date. The third set of provisions (hereinafter referred to as the ''Publication Provision'') describes the registration information the Bureau may make publicly available. Accordingly, for purposes of this analysis, this final rescission rule can be divided into three provisions that each rescind one of the three principal sets of substantive provisions of the NBR Rule.

The analysis below evaluates the economic impact of the final provisions on small entities as defined by the RFA.[90] The RFA's definition of ''small'' varies by type of entity.[91]

With certain exceptions, this final rule will apply to covered persons as defined in the CFPA, including persons that engage in offering or providing a consumer financial product or service.[92] Among others,[93] these products and services would generally include those listed below, at least to the extent they are offered or provided for use by consumers primarily for personal, family, or household purposes.

- Extending credit and servicing loans;
- Extending or brokering certain leases of personal or real property;
- Providing real estate settlement services;
- Engaging in deposit-taking activities, transmitting or exchanging funds, or otherwise acting as a custodian of funds;
- Selling, providing, or issuing stored value or payment instruments;
- Providing check cashing, check collection, or check guaranty services;
- Providing payments or other financial data processing products or services to a consumer by any technological means;
- Providing financial advisory services;
- Collecting, analyzing, maintaining, or providing consumer report information or certain other account information; and
- Collecting debt related to any consumer financial product or service.[94]

The Registration and Publication Provisions affect such covered persons (as that term is defined in 12 U.S.C. 5481(6)) that (1) are not insured depository institutions, insured credit

[87] For evidence on the mortgage market, see Julapa Jagtiani, Lauren Lambie-Hanson, and Timothy Lambie-Hanson, *Fintech Lending and Mortgage Credit Access,* 1 The Journal of FinTech (2021). For evidence on the auto loan market, *see* Donghoon Lee, Michael Lee, and Reed Orchinik, *Market Structure and the Availability of Credit: Evidence from Auto Credit,* MIT Sloan Research Paper (2022), *https://papers.ssrn.com/sol3/papers.cfm?abstract_id=3966710.*

[88] 5 U.S.C. 601 *et seq.*

[89] 5 U.S.C. 609.

[90] For purposes of assessing the impacts of the proposed rule on small entities, ''small entities'' is defined in the RFA to include small businesses, small organizations, and small government jurisdictions. 5 U.S.C. 601(6). A ''small business'' is determined by application of Small Business Administration regulations and reference to the North American Industry Classification System (NAICS) classifications and size standards. 5 U.S.C. 601(3). A ''small organization'' is any ''not-for-profit enterprise which is independently owned and operated and is not dominant in its field.'' 5 U.S.C. 601(4). A ''small governmental jurisdiction'' is the government of a city, county, town, township, village, school district, or special district with a population of less than 50,000. 5 U.S.C. 601(5).

[91] U.S. Small Bus. Admin., *Table of Small Business Size Standards Matched to North American Industry Classification System Codes, https://www.sba.gov/sites/default/files/2023-06/Table%20of%20Size%20Standards_Effective%20March%2017%2C%202023%20%282%29.pdf* (current SBA size standards).

[92] For the full scope of the term ''covered person,'' *see* 12 U.S.C. 5481(6).

[93] For the full scope of the term ''consumer financial product or service,'' *see* 12 U.S.C. 5481(5).

[94] *See* 12 U.S.C. 5481(15) (defining term ''financial product or service'').

unions, or related persons (as that term is defined in 12 U.S.C. 5481(25)), and (2) have had covered orders issued against them, unless such covered persons are subject to certain exclusions. The Supervisory Reports Provision affects such covered persons that (1) are subject to supervision and examination by the Bureau pursuant to CFPA section 1024(a),[95] (2) have had covered orders issued against them that took effect on or after the implementation date, (3) are at or above the $5 million annual receipt threshold, unless such covered persons are subject to certain exclusions, and (4) are not registering all such covered orders under the one-time registration option for NMLS-published covered orders under § 1092.203.

The Bureau does not have reliable information on the number of small, covered firms that are subject to covered orders. Therefore, the Bureau cannot reliably estimate the number of small entities that will be impacted by the final rule.

1. Registration Provision

Under the provision of this final rule rescinding the Registration Provision, affected entities will no longer be required to provide to the Bureau: (1) identifying information and administrative information and (2) information regarding covered orders. This should lower compliance costs and legal risk for entities, including small entities. Therefore, the rescission of the Registration Provision will impose no significant burden on small entities.

2. Supervisory Reports Provision

Under the Supervisory Reports Provision of the existing NBR Rule, affected entities must designate an attesting executive. The attesting executive must be a duly appointed senior executive officer (or, if no such officer exists, the highest-ranking individual at the entity charged with managerial or oversight responsibilities) (i) whose assigned duties include ensuring the supervised registered entity's compliance with Federal consumer financial law, (ii) who possesses knowledge of the supervised registered entity's systems and procedures for achieving compliance with the covered order, and (iii) who has control over the supervised registered entity's efforts to comply with the covered order.

Furthermore, the existing Supervisory Reports Provision requires that the supervised registered entity submit on annual basis a written statement signed by the applicable attesting executive for each covered order to which it is subject that took effect after the applicable implementation date. In the written statement, the attesting executive must: (i) generally describe the steps that the attesting executive has undertaken to review and oversee the supervised registered entity's activities subject to the applicable covered order for the preceding calendar year; and (ii) attest whether, to the attesting executive's knowledge, the supervised registered entity during the preceding calendar year identified any violations or other instances of noncompliance with any obligations that were imposed in a public provision of the covered order by the applicable agency or court based on a violation of a covered law.

Under the provision of this final rule rescinding the Supervisory Reports Provision, affected entities will no longer have to designate an attesting executive or submit a written statement signed by the applicable attesting executive for each covered order to which they are subject that took effect after the applicable implementation date. This should lower compliance costs and legal risk for entities, including small entities. Therefore, the rescission of the Supervisory Reports Provision will impose no significant burden on small entities.

3. Publication Provision

The Publication Provision allows the Bureau, at its discretion, to publish (1) registered entities' identifying information, (2) information regarding covered orders that they provide to the Bureau, and (3) for supervised registered entities, the name and title of the attesting executive, on the Bureau's internet website. Rescinding this provision should not impose any costs on entities, including small entities. Therefore, the provision of this final rule rescinding the Publication Provision will impose no significant burden on small entities.

For the reasons described above, the Bureau believes that no provision of the final rule will have a significant economic impact on a substantial number of small entities. Moreover, the impact of each provision is sufficiently small that the three provisions together will not have a significant economic impact on a substantial number of small entities.

Accordingly, the Acting Director certifies that this final rule will not have a significant economic impact on a substantial number of small entities. Thus, a FRFA is not required for this final rule.

[95] 12 U.S.C. 5514(a).

XIV. Congressional Review Act

Pursuant to the Congressional Review Act (5 U.S.C. 801 *et seq.*), the Bureau will submit a report containing this rule and other required information to the U.S. Senate, the U.S. House of Representatives, and the Comptroller General of the United States prior to the rule taking effect. The Office of Information and Regulatory Affairs has designated this rule as not a ''major rule'' as defined by 5 U.S.C. 804(2).

List of Subjects in 12 CFR Part 1092

Administrative practice and procedure, Consumer protection, Credit, Intergovernmental relations, Law enforcement, Nonbank registration, Registration, Reporting and recordkeeping requirements, Trade practices.

Authority and Issuance

PART 1092—[Removed and Reserved]

■ For the reasons set forth above, and under the authority of 12 U.S.C. 5512 and 5514, the Bureau amends 12 CFR chapter X by removing and reserving part 1092.

Russell Vought,

Acting Director, Consumer Financial Protection Bureau.

[FR Doc. 2025–19689 Filed 10–28–25; 8:45 am]

BILLING CODE 4810–AM–P

DEPARTMENT OF TRANSPORTATION

Federal Aviation Administration

14 CFR Part 95

[Docket No. 31633; Amdt. No. 588]

IFR Altitudes; Miscellaneous Amendments

AGENCY: Federal Aviation Administration (FAA), DOT.

ACTION: Final rule.

SUMMARY: This amendment adopts miscellaneous amendments to the required IFR (instrument flight rules) altitudes and changeover points for certain Federal airways, jet routes, or direct routes for which a minimum or maximum en route authorized IFR altitude is prescribed. This regulatory action is needed because of changes occurring in the National Airspace System. These changes are designed to provide for the safe and efficient use of the navigable airspace under instrument conditions in the affected areas.

DATES: Effective 0901 UTC, November 27, 2025.

FOR FURTHER INFORMATION CONTACT: Romana Wolf, Manager (Acting), Flight Technologies and Procedures Division, Office of Safety Standards, Flight Standards Service, Aviation Safety, Federal Aviation Administration. Mailing Address: FAA Mike Monroney Aeronautical Center, Flight Procedures and Airspace Group, 6500 South MacArthur Blvd., STB Annex, Bldg. 26, Room 217, Oklahoma City, OK 73099. Telephone (405) 954–1139.

SUPPLEMENTARY INFORMATION: This amendment to part 95 of the Federal Aviation Regulations (14 CFR part 95) amends, suspends, or revokes IFR altitudes governing the operation of all aircraft in flight over a specified route or any portion of that route, as well as the changeover points (COPs) for Federal airways, jet routes, or direct routes as prescribed in part 95.

The Rule

The specified IFR altitudes, when used in conjunction with the prescribed changeover points for those routes, ensure navigation aid coverage that is adequate for safe flight operations and free of frequency interference. The reasons and circumstances that create the need for this amendment involve matters of flight safety and operational efficiency in the National Airspace System, are related to published aeronautical charts that are essential to the user, and provide for the safe and efficient use of the navigable airspace. In addition, those various reasons or circumstances require making this amendment effective before the next scheduled charting and publication date of the flight information to assure its timely availability to the user. The effective date of this amendment reflects those considerations. In view of the close and immediate relationship between these regulatory changes and safety in air commerce, I find that notice and public procedure before adopting this amendment are impracticable and contrary to the public interest and that good cause exists for making the amendment effective in less than 30 days.

Conclusion

The FAA has determined that this regulation only involves an established body of technical regulations for which frequent and routine amendments are necessary to keep them operationally current. It, therefore—(1) is not a ''significant regulatory action'' under Executive Order 12866; (2) is not a ''significant rule'' under DOT Regulatory Policies and Procedures (44 FR 11034; February 26, 1979); and (3) does not warrant preparation of a regulatory evaluation as the anticipated impact is so minimal. For the same reason, the FAA certifies that this amendment will not have a significant economic impact on a substantial number of small entities under the criteria of the Regulatory Flexibility Act.

List of Subjects in 14 CFR Part 95

Airspace, Navigation (air).

Issued in Washington, DC, on October 27, 2025.

Romana Wolf,

Manager (Acting), Flight Technologies and Procedures Division, Office of Safety Standards, Flight Standards Service, Aviation Safety, Federal Aviation Administration.

Adoption of the Amendment

Accordingly, pursuant to the authority delegated to me by the Administrator, part 95 of the Federal Aviation Regulations (14 CFR part 95) is amended as follows effective at 0901 UTC, 27 Nov 2025.

PART 95—IFR Altitudes

■ 1. The authority citation for part 95 continues to read as follows:

Authority: 49 U.S.C. 106(g), 40103, 40113 and 14 CFR 11.49(b)(2).

■ 2. Part 95 is amended to read as follows:

REVISIONS TO IFR ALTITUDES & CHANGEOVER POINT

[Amendment 588 effective date November 27, 2025]

From	To	MEA	MAA
§ 95.3000 Low Altitude RNAV Routes			
§ 95.3221 RNAV Route T221 Is Amended To Read in Part			
MAZIE, PA FIX	*ALLENTOWN, PA VORTAC	**3000	17500
*3400—MCA ALLENTOWN, PA VORTAC, N BND			
**2300—MOCA			
ALLENTOWN, PA VORTAC	*LAAYK, PA FIX	*4700	17500
*4700—MCA LAAYK, PA FIX, S BND			
§ 95.3414 RNAV Route T414 Is Amended by Adding			
AYARA, VA WP	AIROW, VA WP	3600	17500
AIROW, VA WP	SWARM, VA FIX	3100	17500
SWARM, VA FIX	GORDONSVILLE, VA VORTAC	3300	17500
Is Amended To Delete			
AYARA, VA WP	BOJAR, VA FIX	3600	17500
§ 95.3461 RNAV Route T461 Is Amended To Read			
DEER PARK, NY VOR/DME	BELTT, NY FIX	2000	6000
BELTT, NY FIX	EEGOR, CT WP	1800	6000
EEGOR, CT WP	DENNA, CT FIX	2100	17500
DENNA, CT FIX	FZOOL, CT FIX	2400	17500
FZOOL, CT FIX	LOVES, CT FIX	3000	17500
LOVES, CT FIX	DEEDE, NY FIX	3000	17500
DEEDE, NY FIX	PAWLN, NY WP	3100	17500
PAWLN, NY WP	ATHOS, NY FIX	3100	17500
ATHOS, NY FIX	GROUP, NY FIX	3000	17500
GROUP, NY FIX	ALBANY, NY VORTAC	2800	17500

REVISIONS TO IFR ALTITUDES & CHANGEOVER POINT—Continued

[Amendment 588 effective date November 27, 2025]

From	To	MEA	MAA
§ 95.3463 RNAV Route T463 Is Amended To Read			
VADDR, NY WP	DUNBO, NY FIX	2700	17500
DUNBO, NY FIX	EEGOR, CT WP	2000	17500
EEGOR, CT WP	MOONI, CT FIX	3000	17500
MOONI, CT FIX	*STUBY, CT FIX	3300	17500
*3600—MCA STUBY, CT FIX, N BND			
STUBY, CT FIX	BOWAN, NY FIX	4900	17500
BOWAN, NY FIX	HIDAL, NY FIX	4900	17500
HIDAL, NY FIX	CANAN, NY FIX	4100	17500
CANAN, NY FIX	CAMBRIDGE, NY VOR/DME	4700	17500
CAMBRIDGE, NY VOR/DME	*ENSON, VT FIX	4600	17500
*3300—MCA ENSON, VT FIX, S BND			
ENSON, VT FIX	BURLINGTON, VT VOR/DME	3000	17500
§ 95.3645 RNAV Route T645 Is Added To Read			
U.S. CANADIAN BORDER	*PUDGE, WA WP	3000	17500
*5000—MCA PUDGE, WA WP, NE BND			
PUDGE, WA WP	ROSSS, WA WP	6000	17500
ROSSS, WA WP	U.S. CANADIAN BORDER	6000	17500
§ 95.3705 RNAV Route T705 Is Amended by Adding			
BELTT, NY FIX	EEGOR, CT WP	1800	17500
EEGOR, CT WP	DENNA, CT FIX	2100	17500
Is Amended To Delete			
BELTT, NY FIX	BRIDGEPORT, CT VOR/DME	1800	17500
BRIDGEPORT, CT VOR/DME	DENNA, CT FIX	2100	17500
§ 95.4000 High Altitude RNAV Routes **§ 95.4022 RNAV Route Q22 Is Amended To Read in Part**			
BESSI, NJ FIX	MELMN, NJ WP	*18000	45000
*18000—GNSS MEA			
*DME/DME/IRU MEA			
MELMN, NJ WP	JOEPO, NJ WP	*18000	45000
*18000—GNSS MEA			
*DME/DME/IRU MEA			
§ 95.4064 RNAV Route Q64 Is Amended by Adding			
SAWED, VA WP	KALDA, VA WP	*18000	45000
*18000—GNSS MEA			
*DME/DME/IRU MEA			
Is Amended To Read in Part			
CATLN, AL WP	DARRL, SC WP	*18000	45000
*18000—GNSS MEA			
*DME/DME/IRU MEA			
DARRL, SC WP	TAR RIVER, NC VORTAC	*18000	45000
*18000—GNSS MEA			
*DME/DME/IRU MEA			

