



FEDERAL REGISTER

Vol. 91

Friday,

No. 1

January 2, 2026

Pages 1–194

OFFICE OF THE FEDERAL REGISTER



The **FEDERAL REGISTER** (ISSN 0097-6326) is published daily, Monday through Friday, except official holidays, by the Office of the Federal Register, National Archives and Records Administration, under the Federal Register Act (44 U.S.C. Ch. 15) and the regulations of the Administrative Committee of the Federal Register (1 CFR Ch. I). The Superintendent of Documents, U.S. Government Publishing Office, is the exclusive distributor of the official edition. Periodicals postage is paid at Washington, DC.

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SMALL BUSINESS ADMINISTRATION

13 CFR Part 107

RIN 3245-A114

Small Business Investment Company (SBIC) Regulatory Amendments

AGENCY: U.S. Small Business Administration.

ACTION: Final rule.

SUMMARY: On July 7, 2025, the U.S. Small Business Administration (“SBA” or “Agency”) published a notice of proposed rulemaking (“NPRM” or “proposed rule”) to revise the regulations for the Small Business Investment Company (“SBIC”) program to modify or remove from the Code of Federal Regulations (“CFR”) regulations that are obsolete, inefficient, or otherwise unnecessarily impede the licensing of small business investment companies (“SBICs”) and to remove certain barriers to investments in critical mineral extraction and processing and designated critical technologies. This final rule implements proposed regulatory changes as modified to address comments SBA received.

DATES: This rule is effective February 2, 2026.

FOR FURTHER INFORMATION CONTACT:

Policy: Joshua Carter, Associate Administrator of the Office of Investment and Innovation, U.S. Small Business Administration, oii.policy@sba.gov, 202–205–7159. This phone number may also be reached by individuals who are deaf or hard of hearing, or who have speech disabilities, through the Federal Communications Commission’s TTY-Based Telecommunications Relay Service teletype service at 711.

Regulatory Comments: Paul Van Eyl, Director of Financial Policy, Office of Investment and Innovation, U.S. Small Business Administration, oii.policy@sba.gov, 202–257–5955. This phone number can also be reached by individuals who are deaf or hard of

hearing, or who have speech disabilities, through the Federal Communications Commission’s TTY-Based Telecommunications Relay Service teletype service at 711.

SUPPLEMENTARY INFORMATION:

I. Background Information

A. Small Business Investment Company Program

SBA’s SBIC program is designed to enhance small business access to capital by stimulating and supplementing “the flow of private equity capital and long-term loan funds which small business concerns need for the sound financing of their business operations and for their growth, expansion, and modernization, and which are not available in adequate supply.” Small Business Investment Act of 1958, as amended, 15 U.S.C. 661, *et seq.* (the “Act”). The SBIC program’s primary objective is to “improve and stimulate the national economy in general and the small business segment thereof in particular.” *Id.*

SBICs are privately owned and managed investment funds, licensed and regulated by SBA, that use capital raised from private investors (what SBA generally refers to as “Regulatory Capital”) to make equity and debt investments in qualifying small businesses. SBICs pursue investments in a broad range of industries, geographic areas, and stages of investment. SBA licenses many SBICs to issue SBA-guaranteed debentures (“Debentures”), typically with a ten year term, the repayment of which is guaranteed by SBA using the full faith and credit of the United States. SBA typically authorizes SBICs to issue Debentures up to an amount not exceeding \$175 million for individual SBICs and \$350 million for SBICs under Common Control (as defined in 13 CFR 107.50).

From the inception of the SBIC program to December 31, 2024, SBICs have invested approximately \$139.2 billion in approximately 198,199 financings to small businesses. In fiscal year 2024, SBICs invested \$7.26 billion in 1,014 small businesses. As of September 30, 2024, there were a total of 318 licensed and operating SBICs with total Regulatory Capital of approximately \$25.7 billion. In addition, as of September 30, 2024, SBA had guaranteed outstanding Debentures or had outstanding commitments to guarantee Debentures to SBICs in the

approximate aggregate amount of \$21.1 billion.

B. Notice of Proposed Rulemaking

The Small Business Investment Act of 1958, as amended (the “Act”) declares that the policy of Congress and the purpose of the Act is to improve and stimulate the national economy in general and the small business segment thereof. The Act states the intention of Congress to provide “financial assistance under this Act, when practicable, priority accorded to small business concerns which lease or purchase equipment and supplies which are produced in the United States and “financial assistance provided hereunder shall not result in a substantial increase of unemployment in any area of the country.” Additionally, the Act authorizes the SBA Administrator “to prescribe regulations governing the operations of small business investment companies.”

On July 7, 2025, SBA proposed changes to 13 CFR 107 (90 FR 29794) to remove eighteen regulations and two definitions that are no longer necessary, because the rules reflect statutes that have been repealed, do not have any current or future applicability, or are otherwise inefficient or unnecessary. Specifically, SBA proposed to remove eight regulations relating to “Subsidized Leverage,” which was formerly issued by Specialized Small Business Investment Companies (“SSBICs”) (also referred to as “Section 301(d) Licensees”). Prior to 1996, Section 301(d) of the Act authorized SBA to issue licenses to SSBICs, which were required to invest “solely in small business concerns which will contribute to a well-balanced national economy by facilitating ownership in such concerns by persons whose participation in the free enterprise system is hampered because of social or economic disadvantages[.]” Section 301(d) was repealed by Section 208(b)(3)(A) of Public Law 104–208, enacted September 30, 1996 (the “Improvement Act of 1996”). Section 208(b)(3)(B) of the Improvement Act of 1996 provided, “[t]he repeal under subparagraph (A) shall not be construed to require the Administrator to cancel, revoke, withdraw, or modify any license issued under section 301(d) of the Small Business Investment Act of 1958 before the date of enactment of this Act.” As

a result, no new SSBIC licenses have been issued since October 1, 1996, but consistent with the Improvement Act of 1996, the then-existing SSBIC licenses were not revoked. The Improvement Act of 1996 also repealed the special kinds of financial assistance (*i.e.*, “Subsidized Leverage”) that SBA previously made available to SSBICs under former Section 303(c) of the Act. Such Subsidized Leverage was previously available to SSBICs in the form of Debentures with an interest rate subsidy or certain types of preferred stock known as “Preferred Securities” with a specified dividend. Although Subsidized Leverage can no longer be issued, the Improvement Act of 1996 did not require SSBICs to prepay or redeem such Subsidized Leverage prior to its scheduled maturity.

Approximately five SSBICs are currently operating, but no Subsidized Leverage remains outstanding, so SBA proposed in the NPRM to remove the regulations related to Subsidized Leverage. The SSBICs remaining in the program will not be impacted by the changes finalized in this rule and, if eligible, those SSBICs may continue to apply to issue standard Debentures.

SBA proposed to remove three regulations and one definition relating to Participating Securities (as defined in 13 CFR 107.50) and SBICs that issued Participating Securities (“Participating Securities SBICs”). The fees payable by Participating Securities SBICs were not sufficient to cover the projected net losses of the Participating Securities program and no funds have been appropriated for this program in over 20 years. As a result, since October 1, 2004, SBA has not issued new commitments for Participating Securities. There are no Participating Securities SBICs operating in the program, and accordingly the changes made in this rule will not impact any Participating Securities SBICs.

SBA proposed to remove one regulation relating to a category of SBICs created by regulation in 2012 that were required to invest at least fifty percent of their capital in early-stage small businesses (“Early Stage SBICs”). The final rule (77 FR 25042, April 27, 2012) that defined this category of Early Stage SBICs stated that SBA’s intent was to license Early Stage SBICs over a five year period (fiscal years 2012 through 2016). SBA published a rule on September 19, 2016 (81 FR 64075) proposing to make the Early Stage SBIC initiative a permanent part of the SBIC program, but withdrew the proposed rule on June 11, 2018 (83 FR 26875) because, among other things, few qualified funds applied to the Early

Stage SBIC initiative and the comments to the proposed rule did not demonstrate broad support for a permanent Early Stage SBIC program. In the NPRM, SBA proposed to remove the regulations related to the licensing of Early Stage SBICs, since SBA is no longer licensing these funds. The removal of these regulations will not impact Early Stage SBICs remaining in the program.

SBA proposed to remove, or revise, thirty regulations and four definitions that are duplicative, redundant, or otherwise inefficient or unnecessary. In connection with this rulemaking, SBA proposed certain non-substantive amendments to thirteen regulations and two definitions to remove internal references to the removed regulations, streamline certain regulations addressing the same concept to improve efficiencies, or make certain other clarifying changes.

SBA further proposed to remove three eligibility requirements for subsequent fund applicants operating an active SBIC license and further clarify through revision two eligibility requirements pertaining to SBIC applicants under Common Control with one or more SBICs that wish to be considered under an “Expedited Subsequent Fund Evaluation Process.”

To encourage SBIC investments into small businesses engaged in critical technologies, or the extraction, conversion or processing of critical minerals, SBA proposed to define Critical Technology that would be permitted under an additional exception to the project finance restriction if such investment is made by an SBICCT.

C. Comments

SBA received five submissions of comments in response to the proposed rule. The comments related to the proposed rule were supportive of the changes with one comment highlighting their support of SBA’s effort to streamline regulations governing the SBIC program to remove obsolete provisions, improve regulatory efficiencies, and establish terms and conditions that will help foster SBIC investments in portfolio companies engaged in critical technologies and critical mineral extraction and processing. While SBA appreciates the support from those who submitted comments, some of the comments related to the SBIC program were not directly within the scope or were germane to this rulemaking. SBA will consider these comments as part of any future rulemaking that SBA may undertake.

D. Section by Section Analysis

a. Section 107.50—Definition of Terms

SBA proposed to revise the definition of “Associate” in 13 CFR 107.50 to remove paragraph (11) of that definition. This paragraph states that if any SBIC has an ownership interest in another SBIC, then those two SBICs will be deemed Associates of each other. SBA notes that with the exception of a Reinvestor SBIC (as defined in 13 CFR 107.720(a)(2)) investing in a Non-Leveraged SBIC (as defined in 13 CFR 107.50), SBICs are generally prohibited from investing in another SBIC. Further, SBA notes that an “Associate” relationship between a Reinvestor SBIC and a Non-Leveraged SBIC may be appropriately determined by paragraphs (1) through (10) of the Associate definition. One commentor indicated their support of SBA’s proposed deletion as it streamlines the regulation and limits redundancy. Accordingly, SBA is removing paragraph (11) from this definition.

SBA proposed to amend 13 CFR 107.50 to include the defined term “Critical Minerals,” to include the critical minerals, rare earth elements, and related substances identified as industrial priorities in Executive Order 14241 and Executive Order 14272. SBA proposed to add the definition of “Critical Technology” to identify a type of investment that would be permitted under an additional exception to the project finance restriction if such investment is made by an SBICCT.

No comments were directly received regarding the two proposed additions to the definitions, however, one commentor indicated that they supported the proposed amendments to the SBIC program regulations that permit and encourage SBIC investments into small businesses engaged in critical technologies, or the extraction, conversion or processing of critical minerals. SBA is adopting the proposal without change.

SBA proposed to revise the definition of “Debenture Rate” to reflect that the interest rate for Debentures issued by SBICs will be published on the SBIC website (as defined in 13 CFR 107.50). SBA notes that this change is consistent with SBA’s historical practice and will provide greater transparency to the program. No comments were received regarding the proposed revision. Accordingly, SBA is adopting the proposal without change.

SBA proposed to revise the definition of “Early Stage SBIC” in 13 CFR 107.50 to remove the reference to 13 CFR 107.310, because SBA is proposing to remove that regulation. SBA further

proposed to revise the definition to clarify that an Early Stage SBIC is one that was licensed in connection with SBA's Early Stage SBIC initiative. In addition, SBA proposed to revise the definition to reference redesignated 13 CFR 107.1810(f)(10) rather than current 13 CFR 107.1810(f)(11) but did not propose any substantive changes to the definition. No comments were received regarding the proposed revision. Accordingly, SBA is adopting the revision without change.

SBA proposed to delete the definition of "Preferred Securities," as "Preferred Securities" were issued solely by 301(d) Licensees issued prior to 1996. The 301(d) program was discontinued by Public Law 104–208, effective September 30, 1996. Although a small number of 301(d) licenses remain in effect, there are no outstanding "Preferred Securities," and there is no authorization by statute for the issuance of additional "Preferred Securities." No comments were received regarding the proposed removal. Accordingly, SBA is adopting the proposal without change.

SBA proposed to amend 13 CFR 107.50 to include the defined term "Prior Fund" applicable to those fund applicants applying for the "Expedited Subsequent Fund Evaluation Process." No comments were received regarding the proposed amendment. Accordingly, SBA is adopting the proposal without change.

SBA proposed to include the term "SBICCT" to identify those SBICs licensed and designated as Critical Technology Small Business Investment Companies, pursuant to the March 2, 2023, Memorandum of Agreement between the Department of Defense Office of Strategic Capital and SBA's Office of Investment and Innovation or any subsequent or successor memorandum, agreement, or regulation. No comments were received regarding the proposed additional term. Accordingly, SBA is adopting the proposal without change.

SBA proposed to amend 13 CFR 107.50 to remove the definition of "Venture Capital Financing." This definition is utilized primarily in reference to 13 CFR 107.1160. However, SBA proposed to remove 13 CFR 107.1160 and accompanying references to 13 CFR 107.1160. Accordingly, this definition is no longer necessary. No comments were received regarding the proposed removal, so SBA is removing the definition in this final rule.

b. Section 107.120—Special Rules for a Section 301(d) Licensee Owned by Another Licensee

This regulation currently addresses the requirements for ownership of an SSBIC by another SBIC. SBA no longer issues SSBIC licenses, and no SBIC has utilized the structure authorized under this regulation in the recent history of the program. Further, because Subsidized Leverage is no longer available to SSBICs, the structure under this regulation provides little to no benefit to an SBIC, economic or otherwise. For that reason, SBA believes that no SBIC will seek to be structured in the form authorized under this regulation going forward and, accordingly, removes this section. No comments were received regarding the proposed removal.

c. Section 107.160—Special Rules for Licensees Formed as Limited Partnerships

This regulation currently provides for special rules applicable to SBICs formed as limited partnerships. SBA proposed to remove certain requirements applicable to an SBIC's general partner pursuant to this regulation. Specifically, SBA proposed to amend paragraph (b)(2) of 13 CFR 107.160 to remove the reference to 13 CFR 107.585 applying to an entity general partner of an SBIC and amend paragraph (d) of 13 CFR 107.160 solely to remove references to 13 CFR 107.460 and 107.680. SBA notes that SBA proposed to remove 13 CFR 107.460 as part of this rulemaking and 107.680 does not include the term Licensee. No comments were received regarding the proposed removal, and this removal is adopted without change.

d. Section 107.250—Exclusion of Stock Options Issued by Licensee From Management Expenses

This regulation currently provides that stock options issued by any SBIC are not considered compensation and do not count as part of an SBIC's management expenses. Substantially all SBICs are formed as limited partnerships, which do not issue stock options. Further, Management Expenses are expressly defined in current 13 CFR 107.520(a), and that definition does not include stock options. Accordingly, the few SBICs formed as corporations do not rely on the current 13 CFR 107.250. SBA is removing this section, because it is no longer necessary. No comments were received regarding the removal.

e. Section 107.300—License Application Form and Fee

This regulation currently sets forth the licensing process for an SBIC

including the initial review of a SBIC applicant, final licensing phase, initial and final licensing fees, resubmission penalty fees and inflation adjustments. SBA proposed to modify paragraph (a) of 13 CFR 107.300 to clarify applicants meeting criteria described in 13 CFR 107.305(e) are entitled to an "Expedited Subsequent Fund Evaluation Process" and further that SBIC applicants that are currently managing an active SBIC ("Subsequent Fund applicants") may be permitted to file a complete "Short-Form" Subsequent Fund MAQ application. While such Subsequent Fund applicants may be permitted to file a Short-Form MAQ to streamline their licensing application, in order to adequately evaluate a Subsequent Fund applicant's management team and licensing application as required by the Act, SBA reserves the right to request that a Subsequent Fund applicant submit the full, standard MAQ form and/or provide other information if SBA is unable to adequately evaluate an SBIC applicant's application in accordance with the provisions of the Act and its implementing regulations.

One commentor indicated their support for SBA's proposed amendments to its eligibility criteria including removal of elements (v) (Consistent or Reduced Leverage Management), (vii) (Promotions from Within), and (viii) (Inclusive Equity) because the amendments help to streamline the review process while ensuring that evaluations under the remaining eight elements remain robust. Accordingly, SBA is adopting this proposed revision without change.

f. Section 107.305—Evaluation of License Applicants

This regulation currently sets forth the evaluation factors for license applicants. SBA proposed to modify paragraph (e) of 13 CFR 107.305 to modify and streamline the criteria for license applicants to be eligible for an "Expedited Subsequent Fund Evaluation Process," while ensuring that SBA has appropriate benchmarks in place to properly evaluate such SBIC applicants. As stated above, comments were received which support SBA's proposed amendments to its eligibility criteria which will help to streamline the review process while ensuring that evaluations under the remaining eight elements remain robust. As a result, SBA is adopting this revision without change.

g. Section 107.310—When and How To Apply for Licensing as an Early Stage SBIC

This regulation currently sets forth the application procedures for Early Stage SBIC applicants. As described above, SBA no longer licenses Early Stage SBICs. Therefore, SBA is removing this section. No comments were received regarding the proposed removal.

h. Section 107.460—Restrictions on Common Control or Ownership of Two (or More) Licensees

This regulation currently provides that certain individuals and entities may not, without SBA's prior written approval, exercise control over, or have a greater than ten percent beneficial ownership interest in, two or more SBICs. This regulation is duplicative of the requirements in other SBA regulations applicable to SBICs. Specifically, sections 107.160, 107.400, and 107.410 require SBA prior approval for any individual or entity to exercise Control (as defined in 13 CFR 107.50), operate as a principal, officer, director or manager of, or otherwise have a greater than ten percent beneficial ownership interest in, any individual SBIC. Accordingly, this section is not necessary, and SBA is removing it. No comments were received regarding the proposed removal.

i. Section 107.507—Violations Based on False Filings and Nonperformance of Agreements With SBA

SBA proposed to amend this regulation to remove the reference to the term "Preferred Security" in 107.507(a). No Section 301(d) Licensee currently has any form of Subsidized Leverage outstanding, and, as a result of the Improvement Act of 1996 discussed above, no Section 301(d) Licensee is authorized to issue or draw Subsidized Leverage in the future. SBA did not propose any substantive changes to 13 CFR 107.507. No comments were received regarding the proposed amendment, so SBA is adopting the amendment without change.

j. Section 107.720—Small Businesses That May Be Ineligible for Financing

SBA proposed to amend paragraph (d) of section 107.720 in order to clarify that this paragraph does not prohibit investments in small businesses engaged in long-term projects that either involve the extraction, conversion, or processing of Critical Minerals identified as strategically important under Executive Order 14241 ("Immediate Measures to Increase American Mineral Production," March

20, 2025) and Executive Order 14272 ("Ensuring National Security and Economic Resilience Through Section 232 Actions on Processed Critical Minerals and Derivative Products," April 15, 2025) or by SBICCTs in defined Critical Technologies.