From	To	MEA
§ 95.6001 Victor Routes—U.S. **§ 95.6023 VOR Federal Airway V23 Is Amended To Delete**		
PAINE, WA VOR/DME	EGRET, WA FIX	4500
		MAA—17500
EGRET, WA FIX	ACORD, WA FIX	3500
		MAA—17500
ACORD, WA FIX	WHATCOM, WA VORTAC	*3000
*2200—MOCA		MAA—17500
WHATCOM, WA VORTAC	U.S. CANADIAN BORDER	3000
		MAA—17500

From	To	MEA
§ 95.6054 VOR Federal Airway V54 Is Amended by Adding		
WASHO, AR FIX	MUFRE, AR FIX	*3500
*1800—MOCA		MAA—17500
MUFRE, AR FIX	LITTLE ROCK, AR VORTAC	*6000
*1900—MOCA		MAA—17500
Is Amended To Delete		
WASHO, AR FIX	CANEY, AR FIX	*3500
*1800—MOCA		MAA—17500
CANEY, AR FIX	MALVE, AR FIX	*3500
*1900—MOCA		MAA—17500
MALVE, AR FIX	LITTLE ROCK, AR VORTAC	2000
		MAA—17500
§ 95.6055 VOR Federal Airway V55 Is Amended To Delete		
GIPPER, MI VORTAC	KEELER, MI VOR/DME	*4000
*2300—MOCA		MAA—17500
KEELER, MI VOR/DME	PULLMAN, MI VOR/DME	4000
		MAA—17500
§ 95.6070 VOR Federal Airway V70 Is Amended To Read in Part		
EUFAULA, AL VORTAC	VIENNA, GA VORTAC	UNUSABLE
§ 95.6074 VOR Federal Airway V74 Is Amended To Read in Part		
OLLAS, AR FIX	MAUME, AR FIX	*5500
*2500—MOCA		MAA—17500
§ 95.6100 VOR Federal Airway V100 Is Amended To Delete		
NORTHBROOK, IL VOR/DME	*MINCE, MI FIX	2500
*3500—MRA		
		MAA—17500
MINCE, MI FIX	MUSKY, MI FIX	2500
		MAA—17500
MUSKY, MI FIX	KEELER, MI VOR/DME	MAA—17500
§ 95.6124 VOR Federal Airway V124 Is Amended by Adding		
LITTLE ROCK, AR VORTAC	HILLE, AR FIX	*5000
*1700—MOCA		MAA—17500
Is Amended To Delete		
LITTLE ROCK, AR VORTAC	TAFTE, AR FIX	*4000
*1700—MOCA		MAA—17500
TAFTE, AR FIX	*HILLE, AR FIX	**6000
*6000—MRA		MAA—17500
**1600—MOCA		
HILLE, AR FIX	GILMORE, AR VOR/DME	*4000
*1700—MOCA		MAA—17500
§ 95.6129 VOR Federal Airway V129 Is Amended To Read in Part		
EAU CLAIRE, WI VORTAC	DULUTH, MN VORTAC	*6000
*3200—GNSS MEA		MAA—17500
§ 95.6162 VOR Federal Airway V162 Is Amended To Read in Part		
BOBSS, PA FIX	EAST TEXAS, PA VOR/DME	UNUSABLE
§ 95.6165 VOR Federal Airway V165 Is Amended To Delete		
PENN COVE, WA VOR/DME	ISLND, WA FIX	*5000
*1500—MOCA		MAA—17500
ISLND, WA FIX	CANDL, WA FIX	*5000
*2800—MOCA		MAA—17500
CANDL, WA FIX	WHATCOM, WA VORTAC	*4000
*1900—MOCA		MAA—17500

From	To	MEA
Is Amended To Read in Part		
BINNZ, NV FIX	CHOIR, CA FIX	UNUSABLE
§ 95.6210 VOR Federal Airway V210 Is Amended To Read in Part		
WILL ROGERS, OK VORTAC *4500—MRA **3100—MOCA	*MINGG, OK FIX	**4000 MAA—17500
MINGG, OK FIX *2600—MOCA *4000—GNSS MEA	OKMULGEE, OK VOR/DME	*4500 MAA—17500
§ 95.6252 VOR Federal Airway V252 Is Amended To Read in Part		
ROBBINSVILLE, NJ VORTAC	DUPONT, DE VORTAC	2200 MAA—17500
§ 95.6277 VOR Federal Airway V277 Is Amended To Delete		
FORT WAYNE, IN VORTAC	BAGEL, IN FIX. SE BND. NW BND.	 MAA—17500
BAGEL, IN WP	KEELER, MI VOR/DME	4000 MAA—17500
§ 95.6305 VOR Federal Airway V305 Is Amended To Read in Part		
LITTLE ROCK, AR VORTAC *2300—MOCA	WALNUT RIDGE, AR VORTAC	*4000 MAA—17500
§ 95.6349 VOR Federal Airway V349 Is Amended To Delete		
WHATCOM, WA VORTAC *2600—MOCA	U.S. CANADIAN BORDER	*3000 MAA—17500
§ 95.6526 VOR Federal Airway V526 Is Amended To Read in Part		
MAPER, MI FIX	GIPPER, MI VORTAC. SE BND. NW BND.	 MAA—17500
§ 95.6532 VOR Federal Airway V532 Is Amended To Delete		
LITTLE ROCK, AR VORTAC *3500—MRA	*PARON, AR FIX	2600 MAA—17500
PARON, AR FIX *4800—MCA GATZY, AR FIX, W BND **3100—MOCA	*GATZY, AR FIX	**3700 MAA—17500
GATZY, AR FIX *5500—MCA BLURB, AR FIX, E BND **3200—MOCA	*BLURB, AR FIX	**5500 MAA—17500
BLURB, AR FIX *3700—MOCA	BLIMP, AR FIX. NW BND. SE BND.	 MAA—17500
BLIMP, AR FIX *2400—MOCA	FORT SMITH, AR VORTAC	*2900 MAA—17500
§ 95.6534 VOR Federal Airway V534 Is Amended To Delete		
LITTLE ROCK, AR VORTAC	BIBBS, AR FIX	3500 MAA—17500
BIBBS, AR FIX *2500—MOCA	HAAWK, AR FIX	*4500 MAA—17500
HAAWK, AR FIX *6500—MRA **3100—MOCA	*SCRAN, AR FIX	**4500 MAA—17500
SCRAN, AR FIX *3000—MOCA	FORT SMITH, AR VORTAC. W BND. E BND.	 MAA—17500

From	To	MEA
§ 95.6573 VOR Federal Airway V573 Is Amended To Delete		
HOT SPRINGS, AR VOR/DME	LITTLE ROCK, AR VORTAC	3000 MAA—17500
§ 95.6583 VOR Federal Airway V583 Is Amended To Read in Part		
COLLEGE STATION, TX VORTAC *2100—MOCA	LEONA, TX VORTAC	*4000 MAA—17500
§ 95.6350 Alaska VOR Federal Airway V350 Is Amended To Delete		
DILLINGHAM, AK VOR/DME	TOGIAK, AK NDB/DME	5000 MAA—17500
TOGIAK, AK NDB/DME	BAFIN, AK FIX	5400 MAA—17500
BAFIN, AK FIX	BETHEL, AK VORTAC. SE BND. NW BND.	 MAA—17500

From	To	MEA	MAA
§ 95.7001 Jet Routes			
§ 95.7006 Jet Route J6 Is Amended To Delete			
WILL ROGERS, OK VORTAC	LITTLE ROCK, AR VORTAC	18000	45000
§ 95.7013 Jet Route J13 Is Amended To Read in Part			
ALBUQUERQUE, NM VORTAC *MEA IS ESTABLISHED WITH A GAP IN NAVIGATION SIGNAL COVERAGE	ALAMOSA, CO VORTAC	*18000	45000
ALAMOSA, CO VORTAC *MEA IS ESTABLISHED WITH A GAP IN NAVIGATION SIGNAL COVERAGE	FALCON, CO VORTAC	*26000	45000
§ 95.7014 Jet Route J14 Is Amended To Read in Part			
WILL ROGERS, OK VORTAC *18000—GNSS MEA	LITTLE ROCK, AR VORTAC	*21000	45000
LITTLE ROCK, AR VORTAC *18000—GNSS MEA	VULCAN, AL VORTAC	*22000	45000
§ 95.7044 Jet Route J44 Is Amended To Read in Part			
RATTLESNAKE, NM VORTAC	ALAMOSA, CO VORTAC	21000	45000
ALAMOSA, CO VORTAC *MEA IS ESTABLISHED WITH A GAP IN NAVIGATION SIGNAL COVERAGE	FALCON, CO VORTAC	*26000	45000
§ 95.7066 Jet Route J66 Is Amended To Read in Part			
BONHAM, TX VORTAC *18000—GNSS MEA	MEEOW, AR FIX	*20000	45000
MEEOW, AR FIX	LITTLE ROCK, AR VORTAC	18000	45000
§ 95.7096 Jet Route J96 Is Amended To Delete			
CIMARRON, NM VORTAC	GARDEN CITY, KS VORTAC	18000	45000
§ 95.7101 Jet Route J101 Is Amended To Read in Part			
LUFKIN, TX VORTAC *MEA IS ESTABLISHED WITH A GAP IN NAVIGATION SIGNAL COVERAGE	LITTLE ROCK, AR VORTAC	*18000	45000
§ 95.7110 Jet Route J110 Is Amended To Read in Part			
RATTLESNAKE, NM VORTAC	ALAMOSA, CO VORTAC	21000	45000

From	To	MEA	MAA
§ 95.7126 Jet Route J126 Is Amended To Read in Part			
ROGUE VALLEY, OR VORTAC	EUGENE, OR VORTAC	22000	45000
§ 95.7131 Jet Route J131 Is Amended To Read in Part			
LITTLE ROCK, AR VORTAC *18000—GNSS MEA	POCKET CITY, IN VORTAC	*23000	45000
§ 95.7534 Jet Route J534 Is Amended To Delete			
IWACK, WA FIX	WHATCOM, WA VORTAC	18000	45000
WHATCOM, WA VORTAC	U.S. CANADIAN BORDER	18000	45000

Airway segment		Changeover points	
From	To	Distance	From
§ 95.8003 VOR Federal Airway Changeover Point Is Amended To Delete Changeover Point			
WHATCOM, WA VORTAC	VANCOUVER, CA VOR/DME	10	WHATCOM
V124 Is Amended To Modify Changeover Point			
HOT SPRINGS, AR VOR/DME	LITTLE ROCK, AR VORTAC	20	HOT SPRINGS
V165 Is Amended To Delete Changeover Point			
MUSTANG, NV VORTAC	LAKEVIEW, OR VORTAC	70	MUSTANG
V277 Is Amended To Delete Changeover Point			
FORT WAYNE, IN VORTAC	KEELER, MI VOR/DME	38	FORT WAYNE
V573 Is Amended To Delete Changeover Point			
HOT SPRINGS, AR VOR/DME	LITTLE ROCK, AR VORTAC	14	HOT SPRINGS
Alaska V488 Is Amended To Modify Changeover Point			
HOOPER BAY, AK VOR/DME	UNALAKLEET, AK VOR/DME	91	HOOPER BAY
§ 95.8005 Jet Routes Changeover Points J13 Is Amended To Add Changeover Point			
ALBUQUERQUE, NM VORTAC	ALAMOSA, CO VORTAC	106	ALBUQUERQUE
J44 Is Amended To Add Changeover Point			
RATTLESNAKE, NM VORTAC	ALAMOSA, CO VORTAC	75	RATTLESNAKE
J110 Is Amended To Add Changeover Point			
RATTLESNAKE, NM VORTAC	ALAMOSA, CO VORTAC	75	RATTLESNAKE
J126 Is Amended To Add Changeover Point			
ROGUE VALLEY, OR VORTAC	EUGENE, OR VORTAC	59	ROGUE VALLEY
J180 Is Amended To Modify Changeover Point			
LITTLE ROCK, AR VORTAC	FORISTELL, MO VORTAC	111	LITTLE ROCK

[FR Doc. 2025–19693 Filed 10–28–25; 8:45 am]

BILLING CODE 4910–13–P

DEPARTMENT OF TRANSPORTATION

Federal Aviation Administration

14 CFR Part 97

[Docket No. 31632; Amdt. No. 4190]

Standard Instrument Approach Procedures, and Takeoff Minimums and Obstacle Departure Procedures; Miscellaneous Amendments

AGENCY: Federal Aviation Administration (FAA), DOT.

ACTION: Final rule.

SUMMARY: This rule amends, suspends, or removes Standard Instrument Approach Procedures (SIAPs) and associated Takeoff Minimums and Obstacle Departure Procedures for operations at certain airports. These regulatory actions are needed because of the adoption of new or revised criteria, or because of changes occurring in the National Airspace System, such as the commissioning of new navigational facilities, adding new obstacles, or changing air traffic requirements. These changes are designed to provide for the safe and efficient use of the navigable airspace and to promote safe flight operations under instrument flight rules at the affected airports.

DATES: This rule is effective October 29, 2025. The compliance date for each SIAP, associated Takeoff Minimums, and ODP is specified in the amendatory provisions.

The incorporation by reference of certain publications listed in the regulations is approved by the Director of the Federal Register as of October 29, 2025.

ADDRESSES: Availability of matter incorporated by reference in the amendment is as follows:

For Examination

1. U.S. Department of Transportation, Docket Ops–M30, 1200 New Jersey Avenue SE, West Bldg., Ground Floor, Washington, DC, 20590–0001;

2. The FAA Air Traffic Organization Service Area in which the affected airport is located;

3. The office of Aeronautical Information Services, 6500 South MacArthur Blvd., Oklahoma City, OK 73169 or,

4. The National Archives and Records Administration (NARA).

For information on the availability of this material at NARA, visit *www.archives.gov/federal-register/cfr/ibr-locations* or email *fr.inspection@nara.gov*.

Availability

All SIAPs and Takeoff Minimums and ODPs are available online free of charge. Visit the National Flight Data Center online at *nfdc.faa.gov* to register. Additionally, individual SIAP and Takeoff Minimums and ODP copies may be obtained from the FAA Air Traffic Organization Service Area in which the affected airport is located.

FOR FURTHER INFORMATION CONTACT: Romana Wolf, Manager (Acting), Flight Technologies and Procedures Division, Office of Safety Standards, Flight Standards Service, Aviation Safety, Federal Aviation Administration. Mailing Address: FAA Mike Monroney Aeronautical Center, Flight Procedures and Airspace Group, 6500 South MacArthur Blvd., STB Annex, Bldg. 26, Room 217, Oklahoma City, OK 73099. Telephone (405) 954–1139.

SUPPLEMENTARY INFORMATION: This rule amends 14 CFR part 97 by amending the referenced SIAPs. The complete regulatory description of each SIAP is listed on the appropriate FAA Form 8260, as modified by the National Flight Data Center (NFDC)/Permanent Notice to Airmen (P–NOTAM), and is incorporated by reference under 5 U.S.C. 552(a), 1 CFR part 51, and 14 CFR 97.20. The large number of SIAPs, their complex nature, and the need for a special format make their verbatim publication in the **Federal Register** expensive and impractical. Further, pilots do not use the regulatory text of the SIAPs, but refer to their graphic depiction on charts printed by publishers of aeronautical materials. Thus, the advantages of incorporation by reference are realized and publication of the complete description of each SIAP contained on FAA form documents is unnecessary. This amendment provides the affected CFR sections, and specifies the SIAPs and Takeoff Minimums and ODPs with their applicable effective dates. This amendment also identifies the airport and its location, the procedure and the amendment number.

Availability and Summary of Material Incorporated by Reference

The material incorporated by reference is publicly available as listed in the **ADDRESSES** section.

The material incorporated by reference describes SIAPs, Takeoff Minimums and ODPs as identified in the amendatory language for part 97 of this final rule.

The Rule

This amendment to 14 CFR part 97 is effective upon publication of each separate SIAP and Takeoff Minimums and ODP as amended in the transmittal. For safety and timeliness of change considerations, this amendment incorporates only specific changes contained for each SIAP and Takeoff Minimums and ODP as modified by FDC permanent NOTAMs.

The SIAPs and Takeoff Minimums and ODPs, as modified by FDC permanent NOTAM, and contained in this amendment are based on criteria contained in the U.S. Standard for Terminal Instrument Procedures (TERPS). In developing these changes to SIAPs and Takeoff Minimums and ODPs, the TERPS criteria were applied only to specific conditions existing at the affected airports. All SIAP amendments in this rule have been previously issued by the FAA in a FDC NOTAM as an emergency action of immediate flight safety relating directly to published aeronautical charts.

The circumstances that created the need for these SIAP and Takeoff Minimums and ODP amendments require making them effective in less than 30 days.

Because of the close and immediate relationship between these SIAPs, Takeoff Minimums and ODPs, and safety in air commerce, I find that notice and public procedure under 5 U.S.C. 553(b) are impracticable and contrary to the public interest and, where applicable, under 5 U.S.C. 553(d), good cause exists for making these SIAPs effective in less than 30 days.

The FAA has determined that this regulation only involves an established body of technical regulations for which frequent and routine amendments are necessary to keep them operationally current. It, therefore—(1) is not a ''significant regulatory action'' under Executive Order 12866; (2) is not a ''significant rule'' under DOT regulatory Policies and Procedures (44 FR 11034; February 26, 1979); and (3) does not warrant preparation of a regulatory evaluation as the anticipated impact is so minimal. For the same reason, the FAA certifies that this amendment will not have a significant economic impact on a substantial number of small entities under the criteria of the Regulatory Flexibility Act.

List of Subjects in 14 CFR Part 97

Air Traffic Control, Airports, Incorporation by reference, Navigation (Air).

Issued in Washington, DC on October 24, 2025.

Romana Wolf,

Aviation Safety, Manager (Acting), Flight Technologies & Procedures Division, Federal Aviation Administration.

Adoption of the Amendment

Accordingly, pursuant to the authority delegated to me, 14 CFR part 97 is amended by amending Standard Instrument Approach Procedures and Takeoff Minimums and ODPs, effective at 0901 UTC on the dates specified, as follows:

PART 97—STANDARD INSTRUMENT APPROACH PROCEDURES

■ 1. The authority citation for part 97 continues to read as follows:

Authority: 49 U.S.C. 106(f), 106(g), 40103, 40106, 40113, 40114, 40120, 44502, 44514, 44701, 44719, and 44721–44722.

■ 2. Part 97 is amended to read as follows:

By amending: § 97.23 VOR, VOR/DME, VOR or TACAN, and VOR/DME or TACAN; § 97.25 LOC, LOC/DME, LDA, LDA/DME, SDF, SDF/DME; § 97.27 NDB, NDB/DME; § 97.29 ILS, ILS/DME, MLS, MLS/DME, MLS/RNAV; § 97.31 RADAR SIAPs; § 97.33 RNAV SIAPs; and § 97.35 COPTER SIAPs, Identified as follows:

** * * Effective Upon Publication*

AIRAC date	State	City	Airport	FDC No.	FDC date	Procedure name
27–Nov–25 ...	FL	Miami	Miami Intl	5/1604	10/6/2025	RNAV (RNP) Y RWY 12, Orig-C.
27–Nov–25 ...	NH	Laconia	Laconia Muni	5/1907	9/11/2025	ILS OR LOC RWY 8, Amdt 2B.
27–Nov–25 ...	MD	Westminster	Clearview Airpark	5/3677	10/2/2025	RNAV (GPS)–B, Orig.
27–Nov–25 ...	UT	Nephi	Nephi Muni	5/6262	6/30/2025	RNAV (GPS) RWY 17, Orig-C.
27–Nov–25 ...	ME	Jackman	Newton Fld	5/6761	10/6/2025	RNAV (GPS) RWY 13, Amdt 1.
27–Nov–25 ...	ME	Jackman	Newton Fld	5/6763	10/6/2025	RNAV (GPS) RWY 31, Amdt 1.
27–Nov–25 ...	OH	Zanesville	Zanesville Muni	5/9264	6/30/2025	RNAV (GPS) RWY 22, Orig-B.
27–Nov–25 ...	OH	Zanesville	Zanesville Muni	5/9265	6/30/2025	RNAV (GPS) RWY 4, Orig-A.
27–Nov–25 ...	VA	Richmond	Richmond Exec/Chesterfield County.	5/9720	10/9/2025	ILS OR LOC RWY 33, Amdt 2E.

[FR Doc. 2025–19699 Filed 10–28–25; 8:45 am]

BILLING CODE 4910–13–P

DEPARTMENT OF TRANSPORTATION

Federal Aviation Administration

14 CFR Part 97

[Docket No. 31631; Amdt. No. 4189]

Standard Instrument Approach Procedures, and Takeoff Minimums and Obstacle Departure Procedures; Miscellaneous Amendments

AGENCY: Federal Aviation Administration (FAA), DOT.

ACTION: Final rule.

SUMMARY: This rule establishes, amends, suspends, or removes Standard Instrument Approach Procedures (SIAPS) and associated Takeoff Minimums and Obstacle Departure procedures (ODPs) for operations at certain airports. These regulatory actions are needed because of the adoption of new or revised criteria, or because of changes occurring in the National Airspace System, such as the commissioning of new navigational facilities, adding new obstacles, or changing air traffic requirements. These changes are designed to provide safe and efficient use of the navigable airspace and to promote safe flight operations under instrument flight rules at the affected airports.

DATES: This rule is effective October 29, 2025. The compliance date for each SIAP, associated Takeoff Minimums, and ODP is specified in the amendatory provisions.

The incorporation by reference of certain publications listed in the regulations is approved by the Director of the Federal Register as of October 29, 2025.

ADDRESSES: Availability of matters incorporated by reference in the amendment is as follows:

For Examination

1. U.S. Department of Transportation, Docket Ops–M30. 1200 New Jersey Avenue SE, West Bldg., Ground Floor, Washington, DC 20590–0001.

2. The FAA Air Traffic Organization Service Area in which the affected airport is located;

3. The office of Aeronautical Information Services, 6500 South MacArthur Blvd., Oklahoma City, OK 73169 or,

4. The National Archives and Records Administration (NARA). For information on the availability of this material at NARA, visit *www.archives.gov/federal-register/cfr/ibr-locations* or email *fr.inspection@nara.gov*.

Availability

All SIAPs and Takeoff Minimums and ODPs are available online free of charge. Visit the National Flight Data Center at *nfdc.faa.gov* to register. Additionally, individual SIAP and Takeoff Minimums and ODP copies may be obtained from the FAA Air Traffic Organization Service Area in which the affected airport is located.

FOR FURTHER INFORMATION CONTACT: Romana Wolf, Manager (Acting), Flight Technologies and Procedures Division, Office of Safety Standards, Flight Standards Service, Aviation Safety, Federal Aviation Administration. Mailing Address: FAA Mike Monroney Aeronautical Center, Flight Procedures and Airspace Group, 6500 South MacArthur Blvd., STB Annex, Bldg. 26, Room 217, Oklahoma City, OK 73099. Telephone (405) 954–1139.

SUPPLEMENTARY INFORMATION: This rule amends 14 CFR part 97 by establishing, amending, suspending, or removes SIAPS, Takeoff Minimums and/or ODPS. The complete regulatory description of each SIAP and its associated Takeoff Minimums or ODP for an identified airport is listed on FAA form documents which are incorporated by reference in this amendment under 5 U.S.C. 552(a), 1 CFR part 51, and 14 CFR 97.20. The applicable FAA Forms are 8260–3, 8260–4, 8260–5, 8260–15A, 8260–15B, when required by an entry on 8260–15A, and 8260–15C.

The large number of SIAPs, Takeoff Minimums and ODPs, their complex nature, and the need for a special format make publication in the **Federal Register** expensive and impractical. Further, pilots do not use the regulatory text of the SIAPs, Takeoff Minimums or ODPs, but instead refer to their graphic depiction on charts printed by publishers of aeronautical materials. Thus, the advantages of incorporation by reference are realized and publication of the complete description of each SIAP, Takeoff Minimums and ODP listed on FAA form documents is

unnecessary. This amendment provides the affected CFR sections and specifies the types of SIAPS, Takeoff Minimums and ODPs with their applicable effective dates. This amendment also identifies the airport and its location, the procedure, and the amendment number.

Availability and Summary of Material Incorporated by Reference

The material incorporated by reference is publicly available as listed in the **ADDRESSES** section.

The material incorporated by reference describes SIAPS, Takeoff Minimums and/or ODPs as identified in the amendatory language for part 97 of this final rule.

The Rule

This amendment to 14 CFR part 97 is effective upon publication of each separate SIAP, Takeoff Minimums and ODP as amended in the transmittal. Some SIAP and Takeoff Minimums and textual ODP amendments may have been issued previously by the FAA in a Flight Data Center (FDC) Notice to Airmen (NOTAM) as an emergency action of immediate flights safety relating directly to published aeronautical charts.

The circumstances that created the need for some SIAP and Takeoff Minimums and ODP amendments may require making them effective in less than 30 days. For the remaining SIAPs and Takeoff Minimums and ODPs, an effective date at least 30 days after publication is provided.

Further, the SIAPs and Takeoff Minimums and ODPs contained in this amendment are based on the criteria contained in the U.S. Standard for Terminal Instrument Procedures (TERPS). In developing these SIAPs and Takeoff Minimums and ODPs, the TERPS criteria were applied to the conditions existing or anticipated at the affected airports. Because of the close and immediate relationship between these SIAPs, Takeoff Minimums and ODPs, and safety in air commerce, I find that notice and public procedure under 5 U.S.C. 553(b) are impracticable and contrary to the public interest and, where applicable, under 5 U.S.C. 553(d), good cause exists for making some SIAPs effective in less than 30 days.

The FAA has determined that this regulation only involves an established body of technical regulations for which frequent and routine amendments are necessary to keep them operationally current. It, therefore—(1) is not a ''significant regulatory action'' under Executive Order 12866; (2) is not a ''significant rule'' under DOT Regulatory Policies and Procedures (44 FR 11034; February 26, 1979); and (3) does not warrant preparation of a regulatory evaluation as the anticipated impact is so minimal. For the same reason, the FAA certifies that this amendment will not have a significant economic impact on a substantial number of small entities under the criteria of the Regulatory Flexibility Act.

Lists of Subjects in 14 CFR Part 97

Air Traffic Control, Airports, Incorporation by reference, Navigation (Air).

Issued in Washington, DC on October 24, 2025.

Romana Wolf,

Aviation Safety, Manager (Acting), Flight Technologies & Procedures Division, Federal Aviation Administration.

Adoption of the Amendment

Accordingly, pursuant to the authority delegated to me, 14 CFR part 97 is amended by establishing, amending, suspending, or removing Standard Instrument Approach Procedures and/or Takeoff Minimums and Obstacle Departure Procedures effective at 0901 UTC on the dates specified, as follows:

PART 97—STANDARD INSTRUMENT APPROACH PROCEDURES

■ 1. The authority citation for part 97 continues to read as follows:

Authority: 49 U.S.C. 106(f), 106(g), 40103, 40106, 40113, 40114, 40120, 44502, 44514, 44701, 44719, and 44721–44722.