One commentor expressed support for the proposed amendment to the SBIC program regulations that would permit and encourage SBIC investments into small businesses engaged in critical technologies, or the extraction, conversion or processing of critical minerals. One commentor recommended that the minimum duration of operations for a small business portfolio company engaged in the extraction, conversion or processing of critical minerals be extended to 60 months from the proposed 48 months. SBA wishes to clarify that neither section 107.720(d) nor the proposed Exception included in this rulemaking (107.720(d)(2)) prohibits a Financing of a business conducting or engaged in one or more projects reasonably anticipated to have a duration exceeding 48 months. Therefore, any project that has an anticipated duration exceeding 48 months (including a 60-month project) would be included in this proposed exception. SBA is adopting the proposal without change.

k. Sections 107.830—Minimum Duration/Term of Financing, 107.835—Exceptions to Minimum Duration/Term of Financing, 107.840—Maximum Term of Financing, and 107.845—Maximum Rate of Amortization on Loans and Debt Securities

13 CFR 107.830 (Minimum duration/term of financing), 13 CFR 107.835 (Exceptions to minimum duration/term of financing), and 13 CFR 107.840 (Maximum term of financing) address the term of financing permissible in the SBIC program—the minimum term and maximum term, respectively, and exceptions thereto. SBA believes that having three regulations that address the same concept is unnecessary. Accordingly, SBA proposed to streamline these regulations by moving the substance of sections 107.835, 107.840, and 107.845 into section 107.830 and proposed to remove sections 107.835, 107.840, and 107.845. SBA proposed a minor clarification to the exceptions set forth in 107.835(d) but does not intend any substantive changes to the minimum or maximum term of financing or exceptions thereto permitted under the regulations. No comments were received regarding the proposed changes. Accordingly, SBA is adopting the proposal without change.

l. Section 107.1130—Leverage Fees and Annual Charges

This regulation identifies the fees and other charges associated with SBA-guaranteed Leverage. Paragraph (d) of 13 CFR 107.1130 identifies the Annual Charge (as defined in 13 CFR 107.50) applicable to SBICs with outstanding Debentures, and further includes a minimum Annual Charge, currently set at twenty (20) basis points for fiscal year 2025 and increasing to a minimum of forty (40) basis points in fiscal year 2029. SBA proposed to revise paragraph (d) of 13 CFR 107.1130 to provide SBA with flexibility to make a determination as to the Annual Charge necessary to reduce to zero the cost to SBA of purchasing and guaranteeing Debentures pursuant to the Act. SBA does not expect this change to have any substantive impact on SBICs, as the average annual charge over the last twenty years is fifty-seven (57) basis points and the Annual Charge minimum floor (applicable to fiscal year 2029) shall not exceed forty (40) basis points.

One commentor provided their support to the proposed amendment because it provides SBA with the necessary authority to protect the program's fiscal and budgetary integrity based on real-time macroeconomic and SBIC liquidation conditions. Following receipt of this comment, SBA incorporated the anticipated changes into a separate rulemaking which was undertaken to address separate modifications to 13 CFR 107.1130.

m. Section 107.1140—Licensee's Acceptance of SBA Remedies Under §§ 107.1800 Through 107.1820

This regulation provides that all SBICs issuing Leverage after April 25, 1994, automatically agree to the terms and conditions in sections 107.1800 through 107.1820, as they exist at the time of issuance. The section is duplicative of 13 CFR 107.1800, 13 CFR 107.1810 and 13 CFR 107.1820. SBA is removing the section because it is unnecessary. For the avoidance of doubt, all outstanding Leverage remains subject to 13 CFR 107.1800 through 107.1820, as applicable. No comments were received regarding the proposed removal.

n. Section 107.1160—Maximum Amount of Leverage for a Section 301(d) Licensee

This regulation currently addresses Subsidized Leverage for Section 301(d) Licensees. No Section 301(d) Licensee currently has any form of Subsidized Leverage outstanding, and, as a result of the Improvement Act of 1996 discussed

above, no Section 301(d) Licensee is authorized to issue or draw Subsidized Leverage in the future. SBA is removing this section, because it is no longer necessary. No comments were received regarding the proposed removal.

o. Section 107.1170—Maximum Amount of Participating Securities for Any Licensee

This regulation addresses the maximum amount of Participating Securities an SBIC may issue. As discussed above, since October 1, 2004, SBA has not been able to issue new commitments for Participating Securities. Because this section is no longer necessary, SBA is removing it. No comments were received regarding the proposed removal.

p. Sections 107.1400–107.1450 Preferred Securities Leverage—Section 301(d) Licensees

Sections 107.1400 through 107.1450 currently address Subsidized Leverage for Section 301(d) Licensees. No Section 301(d) Licensee currently has any form of Subsidized Leverage outstanding, and, as a result of the Improvement Act of 1996 discussed above, no Section 301(d) Licensee is authorized to issue or draw Subsidized Leverage in the future. SBA is removing these sections, because they are no longer necessary. No comments were received regarding the proposed removal.

q. Section 107.1560—Distributions by Licensee—Required Distributions to Private Investors and SBA

SBA proposed to amend this regulation to remove references to the term “Preferred Securities.” No Section 301(d) Licensee currently has any form of Subsidized Leverage outstanding, and, as a result of the Improvement Act of 1996 discussed above, no Section 301(d) Licensee is authorized to issue or draw Subsidized Leverage in the future. SBA is not making any substantive changes to 13 CFR 107.1560. No comments were received regarding the proposed removal. Accordingly, the proposal is adopted without change.

r. Section 107.1585—Exchange of Debentures for Participating Securities

This regulation currently addresses the requirements of an exchange of Debentures for Participating Securities. No Participating Securities will be issued in the future. This section, therefore, is obsolete, and SBA is removing it. No comments were received regarding the proposed removal.

s. Section 107.1590—Special Rules for Companies Licensed on or Before March 31, 1993

This regulation applies to SBICs licensed on or before March 31, 1993, that apply to issue Participating Securities. No SBIC may apply to issue Participating Securities and this rule does not have any current applicability. SBA is removing this section. No comments were received regarding the proposed removal.

t. Section 107.1700—Transfer by SBA of Its Interest in Licensee’s Leverage Security

SBA proposed to amend this regulation to remove reference to the term “Preferred Security” in the first sentence. No Section 301(d) Licensee currently has any form of Subsidized Leverage outstanding, and, as a result of the Improvement Act of 1996 discussed above, no Section 301(d) Licensee is authorized to issue or draw Subsidized Leverage in the future. SBA is not proposing any substantive changes to 13 CFR 107.1700. No comments were received regarding the proposed removal. Accordingly, this proposal is adopted without change.

u. Section 107.1810—Events of Default and SBA’s Remedies for Licensee’s Noncompliance With Terms of Debentures

SBA proposed to remove 13 CFR 107.1810(f)(9) in its entirety, which is an event of default based solely on the failure to satisfy the investment ratios required under 13 CFR 107.1160(c), a regulation which SBA proposed to remove in this rulemaking. No comments were received regarding the proposed removal, and SBA is removing this paragraph.

v. Section 107.1820—Conditions Affecting Issuers of Preferred Securities and/or Participating Securities

SBA proposed to revise the caption of 13 CFR 107.1820 to remove the reference to Preferred Securities. SBA further proposed to amend 13 CFR 107.1820(a) to remove all references to Preferred Securities. In addition, SBA proposed to amend 13 CFR 107.1820(e)(9) to remove the events of default triggered by noncompliance with 13 CFR 107.1160, a regulation which SBA is proposing to remove in this rulemaking. No comments were received regarding the proposed removal, so SBA is making the removals as proposed.

Compliance with Executive Orders 12866, 14241, 14272, 14192, 14219, 12988, and 13132, the Paperwork Reduction Act (44 U.S.C., Ch. 35), the

Congressional Review Act, and the Regulatory Flexibility Act (5 U.S.C. 601–612)

A. Executive Order 12866

The Office of Management and Budget (“OMB”) has determined that this final rule constitutes a “significant regulatory action” under section 3(f) of Executive Order 12866. An analysis of the estimated cost savings of deregulation finalized in this rule is contained in the section below on Executive Order 14192. SBA considered alternatives to each regulation when complying with Executive Order 14219 to eliminate regulations that impede private enterprise and entrepreneurship. SBA is finalizing only those regulations that are obsolete, inefficient, or otherwise unnecessarily impede the licensing of SBICs. The regulations identified along with clarifying provisions will make part 107 less confusing and less burdensome for the reader. When finalized, this final rule is expected to result in an annualized net savings total of approximately \$42,000 at a seven percent discount rate.

B. Executive Orders 14241 and 14272

SBA is finalizing regulatory changes to clarify and provide certainty for SBICs who may wish to make certain investments in Critical Minerals related to Executive Order 14241 and Executive Order 14272, discussed above. SBICs have historically participated in such financings, but many SBIC managers view SBA’s regulations on project finance restrictions to include the exploration, extraction, and processing of critical minerals and rare earth elements as ineligible financings. SBA considered alternatives to complying with Executive Order 14241 and Executive Order 14272 by proposing regulations expressly permitting SBIC investments in critical minerals, rare earth elements, and their derivative products as vitally important to the U.S. economy and national security. However, doing so would have increased the number of new regulations, which would be inefficient and in opposition to Executive Order 14219, as SBICs are not expressly prohibited from such investing. SBA’s approach in this rule is to seek minor clarifications to existing regulations to remove perceived barriers and provide SBICs with more clarity and certainty in a regulated environment.

Over the past ten years SBICs have invested an estimated total of \$305.6 million in small businesses focused on Mining, Quarrying, and Oil and Gas Extraction, representing an overall 0.5 percent of the program. Removing

investments related to oil and gas and the mining and quarrying of materials that are not Critical Minerals, SBA estimates the overall SBIC portfolio concentration in Critical Minerals to be less than 0.1 percent of the entire program. SBA does not anticipate an outsized increase to the current percentage of the overall program, and therefore the changes would not pose significant risk to portfolio concentration. Current SBIC Licensees have management teams possessing particular industry knowledge and experience related to their proposed business plans. SBA will mitigate any future risk posed by SBIC applicants wishing to focus on Critical Minerals during the licensing process.

C. Executive Order 14192

This final rule is an Executive Order 14192 deregulatory action with an annualized net savings total of approximately \$42,000 at a seven percent discount rate, discounted relative to 2024, over a perpetual time horizon. This rule would remove information that is redundant or concerns obsolete programs, which

would reduce confusion around whether these programs still exist and simplify the reading of the regulations to improve efficiency.

There are currently 318 operating SBIC licensees, of which approximately 40 are newly licensed to the program over the last year. Newly licensed SBICs are expected to read the program regulations in their entirety during the first year of operation. Established SBICs and SBIC counsel familiar with the regulations are expected to revisit sections of regulations pertaining to specific occurrences during the life of the SBIC, and accordingly such instances are included in-part in these calculations to account for those certain situations. These calculations assume that 25 percent of all SBIC licensees (80) and other SBIC stakeholders, including counsel to SBICs, (20) will read the regulations in their entirety and that they will save an estimated 4 hours each from reading less burdensome and confusing regulations, because the regulations will no longer contain obsolete information. This time is valued at \$112.02 per hour—the mean hourly wage for Financial and

Investment Analysts, and at \$175.20 per hour—the mean hourly wage for Lawyers based on 2024 Bureau of Labor Statistics (“BLS”) data, including 100 percent more for benefits and overhead adjustment. This produces an estimated total savings per year of approximately \$50,000.

In the first year this rule is published, it is expected that 25 percent of all SBIC licensees (80) and other SBIC stakeholders, including counsel, (20) will read this **Federal Register** notice, which is estimated to take 2 hours to read. Assuming a weighted average of \$124.66 per hour, the estimated one-time cost in the first year will be approximately \$25,000. This estimated cost is not expected to continue into subsequent years.

The table below displays the costs and savings of this rule over the first two years it is published, with the savings and costs in the second year expected to continue in perpetuity, providing a total annualized net savings of approximately \$42,000 at a seven percent discount rate or approximately \$500 per SBIC.

SCHEDULE OF COSTS/(SAVINGS), CURRENT DOLLARS

	Savings	Costs	Net total \$
Year 1	(256 hours) (\$50,000)	200 hours \$25,000	 (\$25,000)
Years 2+	(256 hours) (\$50,000)	0 hours \$0.00	 (\$50,000)

D. Executive Order 14219

On February 19, 2025, the President issued Executive Order 14219, Ensuring Lawful Governance and Implementing the President’s “Department of Government Efficiency” Deregulatory Initiative, which further emphasized the goal of the Administration to alleviate the regulatory burdens placed on the public. Under Executive Order 14219, agencies must evaluate their existing regulations to determine which ones should be repealed, replaced, or modified. SBA has engaged in this process and has identified the regulations in this final rulemaking as appropriate for removal in accordance with Executive Order 14219.

E. Executive Order 12988

This action meets applicable standards set forth in Sections 3(a) and 3(b)(2) of Executive Order 12988, Civil Justice Reform, to minimize litigation, eliminate ambiguity, and reduce burden. The action does not have retroactive or preemptive effect.

F. Executive Order 13132

This final rule does not have federalism implications as defined in Executive Order 13132. It would not have substantial direct effects on the States, on the relationship between the national government and the States, or on the distribution of power and responsibilities among the various levels of government, as specified in the Executive Order. As such it does not warrant the preparation of a Federalism Assessment.

G. Paperwork Reduction Act, 44 U.S.C., Ch. 35

SBA has determined that this final rule does not affect any existing collection of information and does not include any new collection of information.

H. Congressional Review Act, 5 U.S.C. 801–808

This rule has been determined not to meet the criteria set forth in 5 U.S.C. 804(2). SBA will submit the rule to

Congress and the Government Accountability Office consistent with the Congressional Review Act’s requirements.

I. Regulatory Flexibility Act, 5 U.S.C. 601–612

When an agency issues a final rulemaking, the Regulatory Flexibility Act (“RFA”) requires the agency to “prepare a final regulatory flexibility analysis” that will describe the impact of the rule on small entities. 5 U.S.C. 604(a). Section 605 of the RFA allows an agency to certify a rule, in lieu of preparing an analysis, if the rulemaking is not expected to have a significant economic impact on a substantial number of small entities.

There are currently 318 operating SBIC licensees, which represents the universe of small entities impacted by this final rule to remove regulations that are no longer necessary, because they are either redundant, inefficient, or obsolete. These changes will afford these entities more certainty on how to

operate their business in a regulated environment, and the cost savings to time spent on regulations will provide more time investing in small businesses. The total annualized net savings to these SBIC licensees is estimated at \$74,793.60 in current dollars, as quantified in the Executive Order 14192 discussion above.

Therefore, the Administrator of the SBA hereby certifies that this rule will not have a significant economic impact on a substantial number of small entities.

List of Subjects in 13 CFR Part 107

Investment companies, Loan programs—business, Reporting and recordkeeping requirements, Small businesses.

Accordingly, for the reasons stated in the preamble, SBA amends 13 CFR part 107 as follows:

PART 107—SMALL BUSINESS INVESTMENT COMPANIES

- 1. The authority citation for part 107 continues to read as follows:

Authority: 15 U.S.C. 662, 681–687, 687b–h, 687k–m.

- 2. Amend § 107.50 by:

■ (a) Removing paragraph (11) of the “Associate” definition;

■ (b) Removing the definitions of “Preferred Securities” and “Venture Capital Financing”;

■ (c) Revising the definitions of “Debenture Rate” and “Early Stage SBIC”; and

■ (d) Adding the definitions of “Critical Minerals”, “Critical Technology”, “Prior Fund” and “SBICCT” in alphabetical order to read as follows:

§ 107.50 Definition of terms.

Critical Minerals has the meaning set forth in 13 CFR 107.720(d).

Critical Technology has the meaning set forth at 10 U.S.C. 4801(6) and includes technologies, components, and processes duly designed by the U.S. Department of Defense consistent with that provision for investment by SBICCTs.

Debenture Rate means the interest rate, as published from time to time on the SBIC website, for ten-year debentures issued by Licensees and funded through public sales of certificates bearing SBA’s guarantee. User or guarantee fees, if any, paid by a Licensee are not considered in determining the Debenture Rate.

Early Stage SBIC means a Section 301(c) Partnership Licensee, licensed pursuant to SBA’s Early Stage initiative, in which at least 50 percent of all Loans and Investments (in dollars) must be made to Small Businesses that are “early stage” companies at the time of the Licensee’s initial Financing (see also § 107.1810(f)(10)). For the purposes of this definition, an “early stage” company is one that has never achieved positive cash flow from operations in any fiscal year.

Prior Fund has the meaning set forth in 13 CFR 107.305(e).

SBICCT means a Critical Technology Small Business Investment Company, licensed and so designated pursuant to the March 2, 2023, Memorandum of Agreement between the Department of Defense Office of Strategic Capital and SBA’s Office of Investment and Innovation or any subsequent or successor memorandum, agreement, or regulation.

§ 107.120 [Removed and Reserved]

- 3. Remove and reserve § 107.120.

- 4. Amend § 107.160 by revising paragraph (b)(2) and the second sentence of paragraph (d) to read as follows:

§ 107.160 Special rules for Licensees formed as limited partnerships.

(b) * * *
(2) An Entity General Partner is subject to the same examination and reporting requirements as a Licensee under section 310(b) of the Act. The restrictions and obligations imposed upon a Licensee by §§ 107.1800 through 107.1820, and 107.30, 107.410 through 107.450, 107.470, 107.475, 107.500, 107.510, 107.600, 107.680, 107.690 through 107.692, 107.865, and 107.1910 apply also to an Entity General Partner of a Licensee.

(d) * * * The term Licensee, as used in § 107.30, includes all of the Licensee’s Control Persons.

§ 107.250 [Removed and Reserved]

- 5. Remove and reserve § 107.250.

- 6. Amend § 107.300 by revising paragraph (a) to read as follows:

§ 107.300 License application form and fee.

(a) *Initial review.* SBIC applicants must submit a Management Assessment

Questionnaire (“MAQ”) and the Initial Licensing Fee, as defined in paragraph (c) of this section. Any applicants whose management team currently manages an active Licensee may submit a Subsequent Fund MAQ, provided that:

(1) SBA retains discretion to require that such applicant submit the standard MAQ or request additional information if SBA is unable to properly evaluate an applicant under the factors required by the Act and described in 13 CFR 107.305; and

(2) only those applicants meeting all of the criteria described in § 107.305(e) are entitled to an “Expedited Subsequent Fund Evaluation Process.”