■ 2. Part 97 is amended to read as follows:

Effective 27 November 2025

Fort Collins/Loveland, CO, FNL, ILS OR LOC RWY 33, Amdt 8
Lamar, CO, LAA, VOR RWY 36, Amdt 2
Jacksonville, FL, JAX, ILS Y OR LOC Y RWY 14, Amdt 8
Kailua-Kona, HI, KOA/PHKO, ILS OR LOC RWY 17, Amdt 3
Kailua-Kona, HI, KOA/PHKO, RNAV (GPS) RWY 35, Amdt 5
Kailua-Kona, HI, KOA/PHKO, RNAV (GPS) Y RWY 17, Amdt 4
Kailua-Kona, HI, KOA/PHKO, RNAV (RNP) Z RWY 17, Amdt 1
Kailua-Kona, HI, KOA/PHKO, VOR OR TACAN RWY 17, Amdt 3
Kailua-Kona, HI, KOA/PHKO, VOR OR TACAN RWY 35, Amdt 3
Lanai City, HI, LNY/PHNY, ILS OR LOC RWY 3, Amdt 1D
Lanai City, HI, LNY/PHNY, RNAV (GPS) RWY 3, Orig-E
Clinton, IA, CWI, RNAV (GPS) RWY 3, Orig-C
Clinton, IA, CWI, RNAV (GPS) RWY 21, Amdt 1C
Belleville, IL, BLV, RNAV (GPS) Y RWY 14L, Amdt 1
Belleville, IL, BLV, RNAV (GPS) Y RWY 14R, Amdt 1
Belleville, IL, BLV, RNAV (GPS) Y RWY 32L, Amdt 1
Belleville, IL, BLV, RNAV (GPS) Y RWY 32R, Amdt 1
Belleville, IL, BLV, RNAV (RNP) Z RWY 14L, Orig
Belleville, IL, BLV, RNAV (RNP) Z RWY 14R, Orig
Belleville, IL, BLV, RNAV (RNP) Z RWY 32L, Orig
Belleville, IL, BLV, RNAV (RNP) Z RWY 32R, Orig
Chicago/Aurora, IL, ARR, VOR RWY 36, Amdt 3B, CANCELED
Westfield/Springfield, MA, BAF, VOR OR TACAN RWY 2, Amdt 4H
College Park, MD, CGS, RNAV (GPS)–A, Orig
College Park, MD, CGS, RNAV (GPS)–B, Orig-A, CANCELED
Greenville, ME, 3B1, RNAV (GPS) RWY 32, Orig-A
Brainerd, MN, BRD, ILS OR LOC RWY 34, Amdt 3
Staples, MN, SAZ, Takeoff Minimums and Obstacle DP, Amdt 3A
Kaiser/Lake Ozark, MO, AIZ, LOC/DME RWY 22, Amdt 2B, CANCELED
Mountain Grove, MO, 1MO, RNAV (GPS) RWY 8, Amdt 1
White Sulphur Springs, MT, 7S6, RNAV (GPS) RWY 19, Amdt 1
Lebanon, NH, LEB, ILS OR LOC RWY 18, Amdt 8A
Lebanon, NH, LEB, RNAV (GPS) RWY 7, Orig-G
Lebanon, NH, LEB, RNAV (GPS) RWY 18, Amdt 1A
Lebanon, NH, LEB, RNAV (GPS) RWY 25, Orig-E
Morristown, NJ, MMU, ILS Y OR LOC Y RWY 23, Orig
Morristown, NJ, MMU, ILS Z OR LOC Z RWY 23, Amdt 13A
Morristown, NJ, MMU, RNAV (GPS) X RWY 23, Orig
Morristown, NJ, MMU, RNAV (RNP) Y RWY 23, Amdt 1
Niagara Falls, NY, IAG, ILS Y OR LOC Y RWY 28, Orig
Niagara Falls, NY, IAG, ILS Y OR LOC Y RWY 28R, Amdt 23B, CANCELED
Niagara Falls, NY, IAG, ILS Z OR LOC Z RWY 28, Orig
Niagara Falls, NY, IAG, ILS Z OR LOC Z RWY 28R, Amdt 4B, CANCELED
Niagara Falls, NY, IAG, NDB RWY 28, Orig
Niagara Falls, NY, IAG, NDB RWY 28R, Amdt 17B, CANCELED
Niagara Falls, NY, IAG, RNAV (GPS) RWY 6, Amdt 1
Niagara Falls, NY, IAG, RNAV (GPS) RWY 10, Orig
Niagara Falls, NY, IAG, RNAV (GPS) RWY 10L, Orig-A, CANCELED
Niagara Falls, NY, IAG, RNAV (GPS) RWY 28, Orig
Niagara Falls, NY, IAG, RNAV (GPS) RWY 28R, Orig-B, CANCELED
Niagara Falls, NY, IAG, RNAV (GPS) Y RWY 24, Amdt 1
Niagara Falls, NY, IAG, RNAV (GPS) Z RWY 24, Amdt 1
Niagara Falls, NY, IAG, TACAN RWY 28, Orig

Niagara Falls, NY, IAG, TACAN RWY 28R, Orig-B, CANCELED
Niagara Falls, NY, IAG, Takeoff Minimums and Obstacle DP, Amdt 3
Mitchell, SD, MHE, RNAV (GPS) RWY 13, Orig-B
Madisonville, TX, 51R, VOR RWY 19, Amdt 3, CANCELED
San Antonio, TX, SSF, RNAV (GPS) RWY 32, Amdt 1
Nephi, UT, U14, RNAV (GPS) RWY 35, Amdt 1
Richmond, VA, FCI, RNAV (GPS) RWY 33, Orig-F
Bellingham, WA, BLI, BELLINGHAM ONE, Graphic DP
Bellingham, WA, BLI, ILS OR LOC RWY 16, ILS RWY 16 (SA CAT I), Amdt 10
Bellingham, WA, BLI, RNAV (GPS) Y RWY 16, Amdt 4
Bellingham, WA, BLI, RNAV (GPS) Y RWY 34, Amdt 3
Bellingham, WA, BLI, RNAV (RNP) Z RWY 16, Amdt 2
Bellingham, WA, BLI, RNAV (RNP) Z RWY 34, Amdt 2
Bellingham, WA, KBLI, Takeoff Minimums and Obstacle DP, Amdt 7
Eastsound, WA, ORS, RNAV (GPS) RWY 16, Amdt 3
Eastsound, WA, ORS, RNAV (GPS) RWY 34, Amdt 1
Eastsound, WA, ORS, RNAV (GPS)–A, Amdt 2
Eastsound, WA, ORS, SQURL ONE, Graphic DP
Eastsound, WA, KORS, Takeoff Minimums and Obstacle DP, Amdt 5

[FR Doc. 2025–19697 Filed 10–28–25; 8:45 am]

BILLING CODE 4910–13–P

Proposed Rules

Federal Register
Vol. 90, No. 207
Wednesday, October 29, 2025

This section of the FEDERAL REGISTER contains notices to the public of the proposed issuance of rules and regulations. The purpose of these notices is to give interested persons an opportunity to participate in the rule making prior to the adoption of the final rules.

CONSUMER FINANCIAL PROTECTION BUREAU

12 CFR Part 1092

[Docket No. CFPB–2023–0002]

Registry of Supervised Nonbanks That Use Form Contracts To Impose Terms and Conditions That Seek To Waive or Limit Consumer Legal Protections; Withdrawal of Proposed Rule

AGENCY: Consumer Financial Protection Bureau.

ACTION: Proposed rule; withdrawal.

SUMMARY: The Consumer Financial Protection Bureau (Bureau or CFPB) is withdrawing its Notice of Proposed Rule: Registry of Supervised Nonbanks That Use Form Contracts To Impose Terms and Conditions That Seek To Waive or Limit Consumer Legal Protections, published on February 1, 2023 (Proposed Rule), and is providing this notice of withdrawal. The Bureau has determined that legislative rulemaking is not necessary or appropriate at this time to address the subject matter of the Proposed Rule. The Bureau will not take any further action on the Proposed Rule.

DATES: The Proposed Rule published February 1, 2023, 88 FR 6906, is withdrawn as of October 29, 2025.

ADDRESSES: The docket for this withdrawn Proposed Rule is available at *https://www.regulations.gov/document/CFPB-2023-0002-0001.*

FOR FURTHER INFORMATION CONTACT: Dave Gettler, Paralegal Specialist, Office of Regulations, at 202–435–7700 or *https://reginquiries.consumerfinance.gov/.* If you require this document in an alternative electronic format, please contact *CFPB_Accessibility@cfpb.gov.*

SUPPLEMENTARY INFORMATION:

I. Summary

The Bureau is withdrawing the notice of proposed rulemaking, Registry of Supervised Nonbanks That Use Form Contracts to Impose Terms and Conditions That Seek To Waive or Limit Consumer Legal Protections, published on February 1, 2023, 88 FR 6906. The Proposed Rule would have required that most nonbanks subject to its supervisory authority register in a CFPB system information about their use of certain terms and conditions in form contracts, and would have required the Bureau to publish such information and registrants' identifying information.[1]

The Bureau is withdrawing the Proposed Rule, as discussed in more detail in part VI below, based on its conclusion that the significant costs of the proposed registration and publication system are not justified by their uncertain and speculative benefits. As discussed in part VI below, the proposal would have imposed a significant burden on supervised nonbanks in order to collect and publish information of uncertain or speculative value or benefit, mostly about regulated entities' use of lawful terms and conditions. It also would have imposed significant burdens on the Bureau, beyond those the Bureau estimated when it issued the Proposed Rule, which are unwarranted in light of the speculative benefits and additional limitations on the Bureau's resources, as noted below. Given this and the Bureau's focus on limiting regulatory burdens on the American people, the Bureau believes it is appropriate to withdraw this proposal. The Bureau has also considered changes in and updates to its policies, agenda, and objectives in withdrawing the proposal.

II. Background on the Proposed Rule

A. Terms and Conditions in Form Contracts for Consumer Financial Products and Services

In the Background Section of part II, the Proposed Rule explained the prevalence of form contracts in markets for consumer financial products and services as well as the purported risks associated with certain terms and conditions in these form contracts. Part II.A of the proposal explained that consumer finance companies often include in their agreements with consumers for consumer financial products and services terms and conditions that are non-negotiable. Part II.B of the proposal explained how Federal, state, tribal and local laws disfavor a subset of these terms and conditions that seek to waive or limit the availability of certain legal protections, including those that Federal regulators, Congress, and the States have deemed to be legally impermissible or subject to additional requirements to be enforceable.[2] Finally, part II.C described some of the purported risks posed by such terms and conditions in form contracts, including risks related to consumer understanding, waivers of rights, and decreased deterrence, compliance, and accountability. Part II.C also provided an overview of certain terms and conditions that the proposal intended to cover and how nonbanks rely on such terms in different markets for consumer financial products and services.

However, the Background section largely described these risks to consumers in the abstract and, with the exception of unlawful terms and conditions as discussed further below, provided scant evidence quantifying risks of harm to consumers or the ways in which the proposal would mitigate risks. Moreover, none of the categories of terms and conditions identified in the Background section are *per se* unlawful and some are even favored by existing law.[3]

B. The Proposed Rule

In its proposal, the Bureau proposed to collect information about supervised nonbanks' use of terms and conditions in form contracts that expressly seek to

[1] *Registry of Supervised Nonbanks That Use Form Contracts To Impose Terms and Conditions That Seek To Waive or Limit Consumer Legal Protections,* 88 FR 6096 (Feb. 1, 2023).

[2] For example, in 1984, the Federal Trade Commission (FTC) issued the Credit Practices Rule, which prohibited the inclusion of certain creditor remedies in consumer credit contracts and generally applied to nonbank creditors. *See Credit Practices Rule,* 49 FR 7740 (Mar. 1, 1984). Congress also has enacted numerous statutes limiting companies' ability to use certain contract terms. *See, e.g.,* 10 U.S.C. 987(e)(2) (expressly prohibiting waivers of right to recourse under any State or Federal law in contracts with covered servicemembers). *See also generally* Proposed Rule, 88 FR 6906 at 6908–14 (discussing other examples); Public Law 114–258, codified at 15 U.S.C. 45b (enacting the Consumer Review Fairness Act of 2016, which prohibits companies that use form contracts from restricting consumers' right to provide negative reviews).

[3] *See, e.g., Morgan* v. *Sundance,* 596 U.S. 411, 418 (2022) (explaining how the Federal Arbitration Act contains a general ''policy favoring arbitration'' pursuant to arbitration agreements); 88 FR 6906 at 6910 (describing examples in Federal mortgage regulations specifically authorizing waivers when needed to facilitate loans to meet a *bona fide* personal financial emergency).

impose the following limitations on consumer rights and other legal protections applicable to the offering or provision of consumer financial products or services in markets the Bureau supervises: waivers of claims a consumer can bring in a legal action; limits on the company's liability to a consumer; limits on the consumer's ability to bring a legal action by dictating the time frame, forum, or venue for a consumer to bring a legal action; limits on the ability of a consumer to bring or participate in collective legal actions such as class actions; limits on the ability of the consumer to complain or post reviews; certain other waivers of consumer rights or other legal protections; and arbitration agreements. The proposal defined these terms and conditions as covered terms and conditions. Covered terms and conditions would have been covered by the proposal even when they are legally enforceable.[4] Indeed, the Proposed Rule identified a wide range of terms and conditions that would be covered even though they are legally permissible.[5]

Under the Proposed Rule, nonbank covered persons subject to the Bureau's supervisory authority would have been required to file annual reports with the CFPB regarding both the covered terms and conditions that they include in their form contracts, as well as any court or arbitrator decision on the enforceability of such terms.[6] The Proposed Rule estimated over 7,300 supervised nonbanks would be required to register, including those engaged in mortgage lending, private student loan origination, payday lending, and any of the five markets where the Bureau has defined nonbank larger participants—consumer reporting, consumer debt collection, automobile finance, student loan servicing, and international money transfers.[7]

The Proposed Rule would have excluded certain supervised nonbanks from its coverage. Notably, the proposal excluded States and federally recognized Indian Tribes but acknowledged that there may be some uncertainty whether a particular supervised nonbank is a State or Tribe. The proposal suggested that such nonbanks could choose to register without prejudice to their ability to dispute their coverage under the Proposed Rule, or file a notice of nonregistration, as described in the proposal, if they have a good-faith basis to believe they are a State or Tribe.

The Bureau proposed to establish subpart C of part 1092 for the registration and collection of this information.[8]

C. Legal Authority

The Bureau stated that it was proposing the rule, pursuant to CFPA sections 1022(b) and (c) and section 1024 discussed further below,[9] principally to facilitate its market monitoring functions and its risk-based supervisory processes. It stated that the most immediate use of the proposed information collection would be in prioritization and implementation of its nonbank supervision program. The Bureau also stated that it had preliminarily determined to publish the information it collects under the proposal as permitted by law.[10] In part II.C. of the proposal, the Bureau described these and related purposes in more detail.[11]

III. Comments Received

The Bureau received 35 unique comments on the Proposed Rule. Comments generally opposed to the proposal included those from 12 Members of Congress, 4 Tribes, and 20 trade associations representing nonbank providers of consumer financial products and services, depository institutions, and credit unions. In addition, communications from the Small Business Administration Office of Advocacy (SBA) and mortgage market government-sponsored enterprises (GSEs)[12] raised specific points, noted below, and did not express support for the proposal. Finally, the Bureau received comments generally in support of the proposal from two coalitions encompassing 66 nonprofits and consumer advocacy organizations, 2 law professors, 4 law students, and 3 other individuals.

With limited exceptions noted further below, most commenters generally agreed with or did not dispute the proposal's conclusion that most consumers do not read form contracts. However, most commenters focused their comments not on the risks posed by form contracts *per se,* but on the issue of registration and publication related to the use of covered terms and conditions. These commenters opposed and supported the Proposed Rule on various grounds.

Comments from industry, Members of Congress, and Tribes generally opposed the proposal.[13] Among their numerous reasons for opposition, many stated that: (1) the paperwork burdens of registration would be unduly high;[14] (2) the public registry would impose substantial, unaccounted for, and unwarranted reputational burdens on registrants for use of lawful terms and conditions;[15] (3) the proposal unnecessarily included lawful terms and conditions,[16] including arbitration agreements,[17] other terms and conditions that State law expressly

[4] 88 FR 6906.

[5] *See, e.g.,* 88 FR 6906 at 6912 (Servicemembers Civil Relief Act expressly allows servicemembers to enter into certain waivers); *id.* (describing conditions in which State law permits certain waivers); *id.* at 6934 (describing how proposal covered liability limits ''including when they are permitted by law''); *id.* at 6909 n.17 (''existing law permits certain contractual waivers or limitations in consumer contracts'' that would be required to register); *id.* at 6911 (mortgage regulations permit consumers to waive rescission rights in certain circumstances); *id.* at 6913 (''permissible arbitration agreements'').

[6] *See* proposed §§ 1092.301(i) (defining ''[u]se of a covered term or condition'') and 1092.302 (proposing requirements for annual reporting on the ''use of covered terms and conditions'').

[7] 88 FR 6906 at 6957 (Table 3).

[8] Under the proposal, this registration requirement would have been part of the general nonbank registration system established under proposed subpart A of part 1092.

[9] 12 U.S.C. 5512(b) and (c) & 12 U.S.C. 5514.

[10] 88 FR 6906 at 6907; *see also* proposed § 1092.303 (providing that the CFPB will publish and maintain a publicly-available source of information about supervised registrants and their use of covered terms and conditions).

[11] 88 FR 6906 at 6914–24.

[12] A summary of this *ex parte* communication by Fannie Mae and Freddie Mac was posted to the docket.

[13] In addition, the GSEs generally implicitly opposed the proposal, suggesting that the proposal's exemption for form contracts made publicly available by GSEs was ambiguous and too narrow. The SBA also called on the Bureau to address a data deficiency in the final rule or convene a small business review panel.

[14] Several industry commenters stated that the proposal underestimated the burdens of the proposed registration requirements. For example, a trade association described how supervised nonbanks would need to hire third-party lawyers and consultants. These commenters also pointed to other burdens, such as compliance, reporting, and technological investments. Another commenter also stated that the burden of reporting information about court and arbitrator decisions on enforceability of covered terms and conditions would be ''massive,'' and suggested the Bureau could instead research that information on its own. The Bureau discusses comments on impacts further below in part IV.

[15] These comments generally described how the registry would create ''negative innuendo'' and ''stigma'' that would ''scare and shame,'' ''brand,'' and ''penalize'' the use of lawful terms and conditions, creating ''nuisance exposure'' and a ''chilling effect.'' One commenter noted that the proposal acknowledged this impact when it indicated that nonregistrants could seek to differentiate themselves in marketing. This commenter and other trade associations stated that the reputational impact would be significant enough to warrant the Bureau convening a small business review panel.

[16] Two of these comment letters suggested that if the Bureau were to issue a final rule, it should limit the scope of required registration to terms and conditions for which there is ''overwhelming consensus of their unlawful nature.''

[17] Legal objections to the proposed coverage of arbitration agreements also are noted below.

permits,[18] and terms and conditions that pertain to the application of State laws; [19] (4) under the proposal, the Bureau would collect very large quantities of information from supervised nonbanks about widely used, lawful terms and conditions that would be of little use to the Bureau and the public in assessing risk; [20] (5) it would be arbitrary, unfair, and undermine competition for the Bureau to impose the proposed burdensome requirements on supervised nonbanks and not on banks and credit unions using covered terms and conditions in the same markets; and (6) the proposal would infringe on Tribal sovereignty.[21]

Commenters in opposition also generally stated that the proposed exclusions, such as for firms with less than $1 million in annual receipts from consumer financial products and services in supervised markets, were inadequate.[22] Mortgage industry commenters similarly stated that the proposed exemption for certain GSE form contracts was inadequate, that the proposal would lead to unnecessary burden across market participants registering the same standard terms and conditions, and that the proposal generally was inappropriate for the mortgage market, where arbitration agreements generally are prohibited and State law already restricts many waivers.

Commenters in opposition also generally disagreed with the claims in the proposal that lawful covered terms and conditions, such as arbitration agreements, pose risks to consumers. One industry trade association also provided an economic analysis reporting no statistically significant relationship between companies' use of arbitration agreements and consumer complaints filed with the CFPB or enforcement actions filed by the CFPB. As a result, as noted above, these commenters generally stated that the public registry would be confusing and not allow for true discernment of risk.[23] Two industry commenters also disputed the proposal's preliminary finding that form contracts in general pose risks to consumers due to their being non-negotiable and consumers not reading them.[24]

In addition, several commenters opposed to the proposal questioned the Bureau's legal authority to finalize it. They stated that: (1) the authorities relied upon in CFPA sections 1022 and 1024 do not authorize the Bureau to establish a registry of terms and conditions it deems to be risky; [25] (2) the proposal raised constitutional concerns; [26] (3) the proposal ran afoul of the major questions doctrine; (4) the proposed coverage of arbitration agreements would be unlawful; [27] and (5) the proposal to publish registration information failed to consider the degree to which covered terms and conditions constitute confidential business information or protected intellectual property.[28]

In contrast, most of the commenters in support stated that the proposed publication of registration information would present a more systematic picture of the level of risk that covered terms and conditions pose to consumers. Meanwhile, they cited data from the Bureau's 2015 Arbitration Study and elsewhere that indicated to them that arbitration agreements are prevalent in supervised markets, and they cited research that, in their view, established that consumers fare poorly in arbitration and disadvantaged groups even more so. And they pointed to anecdotal examples of nonbanks that used those and other covered terms and conditions in supervised markets, including some terms and conditions that were found unlawful and others the commenters viewed as risky.[29] These commenters also cited examples of firms that both used covered terms and conditions and faced enforcement actions finding other conduct that caused consumer harm in violation of consumer protection laws. In their view, overlap between use of covered terms and conditions and such enforcement actions illustrated how covered terms and conditions reduced incentives to comply with the law and reduced remedies for noncompliance.

Commenters in support described several benefits of the proposal. In their view, it would: (1) allow other regulators and the public to understand the prevalence of covered terms and conditions; [30] (2) make the public aware of trends and patterns in the use of covered terms and conditions, including adjudications of their enforceability; [31] (3) help consumer organizations to publicly advocate for registrants to adopt terms more favorable to consumers; [32] and (4) prevent

[18] A trade association stated that the proposal would apply to terms and conditions that legislatures and courts, including at the State level, have found to be lawful.

[19] One of the trade associations therefore suggested that if the Bureau finalized the proposal, it should be further limited, such as to terms and conditions that violate Federal consumer financial law.

[20] Some commenters also stated that the proposal's burdens outweigh its benefits.

[21] All Tribe commenters generally supported the proposed exemption for States including Tribes, but several stated that it needed to be broadened to include State/Tribe-owned/controlled entities, which enjoy a right of self-determination as to their status as a sovereign entity. Relatedly, all of these commenters opposed what they viewed as the proposal's implication that the Bureau is competent to determine whether entities that claim association with Tribes are by law part of the Tribe and entitled to Tribal sovereignty. For that reason, they stated that the proposal to allow such entities to file good faith notices of nonregistration was based on a faulty premise that the Bureau could evaluate the merits of those notices.

[22] While these commenters advocated for a higher exemption, they did not state that would overcome their general opposition to the proposal.

[23] For example, one industry association noted how a registry of lawful terms and conditions would ''mislead'' consumers about their risks.

[24] In these commenters' view, the ''opt out'' provisions in their form contracts are a form of negotiability. In addition, one of these commenters noted that it requires consumers to check boxes confirming assent to individual terms.

[25] Another commenter indicated that the proposed registry was unprecedented and inappropriate.

[26] These grounds included due process and the 10th Amendment of the U.S. Constitution.

[27] Several commenters stated that the proposal to collect and publish information on the use of arbitration agreements was not permitted under section 1022 or section 1024, due to more specific authority to regulate arbitration agreements in section 1028. Several also stated that this aspect of the proposal violated the Congressional Review Act (CRA) resolution of disapproval of the Bureau's 2017 Arbitration Agreements Final Rule. *See* Final rule; CRA revocation, 82 FR 55500 (Nov. 22, 2017). Several also stated that the proposal was based on an arbitrary and capricious premise that arbitration agreements are risky, which, in their view, is inconsistent with the Federal Arbitration Act (FAA) and its jurisprudence.

[28] A law professor disagreed, stating that companies give the covered form contracts to consumers, so they are not trade secrets.

[29] Several commenters in support also called for the Bureau to expand the list of covered terms and conditions to include, among other provisions, specific aspects of arbitration agreements, such as provisions delegating the power to the arbitrator to determine arbitrability and provisions prescribing standards for so-called mass arbitration. Some also supported coverage of loser-pays provisions and choice-of-law provisions. One stated that the registry should cover implied waivers, including terms and conditions that do not contain the notice required by the FTC's Holder Rule, 16 CFR 433.2. Based on their review of a selection of income-share agreements to fund education expenses of postsecondary education students, they stated that these agreements, in their view, were subject to the Holder Rule and did not comply with that rule.

[30] One of these commenters stated that, even though use of covered terms and conditions may be very common, a public registry can help the public to understand the true level of diminishment of their rights. In this commenter's view, that public understanding could reduce firms' use of covered terms and conditions.

[31] However, in their view, the proposed collection of data on enforceability adjudications (*i.e.,* decisions only) was too narrow. They stated data on pending and settled enforceability challenges, including mass challenges, would provide a clearer picture of the risk profile of covered terms and conditions. In their view, such broader information could provide an early indication of mass harms, and identify mass adjudications that are stalled by limitations in arbitration agreements.

[32] One of these commenters stated that advocates would push for better practices by engaging in noisy criticism, and suggested the registry could lead to the creation of ratings organizations to

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supervised nonbanks from gaining a competitive advantage from use of covered terms and conditions in form contracts.[33]

However, few commenters in support specifically addressed whether the proposed public registry would improve consumer understanding or shopping. None stated it would do so directly through widespread consumer use. And two suggested the proposed public registry could be confusing to the public unless the Bureau significantly invested in consumer education about the subject matter and reviewed the effectiveness of published information. Instead, a few of these commenters suggested the data in the public registry could be used to encourage companies to change their practices. For example, one commenter stated that, in its view, examples of consumer activism in other contexts [34] suggest that a small number of active and vocal consumers could analyze such information and use it to publicize their views as to which terms and conditions registrants should change. This commenter also suggested that a law review article analyzing certain public databases indicated that they could foster competition among companies to engage in a ''race to the top'' to stay out of such databases.[35] In the commenter's view, companies could proactively remove or avoid use of covered terms and conditions as a marketing or branding strategy. More broadly, many of the commenters in support called on the Bureau to pursue a different or supplemental regulation restricting the use of covered terms and conditions, and arbitration agreements in particular.

Commenters in support also generally did not address the usefulness of the proposed information collection requirements to the Bureau in particular. One stated that the proposal would help the Bureau to monitor for systemic risks, including emerging risks, by identifying which covered terms and conditions are used across a market, and allowing the Bureau to link the use of covered terms and conditions with particular harms including repeat offenses.

With respect to the impacts of the proposal on covered persons, commenters in support also generally did not address this topic, except in certain limited respects. First, most commenters in support called for imposing similar requirements on depository institutions and credit unions. For example, one commenter stated that depository institutions use the same terms and conditions and should be covered on the same basis. However, another commenter agreed with the proposal's focus on nonbanks because, in its view, nonbanks posed disproportionate risks to consumers not served or underserved by the banking sector. Second, a commenter suggested that registration of the entire form contract containing a covered term or condition would be less burdensome than the proposal to require submission of structured data about the use of specific covered terms and conditions. Third, another commenter stated that the proposal to collect information about court and arbitrator decisions on the enforceability of covered terms and conditions would pose low burden because, in their experience, such decisions were infrequent.

IV. Rationales for Withdrawing the Proposed Rule

As explained below, the Bureau is withdrawing the Proposed Rule because the purported benefits of the proposed registry and publication requirement do not justify the proposal's significant costs.[36] As also discussed below, the Bureau considered alternatives to full withdrawal of the proposal, but finds that those alternatives do not resolve these flaws.

A. The Purported Benefits of the Proposed Registration Requirements Do Not Justify the Costs

The Proposed Rule's findings regarding its necessity and value were based on speculative and unquantified benefits, which do not justify the steep burdens that would have been imposed on regulated entities subject to the Proposed Rule.[37]

The Proposed Rule only quantified some of the estimated burdens to covered persons.[38] However, even the burdens it did quantify—the paperwork burdens of complying with the proposed registration requirements—were significant. Table 3 in the Proposed Rule estimated that supervised nonbanks would expend approximately 202,875 hours complying with the proposed registration requirements.[39] The estimated registration burden per firm ranged from 15 hours (for firms with a ''simple'' portfolio of about 10 contracts containing covered terms and conditions) to over 214 hours (for firms with a ''complex'' portfolio of about 250 contracts containing covered terms and conditions).[40] The Proposed Rule estimated that half of the paperwork burden would involve reviewing consumer form contracts to identify covered terms and conditions.[41] Over a third of the estimated paperwork burden would involve completing the registration process.

As noted above, some industry commenters stated that the Proposed Rule underestimated the paperwork burdens. For example, they generally suggested that supervised nonbanks would have more covered terms and conditions to register than the CFPB expected due to its inclusion of a wide range of lawful terms in the scope of registration. In the view of some commenters, the Proposed Rule also did not adequately account for burdens on supervised nonbanks such as instituting new internal compliance and reporting processes, making technology integration investments, consulting with outside legal counsel, and making marketing changes and engaging public relations services to address reputational impacts.