- 7. Amend § 107.305 by revising paragraph (e) to read as follows:

§ 107.305 Evaluation of license applicants.

(e) *Subsequent fund applicants.* Should an applicant fulfill and formally attest to meeting all of the following eligibility criteria as to its prior Licensee and proposed new Licensee, the applicant may apply for licensure under the “Expedited Subsequent Fund Evaluation Process”:

(1) *Consistent Strategy and Fund Size.* The applicant’s targeted Regulatory Capital is less than or equal to 133 percent of the Prior Fund’s Regulatory Capital of the most recently licensed Licensee managed by the applicant’s management team (the “Prior Fund”), accounting for inflation adjustments from date of Prior Fund’s licensure. The applicant’s investment strategy and asset class will be substantially the same as the Prior Fund.

(2) *Clean Regulatory History.* There are no major findings, significant “other matters,” or unresolved “other matters” related to Licensees managed by the principals of the applicant in the prior three (3) years or three (3) SBIC examinations (whichever period is longer).

(3) *Consistent Limited Partner-General Partner Dynamics.* No limited partner will account for more than fifty percent (50%) of the Regulatory Capital of the SBIC applicant or otherwise exercise Control with respect to the applicant unless such limited partner was a Control Person of the Prior Fund.

(4) *Investment Performance Stability.* The Prior Fund’s net distributions to paid-in capital (DPI) and net total value to paid-in capital (TVPI) are at or above median vintage year and strategy performance benchmarks for the prior three quarters. The principals of the applicant are not managing a Licensee in default or with a Capital Impairment

Percentage (CIP) equal to or exceeding 75 percent of the maximum permitted for that Licensee under 13 CFR 107.1830(c).

(5) *Firm Stability*. Subject to SBA's confirmation, no material changes to the broader firm, including any resignations, terminations, or retirements by members of the general partner, investment committee, broader investment team, or key finance and operations personnel. SBA retains the discretion to allow changes that were part of a routine and customary firm succession plan previously communicated in writing to SBA.

(6) *Federal Bureau of Investigation (FBI) Criminal and Internal Revenue Service (IRS) Background Check*. Neither the applicant's sponsoring entity nor any of the principals of the applicant have an FBI criminal record that was not previously reviewed and cleared by SBA during the Prior Fund's licensing application, and none of the applicant's principals nor sponsoring entity have violated IRS or state tax regulations from the date of the Prior Fund's license issuance.

(7) *No Outstanding or Unresolved Material Litigation Matters*. No outstanding or unresolved litigation matters involving allegations of dishonesty, fraud, or breach of fiduciary duty or otherwise requiring a report under § 107.660(c) or (d) in connection with the Prior Fund, other Licensees managed by the applicant's principals, or any other person who was required by SBA to complete a personal history statement in connection with the license application.

(8) *No Outstanding Tax Liens*. There are no outstanding federal, state, or local tax liens on the applicant's principals, the Prior Fund, and/or the sponsoring entity of applicant.

§ 107.310 [Removed and Reserved]

- 8. Remove and reserve § 107.310.

Restrictions on Common Control or Ownership of Two or More Licensees [Removed]

- 9. Remove undesignated center heading "Restrictions on Common Control or Ownership of Two or More Licensees".

§ 107.460 [Removed and Reserved]

- 10. Remove and reserve §§ 107.460.
- 11. Amend § 107.507 by revising paragraph (a) to read as follows:

§ 107.507 Violations based on false filings and nonperformance of agreements with SBA.

* * * * *

(a) *Nonperformance*. Nonperformance of any of the requirements of any Debenture or Participating Security or of any written agreement with SBA.

* * * * *

- 12. Amend § 107.720 by revising paragraph (d) to read as follows:

§ 107.720 Small Businesses that may be ineligible for financing.

* * * * *

(d) *Project Financing*—

(1) *General Rule*. You are not permitted to finance a business if:

(i) The assets of the business are to be reduced or consumed, generally without replacement, as the life of the business progresses, and the nature of the business requires that a stream of cash payments be made to the business's financing sources, on a basis associated with the continuing sale of assets. Examples include real estate development projects and oil and gas wells; or

(ii) The primary purpose of the Financing is to fund production of a single item or defined limited number of items, generally over a defined production period, and such production will constitute the majority of the activities of the Small Business. Examples include motion pictures and electric generating plants.

(2) *Exception*. This paragraph (d) does not prohibit a Financing of a business conducting or engaged in one or more projects reasonably anticipated to have a duration exceeding 48 months and involving (i) the production, mining, extraction, or beneficiation of Critical Minerals, (ii) the conversion of Critical Mineral ores into oxides, oxide concentrates, metals, metal powders, or alloys, (iii) any other processing of Critical Minerals necessary for incorporation into semi-finished goods or final products, or (iv) in the case of a Financing by an SBICCT, a designated Critical Technology. For the purposes of this section, the term "Critical Minerals" means those minerals included in the "Critical Minerals List" published by the United States Geological Survey (USGS) pursuant to section 7002(c) of the Energy Act of 2020, 30 U.S.C. 1606, at 87 FR 10381, or any subsequent such list, as well as uranium, copper, potash, gold, the 17 elements identified as rare earth elements by the Department of Energy (DOE) in the April 2020 publication titled "Critical Materials Rare Earths Supply Chain," and any additional elements that either the USGS or DOE determines in any subsequent official report or publication should be considered rare earth elements.

* * * * *

- 13. Amend § 107.830 by:

- (a) Revising the section heading;
- (b) Revising paragraph (a);
- (c) Redesignating paragraphs (b) through (c) as paragraphs (c) through (d); and
- (d) Adding a new paragraph (b) to read as follows:

§ 107.830 Duration/term of financing.

(a) *General rule*. The duration/term of all your Financings must be for a minimum period of one year, and the maximum term of any Loan or Debt Security Financing must be no longer than 20 years. The principal of any Loan (or the loan portion of any Debt Security) with a term of one year or less cannot be amortized faster than straight line. If the term is greater than one year, the principal cannot be amortized faster than straight line for the first year.

(b) *Exceptions*. You may make a Short-term Financing for a term less than one year if the Financing is:

(1) An interim Financing in contemplation of long-term Financing. The contemplated long-term Financing must be in an amount at least equal to the short-term Financing, and must be made by you alone or in participation with other investors;

(2) For protection of your prior investment(s);

(3) For the purpose of Financing a change of ownership under § 107.750. The total amount of such Short-term Financings may not exceed 20 percent of your Loans and Investments (at cost) at the end of any fiscal year; or

(4) For the purposes of aiding a Disadvantaged Business certified to perform a contract awarded under a Federal, State, or local government set-aside program.

§ 107.835 [Removed and Reserved]

- 14. Remove and reserve § 107.835.

§ 107.840 [Removed and Reserved]

- 15. Remove and reserve § 107.840.

§ 107.845 [Removed and Reserved]

- 16. Remove and reserve § 107.845.

§ 107.1140 [Removed and Reserved]

- 17. Remove and reserve § 107.1140.

§ 107.1160 [Removed and Reserved]

- 18. Remove and reserve § 107.1160.

§ 107.1170 [Removed and Reserved]

- 19. Remove and reserve § 107.1170.

Preferred Securities Leverage—Section 301(d) Licensees [Removed]

- 20. Remove undesignated center heading "Preferred Securities Leverage—Section 301(d) Licensees".

§ 107.1400 [Removed and Reserved]

- 21. Remove and reserve § 107.1400.

§ 107.1410 [Removed and Reserved]

- 22. Remove and reserve § 107.1410.

§ 107.1420 [Removed and Reserved]

- 23. Remove and reserve § 107.1420.

§ 107.1430 [Removed and Reserved]

- 24. Remove and reserve § 107.1430.

§ 107.1440 [Removed and Reserved]

- 25. Remove and reserve § 107.1440.

§ 107.1450 [Removed and Reserved]

- 26. Remove and reserve § 107.1450.
- 27. Amend § 107.1560 by revising paragraphs (d)(2) and (g) to read as follows:

§ 107.1560 Distributions by Licensee—required Distributions to private investors and SBA.

* * * * *

(d) * * *

(2) Distributions to SBA, or its designated agent or Trustee, reduce Retained Earnings Available for Distribution if they are applied as payments of Profit Participation (see paragraph (g) of this section).

* * * * *

(g) *How SBA will apply your Distributions.* Your Distributions to SBA (or its designated agent or Trustee) under this § 107.1560 will be applied in the following order:

- (1) First, to Profit Participation;
- (2) Second, as a redemption of Participating Securities in order of issue; and

(3) Third, as the repayment of principal of any outstanding Debentures, with such repayment to be made into escrow on terms and conditions SBA determines.

§ 107.1585 [Removed and Reserved]

- 28. Remove and reserve § 107.1585.

§ 107.1590 [Removed and Reserved]

- 29. Remove and reserve § 107.1590.
- 30. Amend § 107.1700 by revising the first to read as follows:

§ 107.1700 Transfer by SBA of its interest in Licensee's Leverage security.

Upon such conditions and for such consideration as it deems reasonable, SBA may sell, assign, transfer, or otherwise dispose of any Debenture, Participating Security, or other security held by or on behalf of SBA in connection with Leverage. * * *

- 31. Amend § 107.1800 by revising the last two sentences to read as follows:

§ 107.1800 Licensee's agreement to terms and conditions in §§ 107.1810 and 107.1820.

* * * The terms, conditions and remedies in § 107.1810 apply to outstanding Debentures issued after April 25, 1994. The terms, conditions and remedies in § 107.1820 apply to outstanding Participating Securities issued after April 25, 1994, or if you have Earmarked Assets in your portfolio.

§ 107.1810 [Amended]

- 32. Amend § 107.1810 by removing paragraph (f)(9) and redesignating paragraphs (f)(10) through (f)(12) as (f)(9) through (f)(11).

- 33. Amend § 107.1820 by revising paragraphs (a) and (e)(9) to read as follows:

§ 107.1820 Conditions affecting issuers of Participating Securities.

(a) *Applicability of this section.* This section applies if you have Participating Securities or have Earmarked Assets in your portfolio. Your Articles must include the provisions of this § 107.1820 as a condition to SBA's guarantee of Participating Securities and for as long as you own Earmarked Assets.

* * * * *

(d) * * *

(9) *Failure to meet investment requirements.* You fail to make the amount of Equity Capital Investments required for Participating Securities (§ 107.1500(b)(4)), if applicable to you.

* * * * *

Kelly Loeffler,
Administrator.

[FR Doc. 2025–24232 Filed 12–31–25; 8:45 am]

BILLING CODE 8026–09–P

DEPARTMENT OF TRANSPORTATION**Federal Aviation Administration****14 CFR Part 39**

[Docket No. FAA–2025–2273; Project Identifier MCAI–2024–00689–R; Amendment 39–23216; AD 2025–25–08]

RIN 2120–AA64

Airworthiness Directives; Airbus Helicopters

AGENCY: Federal Aviation Administration (FAA), DOT.

ACTION: Final rule.

SUMMARY: The FAA is adopting a new airworthiness directive (AD) for all Airbus Helicopters Model H160–B helicopters. This AD was prompted by a determination that new or more

restrictive airworthiness limitations are necessary. This AD requires revising the existing maintenance manual or instructions for continued airworthiness and the existing approved maintenance or inspection program, as applicable, by incorporating new or more restrictive airworthiness limitations. The FAA is issuing this AD to address the unsafe condition on these products.

DATES: This AD is effective February 6, 2026.

The Director of the Federal Register approved the incorporation by reference of a certain publication listed in this AD as of February 6, 2026.

ADDRESSES:

AD Docket: You may examine the AD docket at [regulations.gov](https://www.regulations.gov) under Docket No. FAA–2025–2273; or in person at Docket Operations between 9 a.m. and 5 p.m., Monday through Friday, except Federal holidays. The AD docket contains this final rule, the mandatory continuing airworthiness information (MCAI), any comments received, and other information. The address for Docket Operations is U.S. Department of Transportation, Docket Operations, M–30, West Building Ground Floor, Room W12–140, 1200 New Jersey Avenue SE, Washington, DC 20590.

Material Incorporated by Reference:

- For European Union Aviation Safety Agency (EASA) material identified in this AD, contact EASA, Konrad-Adenauer-Ufer 3, 50668 Cologne, Germany; phone: +49 221 8999 000; email: ADS@easa.europa.eu; website: easa.europa.eu. You may find the EASA material on the EASA website at ad.easa.europa.eu.

- You may view this material at the FAA, Office of the Regional Counsel, Southwest Region, 10101 Hillwood Parkway, Room 6N–321, Fort Worth, TX 76177. For information on the availability of this material at the FAA, call (817) 222–5110. It is also available at [regulations.gov](https://www.regulations.gov) under Docket No. FAA–2025–2273.

FOR FURTHER INFORMATION CONTACT:

Yves Petiotte, Aviation Safety Engineer, FAA, 1600 Stewart Avenue, Suite 410, Westbury, NY 11590; phone: (202) 975–4867; email: yves.petiotte@faa.gov.

SUPPLEMENTARY INFORMATION:**Background**

The FAA issued a notice of proposed rulemaking (NPRM) to amend 14 CFR part 39 by adding an AD that would apply to all Airbus Helicopters Model H160–B helicopters. The NPRM was published in the **Federal Register** on September 8, 2025 (90 FR 43162). The NPRM was prompted by EASA AD 2024–0223, dated November 26, 2024

(EASA AD 2024–0223) (also referred to as the MCAI), issued by EASA, which is the Technical Agent for the Member States of the European Union. The MCAI states that the airworthiness limitations for Airbus Helicopters Model H160–B helicopters, which are approved by EASA, are currently defined and published in the Airbus Helicopters H160–B Airworthiness Limitations Section (ALS) document. EASA advises that these instructions have been identified as mandatory for continued airworthiness and that Revision 16 of Airbus Helicopters Model H160–B, dated May 27, 2024, has been issued to introduce new or more restrictive airworthiness limitations.

In the NPRM, the FAA proposed to require revising the existing maintenance manual or instructions for continued airworthiness and the existing approved maintenance or inspection program, as applicable, by incorporating new or more restrictive airworthiness limitations.

The FAA is issuing this AD to prevent failure of certain parts which, if not addressed, could result in loss of control of the helicopter.

You may examine the MCAI in the AD docket at *regulations.gov* under Docket No. FAA–2025–2273.

Discussion of Final Airworthiness Directive

Comments

The FAA received comments from one individual who supported the NPRM without change.

Conclusion

These products have been approved by the civil aviation authority of another country and are approved for operation in the United States. Pursuant to the FAA’s bilateral agreement with this State of Design Authority, that authority

has notified the FAA of the unsafe condition described in the MCAI referenced above. The FAA reviewed the relevant data, considered any comments received, and determined that air safety requires adopting this AD as proposed. Accordingly, the FAA is issuing this AD to address the unsafe condition on these products. Except for minor editorial changes, this AD is adopted as proposed in the NPRM. None of the changes will increase the economic burden on any operator.

Material Incorporated by Reference Under 1 CFR Part 51

The FAA reviewed EASA AD 2024–0223, which specifies procedures for replacing components before exceeding their life limits and accomplishing all applicable maintenance tasks within thresholds and intervals specified in the ALS. Depending on the results of the maintenance tasks, EASA AD 2024–0223 specifies procedures for accomplishing corrective action(s) or contacting Airbus Helicopters for approved instructions and accomplishing those instructions.

Additionally, EASA AD 2024–0223 specifies procedures for revising the Aircraft Maintenance Programme (AMP) by incorporating the limitations, tasks, and associated thresholds and intervals described in the specified ALS, as applicable. Revising the AMP constitutes terminating action for the requirement to record accomplishment of the actions of replacing components before exceeding their life limits and accomplishing maintenance tasks within thresholds and intervals specified in the applicable ALS as specified in EASA AD 2024–0223 for demonstration of AD compliance on a continued basis.

This material is reasonably available because the interested parties have

access to it through their normal course of business or by the means identified in the ADDRESSES section.

Differences Between This AD and the MCAI

The MCAI requires, as individual tasks, replacing certain components before exceeding applicable life limits, accomplishing certain maintenance tasks within thresholds and intervals as specified in the ALS, as defined within, and depending on the results, accomplishing corrective action, whereas this AD does not because the applicable ALS, along with the FAA regulatory framework, make it unnecessary or inappropriate to adopt certain paragraphs of the MCAI.

The MCAI also requires revising the approved AMP by incorporating the limitations, tasks, and associated thresholds and intervals described in that ALS within 12 months, whereas this AD requires revising the existing maintenance manual or instructions for continued airworthiness and the existing approved maintenance or inspection program, as applicable, by incorporating the limitations, tasks, and associated thresholds and intervals described in that ALS within 30 days, and clarifies that if the initial instance of an incorporated limitation or threshold therein is reached before 30 days after the effective date of the final rule of this AD, you still have up to 30 days after the effective date of the final rule of this AD to accomplish the corresponding task.

Costs of Compliance

The FAA estimates that this AD affects four helicopters of U.S. registry.

The FAA estimates the following costs to comply with this AD.

ESTIMATED COSTS

Action	Labor cost	Parts cost	Cost per product	Cost on U.S. operators
Revise ALS	1 work-hour × \$85 per hour = \$85	\$0	\$85	\$340

Authority for This Rulemaking

Title 49 of the United States Code specifies the FAA’s authority to issue rules on aviation safety. Subtitle I, section 106, describes the authority of the FAA Administrator. Subtitle VII: Aviation Programs, describes in more detail the scope of the Agency’s authority.

The FAA is issuing this rulemaking under the authority described in Subtitle VII, Part A, Subpart III, Section

44701: General requirements. Under that section, Congress charges the FAA with promoting safe flight of civil aircraft in air commerce by prescribing regulations for practices, methods, and procedures the Administrator finds necessary for safety in air commerce. This regulation is within the scope of that authority because it addresses an unsafe condition that is likely to exist or develop on products identified in this rulemaking action.

Regulatory Findings

This AD will not have federalism implications under Executive Order 13132. This AD will not have a substantial direct effect on the States, on the relationship between the national government and the States, or on the distribution of power and responsibilities among the various levels of government.

For the reasons discussed above, I certify that this AD:

(1) Is not a “significant regulatory action” under Executive Order 12866,
(2) Will not affect intrastate aviation in Alaska, and

(3) Will not have a significant economic impact, positive or negative, on a substantial number of small entities under the criteria of the Regulatory Flexibility Act.

List of Subjects in 14 CFR Part 39

Air transportation, Aircraft, Aviation safety, Incorporation by reference, Safety.

The Amendment

Accordingly, under the authority delegated to me by the Administrator, the FAA amends 14 CFR part 39 as follows:

PART 39—AIRWORTHINESS DIRECTIVES

■ 1. The authority citation for part 39 continues to read as follows:

Authority: 49 U.S.C. 106(g), 40113, 44701.

§ 39.13 [Amended]

■ 2. The FAA amends § 39.13 by adding the following new airworthiness directive:

2025–25–08 Airbus Helicopters:

Amendment 39–23216; Docket No. FAA–2025–2273; Project Identifier MCAI–2024–00689–R.

(a) Effective Date

This airworthiness directive (AD) is effective February 6, 2026.

(b) Affected ADs

None.

(c) Applicability

This AD applies to Airbus Helicopters Model H160–B helicopters, certificated in any category.

(d) Subject

Air Transport Association (ATA) of America Code 05, Time Limits/Maintenance Checks.

(e) Unsafe Condition

This AD was prompted by new or more restrictive airworthiness limitations. The FAA is issuing this AD to prevent failure of certain parts which, if not addressed, could result in loss of control of the helicopter.

(f) Compliance

Comply with this AD within the compliance times specified, unless already done.

(g) Required Actions

Except as specified in paragraphs (h) and (i) of this AD: Comply with all required actions and compliance times specified in, and in accordance with, European Union Aviation Safety Agency AD 2024–0223, dated November 26, 2024 (EASA AD 2024–0223).

(h) Exceptions to EASA AD 2024–0223

(1) Where EASA AD 2024–0223 refers to its effective date, this AD requires using the effective date of this AD.

(2) This AD does not adopt the requirements specified in paragraphs (1), (2), (4), and (5) of EASA AD 2024–0223.

(3) Where paragraph (3) of EASA AD 2024–0223 specifies “Within 12 months after the effective date of this AD, revise the approved AMP”, this AD requires replacing that text with “Within 30 days after the effective date of this AD, revise the airworthiness limitations section of the existing maintenance manual or instructions for continued airworthiness and the existing approved maintenance or inspection program, as applicable”.

(4) The initial compliance time for doing the tasks specified in paragraph (3) of EASA AD 2024–0223 is on or before the applicable “limitations” and “associated thresholds” as incorporated by the requirements of paragraph (3) of EASA AD 2024–0223 or within 30 days after the effective date of this AD, whichever occurs later.

(5) This AD does not adopt the “Remarks” section of EASA AD 2024–0223.

(i) Provisions for Alternative Actions and Intervals

No alternative actions and associated thresholds and intervals, including life limits, are allowed for compliance with paragraph (g) of this AD unless they are approved as specified in the provisions of the “Ref. Publications” section of EASA AD 2024–0223.

(j) Alternative Methods of Compliance (AMOCs)

(1) The Manager, International Validation Branch, FAA, has the authority to approve AMOCs for this AD, if requested using the procedures found in 14 CFR 39.19. In accordance with 14 CFR 39.19, send your request to your principal inspector or local Flight Standards District Office, as appropriate. If sending information directly to the manager of the International Validation Branch, send it to the attention of the person identified in paragraph (k) of this AD and email to: AMOC@faa.gov.

(2) Before using any approved AMOC, notify your appropriate principal inspector, or lacking a principal inspector, the manager of the local flight standards district office/certificate holding district office.

(k) Additional Information

For more information about this AD, contact Yves Petiotte, Aviation Safety Engineer, FAA, 1600 Stewart Avenue, Suite 410, Westbury, NY 11590; phone: (202) 975–4867; email: yves.petiotte@faa.gov.

(l) Material Incorporated by Reference

(1) The Director of the Federal Register approved the incorporation by reference of the material listed in this paragraph under 5 U.S.C. 552(a) and 1 CFR part 51.

(2) You must use this material as applicable to do the actions required by this AD, unless the AD specifies otherwise.

(i) European Union Aviation Safety Agency (EASA) AD 2024–0223, dated November 26, 2024.

(ii) [Reserved]

(3) For EASA material identified in this AD, contact EASA, Konrad-Adenauer-Ufer 3, 50668 Cologne, Germany; phone: +49 221 8999 000; email: ADs@easa.europa.eu; website: easa.europa.eu. You may find the EASA material on the EASA website at ad.easa.europa.eu.

(4) You may view this material at the FAA, Office of the Regional Counsel, Southwest Region, 10101 Hillwood Parkway, Room 6N–321, Fort Worth, TX 76177. For information on the availability of this material at the FAA, call (817) 222–5110.

(5) You may view this material at 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.

Issued on December 8, 2025.

Steven W. Thompson,

Acting Deputy Director, Compliance & Airworthiness Division, Aircraft Certification Service.

[FR Doc. 2025–24179 Filed 12–31–25; 8:45 am]

BILLING CODE 4910–13–P

DEPARTMENT OF TRANSPORTATION

Federal Aviation Administration

14 CFR Part 39

[Docket No. FAA–2025–2274; Project Identifier MCAI–2023–01244–R; Amendment 39–23219; AD 2025–25–11]

RIN 2120–AA64

Airworthiness Directives; Airbus Helicopters Deutschland GmbH Helicopters

AGENCY: Federal Aviation Administration (FAA), DOT.

ACTION: Final rule.

SUMMARY: The FAA is adopting a new airworthiness directive (AD) for all Airbus Helicopters Deutschland GmbH Model MBB–BK 117 C–2, MBB–BK 117 D–2, and MBB–BK 117 D–3 helicopters. This AD was prompted by reports of damaged hoist hooks and hoist hook nuts. This AD requires performing an inspection of the affected hoist hook and affected hook nut and, depending on the results of the inspection, replacing the affected hoist hook and affected hook nut. This AD also prohibits installing an affected assembly (hoist hook attached to the hook damper) on any helicopter, and prohibits installing an affected hoist hook on any helicopter unless it is installed using updated procedures. The FAA is issuing this AD to address the unsafe condition on these products.

DATES: This AD is effective February 6, 2026.

The Director of the Federal Register approved the incorporation by reference of a certain publication listed in this AD as of February 6, 2026.

ADDRESSES:

AD Docket: You may examine the AD docket at *regulations.gov* under Docket No. FAA–2025–2274; or in person at Docket Operations between 9 a.m. and 5 p.m., Monday through Friday, except Federal holidays. The AD docket contains this final rule, the mandatory continuing airworthiness information (MCAI), any comments received, and other information. The address for Docket Operations is U.S. Department of Transportation, Docket Operations, M–30, West Building Ground Floor, Room W12–140, 1200 New Jersey Avenue SE, Washington, DC 20590.

Material Incorporated by Reference:

• For European Union Aviation Safety Agency (EASA) material identified in this AD, contact EASA, Konrad-Adenauer-Ufer 3, 50668 Cologne, Germany; phone: +49 221 8999 000; email: *ADs@easa.europa.eu*; website: *easa.europa.eu*. You may find the EASA material on the EASA website at *ad.easa.europa.eu*.

• You may view this material at the FAA, Office of the Regional Counsel, Southwest Region, 10101 Hillwood Parkway, Room 6N–321, Fort Worth, TX 76177. For information on the availability of this material at the FAA, call (817) 222–5110. It is also available at *regulations.gov* under Docket No. FAA–2025–2274.

FOR FURTHER INFORMATION CONTACT: Ramon Walker Perez, Aviation Safety Engineer, FAA, 1600 Stewart Avenue, Suite 410, Westbury, NY 11590; phone: (847) 294–7337; email: *ramon.a.walker.perez@faa.gov*.

SUPPLEMENTARY INFORMATION:

Background

The FAA issued a notice of proposed rulemaking (NPRM) to amend 14 CFR part 39 by adding an AD that would apply to all Airbus Helicopters Deutschland GmbH Model MBB–BK 117

C–2, MBB–BK 117 D–2, and MBB–BK 117 D–3 helicopters. The NPRM was published in the **Federal Register** on September 5, 2025 (90 FR 42860). The NPRM was prompted by EASA AD 2023–0213, dated December 8, 2023 (EASA AD 2023–0213) (also referred to as the MCAI), issued by EASA, which is the Technical Agent for the Member States of the European Union. The MCAI states that occurrences of damage to the threaded part of the affected hoist hook and to the threads of the affected hook nut have been reported. Investigation identified galling as the root cause of the damage.

In the NPRM, the FAA proposed to require performing an inspection of the affected hoist hook and affected hook nut and, depending on the results of the inspection, replacing the affected hoist hook and affected hook nut, and installing a serviceable hoist hook in accordance with updated installation procedures. In the NPRM, the FAA also proposed to prohibit installing an affected assembly (hoist hook attached to the hook damper) on any helicopter, and to prohibit installing an affected hoist hook on any helicopter unless it is installed using updated procedures.

The FAA is issuing this AD to detect and correct damage to the hoist hook and hook nut, which if not corrected, could lead to failure of the affected assembly (hoist hook attached to the hook damper), which could result in loss of the hoist load and injury to persons.

You may examine the MCAI in the AD docket at *regulations.gov* under Docket No. FAA–2025–2274.

Discussion of Final Airworthiness Directive

Comments

The FAA received no comments on the NPRM or on the determination of the costs.

Conclusion

These products have been approved by the civil aviation authority of another

country and are approved for operation in the United States. Pursuant to the FAA’s bilateral agreement with this State of Design Authority, that authority has notified the FAA of the unsafe condition described in the MCAI referenced above. The FAA reviewed the relevant data, considered any comments received, and determined that air safety requires adopting this AD as proposed. Accordingly, the FAA is issuing this AD to address the unsafe condition on these products. Except for minor editorial changes, this AD is adopted as proposed in the NPRM. None of the changes will increase the economic burden on any operator.

Material Incorporated by Reference Under 1 CFR Part 51

The FAA reviewed EASA AD 2023–0213, which specifies procedures for inspecting the affected hoist hook and the affected hook and replacing both the hoist hook and hoist nut if any debris, dent, or crack is found in accordance with updated installation procedures. EASA AD 2023–0213 also prohibits installing an affected assembly (hoist hook attached to the hook damper) or any higher assembly having an affected assembly on a helicopter, and prohibits installing a hoist hook unless it is installed using the updated installation procedures. This material is reasonably available because the interested parties have access to it through their normal course of business or by the means identified in the **ADDRESSES** section.

Differences Between This AD and the MCAI

The MCAI applies to Airbus Helicopters Deutschland GmbH Model MBB–BK117 D–3m helicopters, whereas this AD does not because that model does not have an FAA type certificate.

Costs of Compliance

The FAA estimates that this AD affects 176 helicopters of U.S. registry. The FAA estimates the following costs to comply with this AD:

ESTIMATED COSTS				
Action	Labor cost	Parts cost	Cost per product	Cost on U.S. operators
Inspect hoist hook and hoist nut	2 work-hours × \$85 per hour = \$170	\$0	\$170	\$29,920

The FAA estimates the following costs to do any replacements that would

be required based on the results of the inspection. The agency has no way of

determining the number of helicopters that might need this replacement.

ON-CONDITION COSTS

Action	Labor cost	Parts cost	Cost per product
Install hoist hook	1 work-hour × \$85 per hour = \$85	\$8,562	\$8,647

Authority for This Rulemaking

Title 49 of the United States Code specifies the FAA's authority to issue rules on aviation safety. Subtitle I, section 106, describes the authority of the FAA Administrator. Subtitle VII: Aviation Programs, describes in more detail the scope of the Agency's authority.

The FAA is issuing this rulemaking under the authority described in Subtitle VII, Part A, Subpart III, Section 44701: General requirements. Under that section, Congress charges the FAA with promoting safe flight of civil aircraft in air commerce by prescribing regulations for practices, methods, and procedures the Administrator finds necessary for safety in air commerce. This regulation is within the scope of that authority because it addresses an unsafe condition that is likely to exist or develop on products identified in this rulemaking action.

Regulatory Findings

This AD will not have federalism implications under Executive Order 13132. This AD will not have a substantial direct effect on the States, on the relationship between the national government and the States, or on the distribution of power and responsibilities among the various levels of government.

For the reasons discussed above, I certify that this AD:

- (1) Is not a "significant regulatory action" under Executive Order 12866,
- (2) Will not affect intrastate aviation in Alaska, and
- (3) Will not have a significant economic impact, positive or negative, on a substantial number of small entities under the criteria of the Regulatory Flexibility Act.

List of Subjects in 14 CFR Part 39

Air transportation, Aircraft, Aviation safety, Incorporation by reference, Safety.

The Amendment

Accordingly, under the authority delegated to me by the Administrator, the FAA amends 14 CFR part 39 as follows:

PART 39—AIRWORTHINESS DIRECTIVES

- 1. The authority citation for part 39 continues to read as follows:

Authority: 49 U.S.C. 106(g), 40113, 44701.

§ 39.13 [Amended]

- 2. The FAA amends § 39.13 by adding the following new airworthiness directive:

2025–25–11 Airbus Helicopters

Deutschland GmbH: Amendment 39–23219; Docket No. FAA–2025–2274; Project Identifier MCAI–2023–01244–R.

(a) Effective Date

This airworthiness directive (AD) is effective February 6, 2026.

(b) Affected ADs

None.

(c) Applicability

This AD applies to Airbus Helicopters Deutschland GmbH Model MBB–BK 117 C–2, MBB–BK 117 D–2, and MBB–BK 117 D–3 helicopters, certificated in any category.

(d) Subject

Joint Aircraft System Component (JASC) Code 2500, Cabin Equipment/Furnishings.

(e) Unsafe Condition

This AD was prompted by reports of damage to the threaded part of the affected hoist hook and the threads of the affected hook nut due to galling. The FAA is issuing this AD to detect and correct damage to the hoist hook and hook nut, which if not corrected, could lead to failure of the affected assembly (hoist hook attached to the hook damper), which could result in loss of the hoist load and injury to persons.

(f) Compliance

Comply with this AD within the compliance times specified, unless already done.

(g) Required Actions

Except as specified in paragraphs (h) and (i) of this AD: Comply with all required actions and compliance times specified in, and in accordance with, European Union Aviation Safety Agency (EASA) AD 2023–0213, dated December 8, 2023 (EASA AD 2023–0213).

(h) Exceptions to EASA AD 2023–0213

(1) Where EASA AD 2023–0213 refers to its effective date, this AD requires using the effective date of this AD.

(2) This AD does not adopt the "Remarks" section of EASA AD 2023–0213.

(i) No Reporting or Returning Parts Requirement

Although the material referenced in EASA AD 2023–0213 specifies to submit information and return parts to the manufacturer, this AD does not require those actions.

(j) Alternative Methods of Compliance (AMOCs)

(1) The Manager, International Validation Branch, FAA, has the authority to approve AMOCs for this AD, if requested using the procedures found in 14 CFR 39.19. In accordance with 14 CFR 39.19, send your request to your principal inspector or local Flight Standards District Office, as appropriate. If sending information directly to the manager of the International Validation Branch, send it to the attention of the person identified in paragraph (k) of this AD and email to: AMOC@faa.gov.

(2) Before using any approved AMOC, notify your appropriate principal inspector, or lacking a principal inspector, the manager of the local flight standards district office/certificate holding district office.

(k) Additional Information

For more information about this AD, contact Ramon A. Walker Perez, Aviation Safety Engineer, FAA, 1600 Stewart Avenue, Suite 410, Westbury, NY 11590; phone: (847) 294–7337; email: ramon.a.walker.perez@faa.gov.

(l) Material Incorporated by Reference

(1) The Director of the Federal Register approved the incorporation by reference of the material listed in this paragraph under 5 U.S.C. 552(a) and 1 CFR part 51.

(2) You must use this material as applicable to do the actions required by this AD, unless the AD specifies otherwise.

(i) European Union Aviation Safety Agency (EASA) AD 2023–0213, dated December 8, 2023.

(ii) [Reserved]

(3) For EASA material identified in this AD, contact EASA, Konrad-Adenauer-Ufer 3, 50668 Cologne, Germany; phone: +49 221 8999 000; email: ADs@easa.europa.eu; website: easa.europa.eu. You may find the EASA material on the EASA website at ad.easa.europa.eu.

(4) You may view this material at the FAA, Office of the Regional Counsel, Southwest Region, 10101 Hillwood Parkway, Room 6N–321, Fort Worth, TX 76177. For information on the availability of this material at the FAA, call (817) 222–5110.

(5) You may view this material at 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.

Issued on December 10, 2025.

Steven W. Thompson,

Acting Deputy Director, Compliance & Airworthiness Division, Aircraft Certification Service.

[FR Doc. 2025–24181 Filed 12–31–25; 8:45 am]

BILLING CODE 4910–13–P

DEPARTMENT OF TRANSPORTATION

Federal Aviation Administration

14 CFR Part 39

[Docket No. FAA–2025–0612; Project Identifier MCAI–2023–00935–R; Amendment 39–23214; AD 2025–25–06]

RIN 2120–AA64

Airworthiness Directives; Airbus Helicopters

AGENCY: Federal Aviation Administration (FAA), DOT.

ACTION: Final rule.

SUMMARY: The FAA is adopting a new airworthiness directive (AD) for all Airbus Helicopters Model SA341G and SA342J helicopters. This AD was prompted by reports of disbonding of the stainless steel leading edge protection of certain part-numbered main rotor blades (MRB). This AD requires repetitively tap inspecting the MRB and, depending on the results, repairing or replacing the MRB. This AD also prohibits installing those MRB unless certain requirements are met. The FAA is issuing this AD to address the unsafe condition on these products.

DATES: This AD is effective February 6, 2026.

The Director of the Federal Register approved the incorporation by reference of a certain publication listed in this AD as of February 6, 2026.

ADDRESSES:

AD Docket: You may examine the AD docket at [regulations.gov](https://www.regulations.gov) under Docket No. FAA–2025–0612; or in person at Docket Operations between 9 a.m. and 5 p.m., Monday through Friday, except Federal holidays. The AD docket contains this final rule, the mandatory continuing airworthiness information (MCAI), any comments received, and other information. The address for Docket Operations is U.S. Department of Transportation, Docket Operations, M–30, West Building Ground Floor, Room W12–140, 1200 New Jersey Avenue SE, Washington, DC 20590.

Material Incorporated by Reference:

- For European Union Aviation Safety Agency (EASA) material identified in this AD, contact EASA, Konrad-Adenauer-Ufer 3, 50668

Cologne, Germany; phone: +49 221 8999 000; email: ADs@easa.europa.eu; website: easa.europa.eu. You may find this material on the EASA website at ad.easa.europa.eu.

- You may view this material at the FAA, Office of the Regional Counsel, Southwest Region, 10101 Hillwood Parkway, Room 6N–321, Fort Worth, TX 76177. For information on the availability of this material at the FAA, call (817) 222–5110. It is also available at [regulations.gov](https://www.regulations.gov) under Docket No. FAA–2025–0612.