The Bureau agrees with commenters that the burdens would have been unduly high and unwarranted, particularly in light of the speculative nature of the benefits. The proposal's impacts analysis identified the ''primary benefit'' of the proposal as increasing compliance among covered supervised nonbanks by qualitatively increasing the incentive for supervised nonbanks to refrain from using noncompliant covered terms and conditions, and through more targeted scrutiny by the Bureau and other regulators.[42]

evaluate quality or consumer-friendliness of covered consumer financial products or services.

[33] Many of these commenters stated that the lack of negotiability and generic language in form contracts allows firms, including monopolists, to prevent consumers from enjoying the full protection of the law.

[34] Yonathan Arbel & Roy Shapira, *The Theory of the Nudnik,* 73 Van. L. Rev. 929 (2020).

[35] Nathan Cortez, *Regulation by Database,* 89 U. Colo. L. Rev. 1 (2018).

[36] While the Bureau bases its withdrawal on its conclusion that the absolute burdens of compliance alone are significant enough that, in light of the speculative benefits, the proposed policy does not justify the costs, the Bureau acknowledges the persuasive nature of comments it received questioning the authority of the Bureau to create a registry as proposed, discussed in part III above. The Bureau is persuaded that further consideration of its authorities is merited before it may propose to establish such a registration regime.

[37] Withdrawing the proposed rule also furthers the Administration's goals of limiting regulatory burdens on the American people. *See, e.g.,* E.O. 14219 of February 19, 2025, Ensuring Lawful Governance and Implementing the President's ''Department of Government Efficiency'' Deregulatory Initiative, 90 FR 10583 (Feb. 25, 2025).

[38] For example, it did not quantify the burdens supervised nonbanks would face as a result of the proposal to publish registration information. 88 FR 6906 at 6961–62.

[39] 88 FR 6906 at 6957 (Table 3).

[40] *Id.* at 6956 (Table 2).

[41] *Id.*

[42] 88 FR 6906 at 6953.

Neither the Bureau nor commenters established that the proposed registration requirements would have any deterrent effect, much less an effect that would be commensurate with the significant burden such requirements would impose. Moreover, the Bureau believes, after consideration of comments, that, as a policy matter, the Proposed Rule's attempt to disincentivize conduct through the collection of vast amounts of data regarding typically lawful contract terms amounts to regulatory overreach, and is a misguided use of the Bureau's authorities that dilutes the Bureau's ability to identify true risk to consumers.

The proposal acknowledged that the Bureau lacked data about the frequency of use of unlawful covered terms and conditions.[43] Thus, although it claimed that the use of noncompliant terms and conditions would be ''significantly reduce[d],'' [44] the proposal did not adequately quantify this purported benefit. The proposal also did not establish that such an incentive was necessary given restrictions in existing law on use of such terms and conditions. In fact, much of the anecdotal evidence the Bureau cited to justify the proposal involved the enforcement of existing law to deter this very conduct.[45]

The Proposed Rule also did not quantify any other benefit from the registration of lawful terms and conditions, including by helping the Bureau to detect risk to consumers and to prioritize its examination work on that basis. For example, the Proposed Rule stated a theory that public oversight should be heightened when entities use covered terms and conditions that limit or restrict private enforcement.[46] But it did not provide evidence to support this theory, much less quantify any purported benefit. The Bureau seeks to avoid imposing steep compliance burdens on regulated entities when benefits to consumers or the public are unclear.

As noted above, one commenter suggested that the Proposed Rule's registry would help the Bureau to monitor for systemic and emerging risk (such as from detecting widespread use of potentially harmful terms and conditions, or a connection between their use and other harmful conduct). However, neither the Proposed Rule nor commenters explained why a rule mandating permanent, recurring collection of data on the use of covered terms and conditions by nonbanks across supervised markets was necessary, compared with more targeted, less burdensome use of the Bureau's market monitoring or supervisory authorities. For example, as one industry association noted, the Bureau could gather similar information through its examinations, which would avoid the burden from establishing the proposed registry.

The Bureau also is withdrawing the Proposed Rule because the proposal's speculative and unquantified benefits do not justify the significant costs to the Bureau. The Proposed Rule would have required the Bureau to expend significant resources—not only to establish and operate a registration system, but also to use that system to assess risks. Yet the proposal considered only some of the resources the Bureau would have to expend to fully realize the Rule's purported benefits. The Proposed Rule estimated that operation of the nonbank registry (including this proposal and the rule establishing the nonbank orders registry) would cost approximately $2.5 million for vendor support as well as over 10,000 hours of Federal staff time annually.[47] Those estimates, however, did not include the cost to use the collected data, which would include standardizing unstructured data and analysis as part of supervisory prioritization (which the Proposed Rule described as the most immediate use). Moreover, the Proposed Rule also would have required the Bureau to determine which information collected is legally permissible to publish and should be published. That too would require significant Bureau resources. These significant costs to the Bureau are not justified, especially when the statutory cap on the Bureau's resources has been significantly reduced since the Bureau published the Proposed Rule.[48]

Finally, the Proposed Rule would have led to collection of large quantities of data about terms and conditions most of which are likely to be lawful and commonly used in the marketplace. Nothing in the comment record or the proposal suggests that the Bureau could discern which of these terms and conditions, if any, pose risks to consumers without expending substantial resources.[49] Thus, the Bureau does not believe that collecting this vast amount of data would be useful to the exercise of its functions. At best, the proposed information collection would be a poorly designed distraction. At worst, it would be an unjustified overreach that places significant, unwarranted burdens on industry and the Bureau. Regardless, if the Bureau found evidence that such an information collection is warranted, it could use other authorities to collect data in a more targeted and efficient manner. It also can exercise its supervisory and enforcement authorities to take action against the usage of terms and conditions in the consumer financial services marketplace that are prohibited by Federal consumer financial law, to the extent such terms and conditions are used.

B. The Proposed Publication Provisions Do Not Justify the Costs

The Bureau is also withdrawing the Proposed Rule because the proposed public registry's speculative and unquantified benefits to the public do not justify the costs and potential harm imposed on regulated entities.

The Proposed Rule's main rationale for making the registry publicly available was a theory that the rule would serve consumers and the public interest by, for example, facilitating oversight of supervised nonbanks by regulators other than the Bureau, contributing to public debates over form contracts and certain terms and conditions, providing outside groups

[43] *See id.* at 6954 (''The Bureau does not possess data on the frequency of use of such terms[.]'') and *id.* at 6960 (''The Bureau does not have data on the prevalence of covered waivers and other covered terms and conditions that are expressly prohibited by Federal, State, and Tribal laws, or on the prevalence of covered terms and conditions that may constitute UDAAPs.'').

[44] *Id.* at 6960.

[45] *See generally* examples in part II of the proposal.

[46] 88 FR 6906 at 6909 (''By eliminating or diminishing private enforcement or exercise of rights, covered terms and conditions risk harming consumers. Indeed, given the limited resources of public regulators, private enforcement and other forms of exercising rights play an important role in incentivizing compliance with the laws applicable to consumer financial products and services.'') & n.215 (''[A] chief purpose of the proposal is to increase public oversight of covered terms and conditions precisely because of the limitations covered terms and conditions impose on private enforcement.'').

[47] *See Paperwork Reduction Act Supporting Statement,* Item 14 at *https://www.reginfo.gov/public/do/PRAViewDocument?ref_nbr=202407-3170-001.*

[48] *See* 12 U.S.C. 5497(a)(2)(A)(iii).

[49] *See* 88 FR 6906 at 6953 (the Bureau ''believes that the use of covered terms and conditions is widespread''). Indeed, a number of industry commenters stated that the Proposed Rule would not enable the Bureau to discern risks to consumers. These commenters believed that most industry participants used at least some covered terms and conditions, which would render the data collected devoid of usefulness or benefit. For example, one commenter stated that the proposed information collection and public registry would ''cast a dragnet'' that ''obfuscates'' and ''adds noise'' to the Bureau's market monitoring, rather than serving as a ''proxy'' or ''signal'' for identifying bad actors or illegal or abusive practices or products. Another stated that the Proposed Rule would ''deluge'' the Bureau with registrations.

with resources to educate consumers, and assisting consumers in identifying supervised nonbanks registered with the Bureau. However, the Proposed Rule acknowledged both that it would have ''a minimal impact on consumer behavior'' and, similar to the discussion above, that the Bureau lacks sufficient data to quantify the proposal's purported benefits to the public interest.

In addition to the steep costs to regulated entities and the Bureau associated with the proposed public registry, the proposal also acknowledges that it may impose potential costs and harms on consumers, the public, and regulated entities. The proposal noted that publication ''has the potential to create confusion'' among consumers and the public. For example, consumers could view a firm's registration as a sign that the supervised nonbank poses substantial risk (despite that the covered terms and conditions most likely to be registered would be lawful, as discussed above).

Further still, many industry trade association commenters stated that the proposal would cause significant reputational harm because it would ''name and shame'' or ''scare and shame'' supervised nonbanks. More specifically, it would impose a ''stigma'' and ''public stamp of disapproval'' that ''implies potential wrongdoing'' and ''negative inuendo.'' In their view, this ''branding'' and ''penaliz[ing]'' effect was unwarranted, given how it would be based largely on the use of lawful contract terms. In addition, some industry commenters stated that the reputational impacts would be substantial, calling into question the proposal's certification that it would not have a significant impact on a substantial number of small entities. Some consumer groups also admitted they would plan to use appearance on the registry to embarrass companies, which the Bureau finds concerning given that the registry would contain many lawful contract provisions.

Given that some commenters stated their plan to use the public registry to challenge registrants' reputations, the Bureau views the industry comments as raising reasonable concerns about reputational harm. The proposal did not consider this impact, and the Bureau does not believe it can be quantifiable, given the unprecedented nature of the proposed registry. The Bureau nevertheless believes, as it does with the registration requirement discussed above, after consideration of comments, that the Proposed Rule's publication requirement was a misguided attempt to stigmatize regulated entities into changing form contracts that, by and large, contain lawful terms [50] with little, if any, evidence to justify such aggressive regulatory overreach.

C. Alternatives Considered

In withdrawing this Proposed Rule, the Bureau considered several possible alternatives. First, the Bureau considered the alternative identified in the proposal of requiring registration of all supervised nonbanks, regardless of their use of covered terms and conditions. The proposal stated that the Bureau did not pursue that alternative because it preliminarily concluded it was a higher priority to register users of covered terms and conditions.[51] A general registration requirement for supervised nonbanks would be an entirely different type of policy from this proposal, which focuses on covered terms and conditions, and the Bureau declines to consider such an alternative further.

Second, the Bureau considered commenters' suggestion of limiting the definition of covered terms and conditions to include only those covered limitations on consumer legal protections that are prohibited by law. Although this alternative could reduce the number of terms and conditions that would be subject to the paperwork burdens of reporting information to the Bureau, it may increase the overall burdens of identifying such terms and conditions. There are practical difficulties in determining whether certain terms and conditions are indeed prohibited by law, and regulated entities may have to spend significant resources to do so.[52] Moreover, this approach would still suffer from the same infirmities that permeate the Proposed Rule as discussed more fully above, not least of all that neither the Bureau nor commenters have data to quantify the prevalence of such prohibited terms and conditions, or to establish the inadequacy of existing law to deter the use of prohibited terms and conditions. Thus, the Bureau believes that the costs to regulated entities and the Bureau are not justified to achieve speculative benefits of even this narrower alternative.

Third, the Bureau considered whether it should collect more data to help better quantify any potential benefits of the Proposed Rule. Without existing evidence that would support the proposal's aggressive regulatory theory, the Bureau does not believe it would be prudent to impose significant additional burdens on industry or to commit the Bureau's more limited resources to the pursuit of uncertain results.

Fourth, the Bureau considered eliminating the publication requirement. While withdrawing this part of the Proposed Rule may have reduced some of the costs to the Bureau and regulated entities, the publication requirement only represented a portion of the costs associated with the proposal such that eliminating this requirement alone would not sufficiently reduce costs to justify imposing the remaining burdensome requirements of the proposal.

Withdrawal of Proposed Rule

For each of the independently sufficient reasons set forth in part IV above, the Bureau is withdrawing the proposed rule titled, ''Registry of Supervised Nonbanks That Use Form Contracts To Impose Terms and Conditions That Seek To Waive or Limit Consumer Legal Protections,'' published in the **Federal Register** on February 1, 2023.

Russell Vought,

Acting Director, Consumer Financial Protection Bureau.

[FR Doc. 2025–19690 Filed 10–28–25; 8:45 am]

BILLING CODE 4810–AM–P

[50] *See, e.g.,* 88 FR 6906 at 6957 (discussing how the paperwork burdens of the rule create incentives to remove covered terms and conditions beyond merely those that are unlawful).

[51] *Id.* at 6919.

[52] Several industry associations acknowledged these difficulties, stating that the alternative should be limited to those limitations for which there is ''overwhelming consensus of their unlawfulness.'' However, such an approach would only increase burden on the Bureau (if it attempted to establish such a list, as one of these commenters suggested) or otherwise on supervised nonbanks, which would have to engage in further evaluation, for each limitation, of whether the law as a whole establishes such a consensus.

Notices

Federal Register
Vol. 90, No. 207
Wednesday, October 29, 2025

This section of the FEDERAL REGISTER contains documents other than rules or proposed rules that are applicable to the public. Notices of hearings and investigations, committee meetings, agency decisions and rulings, delegations of authority, filing of petitions and applications and agency statements of organization and functions are examples of documents appearing in this section.

DEPARTMENT OF COMMERCE

Patent and Trademark Office

[Docket No. PTO–C–2025–0348]

Request for Comments on Community Outreach Office Locations in States Formerly Served by the Rocky Mountain Regional Outreach Office

AGENCY: United States Patent and Trademark Office, U.S. Department of Commerce.

ACTION: Request for comments.

SUMMARY: The United States Patent and Trademark Office (USPTO or Office) is seeking information to consider regarding the selection of locations for one or more community outreach offices (COOs) in the eight-state area formerly serviced by the Rocky Mountain Regional Outreach office that the USPTO was directed to establish under the Unleashing American Innovators Act of 2022 (UAIA).

DATES: To ensure consideration, written comments must be received by 5 p.m. ET on or before November 28, 2025, and should be submitted in accordance with the instructions in the **ADDRESSES** section. No public hearing will be held.

ADDRESSES: Comments must be submitted electronically to *NewOffices@uspto.gov.* Attachments will be accepted as MICROSOFT WORD® or ADOBE® PDF documents. To be considered, comments must be submitted to the email box. Because comments will be made available for public inspection, information that the submitter does not desire to make public, such as an address or phone number, should not be included in the comments.

If submission of comments to *NewOffices@uspto.gov* is not feasible due to a lack of access to a computer and/or the internet, please contact the USPTO using the contact information below for special instructions regarding how to submit comments by mail or by hand delivery, based on the public's ability to obtain access to USPTO facilities at the time.

FOR FURTHER INFORMATION CONTACT: Chris Shipp, Chief of Staff, Office of the Under Secretary of Commerce for Intellectual Property and Director of the USPTO, at 571–272–8600.

SUPPLEMENTARY INFORMATION:

I. Background

Enabled by the 2011 Leahy-Smith America Invents Act (AIA), Public Law 112–29, the USPTO currently has regional offices that are located in Detroit, Michigan; San Jose, California (Silicon Valley); and Dallas, Texas; and Alexandria, Virginia. The purposes of the regional offices (ROs), as originally defined in the AIA and amended by the UAIA, Public Law 117–328, 107 (2022), which was signed into law as part of the Consolidated Appropriations Act, 2023 on December 29, 2022, are to:

- *RO1:* Better connect patent filers and innovators with the Office, including by increasing outreach activities to individual innovators, small businesses, veterans, low-income populations, students, rural populations, and any geographic group of innovators that the Director may determine to be underrepresented in patent filings;
- *RO2:* Enhance patent examiner and administrative patent judge retention, including patent examiners and administrative patent judges from economically, geographically, and demographically diverse backgrounds;
- *RO3:* Improve recruitment of patent examiners;
- *RO4:* Decrease the number of patent applications waiting for examination; and
- *RO5:* Improve the quality of patent examination.

The USPTO has been focused on outreach and impact, and is working on ways to better introduce, support and assist those who may be new to the innovation ecosystem, enabling the involvement and participation of more individuals.

In addition to regional offices, the UAIA requires the USPTO to establish at least four COOs within five years from enactment of the Act (*i.e.,* no later than December 29, 2027). The purposes of the COOs are to:

- *COO1:* Further achieve the purposes described above for the ROs;
- *COO2:* Partner with local community organizations, institutions of higher education, research institutions, and businesses to create tailored community-based programs that provide education regarding the patent system and promote the career benefits of innovation and entrepreneurship; and
- *COO3:* Educate prospective inventors, including individual inventors, small businesses, veterans, low-income populations, students, rural populations, and any geographic group of innovators that the Director may determine to be underrepresented in patent filings, about all public and private resources available to potential patent applicants, including the patent pro bono program.

The Northern New England Community Outreach Office was established in January 2025 in Durham, New Hampshire.

The USPTO is seeking information for consideration related to the location of one or more COOs in the eight-state area formerly serviced by the Rocky Mountain Regional Outreach Office. The eight-state area includes: Idaho, Utah, Montana, Wyoming, Colorado, North Dakota, South Dakota, and Nebraska.

The USPTO will use quantitative metrics and criteria to evaluate and assess the location selection for future COOs. The Office intends to consider the following classes of data (D) at a minimum:

- *D1:* Robust research activity and graduate level programs of study in areas which lead to innovations, IP, and IP-intensive companies/industries;
- *D2:* Availability and concentration of existing commercialization and business development resources (Innovation Ecosystem); and
- *D3:* Ability to support all inventors, as noted in COO3.

The USPTO welcomes input from all stakeholders on any matter that they believe is relevant to the overall planning and design or site selection of the USPTO COOs that will serve the eight-state area previously served by the Rocky Mountain Regional Outreach Office. Commenters are encouraged to address any or all of the statutory considerations listed in the UAIA and summarized above, any other considerations they believe the USPTO should consider, and the questions listed below.

To be considered, comments must be submitted to *NewOffices@uspto.gov.*

Please cite any public data that relates to or supports your responses. If data is available but non-public, describe such data to the extent permissible.

II. Planning and Design Considerations of New Community Outreach Offices

With the addition of COOs to the agency's footprint, the USPTO envisions the joint mission of the COOs to be the cultivation and expansion of a vibrant innovation and entrepreneurship ecosystem supported by intellectual property across the United States. To accomplish this mission, the offices will conduct broad stakeholder engagement with innovators ranging from individual inventors to multinational business entities; establish and leverage partnerships and relationships to scale the USPTO's work; incentivize regional innovation and entrepreneurship, especially in key emerging areas (*e.g.,* artificial intelligence (AI), quantum, and distributed ledger); and promote full participation by innovators and entrepreneurs of all backgrounds, including in rural areas and from our armed services, to support U.S. innovation and job creation.

III. Specific Questions for Comment

The USPTO invites responses to the following questions:

Community Outreach Offices

1. Considering the envisioned mission described above, what essential services—including outreach, education, and customer service—should a COO provide to achieve the statutory purposes?

a. Should the services identified be delivered in person? Why or why not?

b. Should the services identified be delivered virtually? Why or why not?

2. What types of organizations should the COO seek to establish relationships and collaborations with to better leverage and scale its services?

3. Would there be a benefit for a COO to be co-located with other public sector entities/services (*e.g.,* universities)?

a. If so, please describe the added value of having a shared location.

b. Which public sector entities/services would you suggest for the shared location(s)?

c. If not, please describe the benefit of having a unique location for a COO.

General Comments Regarding New Community Outreach Offices

4. What unique services should the COOs individually provide, and how should the full range of services complement each other?

5. Considering the potential classes of data listed in Part I above, what additional key indicators or data would support COO site selection?

6. What other factors should the USPTO consider when planning for the new COOs?

Location of New Community Outreach Offices

Given the statutory purposes and considerations of COOs, as discussed in Part I, and the planning and design considerations identified in Part II:

7. Which location is ideal for one or more community outreach offices (COOs) in the eight-state area formerly serviced by the Rocky Mountain Regional Outreach Office?

8. What else should the USPTO consider when determining the ideal locations for new Community Outreach Offices?

While the Office welcomes and values all comments from the public in response to this request, the comments submitted do not commit the Office to any further actions related to the comments, and the Office may not respond to any or every submitted comment. The Office nonetheless will consider all written submissions.

Any and all decisions made regarding the future locations of the COOs will be consistent with the criteria outlined in the UAIA and the goals and mission of the USPTO.

John A. Squires,

Under Secretary of Commerce for Intellectual Property and Director of the United States Patent and Trademark Office.

[FR Doc. 2025–19695 Filed 10–28–25; 8:45 am]

BILLING CODE 3510–16–P

ENVIRONMENTAL PROTECTION AGENCY

[EPA–HQ–OA–2025–0172; FRL–13055–01–OMS]

Agency Information Collection Activities; Submission to the Office of Management and Budget for Review and Approval; Comment Request Focus Groups as Used by EPA for Economics Projects (Renewal)

AGENCY: Environmental Protection Agency (EPA).

ACTION: Notice.

SUMMARY: The Environmental Protection Agency (EPA) has submitted an information collection request (ICR), Focus Groups as Used by EPA for Economics Projects (Renewal), (EPA ICR Number 2205.26, OMB Control Number 2090–0028) to the Office of Management and Budget (OMB) for review and approval in accordance with the Paperwork Reduction Act. This is a proposed renewal of the ICR, which is currently approved through October 31, 2025. Public comments were previously requested via the **Federal Register** on August 28, 2025, during a 60-day comment period. This notice allows for an additional 30 days for public comments.

DATES: Comments may be submitted on or before November 28, 2025.

ADDRESSES: Submit your comments, referencing Docket ID Number EPA–HQ–OA–2025–0172, to EPA online using *www.regulations.gov* (our preferred method), or by mail to: EPA Docket Center, Environmental Protection Agency, Mail Code 28221T, 1200 Pennsylvania Ave. NW, Washington, DC 20460.

EPA's policy is that all comments received will be included in the public docket without change including any personal information provided, unless the comment includes profanity, threats, information claimed to be Confidential Business Information (CBI) or other information whose disclosure is restricted by statute.

Submit written comments and recommendations to OMB for the proposed information collection within 30 days of publication of this notice to *www.reginfo.gov/public/do/PRAMain.* Find this particular information collection by selecting ''Currently under 30-day Review—Open for Public Comments'' or by using the search function.

FOR FURTHER INFORMATION CONTACT: Chris Moore, Office of Policy (MC1809T), Environmental Protection Agency, 1200 Pennsylvania Ave. NW, Washington, DC 20460; telephone number: 202–566–2348; email address: *moore.chris@epa.gov.*

SUPPLEMENTARY INFORMATION: This is a proposed renewal of the ICR, which is currently approved through October 31, 2025. An agency may not conduct or sponsor and a person is not required to respond to a collection of information unless it displays a currently valid OMB control number.

Public comments were previously requested via the **Federal Register** on August 28, 2025, during a 60-day comment period (90 FR 42007). This notice allows for an additional 30 days for public comments. Supporting documents, which explain in detail the information that the EPA will be collecting, are available in the public docket for this ICR. The docket can be viewed online at *www.regulations.gov* or in person at the EPA Docket Center, WJC West, Room 3334, 1301

Constitution Ave. NW, Washington, DC. The telephone number for the Docket Center is 202–566–1744. For additional information about EPA's public docket, visit *http://www.epa.gov/dockets.*

Abstract: EPA is seeking renewal of a generic information collection request (ICR) for the conduct of focus groups and protocol interviews (hereafter jointly referred to as focus groups) related to economics projects. Over the next three years, the Agency anticipates engaging in survey development efforts associated with a variety of economics projects including those related to drinking water quality, health risk reductions, coastal adaptation and restoration, to name a few. Focus groups are an important part of any survey development process, allowing researchers to directly gauge what specific issues are important to the public and providing a means for explicitly testing draft survey materials. Through these focus groups, the Agency will be able to gain a more in-depth understanding of the public's attitudes, beliefs, motivations and feelings regarding specific issues and will provide valuable information regarding the quality of draft survey instruments.

The information collected in the focus groups will be used primarily to develop and improve economics-related surveys. To the extent that these surveys are ultimately approved and successfully administered, they will serve to expand the Agency's understanding of benefits and costs of a variety of actions and could provide the means to quantitatively assess the effects of others. Participation in the focus groups will be voluntary, and the identity of the participants will be kept confidential.

Form Numbers: None.

Respondents/affected entities: Individuals.

Respondent's obligation to respond: Voluntary.

Estimated number of respondents: 432 (total).

Frequency of response: Once.

Total estimated burden: 288 hours (per year). Burden is defined at 5 CFR 1320.03(b).

Total estimated cost: $100,973 (per year), which includes $80,000 annualized capital or operation & maintenance costs.

Changes in the Estimates: There is decrease of 1,314 hours in the 3-year total estimated respondent burden compared with the ICR currently approved by OMB. A decrease in burden over the previous ICR conveys simply that EPA anticipates less need for the conduct of focus groups under this ICR than in the past.

Courtney Kerwin,

Director, Information Engagement Division.

[FR Doc. 2025–19685 Filed 10–28–25; 8:45 am]

BILLING CODE 6560–50–P

ENVIRONMENTAL PROTECTION AGENCY

[EPA–HQ–OAR–2025–0085; FRL–13054–01–OMS]

Agency Information Collection Activities; Submission to the Office of Management and Budget for Review and Approval; Comment Request; Renewable Fuel Standard (RFS) Program: RFS Annual Rules (Renewal)

AGENCY: Environmental Protection Agency (EPA).

ACTION: Notice.

SUMMARY: The Environmental Protection Agency (EPA) has submitted an information collection request (ICR), Renewable Fuel Standard (RFS) Program: RFS Annual Rules (EPA ICR Number 2691.03, OMB Control Number 2060–0740) to the Office of Management and Budget (OMB) for review and approval in accordance with the Paperwork Reduction Act. This is a proposed extension of the ICR, which is currently approved through October 31, 2025. Public comments were previously requested via the **Federal Register** on April 28, 2025, during a 60-day comment period. This notice allows for an additional 30 days for public comments.

DATES: Comments may be submitted on or before November 28, 2025.

ADDRESSES: Submit your comments, referencing Docket ID Number EPA–HQ–OAR–2025–0085, to EPA online using *www.regulations.gov* (our preferred method), by email to EPA–HQ–OAR–2025–0085, or by mail to: EPA Docket Center, Environmental Protection Agency, Mail Code 28221T, 1200 Pennsylvania Ave. NW, Washington, DC 20460.

EPA's policy is that all comments received will be included in the public docket without change including any personal information provided, unless the comment includes profanity, threats, information claimed to be Confidential Business Information (CBI) or other information whose disclosure is restricted by statute.

Submit written comments and recommendations to OMB for the proposed information collection within 30 days of publication of this notice to *www.reginfo.gov/public/do/PRAMain.* Find this particular information collection by selecting ''Currently under 30-day Review—Open for Public Comments'' or by using the search function.

FOR FURTHER INFORMATION CONTACT: John D. Weihrauch Office of Air and Radiation, Mail Code 6405A, Environmental Protection Agency, 1200 Pennsylvania Ave. NW, Washington, DC 20460; telephone number: 202–343–9477; email address: *weihrauch.john@epa.gov.*

SUPPLEMENTARY INFORMATION: This is a proposed extension of the ICR, which is currently approved through October 25, 2025. An agency may not conduct or sponsor and a person is not required to respond to a collection of information unless it displays a currently valid OMB control number.

Public comments were previously requested via the **Federal Register** on April 28, 2025 during a 60-day comment period (90 FR 17593). This notice allows for an additional 30 days for public comments. Supporting documents, which explain in detail the information that the EPA will be collecting, are available in the public docket for this ICR. The docket can be viewed online at *www.regulations.gov* or in person at the EPA Docket Center, WJC West, Room 3334, 1301 Constitution Ave. NW, Washington, DC. The telephone number for the Docket Center is 202–566–1744. For additional information about EPA's public docket, visit *http://www.epa.gov/dockets.*

Abstract: This ICR is for provisions regarding biointermediates in the Renewable Fuel Standard (RFS) program. A ''biointermediate'' is produced from a renewable biomass feedstock at a biointermediate production facility and is not itself a renewable fuel; the biointermediate will be processed into a renewable fuel at a subsequent renewable fuel production facility. The biointermediate provisions were included in the EPA's finale rulemaking to establish RFS volume standards for 2020, 2021, and 2022 (87 FR 39600, July 1, 2022).