FOR FURTHER INFORMATION CONTACT: Zain Jamal, Aviation Safety Engineer, FAA, 1600 Stewart Avenue, Suite 410, Westbury, NY 11590; phone: (847) 294–7264; email: zain.jamal@faa.gov.

SUPPLEMENTARY INFORMATION:

Background

The FAA issued a notice of proposed rulemaking (NPRM) to amend 14 CFR part 39 by adding an AD that would apply to all Airbus Helicopters Model SA341G and SA342J helicopters. The NPRM was published in the **Federal Register** on April 7, 2025 (90 FR 14922). The NPRM was prompted by AD 2023–0155, dated July 31, 2023 (EASA AD 2023–0155) (also referred to as the MCAI), issued by EASA, which is the Technical Agent for the Member States of the European Union. The MCAI states that reports were received of the stainless steel leading edge protection disbonding on certain part-numbered MRBs. This condition, if not detected and addressed, could result in significant unbalance of the main rotor, a high level of vibration, failure of the main rotor and main gearbox, and consequent loss of control of the helicopter.

In the NPRM, the FAA proposed to require repetitively tap inspecting the MRB and, depending on the results, repairing or replacing the MRB. In the NPRM, the FAA also proposed to prohibit installing those MRB unless certain requirements are met. The FAA is issuing this AD to address the unsafe condition on these products.

You may examine the MCAI in the AD docket at [regulations.gov](https://www.regulations.gov) under Docket No. FAA–2025–0612.

Discussion of Final Airworthiness Directive

Comments

The FAA received comments from an anonymous commenter who requested the FAA take into consideration the community, operator, and environmental impact when issuing an AD. The commenter made several other comments not specific to this AD, such

as systemic and social-justice recommendations, which were out of scope of this AD. The following presents the comments received on the NPRM and the FAA's response to the comments.

Request for Relief on Inspection Frequency and Cost Burden

The commenter requested the FAA consider using a tiered or risk-based inspection interval for low-utilization or community-serving operators. The commenter also requested that the FAA provide guidance for financial assistance to those disproportionately affected by ADs. The commenter stated that MRB inspections and MRB repair or replacement impose substantial labor and financial costs, especially on small operators and public sector agencies. The commenter requested the FAA consider cost offsets or grants for public-benefit entities.

The FAA disagrees with the commenter. The NPRM requires a tap inspection, which takes an hour to complete. The FAA is issuing this AD to address an unsafe condition on the Airbus Helicopters Model SA341G and SA342J helicopters. Changing the inspection interval for low-utilization operators or public sector agencies does not address this unsafe condition because the FAA would be allowing higher risk to the flying public by allowing low-utilization operators or public sector agencies to have different inspection intervals that could allow the unsafe condition to remain on the helicopter for an unacceptable amount of time. The NPRM originally included the cost to replace these blades at \$168,449 per blade. However, FAA revised the estimated cost of this final rule to reflect the repair cost, since it was determined that most operators have elected to repair their blades instead of replacing them with new blades. The repair cost is significantly less burdensome than the replacement cost and would not impose substantial labor and financial costs on small operators and public sector agencies.

Additionally, the FAA is unable to offer guidance on financial assistance for those impacted by this AD because that is outside the scope of an FAA AD response. No changes were made to this AD as a result of this comment.

Request for Worker Protection and Training

The commenter requested that all inspections and repairs be done by a unionized or properly certified mechanic. The commenter stated the FAA should require transparency in

labor practices and support ongoing worker safety training.

The FAA acknowledges the commenter's concern. FAA regulations stipulate who can perform AD related inspections and repairs on U.S.-registered aircraft. No changes were made to this AD as a result of this comment.

Request for Compliance Flexibility for Critical Services

The commenter requested that critical service operators (*e.g.*, air ambulances, disaster relief) should have temporary compliance waivers or rapid repair authorizations when public safety is at stake, with oversight to prevent abuse.

The FAA acknowledges the commenter's concern. An operator can request an alternative method of compliance (AMOC) for relief by using the process in paragraph (j) of this AD. No changes were made to this AD as a result of this comment.

Request for Safety Reporting, Transparency, and Public Access

The commenter requested that the FAA require reporting and public disclosure of inspection findings, repairs, and failures, broken down by operator type and geography, to foster accountability and help communities advocate for safer air transport.

The FAA partially agrees. For Part 121 operators, reports of certain failure, malfunction, or defect can be submitted and searched on the service difficulty reporting (SDR) system site. The FAA–EASA Technical Implementation Procedures (TIP) define the ongoing obligations of both authorities to share relevant airworthiness and safety-related information. Under the TIP, the FAA and EASA have developed procedures to exchange data on airworthiness standards, certification systems, and emerging safety concerns; identify and evaluate safety issues early; and agree on actions to address those concerns in order to maintain continued confidence in each other's systems. Findings from surveillance and audits are shared, and both parties commit to timely communication of safety and airworthiness information. The commenter's request to require reporting and disclose inspection findings, repairs, and failures to the public goes beyond the FAA–EASA TIP agreement and the scope of this AD. No changes were made to this AD as a result of this comment.

Request for Environmental and Community Impact Assessment

The commenter requested that the FAA assess the environmental impact of

increased MRB replacements, especially regarding disposal of hazardous composites and metals. The commenter stated that the FAA should require operators to recycle or safely dispose of MRBs, and encourage development of greener rotor blade materials and repair techniques.

The FAA acknowledges the commenter's concern. However, the FAA advises that this AD allows for operators to either repair or replace the MRB as a corrective action. As stated above, most operators have elected to repair the MRB.

Additionally, in accordance with 14 CFR 39.5, the FAA issues an AD when an unsafe condition exists on an aircraft and the condition is likely to exist or develop in other products of the same type design. Mandating how operators dispose of parts removed from an aircraft does not address the unsafe condition. Further, an AD specifies the actions that must be taken to resolve the unsafe condition. Any actions required beyond that may create an unnecessary burden on operators. No changes were made to this AD as a result of this comment.

Conclusion

These products have been approved by the civil aviation authority of another country and are approved for operation in the United States. Pursuant to the FAA's bilateral agreement with this State of Design Authority, that authority has notified the FAA of the unsafe condition described in the MCAI referenced above. The FAA reviewed the relevant data, considered any comments received, and determined that air safety requires adopting this AD as proposed. Accordingly, the FAA is issuing this AD to address the unsafe condition on these products. Except for minor editorial changes, this AD is adopted as proposed in the NPRM. None of the changes will increase the economic burden on any operator.

Material Incorporated by Reference Under 1 CFR Part 51

The FAA reviewed EASA AD 2023–0155, which specifies procedures for repetitively tap inspecting the stainless steel leading edge protection of the MRB having part number (P/N) 341A11–0040–00, P/N 341A11–0040–01, P/N 341A11–0040–02, P/N 341A11–0040–03 or P/N 341A11–0040–04 for disbonding. If disbonding is found, EASA 2023–0155 specifies repairing or replacing the MRB. EASA AD 2023–0155 also prohibits installing an affected MRB unless certain requirements are met. This material is reasonably available because the interested parties have

access to it through their normal course of business or by the means identified in the ADDRESSES section.

Costs of Compliance

The FAA estimates that this AD affects 63 helicopters of U.S. registry. Labor rates are estimated at \$85 per hour. Based on these numbers, the FAA estimates the following costs to comply with this AD.

Tap inspecting the MRB for disbonding takes 1 work-hour for an estimated cost of \$85 per helicopter and \$5,355 for the U.S. fleet, per inspection cycle.

Repair of the MRB takes 1 work-hour and parts cost of \$17,500 for an estimated cost of \$17,585 per blade.

Authority for This Rulemaking

Title 49 of the United States Code specifies the FAA's authority to issue rules on aviation safety. Subtitle I, section 106, describes the authority of the FAA Administrator. Subtitle VII: Aviation Programs, describes in more detail the scope of the Agency's authority.

The FAA is issuing this rulemaking under the authority described in Subtitle VII, Part A, Subpart III, Section 44701: General requirements. Under that section, Congress charges the FAA with promoting safe flight of civil aircraft in air commerce by prescribing regulations for practices, methods, and procedures the Administrator finds necessary for safety in air commerce. This regulation is within the scope of that authority because it addresses an unsafe condition that is likely to exist or develop on products identified in this rulemaking action.

Regulatory Findings

This AD will not have federalism implications under Executive Order 13132. This AD will not have a substantial direct effect on the States, on the relationship between the national government and the States, or on the distribution of power and responsibilities among the various levels of government.

For the reasons discussed above, I certify that this AD:

(1) Is not a “significant regulatory action” under Executive Order 12866,

(2) Will not affect intrastate aviation in Alaska, and

(3) Will not have a significant economic impact, positive or negative, on a substantial number of small entities under the criteria of the Regulatory Flexibility Act.

List of Subjects in 14 CFR Part 39

Air transportation, Aircraft, Aviation safety, Incorporation by reference, Safety.

The Amendment

Accordingly, under the authority delegated to me by the Administrator, the FAA amends 14 CFR part 39 as follows:

PART 39—AIRWORTHINESS DIRECTIVES

- 1. The authority citation for part 39 continues to read as follows:

Authority: 49 U.S.C. 106(g), 40113, 44701.

§ 39.13 [Amended]

- 2. The FAA amends § 39.13 by adding the following new airworthiness directive:

2025–25–06 Airbus Helicopters:

Amendment 39–23214; Docket No. FAA–2025–0612; Project Identifier MCAI–2023–00935–R.

(a) Effective Date

This airworthiness directive (AD) is effective February 6, 2026.

(b) Affected ADs

None.

(c) Applicability

This AD applies to Airbus Helicopters Model SA341G and SA342J helicopters, certificated in any category.

(d) Subject

Joint Aircraft System Component (JASC) Code 6210, Main Rotor Blades.

(e) Unsafe Condition

This AD was prompted by reports of disbonding on the stainless steel leading edge protection of certain main rotor blades (MRB). The FAA is issuing this AD to detect and address debonding of the MRB leading edge protection. The unsafe condition, if not addressed, could result in significant unbalance of the main rotor, a high level of vibration, failure of the main rotor and main gearbox, and consequent loss of control of the helicopter.

(f) Compliance

Comply with this AD within the compliance times specified, unless already done.

(g) Requirements

Except as specified in paragraphs (h) and (i) of this AD: Comply with all required actions and compliance times specified in, and in accordance with, European Union Aviation Safety Agency AD 2023–0155, dated July 31, 2023 (EASA AD 2023–0155).

(h) Exceptions to EASA AD 2023–0155

(1) Where EASA AD 2023–0155 requires compliance in terms of flight hours, this AD requires using hours time-in-service.

(2) Where EASA AD 2023–0155 refers to its effective date, this AD requires using the effective date of this AD.

(3) Where the material referenced in paragraph (2) of EASA AD 2023–0155 specifies sending removed blade(s) to Airbus Helicopters, this AD does not require that action.

(4) This AD does not adopt the “Remarks” section of EASA AD 2023–0155.

(i) No Reporting Requirement

Although the material referenced in EASA AD 2023–0155 specifies to submit certain information to the manufacturer, this AD does not include that requirement.

(j) Alternative Methods of Compliance (AMOCs)

(1) The Manager, International Validation Branch, FAA, has the authority to approve AMOCs for this AD, if requested using the procedures found in 14 CFR 39.19. In accordance with 14 CFR 39.19, send your request to your principal inspector or local Flight Standards District Office, as appropriate. If sending information directly to the manager of the International Validation Branch, send it to the attention of the person identified in paragraph (k) of this AD and email to: AMOC@faa.gov.

(2) Before using any approved AMOC, notify your appropriate principal inspector, or lacking a principal inspector, the manager of the local flight standards district office/certificate holding district office.

(k) Additional Information

For more information about this AD, contact Zain Jamal, Aviation Safety Engineer, FAA, 1600 Stewart Avenue, Suite 410, Westbury, NY 11590; phone: (847) 294–7264; email: zain.jamal@faa.gov.

(l) Material Incorporated by Reference

(1) The Director of the Federal Register approved the incorporation by reference of the material listed in this paragraph under 5 U.S.C. 552(a) and 1 CFR part 51.

(2) You must use this material as applicable to do the actions required by this AD, unless the AD specifies otherwise.

(i) European Union Aviation Safety Agency (EASA) AD 2023–0155, dated July 31, 2023.

(ii) [Reserved]

(3) For EASA material identified in this AD, contact EASA, Konrad-Adenauer-Ufer 3, 50668 Cologne, Germany; phone: +49 221 8999 000; email: ADS@easa.europa.eu; website: easa.europa.eu. You may find the EASA material on the EASA website at ad.easa.europa.eu.

(4) You may view this material at the FAA, Office of the Regional Counsel, Southwest Region, 10101 Hillwood Parkway, Room 6N–321, Fort Worth, TX 76177. For information on the availability of this material at the FAA, call (817) 222–5110.

(5) You may view this material at 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.

Issued on December 17, 2025.

Steven W. Thompson,

Acting Deputy Director, Compliance & Airworthiness Division, Aircraft Certification Service.

[FR Doc. 2025–24182 Filed 12–31–25; 8:45 am]

BILLING CODE 4910–13–P

DEPARTMENT OF TRANSPORTATION

Federal Aviation Administration

14 CFR Part 39

[Docket No. FAA–2025–1364; Project Identifier AD–2024–00613–E; Amendment 39–23215; AD 2025–25–07]

RIN 2120–AA64

Airworthiness Directives; General Electric Company Engines

AGENCY: Federal Aviation Administration (FAA), DOT.

ACTION: Final rule.

SUMMARY: The FAA is adopting a new airworthiness directive (AD) for certain General Electric Company (GE) Model GE90–90B, GE90–94B, GE90–110B1, and GE90–115B engines. This AD was prompted by a manufacturer investigation that revealed certain high-pressure turbine (HPT) stage 1 and HPT stage 2 disks were manufactured from powder metal material suspected to contain iron inclusion. This AD requires replacement of affected HPT stage 1 and HPT stage 2 disks with parts eligible for installation. The FAA is issuing this AD to address the unsafe condition on these products.

DATES: This AD is effective February 6, 2026.

The Director of the Federal Register approved the incorporation by reference of a certain publication listed in this AD as of February 6, 2026.

ADDRESSES:

AD Docket: You may examine the AD docket at regulations.gov under Docket No. FAA–2025–1364; or in person at Docket Operations between 9 a.m. and 5 p.m., Monday through Friday, except Federal holidays. The AD docket contains this final rule, any comments received, and other information. The address for Docket Operations is U.S. Department of Transportation, Docket Operations, M–30, West Building Ground Floor, Room W12–140, 1200 New Jersey Avenue SE, Washington, DC 20590.

Material Incorporated by Reference:

- For GE material identified in this AD, contact GE, 1 Neumann Way, Cincinnati, OH 45215; phone: (513) 552–3272; email: aviation.fleetsupport@ge.com; website: ge.com.

• You may view this material at the FAA, Airworthiness Products Section, Operational Safety Branch, 1200 District Avenue, Burlington, MA 01803. For information on the availability of this material at the FAA, call (817) 222-5110. It is also available at [regulations.gov](https://www.regulations.gov) under Docket No. FAA-2025-1364.

FOR FURTHER INFORMATION CONTACT:

Alexei Marqueen, Aviation Safety Engineer, FAA, 2200 South 216th Street, Des Moines, WA 98198; phone: (781) 238-7178; email: alexei.t.marqueen@faa.gov.

SUPPLEMENTARY INFORMATION:**Background**

The FAA issued a notice of proposed rulemaking (NPRM) to amend 14 CFR part 39 by adding an AD that would apply to certain GE Model GE90-90B, GE90-94B, GE90-110B1, and GE90-115B engines. The NPRM was published in the **Federal Register** on July 29, 2025 (90 FR 35642). The NPRM was prompted by the detection of iron inclusion in a turbine disk manufactured from the same powder metal material used to manufacture certain HPT stage 1 and HPT stage 2 disks for GE Model GE90-90B, GE90-94B, GE90-110B1, and GE90-115B engines. Further investigation by the manufacturer revealed that the iron inclusion is attributed to deficiencies in the manufacturing process and may cause reduced material properties and a lower fatigue life capability, which may result in premature fracture and uncontained failure. The manufacturer also informed the FAA that additional risk assessments revealed that there

were no incidents of premature fracture and uncontained failure associated with the discovery of this iron inclusion material on these engines but concluded that replacement of the affected HPT stage 1 and HPT stage 2 disks is necessary to prevent any future failure events. In the NPRM, the FAA proposed to require replacement of affected HPT stage 1 and HPT stage 2 disks with parts eligible for installation. The FAA is issuing this AD to address the unsafe condition on these products.

Discussion of Final Airworthiness Directive**Comments**

The FAA received comments from four commenters. The commenters were the Air Line Pilots Association, International (ALPA), The Boeing Company (Boeing), FedEx Express (FedEx), and GE Aerospace. The ALPA, Boeing, and FedEx supported the NPRM without change. The following presents the comment received on the NPRM and the FAA's response to the comment.

Request To Correct Part Numbers

GE Aerospace requested that the FAA revise the part number in Table 1 to Paragraph (c) of the proposed AD for serial numbers GWN0NJ92, GWN0NJ94, and GWN0NK87 from "1865M13G08" to "1865M13G07." GE Aerospace noted that GE GE90-100 Service Bulletin 72-0926, Revision 01, dated December 22, 2023, lists the current part numbers for affected disks, and they have been confirmed with product support engineering.

The FAA agrees and has updated the part number in Table 1 to Paragraph (c) of this AD as requested.

Conclusion

The FAA reviewed the relevant data, considered any comments received, and determined that air safety requires adopting this AD as proposed. Accordingly, the FAA is issuing this AD to address the unsafe condition on these products. Except for minor editorial changes, and any other changes described previously, this AD is adopted as proposed in the NPRM. None of the changes will increase the economic burden on any operator.

Material Incorporated by Reference Under 1 CFR Part 51

The FAA reviewed GE GE90-100 Service Bulletin 72-0926, Revision 01, dated December 22, 2023. This material specifies the affected part numbers, serial numbers, and cyclic removal thresholds for the HPT stage 1 and HPT stage 2 disks. This material is reasonably available because the interested parties have access to it through their normal course of business or by the means identified in the **ADDRESSES** section.

Costs of Compliance

The FAA estimates that this AD affects two engines installed on airplanes of U.S. registry. The FAA estimates that one engine installed on an airplane of U.S. registry will require replacement of the HPT stage 1 disk, and one engine installed on an airplane of U.S. registry will require replacement of the HPT stage 2 disk. The FAA estimates the following costs to comply with this AD:

ESTIMATED COSTS

Action	Labor cost	Parts cost	Cost per product	Cost on U.S. operators
Replace HPT stage 1 disk	8 work-hours × \$85 per hour = \$680	\$932,136 (prorated)	\$932,816	\$932,816
Replace HPT stage 2 disk	8 work-hours × \$85 per hour = \$680	\$186,406 (prorated)	187,086	187,086

Authority for This Rulemaking

Title 49 of the United States Code specifies the FAA's authority to issue rules on aviation safety. Subtitle I, section 106, describes the authority of the FAA Administrator. Subtitle VII: Aviation Programs, describes in more detail the scope of the Agency's authority.