The recordkeeping and reporting requirements allow the EPA to monitor compliance from biointermediate producers, renewable identification number (RIN) generators who are renewable fuel producers who use biointermediates, biointermediate producers, and specific third parties (*e.g.,* quality assurance plan, or QAP, providers). This ICR is related to the general collection related to RFS, which bears OMB Control No. 2060–0725 (expiring November 30, 2025).

Form Numbers: RFS0107 (5900–631), RFS0602 (5900–290), RFS0702 (5900–289), RFS0801 (5900–293), RFS0902 (5900–278), RFS2001 (5900–633), RFS2101 (5900–634), RFS2201 (5900–635), RFS2301 (5900–636), RFS2400 (5900–361), RFS4000 (5900–529).

Respondents/affected entities: Biointermediate producers, RIN generators (renewable fuel producers), biointermediate importers, third parties (including QAP providers).

Respondent's obligation to respond: mandatory under 40 CFR parts 80 and 1090.

Estimated number of respondents: 892 (total).

Frequency of response: Quarterly, annually, on occasion.

Total estimated burden: 27,871 hours (per year). Burden is defined at 5 CFR 1320.03(b).

Total estimated cost: $2,062,900 (per year), which includes $0 annualized capital or operation & maintenance costs.

Changes in the Estimates: There is a decrease of 139,514 hours in the total estimated respondent burden compared with the ICR currently approved by OMB. This decrease is due to fewer regulated parties utilizing biointermediates in the RFS than was originally anticipated. We shared our estimates with industry respondents who perform recordkeeping and reporting functions. Based upon their feedback we increased some estimates in our calculations related to third party auditor activities performed, but those did not change the overall decrease in burden due to fewer participants.

Courtney Kerwin,

Director, Information Engagement Division.

[FR Doc. 2025–19686 Filed 10–28–25; 8:45 am]

BILLING CODE 6560–50–P

POSTAL REGULATORY COMMISSION

[Docket Nos. MC2026–52 and K2026–52; MC2026–53 and K2026–53; MC2026–54 and K2026–54; MC2026–55 and K2026–55]

New Postal Products

AGENCY: Postal Regulatory Commission.

ACTION: Notice.

SUMMARY: The Commission is noticing a recent Postal Service filing for the Commission's consideration concerning a negotiated service agreement. This notice informs the public of the filing, invites public comment, and takes other administrative steps.

DATES: *Comments are due:* November 3, 2025.

ADDRESSES: Submit comments electronically via the Commission's Filing Online system at *https://www.prc.gov.* Those who cannot submit comments electronically should contact the person identified in the **FOR FURTHER INFORMATION CONTACT** section by telephone for advice on filing alternatives.

FOR FURTHER INFORMATION CONTACT: David A. Trissell, General Counsel, at 202–789–6820.

SUPPLEMENTARY INFORMATION:

Table of Contents

I. Introduction

Pursuant to 39 CFR 3041.405, the Commission gives notice that the Postal Service filed request(s) for the Commission to consider matters related to Competitive negotiated service agreement(s). The request(s) may propose the addition of a negotiated service agreement from the Competitive product list or the modification of an existing product currently appearing on the Competitive product list.

The public portions of the Postal Service's request(s) can be accessed via the Commission's website (*http://www.prc.gov*). Non-public portions of the Postal Service's request(s), if any, can be accessed through compliance with the requirements of 39 CFR 3011.301.[1]

Section II identifies the docket number(s) associated with each Postal Service request, if any, that will be reviewed in a public proceeding as defined by 39 CFR 3010.101(p), the title of each such request, the request's acceptance date, and the authority cited by the Postal Service for each request. For each such request, the Commission appoints an officer of the Commission to represent the interests of the general public in the proceeding, pursuant to 39 U.S.C. 505 and 39 CFR 3000.114 (Public Representative). The Public Representative does not represent any individual person, entity or particular point of view, and, when Commission attorneys are appointed, no attorney-client relationship is established. Section II also establishes comment deadline(s) pertaining to each such request.

The Commission invites comments on whether the Postal Service's request(s) identified in Section II, if any, are consistent with the policies of title 39. Applicable statutory and regulatory requirements include 39 U.S.C. 3632, 39 U.S.C. 3633, 39 U.S.C. 3642, 39 CFR part 3035, and 39 CFR part 3041. Comment deadline(s) for each such request, if any, appear in Section II.

Section III identifies the docket number(s) associated with each Postal Service request, if any, to add a standardized distinct product to the Competitive product list or to amend a standardized distinct product, the title of each such request, the request's acceptance date, and the authority cited by the Postal Service for each request. Standardized distinct products are negotiated service agreements that are variations of one or more Competitive products, and for which financial models, minimum rates, and classification criteria have undergone advance Commission review. *See* 39 CFR 3041.110(n); 39 CFR 3041.205(a). Such requests are reviewed in summary proceedings pursuant to 39 CFR 3041.325(c)(2) and 39 CFR 3041.505(f)(1). Pursuant to 39 CFR 3041.405(c)–(d), the Commission does not appoint a Public Representative or request public comment in proceedings to review such requests. The comment due date discussed above does not apply to Section III proceedings (Docket Nos. MC2026–52 and K2026–52; MC2026–55 and K2026–55).

II. Public Proceeding(s)

1. *Docket No(s).:* MC2026–53 and K2026–53; *Filing Title:* USPS Request to Add Priority Mail Express, Priority Mail & USPS Ground Advantage Contract 1447 to the Competitive Product List and Notice of Filing Materials Under Seal; *Filing Acceptance Date:* October 24, 2025; *Filing Authority:* 39 U.S.C. 3642, 39 CFR 3035.105, and 39 CFR 3041.310; *Public Representative:* Kenneth Moeller; *Comments Due:* November 3, 2025.

2. *Docket No(s).:* MC2026–54 and K2026–54; *Filing Title:* USPS Request to Add Priority Mail Contract 941 to the Competitive Product List and Notice of Filing Materials Under Seal; *Filing Acceptance Date:* October 24, 2025; *Filing Authority:* 39 U.S.C. 3642, 39 CFR 3035.105, and 39 CFR 3041.310; *Public Representative:* Jennaca Upperman; *Comments Due:* November 3, 2025.

III. Summary Proceeding(s)

1. *Docket No(s).:* MC2026–52 and K2026–52; *Filing Title:* USPS Request to Add New Fulfillment Standardized Distinct Product, PM–GA Contract 893, and Notice of Filing Materials Under Seal; *Filing Acceptance Date:* October 24, 2025; *Filing Authority:* 39 U.S.C.

[1] *See* Docket No. RM2018–3, Order Adopting Final Rules Relating to Non-Public Information, June 27, 2018, Attachment A at 19–22 (Order No. 4679).

3642 and 3633, 39 CFR 3035.105, and 39 CFR 3041.325.

2. *Docket No(s).:* MC2026–55 and K2026–55; *Filing Title:* USPS Request to Add New Fulfillment Standardized Distinct Product, PM–GA Contract 894, and Notice of Filing Materials Under Seal; *Filing Acceptance Date:* October 24, 2025; *Filing Authority:* 39 U.S.C. 3642 and 3633, 39 CFR 3035.105, and 39 CFR 3041.325.

This Notice will be published in the **Federal Register**.

Jennie L. Jbara,

Primary Certifying Official.

[FR Doc. 2025–19694 Filed 10–28–25; 8:45 am]

BILLING CODE 7710–FW–P

POSTAL SERVICE

Product Change—Priority Mail Express, Priority Mail, and USPS Ground Advantage Negotiated Service Agreements; Priority Mail and USPS Ground Advantage Negotiated Service Agreements; Priority Mail

AGENCY: Postal Service.

ACTION: Notice.

SUMMARY: The Postal Service gives notice of filing a request with the Postal Regulatory Commission to add a domestic shipping services contract to the list of Negotiated Service Agreements in the Mail Classification Schedule's Competitive Products List.

DATES: Date of notice: October 29, 2025.

FOR FURTHER INFORMATION CONTACT: Sean C. Robinson, 202–268–8405.

SUPPLEMENTARY INFORMATION: The United States Postal Service hereby gives notice that, pursuant to 39 U.S.C. 3642 and 3632(b)(3), it filed with the Postal Regulatory Commission the following requests:

Date filed with Postal Regulatory Commission	Negotiated service agreement product category and No.	MC docket No.	K docket No.
10/14/25	PM–GA 880	MC2026–22	K2026–22
10/14/25	PME–PM–GA 1439	MC2026–23	K2026–23
10/14/25	PM–GA 881	MC2026–25	K2026–24
10/15/25	PME–PM–GA 1440	MC2026–27	K2026–27
10/15/25	PME–PM–GA 1441	MC2026–29	K2026–29
10/15/25	PM–GA 882	MC2026–30	K2026–30
10/16/25	PM–GA 883	MC2026–32	K2026–32
10/16/25	PME–PM–GA 1442	MC2026–33	K2026–33
10/17/25	PM 937	MC2026–35	K2026–35
10/17/25	PM 938	MC2026–36	K2026–36
10/17/25	PME–PM–GA 1443	MC2026–37	K2026–37
10/20/25	PM–GA 884	MC2026–38	K2026–38
10/20/25	PM–GA 885	MC2026–39	K2026–39
10/20/25	PM–GA 886	MC2026–40	K2026–40
10/20/25	PME–PM–GA 1444	MC2026–41	K2026–41
10/20/25	PME–PM–GA 1445	MC2026–42	K2026–42
10/21/25	PM 939	MC2026–43	K2026–43
10/21/25	PM–GA 887	MC2026–44	K2026–44
10/21/25	PM–GA 888	MC2026–45	K2026–45
10/22/25	PM 940	MC2026–46	K2026–46
10/22/25	PM–GA 889	MC2026–47	K2026–47
10/23/25	PM–GA 890	MC2026–48	K2026–48
10/23/25	PM–GA 891	MC2026–49	K2026–49
10/23/25	PME–PM–GA 1446	MC2026–50	K2026–50
10/23/25	PM–GA 892	MC2026–51	K2026–51
10/24/25	PM–GA 893	MC2026–52	K2026–52
10/24/25	PME–PM–GA 1447	MC2026–53	K2026–53
10/24/25	PM 941	MC2026–54	K2026–54
10/24/25	PM–GA 894	MC2026–55	K2026–55

Documents are available at *www.prc.gov*.

Colleen Hibbert-Kapler,

Attorney, Ethics and Legal Compliance.

[FR Doc. 2025–19688 Filed 10–28–25; 8:45 am]

BILLING CODE 7710–12–P

DEPARTMENT OF TRANSPORTATION

Federal Railroad Administration

[Docket Number FRA–2010–0029]

National Railroad Passenger Corporation's Request To Amend Its Positive Train Control System

AGENCY: Federal Railroad Administration (FRA), Department of Transportation (DOT).

ACTION: Notice of availability and request for comments.

SUMMARY: This document provides the public with notice that, on October 3, 2025, National Railroad Passenger Corporation (Amtrak) submitted two requests for amendment (RFA) to its FRA-certified positive train control (PTC) system, the Interoperable Electronic Train Management System (I–ETMS), in order to perform stability and reliability upgrades to its I–ETMS back office subsystem. FRA is publishing this notice and inviting public comment on the railroad's RFAs to its PTC system.

DATES: FRA will consider comments received by November 18, 2025. FRA may consider comments received after that date to the extent practicable and without delaying implementation of valuable or necessary modifications to a PTC system.

ADDRESSES:

Comments: Comments may be submitted by going to *https://www.regulations.gov* and following the online instructions for submitting comments.

Instructions: All submissions must include the agency name and the applicable docket number. The relevant PTC docket number for this host railroad is Docket No. FRA–2010–0029. For convenience, all active PTC dockets are hyperlinked on FRA's website at *https://railroads.dot.gov/research-development/program-areas/train-control/ptc/railroads-ptc-dockets*. All comments received will be posted without change to *https://www.regulations.gov;* this includes any personal information.

FOR FURTHER INFORMATION CONTACT: Gabe Neal, Staff Director, Signal, Train Control, and Crossings Division, telephone: 816–516–7168, email: *Gabe.Neal@dot.gov*.

SUPPLEMENTARY INFORMATION: In general, Title 49 United States Code (U.S.C.) Section 20157(h) requires FRA to certify that a host railroad's PTC system complies with Title 49 Code of Federal Regulations (CFR) Part 236, Subpart I, before the technology may be operated in revenue service. Before making certain changes to an FRA-certified PTC system or the associated FRA-approved PTC Safety Plan (PTCSP), a host railroad must submit, and obtain FRA's approval of, an RFA to its PTC system or PTCSP under 49 CFR 236.1021.

Under 49 CFR 236.1021(e), FRA's regulations provide that FRA will publish a notice in the **Federal Register** and invite public comment in accordance with 49 CFR part 211, if an RFA includes a request for approval of a material modification of a signal or train control system. Accordingly, this notice informs the public that, October 3, 2025, Amtrak submitted two RFAs to its I–ETMS PTC system which seeks FRA's approval for regular quarterly and biannual PTC outages to perform I–ETMS back office subsystem stability and reliability upgrades through December 2030. The outages will last approximately two (2) hours but not to exceed three (3) hours quarterly, and approximately three (3) hours but not to exceed four (4) hours biannually. Those RFAs are available in Docket No. FRA–2010–0029.

Interested parties are invited to comment on Amtrak's RFAs by submitting written comments or data. During FRA's review of these railroad's RFAs, FRA will consider any comments or data submitted within the timeline specified in this notice and to the extent practicable, without delaying implementation of valuable or necessary modifications to a PTC system. *See* 49 CFR 236.1021; *see also* 49 CFR 236.1011(e). Under 49 CFR 236.1021, FRA maintains the authority to approve, approve with conditions, or deny a railroad's RFA at FRA's sole discretion.

Privacy Act Notice

In accordance with 49 CFR 211.3, FRA solicits comments from the public to better inform its decisions. DOT posts these comments, without edit, including any personal information the commenter provides, to *https://www.regulations.gov,* as described in the system of records notice (DOT/ALL–14 FDMS), which can be reviewed at *https://www.transportation.gov/privacy*. See *https://www.regulations.gov/privacy-notice* for the privacy notice of *regulations.gov*. To facilitate comment tracking, we encourage commenters to provide their name, or the name of their organization; however, submission of names is completely optional. If you wish to provide comments containing proprietary or confidential information, please contact FRA for alternate submission instructions.

Issued in Washington, DC.

Carolyn R. Hayward-Williams,

Director, Office of Railroad Systems and Technology.

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LIST OF PUBLIC LAWS

Note: No public bills which have become law were received by the Office of the Federal Register for inclusion in today's **List of Public Laws**.

Last List September 9, 2025

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