The FAA is issuing this rulemaking under the authority described in Subtitle VII, Part A, Subpart III, Section 44701: General requirements. Under that section, Congress charges the FAA with promoting safe flight of civil

aircraft in air commerce by prescribing regulations for practices, methods, and procedures the Administrator finds necessary for safety in air commerce. This regulation is within the scope of that authority because it addresses an unsafe condition that is likely to exist or develop on products identified in this rulemaking action.

Regulatory Findings

This AD will not have federalism implications under Executive Order 13132. This AD will not have a substantial direct effect on the States, on

the relationship between the national government and the States, or on the distribution of power and responsibilities among the various levels of government.

For the reasons discussed above, I certify that this AD:

(1) Is not a "significant regulatory action" under Executive Order 12866,

(2) Will not affect intrastate aviation in Alaska, and

(3) Will not have a significant economic impact, positive or negative, on a substantial number of small entities

under the criteria of the Regulatory Flexibility Act.

List of Subjects in 14 CFR Part 39

Air transportation, Aircraft, Aviation safety, Incorporation by reference, Safety.

The Amendment

Accordingly, under the authority delegated to me by the Administrator, the FAA amends 14 CFR part 39 as follows:

PART 39—AIRWORTHINESS DIRECTIVES

■ 1. The authority citation for part 39 continues to read as follows:

Authority: 49 U.S.C. 106(g), 40113, 44701.

§ 39.13 [Amended]

■ 2. The FAA amends § 39.13 by adding the following new airworthiness directive:

2025–25–07 General Electric Company:
Amendment 39–23215; Docket No. FAA–2025–1364; Project Identifier AD–2024–00613–E.

(a) Effective Date

This airworthiness directive (AD) is effective February 6, 2026.

(b) Affected ADs

None.

(c) Applicability

This AD applies to the following General Electric Company (GE) Model engines:

(1) GE90–90B and GE90–94B engines with a high pressure turbine (HPT) stage 1 disk having a part number and serial number identified in table 1 to paragraph (c) of this AD installed; and

(2) GE90–110B1 and GE90–115B engines with an HPT stage 1 disk or HPT stage 2 disk having a part number and serial number identified in table 1 to paragraph (c) of this AD or Table 1 or Table 2 of GE GE90–100 Service Bulletin (SB) 72–0926, Revision 01, dated December 22, 2023 (GE GE90–100 SB 72–0926, Revision 01), installed.

**TABLE 1 TO PARAGRAPH (c)—
AFFECTED HPT STAGE 1 AND 2 DISKS**

Part name	Part No.	Serial No.
HPT Stage 1 Disk.	1847M95G01	GWN05K5J
HPT Stage 1 Disk.	1847M95G01	GWN05K5M
HPT Stage 1 Disk.	1847M95G01	GWN05NP6
HPT Stage 1 Disk.	1865M13G08	GWN10N9A
HPT Stage 1 Disk.	1865M13G07	GWN0NJ92
HPT Stage 1 Disk.	1865M13G07	GWN0NJ94
HPT Stage 1 Disk.	1865M13G07	GWN0NK87
HPT Stage 1 Disk.	1865M13G08	GWN0RJ4G

**TABLE 1 TO PARAGRAPH (c)—AF-
FECTED HPT STAGE 1 AND 2
DISKS—Continued**

Part name	Part No.	Serial No.
HPT Stage 1 Disk.	1865M13G08	GWN0WPEC
HPT Stage 2 Disk.	1865M14P04	TMT4RK67
HPT Stage 2 Disk.	1865M14P04	TMT4RG10
HPT Stage 2 Disk.	1865M14P04	TMT4RG11

(d) Subject

Joint Aircraft System Component (JASC) Code 7250, Turbine Section.

(e) Unsafe Condition

This AD was prompted by a manufacturer investigation that revealed certain HPT stage 1 disks and HPT stage 2 disks were manufactured from powder metal material suspected to contain iron inclusion. The FAA is issuing this AD to prevent premature fracture and uncontained failure of the HPT stage 1 disks and HPT stage 2 disks. The unsafe condition, if not addressed, could result in uncontained debris release, damage to the engine, and damage to the airplane.

(f) Compliance

Comply with this AD within the compliance times specified, unless already done.

(g) Required Actions

At the applicable times specified in paragraphs (g)(1) through (3) of this AD, remove each affected HPT stage 1 disk and HPT stage 2 disk from service and replace with a part eligible for installation.

(1) For HPT stage 1 disks and HPT stage 2 disks with a part number and serial number identified in table 1 to paragraph (c) of this AD, before further flight.

(2) For HPT stage 1 disks with a part number and serial number identified in Table 1 of GE GE90–100 SB 72–0926, Revision 01, that are not identified in table 1 to paragraph (c) of this AD, at the next piece-part exposure or before exceeding 4,650 cycles since new (CSN), whichever occurs first.

(3) For HPT stage 2 disks with a part number and serial number identified in Table 2 of GE GE90–100 SB 72–0926, Revision 01, that are not identified in table 1 to paragraph (c) of this AD, at the next piece-part exposure or before exceeding 11,300 CSN, whichever occurs first.

(h) Grace Period for HPT Stage 1 Disk Replacement

For affected HPT stage 1 disks having greater than 4,650 CSN on the effective date of this AD, the replacement required by paragraph (g)(2) of this AD may be deferred up to 50 flight cycles after the effective date of this AD.

(i) Definitions

(1) For the purpose of this AD, a “part eligible for installation” is any HPT stage 1 disk or HPT stage 2 disk having a part number and serial number that is not identified in table 1 to paragraph (c) of this

AD or Table 1 or Table 2 of GE GE90–100 SB 72–0926, Revision 01.

(2) For the purpose of this AD, a “piece-part exposure” is when the affected HPT stage 1 disk or HPT stage 2 disk is removed from the engine and completely disassembled.

(j) Alternative Methods of Compliance (AMOCs)

(1) The Manager, AIR–520 Continued Operational Safety Branch, FAA, has the authority to approve AMOCs for this AD, if requested using the procedures found in 14 CFR 39.19. In accordance with 14 CFR 39.19, send your request to your principal inspector or local Flight Standards District Office, as appropriate. If sending information directly to the manager of AIR–520 Continued Operational Safety Branch, send it to the attention of the person identified in paragraph (k) of this AD and email to: AMOC@faa.gov. Before using any approved AMOC, notify your appropriate principal inspector, or lacking a principal inspector, the manager of the local flight standards district office/certificate holding district office.

(k) Additional Information

For more information about this AD, contact Alexei Marqueen, Aviation Safety Engineer, FAA, 2200 South 216th Street, Des Moines, WA 98198; phone: (781) 238–7178; email: alexei.t.marqueen@faa.gov.

(l) Material Incorporated by Reference

(1) The Director of the Federal Register approved the incorporation by reference (IBR) of the material listed in this paragraph under 5 U.S.C. 552(a) and 1 CFR part 51.

(2) You must use this material as applicable to do the actions required by this AD, unless the AD specifies otherwise.

(i) GE GE90–100 Service Bulletin 72–0926, Revision 01, dated December 22, 2023.

(ii) [Reserved]

(3) For GE material identified in this AD, contact General Electric Company, 1 Neumann Way, Cincinnati, OH 45215; phone: (513) 552–3272; email: aviation.fleetssupport@ge.com; website: ge.com.

(4) You may view this material at the FAA, Airworthiness Products Section, Operational Safety Branch, 1200 District Avenue, Burlington, MA 01803. For information on the availability of this material at the FAA, call (817) 222–5110.

(5) You may view this material at 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.

Issued on December 8, 2025.

Peter A. White,

Deputy Director, Integrated Certificate Management Division, Aircraft Certification Service.

[FR Doc. 2025–24173 Filed 12–31–25; 8:45 am]

BILLING CODE 4910–13–P

DEPARTMENT OF TRANSPORTATION

Federal Aviation Administration

14 CFR Part 71

[Docket No. FAA–2025–0668; Airspace
Docket No. 24–ASO–34]

RIN 2120–AA66

**Establishment of United States Area
Navigation (RNAV) Routes Q–190 and
T–497, and Amendment of Domestic
Very High Frequency Omnidirectional
Range (VOR) Federal Airways V–1, V–
70, and V–194; Eastern United States**

AGENCY: Federal Aviation
Administration (FAA), DOT.

ACTION: Final rule.

SUMMARY: This action establishes United States Area Navigation (RNAV) Routes Q–190 and T–497, and amends domestic Very High Frequency Omnidirectional Range (VOR) Federal Airways V–1, V–70, and V–194, in the eastern United States. The FAA is taking this action due to the planned decommissioning of the Cofield, NC (CVI), VOR/Tactical Air Navigation (VORTAC). This action is in support of the FAA's VOR Minimum Operational Network (MON) Program.

DATES: Effective date 0901 UTC, March 19, 2026. The Director of the Federal Register approves this incorporation by reference action under 1 CFR part 51, subject to the annual revision of FAA Order JO 7400.11 and publication of conforming amendments.

ADDRESSES: A copy of the notice of proposed rulemaking (NPRM), all comments received, this final rule, and all background material may be viewed online at www.regulations.gov using the FAA Docket number. Electronic retrieval help and guidelines are available on the website. It is available 24 hours each day, 365 days each year. An electronic copy of this document may also be downloaded from www.federalregister.gov.

FAA Order JO 7400.11K, Airspace Designations and Reporting Points, and subsequent amendments can be viewed online at www.faa.gov/air_traffic/publications/. You may also contact the Rules and Regulations Group, Policy Directorate, Federal Aviation Administration, 600 Independence Avenue SW, Washington, DC 20597; telephone: (202) 267–8783.

FOR FURTHER INFORMATION CONTACT: Brian Vidis, Rules and Regulations Group, Policy Directorate, Federal Aviation Administration, 600 Independence Avenue SW, Washington, DC 20597; telephone: (202) 267–8783.

SUPPLEMENTARY INFORMATION:

Authority for This Rulemaking

The FAA's authority to issue rules regarding aviation safety is found in Title 49 of the United States Code. Subtitle I, Section 106 describes the authority of the FAA Administrator. Subtitle VII, Aviation Programs, describes in more detail the scope of the agency's authority. This rulemaking is promulgated under the authority described in Subtitle VII, Part A, Subpart I, Section 40103. Under that section, the FAA is charged with prescribing regulations to assign the use of the airspace necessary to ensure the safety of aircraft and the efficient use of airspace. This regulation is within the scope of that authority as it amends the route structure to maintain the efficient flow of air traffic within the National Airspace System.

History

The FAA published a NPRM for Docket No. FAA 2025–0668 in the **Federal Register** (87 FR 20136; May 12, 2025), proposing to establish RNAV Routes Q–190 and T–497; and amend domestic VOR Federal Airways V–1, V–70, and V–194, in the eastern United States. Interested parties were invited to participate in this rulemaking effort by submitting written comments on the proposal to the FAA. One comment was received, which stated that the geographic coordinates for the Elizabeth City, NC (ECG), VOR/Distance Measuring Equipment (VOR/DME) listed in the route description for RNAV Route T–497 were incorrect. Upon review, the FAA discovered that all geographic coordinates listed in the route description of RNAV Route T–497 were erroneous. This final rule corrects these errors by correcting the geographic coordinates to match the FAA's National Airspace System Resource (NASR) database information for each point. Additionally, the FAA verified that the route points that define RNAV Route T–497 were listed correctly as intended.

Differences From the NPRM

Subsequent to publication of the NPRM, on August 7, 2025, the FAGED, VA, Fix was changed to the FAGED, VA, waypoint (WP) due to the route point no longer being defined by ground-based Navigational Aid (NAVAID) radials. This final rule refers to the FAGED, VA, route point as a WP. This change is ministerial in nature, and does not alter airspace boundaries or impose additional requirements on regulated parties. Accordingly, the FAA finds good cause that recirculating the

proposal for notice and comment is unnecessary.

Additionally, subsequent to publication of the NPRM, the FAA published a final rule for Docket No. FAA–2024–2512 in the **Federal Register** (90 FR 21408; May 20, 2025), amending VOR Federal Airway V–1. That final rule amended VOR Federal Airway V–1 by removing the airway segments between the Norfolk, VA (ORF), VORTAC and the Waterloo, DE (ATR), VOR/DME due to the scheduled decommissioning of the Salisbury, MD (SBY), VORTAC. That final rule also added language to the route description that the airway excludes restricted area R–5002F, as it is adjacent to VOR Federal Airway V–1, and removed language that the airway excludes restricted area R–4006, as it will no longer be adjacent to VOR Federal Airway V–1 as amended. Changes made by that airway amendment, effective August 7, 2025, are incorporated into this action. They do not result in material differences from the original proposal, nor do they impose additional requirements on users of the airway. Accordingly, the FAA finds good cause that recirculating the proposal for notice and comment is unnecessary.

Incorporation by Reference

United States Area Navigation Routes are published in paragraphs 2006 and 6011, and Domestic VOR Federal Airways are published in paragraph 6010(a), of FAA Order JO 7400.11, Airspace Designations and Reporting Points, which is incorporated by reference in 14 CFR 71.1 on an annual basis. This document amends the current version of that order, FAA Order JO 7400.11K, dated August 4, 2025, and effective September 15, 2025. These amendments will be published in the next update to FAA Order JO 7400.11. FAA Order JO 7400.11K, which lists Class A, B, C, D, and E airspace areas, air traffic service routes, and reporting points, is publicly available as listed in the **ADDRESSES** section of this document.

The Rule

This action amends 14 CFR part 71 by establishing RNAV Routes Q–190 and T–497; and amending domestic VOR Federal Airways V–1, V–70, and V–194, to support the planned decommissioning of the Cofield, NC (CVI), VORTAC. This action is in support of the FAA's VOR MON Program.

Q–190: Q–190 is a new RNAV route that extends between the Carleton, MI (CRL), VOR/DME and the PONCT, NY, WP. The route overlays Jet Route J–190 between the Carleton VOR/DME and the

PONCT WP. This new route provides RNAV connectivity between the Detroit, MI, area and the Albany, NY, area.

V-1: Prior to this final rule, V-1 extended between the Craig, FL (CRG), VORTAC and the Norfolk, VA (ORF), VORTAC; and between the Waterloo, DE (ATR), VOR/DME and the Boston, MA (BOS), VOR/DME. The portions within R-5002A, R-5002C, R-5002D, and R-5002F are excluded during their times of designation. The FAA removes the airway segments between the Kinston, NC (ISO), VORTAC and the Norfolk VORTAC due to the scheduled decommissioning of the Cofield, NC (CVI), VORTAC. As amended, the airway extends between the Craig VORTAC and the Kinston VORTAC; and between the Waterloo VOR/DME and the Boston VOR/DME. The portions within R-5002A, R-5002C, R-5002D, and R-5002F are excluded during their times of designation.

V-70: Prior to this final rule, V-70 extended between Monterrey, Mexico, and the Picayune, MS (PCU), VOR/DME; between the Monroeville, AL (MVC), VORTAC and the Allendale, SC (ALD), VOR; and between the Grand Strand, SC (CRE), VORTAC and the Cofield, NC (CVI), VORTAC. The airspace within Mexico is excluded. The FAA removes the airway segments between the Kinston, NC (ISO), VORTAC and the Cofield VORTAC due to the scheduled decommissioning of the Cofield VORTAC. As amended, the airway extends between Monterrey, Mexico, and the Picayune VOR/DME; between the Monroeville VORTAC and the Allendale VOR; and between the Grand Strand VORTAC and the Kinston VORTAC. The airspace within Mexico remains excluded.

V-194: Prior to this final rule, V-194 extended between the Cedar Creek, TX (CQY), VORTAC and the College Station, TX (CLL), VORTAC; between the Sabine Pass, TX (SBI), VOR/DME and the Meridian, MS (MEI), VORTAC; and between the Liberty, NC (LIB), VORTAC and the intersection of the Cofield, NC (CVI), VORTAC 077° and the Norfolk, VA (ORF), VORTAC 209° radials (SUNNS Fix). The FAA removes the airway segments between the Tar River, NC (TYI), VORTAC and the SUNNS Fix due to the scheduled decommissioning of the Cofield VORTAC. As amended, the airway

extends between the Cedar Creek VORTAC and the College Station VORTAC; between the Sabine Pass VOR/DME and the Meridian VORTAC; and between the Liberty VORTAC and the Tar River VORTAC.

T-497: T-497 is a new RNAV route that extends between the Elizabeth City, NC (ECG), VOR/DME and the FAGED, VA, WP. The route overlays VOR Federal Airway V-286 between the OUTLA, VA, WP and the FAGED, VA, WP. The new route provides RNAV connectivity between the Elizabeth City, NC, area and the Warsaw, VA, area.

The full proposed descriptions of the above routes are set forth below in the proposed text amendments to part 71. The NAVAID radials listed in the Air Traffic Service (ATS) route description regulatory text of this final rule are stated in degrees True north.

Regulatory Notices and Analyses

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. Since this is a routine matter that only affects air traffic procedures and air navigation, it is certified that this rule, when promulgated, does not have a significant economic impact on a substantial number of small entities under the criteria of the Regulatory Flexibility Act.

Environmental Review

The FAA has determined that this action establishing RNAV Routes Q-190 and T-497, and amending domestic VOR Federal Airways V-1, V-70, and V-194 in the eastern United States qualifies for categorical exclusion under the National Environmental Policy Act (42 U.S.C. 4321, *et seq.*) and in accordance with FAA Order 1050.1G, *FAA National Environmental Policy Act Implementing Procedures*, paragraph B-2.5(a), which categorically excludes from further environmental impact review rulemaking actions that

designate or modify classes of airspace areas, airways, routes, and reporting points (see 14 CFR part 71, Designation of Class A, B, C, D, and E Airspace Areas; Air Traffic Service Routes; and Reporting Points); and paragraph B-2.5(b), which categorically excludes from further environmental impact review “Actions regarding establishment of jet routes and Federal airways (see 14 CFR 71.15, *Designation of jet routes and VOR Federal airways*). . .”. As such, this action is not expected to result in any potentially significant environmental impacts. In accordance with the FAA’s NEPA implementation policy and procedures regarding extraordinary circumstances, the FAA has reviewed this action for factors and circumstances in which a normally categorically excluded action may have a significant environmental impact requiring further analysis. The FAA has determined that no extraordinary circumstances exist that warrant preparation of an environmental assessment or environmental impact statement.

Lists of Subjects in 14 CFR Part 71

Airspace, Incorporation by reference, Navigation (air).

The Amendment

In consideration of the foregoing, the Federal Aviation Administration amends 14 CFR part 71 as follows:

PART 71—DESIGNATION OF CLASS A, B, C, D, AND E AIRSPACE AREAS; AIR TRAFFIC SERVICE ROUTES; AND REPORTING POINTS

■ 1. The authority citation for 14 CFR part 71 continues to read as follows:

Authority: 49 U.S.C. 106(f), 106(g), 40103, 40113, 40120; E.O. 10854, 24 FR 9565, 3 CFR, 1959–1963 Comp., p.389.

§ 71.1 [Amended]

■ 2. The incorporation by reference in 14 CFR 71.1 of FAA Order JO 7400.11K, *Airspace Designations and Reporting Points*, dated August 4, 2025, and effective September 15, 2025, is amended as follows:

Paragraph 2006 United States Area Navigation Routes.

* * * * *

Q-190 Carleton, MI (CRL) to PONCT, NY [New]

Carleton, MI (CRL)	VOR/DME	(Lat. 42°02′52.90″ N, long. 083°27′27.26″ W)
WIGGZ, PA	WP	(Lat. 41°30′51.00″ N, long. 077°58′52.00″ W)
RAHKS, NY	WP	(Lat. 42°27′59.28″ N, long. 075°14′21.68″ W)
PONCT, NY	WP	(Lat. 42°44′48.83″ N, long. 073°48′48.07″ W)

* * * * *

Paragraph 6010(a) Domestic VOR Federal Airways.

* * * * *

V-1 [Amended]

From Craig, FL; INT Craig 020° and Charleston, SC, 214° radials; Charleston; Grand Strand, SC; INT Grand Strand 031° and Kinston, NC, 214° radials; to Kinston. From Waterloo, DE; INT Waterloo 024° and Coyle, NJ, 216° radials; Coyle; INT Coyle 036° and Kennedy, NY, 209° radials; Kennedy; Deer Park, NY; Madison, CT; Hartford, CT; INT Hartford 040° and Boston, MA, 252° radials; to Boston, MA; excluding the airspace below 2,700 feet MSL outside

the United States between STARY INT and Charleston, SC. The portions within R-5002A, R-5002C, R-5002D and R-5002F are excluded during their times of designation.

* * * * *

V-70 [Amended]

From Monterrey, Mexico; Brownsville, TX; INT Brownsville 338° and Corpus Christi, TX, 193° radials; 34 miles standard width, 37 miles 7 miles wide (4 miles E and 3 miles W of centerline), Corpus Christi; INT Corpus Christi 054° and Palacios, TX, 226° radials; Palacios; Scholes, TX; Sabine Pass, TX; Lake Charles, LA; Lafayette, LA; Fighting Tiger, LA; to Picayune, MS. From Monroeville, AL; INT Monroeville 073° and Eufaula, AL, 258° radials; Eufaula; Vienna, GA; to Allendale,

SC. From Grand Strand, SC; Wilmington, NC; to Kinston, NC. The airspace within Mexico is excluded.

* * * * *

V-194 [Amended]

From Cedar Creek, TX; to College Station, TX. From Sabine Pass, TX; Lafayette, LA; Fighting Tiger, LA; McComb, MS; INT McComb 055° and Meridian, MS, 221° radials; to Meridian. From Liberty, NC; Raleigh-Durham, NC; to Tar River, NC.

* * * * *

Paragraph 6011 United States Area Navigation Routes.

* * * * *

T-497 Elizabeth City, NC (ECG) to FAGED, VA [New]

Elizabeth City, NC (ECG)	VOR/DME	(Lat. 36°15'27.26" N, long. 076°10'32.15" W)
Oceana, VA (NTU)	TACAN	(Lat. 36°49'27.20" N, long. 076°02'13.37" W)
SKOUT, VA	FIX	(Lat. 36°55'55.13" N, long. 075°51'07.39" W)
TURET, VA	FIX	(Lat. 37°00'10.90" N, long. 075°47'08.35" W)
FAAFO, VA	WP	(Lat. 37°03'08.52" N, long. 075°44'12.51" W)
BAYSO, VA	WP	(Lat. 37°19'17.65" N, long. 075°49'40.37" W)
LNSKY, VA	FIX	(Lat. 37°20'13.20" N, long. 075°55'30.29" W)
OUTLA, VA	WP	(Lat. 37°20'45.48" N, long. 075°59'54.08" W)
FAGED, VA	WP	(Lat. 37°51'07.69" N, long. 076°40'55.91" W)

* * * * *

Issued in Washington, DC, on December 30, 2025.

Glenn L. Sigley,

Acting Manager, Rules and Regulations Group.

[FR Doc. 2025-24218 Filed 12-31-25; 8:45 am]

BILLING CODE 4910-13-P

DEPARTMENT OF HOMELAND SECURITY

U.S. Customs and Border Protection

19 CFR Parts 24, 141, 159, and 174

[USCBP-2025-1076; CBP Dec. 25-18]

RIN 1685-AA36

Electronic Refunds

AGENCY: U.S. Customs and Border Protection, Department of Homeland Security.

ACTION: Interim final rule; request for comments.

SUMMARY: This document amends the U.S. Customs and Border Protection (CBP) regulations to reflect that, subject to limited exceptions, CBP will issue all refunds electronically. This document explains the process required to receive electronic refunds and the process to receive paper checks in those rare instances where the recipient meets the criteria for a waiver.

DATES: The interim final rule is effective February 6, 2026. Comments regarding this interim final rule must be received by March 3, 2026.

ADDRESSES: Please submit comments, identified by *docket number* USCBP-2025-1076, by the following method: Federal eRulemaking Portal at <http://www.regulations.gov>. Follow the instructions for submitting comments.

Instructions: All submissions received must include the agency name and docket number for this rulemaking. All comments received will be posted, without change, to <http://www.regulations.gov>, including any personal information provided. For detailed instructions on submitting comments and additional information on the rulemaking process, see the "Public Participation" heading of the **SUPPLEMENTARY INFORMATION** section of this document.

Docket: For access to the docket to read background documents or comments received, go to <http://www.regulations.gov>.

FOR FURTHER INFORMATION CONTACT: Nate DeRosa, Revenue Division, Office of Finance, at (317) 298-1042 or fn-achrefundsupport@cbp.dhs.gov.

SUPPLEMENTARY INFORMATION:

I. Public Participation

Interested persons are invited to participate in this rulemaking by submitting written data, views, or arguments on all aspects of this interim final rule (IFR). U.S. Customs and Border Protection (CBP) also invites comments that relate to the economic, environmental, or federalism effects that might result from this IFR. Comments that will provide the most assistance to CBP will reference a specific portion of

the IFR, explain the reason for any recommended change, and include data, information, or authority that supports such recommended change.

II. Background

Section 1505(b) of title 19 of the United States Code (19 U.S.C. 1505(b)) generally requires CBP to refund any excess deposits of duties, fees, and interest within 30 days of liquidation or reliquidation. CBP has additional general authority to refund duties or other receipts, found in 19 U.S.C. 1520 (e.g., in situations where fees, charges, or exactions were erroneously collected or where excess duties, fees, charges, or exactions were deposited or paid).¹

Section 3332(f)(1) of title 31 of the United States Code (31 U.S.C. 3332(f)(1)) generally mandates that all Federal payments made by the government, other than payments made under the Internal Revenue Code of 1986, be made by electronic funds transfer. Electronic funds transfer means any transfer of funds, other than a transaction originated by cash, check, or similar paper instrument, that is initiated through an electronic terminal, telephone, computer, or magnetic tape for the purpose of, among other things, authorizing a financial institution to

¹ Certain statutes also provide CBP with specific authority for refunds associated with repairs of vessels (see 19 U.S.C. 1466), drawback (see 19 U.S.C. 1313), protests (see 19 U.S.C. 1514 and 1515), loss, deterioration, or damage to warehouse goods (see 19 U.S.C. 1563), countervailing duty investigations (see 19 U.S.C. 1671c-1671f, 1677g), and antidumping investigations (see 19 U.S.C. 1673c-1673f, 1677g).

debit or credit an account. An Automated Clearing House (ACH) transfer is an electronic funds transfer. 31 U.S.C. 3332(j)(1). The definition of “Federal payments” in 31 U.S.C. 3332(j)(3) is inclusive of refunds such as those issued by CBP.² The requirement for electronic funds transfers may be waived in cases where compliance imposes a hardship or in other circumstances as may be necessary. 31 U.S.C. 3332(f)(2)(A). The regulations implementing 31 U.S.C. 3332 are contained in 31 CFR part 208, and specifically, the regulations related to the electronic funds transfer waiver process are set forth in 31 CFR 208.4.

On March 25, 2025, President Trump issued Executive Order 14247, *Modernizing Payments To and From America’s Bank Account*, 90 FR 14001 (March 25, 2025), mandating the transition from paper checks to electronic payments for all Federal disbursements and receipts by digitizing payments to the extent permissible under applicable law. The goals of the Executive Order are to defend against financial fraud and improper payments, enhance the efficiency and security of Federal payments, and reduce costs associated with paper-based payments by the Federal government.³ Section 4 of the Executive Order articulates exceptions and accommodations when electronic payment methods are not feasible.

Historically, the majority of CBP refunds for the overpayment of customs duties, taxes, and fees were transmitted as paper checks issued by the U.S. Department of the Treasury (U.S. Treasury) and mailed to the address of the importer. An importer may designate a third party, such as a licensed customs broker, via CBP Form 4811 (Special Address Notification), to

receive refunds on the importer’s behalf. To designate a third party as the recipient of a refund, CBP provides two options. The importer may fill out and submit CBP Form 4811 via an email message to the importer’s assigned Center of Excellence and Expertise (Center). If an importer has not yet been assigned to a Center, CBP Form 4811 may be submitted to the Center that most closely aligns with the tariff number of the importer’s highest valued commodity.⁴ The importer may also utilize the Notify Parties tab in the Automated Commercial Environment (ACE) Secure Data Portal (ACE Portal) by providing the required information for the designated third party.⁵ CBP deems use of the Notify Parties tab in the ACE Portal to designate a third party to be the electronic equivalent of CBP Form 4811 and a CBP-approved method to submit CBP Form 4811.

While it has been available for some time, the issuance of electronic refunds via ACH is voluntary and has been relatively limited in scope due to technological limitations.⁶ The number of refunds CBP issues electronically has gradually increased in recent years, and in 2024 and 2025 approximately 30% of refunds CBP issued annually were issued electronically. CBP has been modernizing payment processes by reducing manual processes generally, and this rule specifically focuses on the management of electronic refunds through ACE. This rule aligns with the requirements of 31 U.S.C. 3332, the goals articulated in Executive Order 14247, and CBP’s ongoing modernization efforts.

III. Issuance of Electronic Refunds

Beginning February 6, 2026, CBP will issue all refunds electronically (subject to certain exceptions under 31 CFR part 208). This rule applies to refunds issued to all importers, brokers, filers, sureties, service providers, facility operators, foreign trade zone operators, and carriers,⁷ and any designated third

parties listed on CBP Form 4811. After this date, CBP will not issue any refunds by check, unless a waiver has been approved.

Importers who are currently enrolled in the ACH Refund program will continue to receive electronic refunds via ACH without interruption. Importers who wish to make any changes to the banking information currently on file with CBP must complete the ACH Refund application in the ACE Portal.⁸ Importers who are not already enrolled in the ACH Refund program must submit an application for an ACE Portal account if an account does not already exist.⁹ Once an ACE Portal account has been created, the account owner must complete the ACH Refund application in the ACE Portal under the ACH Refund Authorization tab to provide CBP with the designated banking information consistent with 31 U.S.C. 3332(g). The account owner may also authorize full access to the ACH Refund Authorization tab to another trade account user to enter the designated banking information.¹⁰ If applicable, the third party designated on CBP Form 4811 must also have an ACE Portal account and complete the ACH Refund application. It is the importer’s responsibility to ensure that the designated third party completes the ACH Refund application to allow CBP to issue electronic refunds to the designated third party consistent with 31 U.S.C. 3332(g).

As part of the ACH Refund application, all applicants are required

to mean importers, brokers, filers, sureties, service providers, facility operators, foreign trade zone operators, and carriers. Individuals and entities who are not considered “importers” for purposes of this rulemaking, are owed a refund and wish to receive the refund electronically via ACH, must submit an application according to the instructions provided on [CBP.gov](https://www.cbp.gov/trade/automated/ach/refund) at <https://www.cbp.gov/trade/automated/ach/refund>.

⁸ CBP has developed the ACH Refund Authorization tab in the ACE Portal for faster processing of ACH Refund applications. See New Functionality Pertaining to Electronic Refunds in the Automated Commercial Environment, 90 FR 45956 (Sept. 24, 2025).

⁹ The public may submit an ACE Portal application either by completing the modernized application webform found at <https://www.cbp.gov/trade/automated/getting-started/portal-applying> or by sending the ACE Data Portal Account Application Form (found here: <https://www.cbp.gov/document/guidance/ace-secure-data-portal-account-application>) via email message to ace.applications@cbp.dhs.gov.

¹⁰ On December 16, 2025, CBP enhanced the ACE Portal to enable trade account owners to authorize trade account users to utilize the ACH Refund Authorization tab. For additional information, see CBP, Trade Information Notice ACE Portal Updates to Enable Electronic Refund Enrollment, available at <https://www.cbp.gov/document/guidance/trade-information-notice-ace-portal-updates-enable-electronic-refund-enrollment> (last modified Dec. 12, 2025).

² Further, implementing regulations in section 208.2 of title 31 of the Code of Federal Regulations (31 CFR 208.2) expressly include within the definition of “Federal payment” “miscellaneous payments including . . . overpayment reimbursements[.]”

³ A Fact Sheet accompanying the Executive Order, issued the same day, explains the disadvantages of paper-based payments, stating that mail theft complaints have increased substantially since 2020, and check fraud has become more common, with banks issuing about 680,000 reports of check fraud in 2022 (nearly double the number from 2021). The Fact Sheet further notes that U.S. Treasury checks are 16 times more likely to be reported lost or stolen, returned undeliverable, or altered than an electronic funds transfer, and that the maintenance of the physical infrastructure and specialized technology for digitizing paper records cost over \$657 million in fiscal year 2024. See Fact Sheet: President Donald J. Trump Modernizes Payments to and from America’s Bank Account available at <https://www.whitehouse.gov/fact-sheets/2025/03/fact-sheet-president-donald-j-trump-modernizes-payments-to-and-from-americas-bank-account/>.

⁴ See 19 CFR 101.10. See also CBP, Centers of Excellence and Expertise Directory, available at <https://www.cbp.gov/trade/centers-excellence-and-expertise-information/cee-directory> (last updated Nov. 21, 2025).

⁵ On January 2, 2026, CBP deployed a new functionality in the ACE Portal that enables trade account owners to use the new “Add Notify Party” button under the “Notify Parties” tab to designate a third party.

⁶ To participate in the ACH Refund program, an importer must submit an ACH Refunds Enrollment Form via an email message to CBP’s Revenue Division. Once CBP has received and processed the enrollment form, all refunds are issued electronically to the designated bank account.

⁷ For simplicity’s sake, and because the majority of the parties affected by this rulemaking are importers, CBP uses “importer” in this document

to use a U.S. bank account and must provide the relevant account information.¹¹ Once an application for ACH Refund is successfully submitted and approved in the ACE Portal, all future refunds will be issued electronically to the designated U.S. bank account (*i.e.*, either the U.S. bank account of the importer or the U.S. bank account of the designated third party listed on CBP Form 4811).

It is important to note that a CBP Form 4811 that is on file with CBP prior to the effective date of this rulemaking will remain a valid third-party designation, authorizing CBP to issue an electronic refund to the designated third party. The designated third party must complete the ACH Refund application in order to receive the electronic refund.¹² If the designated third party is not an ACH participant, the refund will default to the importer's ACH account. The importer has an existing obligation under 31 U.S.C. 3332(g) to provide CBP with the necessary banking information to receive refunds electronically; failure to provide CBP with the requisite ACH banking information will result in a certified refund being rejected. If CBP certifies a refund for issuance within 30 days of the liquidation or reliquidation of the entry, but is unable to deliver an electronic refund, either to the importer or to a designated third party, solely due to the importer's or designated third party's failure to provide CBP with the necessary banking information to effectuate the electronic refund, no interest will accrue under 19 U.S.C. 1505(d). For these rejected refunds, an importer must complete the ACH Refund application and notify CBP's Refunds Team at frn-achrefundsupport@cbp.dhs.gov to confirm the application's completion and request that the rejected refunds be issued and delivered to the designated bank account.¹³

It is the importer's responsibility to ensure the accuracy of the third-party

designation and to contact CBP if any information needs to be updated or the designation is revoked. CBP will make any necessary changes as to the importer's third-party designation in the ACE Portal. If an importer believes that one of the waiver criteria in 31 CFR part 208 applies and seeks payment of its refund via a U.S. Treasury check, the importer must notify CBP's Revenue Division in writing at frn-achrefundsupport@cbp.dhs.gov.

This transition to electronic refunds will provide several benefits to both the public and CBP. Electronic payments are much faster than check payments, and significantly less expensive. Electronic refunds will be deposited within one to two business days in the recipient's designated bank account compared to three or more days if a U.S. Treasury check is mailed. Electronic payments are also safer than paper checks and are less likely to have post-payment issues, such as claims of missing or misdelivered payments or check fraud. For CBP, the electronic issuance of refunds will result in a reduction in printing and mailing costs as CBP expects only a small number of refund recipients to meet the criteria in 31 CFR 208.4 to receive a refund via a U.S. Treasury check. In addition, there will no longer be a need to track, research, and reissue check refunds, or support check claim adjudications, all of which will result in cost savings. Thus, CBP will be able to utilize those resources for other important agency priorities.

IV. Amendments to the Regulations

For the reasons discussed above, CBP is amending specific regulations in parts 24 (Customs Financial and Accounting Procedure), 141 (Entry of Merchandise), 159 (Liquidation of Duties), and 174 (Protests) of title 19 of the CFR to reflect that CBP will issue refunds electronically. In addition, CBP is making minor conforming changes or edits where needed. The specific changes are discussed below.

Part 24

The general authority citation for part 24 is revised to include a reference to 31 U.S.C. 3332. In § 24.5(a), dealing with filing identification numbers generally, CBP is removing the phrase "check upon adjustment of a cash collection" to align the provision with CBP's transition to electronic refunds. In the same paragraph, CBP is replacing "Customs" with "CBP" and updating the title of CBP Form 5106 as "Create/Update Importer Identity Form" to align the regulation with the current title of the form.

Paragraphs (c)(8)(i), (e)(4)(iii), and (e)(4)(iv)(A) of § 24.24 are being amended to state that approved Harbor Maintenance Fee (HMF) refund payments will be made via ACH in accordance with 31 U.S.C. 3332, unless a waiver condition in 31 CFR 208.4 is met, and to remove the reference to refund payments via mail. In addition, CBP is correcting a minor typographical error in the phrase "if such use *in* not reflected in the documents" in the second to last sentence of § 24.24(c)(8)(i) to read instead, "if such use *is* not reflected in the documents." (emphasis added).

The introductory text of § 24.36(a), regarding refunds of excessive duties, taxes, etc., states that when CBP finds that a refund is due, a refund is prepared in the name of the person to whom the refund is due (the payee). This provision is revised to state that if a refund is owed, CBP will prepare the refund in the name of the person to whom the refund is due, and issue it electronically in accordance with 31 U.S.C. 3332, unless a waiver condition in 31 CFR 208.4 is met. If CBP Form 4811 authorizes someone other than the payee to receive a refund, CBP will issue the refund electronically to the authorized person. If a power of attorney is on file, CBP will issue the refund electronically to such attorney, if requested. Further, CBP added the phrase "submitted to CBP through a CBP-approved method" to emphasize that an approved method of submission for CBP Form 4811 must be used. CBP is also making minor nomenclature or stylistic changes (*i.e.*, "Customs" to "CBP" in two instances, "Customs" to "customs," changing the numeral "3" to "three," and adding "CBP" to "Form 4811").

In § 24.36(a)(3), regarding the accrual and payment of delinquency interest under 19 U.S.C. 1505(d), and consistent with 31 U.S.C. 3332, CBP is adding a reference to 19 U.S.C. 1505(d) in the first sentence for clarity. CBP is also adding two sentences at the end of § 24.36(a)(3) to state that no interest under 19 U.S.C. 1505(d) will accrue when CBP certifies an electronic refund for issuance within 30 days of the liquidation or reliquidation of the entry, and CBP is unable to deliver the electronic refund solely due to the recipient's failure to provide CBP with the necessary banking information to effectuate delivery of the electronic refund.

Part 141

Section 141.61 discusses the completion of entry and entry summary documentation. The paragraph heading

¹¹ Importers without a U.S. bank account must either open a U.S. bank account or designate a third party with a U.S. bank account consistent with 31 U.S.C. 3332(g).

¹² To coincide with the publication of this rulemaking, CBP has updated CBP Form 4811 by replacing references to "check" with "refund."

¹³ The outstanding refunds and historical details regarding refunds are available in the Refund ACE Report, which includes a summary of the total number of outstanding refunds requested, the total dollar amount requested in all outstanding refunds, and a consolidated table of all outstanding refunds and relevant data for the ACE account user's own refunds. The availability of the Refund ACE Report in the ACE Portal was deployed via **Federal Register** notice published on August 11, 2022. Enhanced Transparency and Access to Information for Refund Requesters in the Automated Commercial Environment (87 FR 49600) (Aug. 11, 2022).

for § 141.61(d)(3) is updated by replacing “mailed” with “sent” to read “When refunds, bills, or notices of liquidation are to be sent to agent.” Section 141.61(d)(3) is amended to state that refunds will be issued electronically in accordance with § 24.36 in situations where the importer wants the refund sent to the agent. Adding the reference to § 24.36 clarifies CBP’s process with regard to the issuance of refunds, which will be electronic, unless a waiver condition in 31 CFR 208.4 is met. Further, CBP added the phrase “through a CBP-approved method” to emphasize that an approved method of submission for CBP Form 4811 must be used. Finally, minor updates are made throughout § 141.61(d)(1)–(3) to replace outdated references to box numbers on CBP Form 7501 with the correct box numbers.

Part 159

Section 159.6, dealing with differences between liquidated duties and estimated duties, is amended in paragraph (c) by replacing “refund checks” with “refunds” and in paragraph (d) by replacing “refund check” with “a refund” to allow for the issuance of electronic refunds and check refunds (if a waiver condition in 31 CFR 208.4 applies).

Part 174

Section 174.13(c), regarding optional designation of an agent for refunds, is amended to state that any refunds with respect to an entry under protest will be issued electronically in accordance with 31 U.S.C. 3332, unless a waiver condition in 31 CFR 208.4 is met, to the agent designated by the importer/consignee. In addition, CBP made one minor nomenclature change replacing “Customs” with “CBP” regarding CBP Form 4811.

V. Statutory and Regulatory Requirements

A. Administrative Procedure Act

The Administrative Procedure Act (APA) requirements in 5 U.S.C. 553 govern agency rulemaking procedures. Section 553(b) of the APA generally requires notice and public comment before issuance of a final rule and section 553(d) generally requires agencies delay the effective date of final rules by at least 30 days. CBP has issued this IFR without prior notice and opportunity for comment because this is a rule of agency organization, procedure, or practice (“procedural rule”). 5 U.S.C. 553(b)(A). Rules are procedural if they are “primarily directed toward improving the efficient

and effective operations of an agency[.]” *Mendoza v. Perez*, 754 F.3d 1002, 1023 (D.C. Cir. 2014) (quoting *Batterton v. Marshall*, 648 F.2d 694, 702 n.34 (D.C. Cir. 1980). The procedural-rule exception “covers agency actions that do not themselves alter the rights or interests of parties, although it may alter the manner in which the parties present themselves or their viewpoints to the agency.” See *JEM Broad. Co., Inc. v. FCC*, 22 F.3d 320, 326 (D.C. Cir. 1994) (quoting *Batterton*, 648 F.2d at 707; see also *Mendoza*, 754 F.3d at 1023–24; *Am. Hosp. Ass’n v. Bowen*, 834 F.2d 1037, 1047 (D.C. Cir. 1987) (holding that procedural rules are those that do not “encode a substantive value judgment or put a stamp of approval or disapproval on a given type of behavior”).

This procedural rule merely updates the internal practice used by CBP personnel when issuing refunds by utilizing an electronic process and generally eliminating the outdated and burdensome process involved in receiving, opening, endorsing, and depositing paper checks. In doing so, this rule is merely improving the efficacy of issuing refunds to the appropriate parties. Further, the rule does not impact the rights and interests of regulated entities because the substantive determinations of whether and in what amount an importer is due a refund remain unchanged. Accordingly, this IFR relates to agency procedure and practice (5 U.S.C. 553(b)(A)) and advance notice and comment is unnecessary.

Furthermore, 5 U.S.C. 553(b)(B) provides for exceptions from the prior notice and public comment requirement when an agency for good cause finds that such procedures are impracticable, unnecessary, or contrary to the public interest. The unnecessary prong of the good-cause inquiry is “confined to those situations in which the administrative rule is a routine determination, insignificant in nature and impact, and inconsequential to the industry and to the public.” *Mack Trucks, Inc. v. EPA*, 682 F.3d 87, 94 (D.C. Cir. 2012). Notice-and-comment rulemaking is unnecessary here because, as explained above, the changes do not affect the substantive rights or interests of regulated parties, are minor in impact, and overall inconsequential to the industry. The transition to provide refunds electronically rather than through the mail conforms to modern modalities of receiving payments already used by importers (*i.e.*, a U.S. bank account set up for receipt of electronic payments) and will result in cost savings to the industry. Further,

this IFR also provides for waivers in qualifying circumstances, as set forth in 31 CFR 208.4, thereby mitigating any adverse impact the rule would otherwise have. Taken together, the overall impact on affected parties is trivial and in fact easier for the industry as a whole given the improved efficiency of issuing refunds. Accordingly, because the changes made by the rule are inconsequential to the industry and public, CBP believes there exists good cause to exempt the rule from notice-and-comment rulemaking. See *Mack Trucks, Inc.* 682 F.3d at 94; 5 U.S.C. 553(b)(B).¹⁴

Further, notice and comment would be contrary to the public interest given the recent and substantial increase in check theft and fraud. 5 U.S.C. 553(b)(B). In addition to generally eliminating the outdated and burdensome process involved in receiving, opening, endorsing, and depositing paper checks, the process of sending refunds electronically will result in the elimination of misdelivered checks and will significantly reduce or eliminate instances of check fraud. Check theft and fraud are costly to both the U.S. government and to the public. When a theft or fraud of a refund check is suspected, the U.S. government must conduct a thorough adjudication, and, upon confirmation of theft or fraud, must reissue the full value of the check to the legal recipient. As discussed elsewhere in this document, with mail theft complaints increasing substantially since 2020 and check fraud nearly doubling since 2021, transitioning to the issuance of electronic refunds without prior notice and comment is necessary to stop this increasing threat of check fraud and theft. Delaying the implementation of the regulatory changes to allow for notice and comment, thus, would also be contrary to public interest as any delay presents significant risk of harm to the public fisc. As explained above, conducting thorough adjudications of alleged theft and fraud, in addition to reissuing the full value of the check to legal recipients, is costly and a burden on agency resources.

¹⁴ Moreover, relevant law leaves little discretion to CBP, rendering notice-and-comment unnecessary. As discussed in more detail above, these amendments meet the general mandate of 31 U.S.C. 3332 that all Federal payments by the government (other than payments made under the Internal Revenue Code of 1986) be delivered by electronic funds transfer. Additionally, these practices and procedures align with the purpose stated in Executive Order 14247 (Modernizing Payments To and From America’s Bank Account) regarding the transition of Federal disbursements to electronic payment methods.

Importers interested in receiving electronic refunds and the associated benefits as soon as possible are able to sign up for an ACE Portal account and begin receiving electronic refunds immediately upon completing the ACH Refund application. However, despite the good cause reasoning discussed above, and consistent with 5 U.S.C. 553(d), CBP is providing a delayed effective date to allow sufficient time for all trade members to sign up for an ACE Portal account and complete the ACH Refund application.

B. Executive Orders 12866, 13563, and 14192

Executive Orders 12866 (Regulatory Planning and Review) and 13563 (Improving Regulation and Regulatory Review) direct agencies to assess the costs and benefits of available regulatory alternatives and, if regulation is necessary, to select regulatory approaches that maximize net benefits. Executive Order 13563 emphasizes the importance of quantifying costs and benefits, reducing costs, harmonizing rules, and promoting flexibility. Executive Order 14192 (Unleashing Prosperity Through Deregulation) directs agencies to significantly reduce the private expenditures required to comply with Federal regulations and provides that “any new incremental costs associated with new regulations shall, to the extent permitted by law, be offset by the elimination of existing costs associated with at least 10 prior regulations.”

The Office of Management and Budget (OMB) has designated this rule is not a “significant regulatory action” under section 3(f) of Executive Order 12866. Accordingly, OMB has not reviewed this rule.

This interim final rule (IFR) is an Executive Order 14192 deregulatory action. CBP estimates that from 2025–2034, this rule will result in a combined annualized net cost savings to the Federal government and trade members of around \$1.3 million (2025 U.S. dollars) using a three percent discount rate and \$1.0 million (2025 U.S. dollars) using a seven percent discount rate. Based on CBP’s perpetual time horizon calculations, the present value of net cost savings from this final rule will be \$28.7 million and the annualized value of net cost savings will be \$2.0 million using a seven percent discount. Therefore, this IFR is considered by CBP to be a deregulatory action for the purposes of meeting Executive Order 14192 requirements. The following is the economic analysis of the potential effects from this IFR.

Purpose, Background, and Baseline

Importers of record are required to deposit with CBP an estimated amount of duties and fees to be payable for imports of merchandise in a number of different scenarios. CBP is also required to collect any increased or additional duties and fees due, or refund any excess deposits of duties and fees, with interest, as determined at the time of liquidation or reliquidation. In the case where the estimated payment amount made by the importer is determined to be greater than the amount actually owed, then CBP’s Revenue Division initiates the process to certify and send a refund back to trade members which is facilitated by the U.S. Treasury. Currently, CBP initiates a refund to importers for various scenarios, including overpayment, cancelled entries, removed or reassessed fines,

penalties, or fees, and other administrative refunds.

Although there are a number of different scenarios in which CBP issues a refund, CBP notes that around 95 percent of all refunds involve entries and arise from the liquidation or reliquidation of the associated entry or drawback claim.¹⁵ Currently, in the absence of this rule, the standard approach is for the applicable CBP Center to liquidate or reliquidate the entry transaction to determine the refund amount, for CBP’s Revenue Division to timely certify the refund amount and coordinate with the U.S. Treasury to print and mail the refund check to the importer or a third party that is designated to receive the refund on the importer’s behalf. CBP does currently allow for ACH refund payments; however, prior to September 30, 2025, trade members were required to reach out to CBP to obtain the ACH request form and submit the form to CBP. CBP’s Revenue Division staff then reviewed and transcribed the information into the system in order to issue a request to the U.S. Treasury to send these refunds directly to the bank account provided on the form.¹⁶ CBP notes that, in the absence of this rule, around 30 percent of issued refunds are ACH payments.¹⁷

Table 1 displays data on the number of U.S. Treasury checks issued to trade members for refunds that CBP certified and the estimated number of refunded amounts in recent years.¹⁸ CBP notes that, in the absence of this IFR, the majority of refunds are still issued via paper U.S. Treasury checks that are printed and mailed, but the percentage of paper refunds to total refunds has been steadily declining in recent years.

TABLE 1—ACTUAL CBP REFUND PAYMENTS ISSUED AND ESTIMATED REFUND VALUE

	2023	2024	2025 *
Paper Refund Checks	269,907	240,879	164,365
Estimated Paper Refund Value	\$4,940,000,000	\$4,568,170,872	\$3,249,773,829
Average Value Per Paper Refund	\$18,303	\$18,965	\$19,772
ACH Refund Payments	94,762	104,439	73,944
Estimated ACH Refund Value	\$2,470,000,000	\$3,260,000,000	\$3,410,000,000
Average Value Per ACH Refund	\$26,065	\$31,214	\$46,116
Total Number of Refund Payments	364,669	345,318	238,309
Percent Paper Refund	74.01%	69.76%	68.97%
Percent ACH Refund	25.99%	30.24%	31.03%
Total Value of Refund Payments	\$7,410,000,000	\$7,828,170,872	\$6,659,773,829
Average Value Per Refund Payments	\$20,320	\$22,669	\$27,946

* 2025 data is only available through Q3 of 2025.

¹⁵ Data provided by CBP’s Revenue Division, subject matter expert, on June 20, 2025.

¹⁶ CBP recently developed the ACH Refund Authorization tab in the ACE Portal for faster processing of ACH Refund applications. See New

Functionality Pertaining to Electronic Refunds in the Automated Commercial Environment. 90 FR 45956 (Sept. 24, 2025).

¹⁷ Data provided by CBP’s Revenue Division, subject matter expert, on June 20, 2025.

¹⁸ Data provided by CBP’s Revenue Division, subject matter expert, on August 13, 2025, and the U.S. Treasury subject matter expert on December 12, 2025.

The standard process for printing and sending refunds as U.S. Treasury checks to trade members through the mail is inefficient. For example, sending a U.S. Treasury check via mail can take multiple days and is subject to disruptions to mail delivery, resulting in lost opportunity costs for the recipients as they wait for the refund check to arrive. Additionally, sending refunds as U.S. Treasury checks via mail has become increasingly subject to theft and fraud.¹⁹ If the legally intended recipient of a U.S. Treasury check believes the refund check has been lost, stolen or there has been other potentially fraudulent activity, the legal recipient must notify CBP as soon as possible, and no later than 12 months after the issuance of the U.S. Treasury check, in accordance with 31 CFR 245.3. CBP coordinates with the U.S. Treasury to adjudicate the claim of non-receipt to determine the disposition. The adjudication process can vary in length, complexity, and effort and involve a multitude of stakeholders. If the U.S. Treasury confirms that a refund check has been lost (uncashed) or has been subject to theft or fraud, then CBP will coordinate with the U.S. Treasury to reissue the full value of the refund check, and the refund check will be recertified by CBP for reissuance through the mail to the legal recipient. If a refund check is lost and a stop is placed on the check before it is cashed, the funds are sent back to CBP who will make the determination on reissuance. In the scenario where fraud has occurred, typically the U.S. Treasury attempts to recover the full value of the fraudulently cashed check from the presenting financial institution, which may result in a loss to that financial institution.²⁰ In limited instances, the U.S. Treasury will use the Check Forgery Insurance Fund (CFIF) to cover losses that cannot be collected from the financial institution.²¹ CBP notes that in 2023, there were 1,026 instances where CBP refund checks were determined to

have been stolen or fraudulently negotiated. The number of CBP refund checks reported as stolen and subject to fraud increased in 2024 up to 1,393.²²

CBP's process of certifying a refund and coordinating with the U.S. Treasury to print and mail a refund check is more expensive than the alternative of certifying and sending a refund via ACH. Additionally, once these U.S. Treasury checks are mailed, it is difficult for CBP or the U.S. Treasury to track whether or not the legal recipient received the check. CBP and the U.S. Treasury can see if and when a refund check was cashed, but refund checks are not void until one year and one day after issuance. Therefore, unless otherwise notified, CBP and the U.S. Treasury do not know if a refund check was lost in the mail, stolen, the recipient provided an incorrect address, or whether the check has been received but just has not been cashed yet for an entire year.

To address these issues and inefficiencies, continue modernizing government processes, and align with 31 U.S.C. 3332 and the goals set forth in the recently issued Executive Order 14247, this IFR will require recipients of refunds to receive them electronically.²³ ²⁴ Recently issued Executive Order 14247 "Modernizing Payments To and From America's Bank Account" (issued March 25, 2025), mandates the transition from paper checks to electronic payments for all Federal disbursements and receipts by digitizing payments to the extent permissible under applicable law. This requirement will be beneficial to CBP, the U.S. Treasury, trade members, and some financial institutions by increasing efficiency, reducing costs, and enhancing the security of Federal funds. The transition to electronic payments will significantly improve the refund process by increasing transparency through automation.

This IFR will require that most importers submit ACH direct deposit banking information through their ACE Portal account to CBP if they are owed a refund.²⁵ Foreign importers will need

to obtain a U.S. bank account or authorize their broker to receive refunds on their behalf. If an importer believes one of the waiver criteria in 31 CFR part 208 applies and seeks payment of its refund via a U.S. Treasury check, the importer must notify CBP's Revenue Division in writing at frn-achrefundsupport@cbp.dhs.gov. After a trade member has provided its ACH banking information, CBP will issue electronic refunds via ACH.²⁶ CBP anticipates that electronic refunds will result in faster receipt and deposit of refunds for importers, fewer undeliverable refunds due to mailing issues, and significantly reduce the possibility of check fraud. Reducing U.S. Treasury check theft and fraud will better position the Federal government to defend against financial fraud and improper payments, increase efficiency, reduce costs, and enhance the security of Federal payments. This is especially critical as according to the U.S. Treasury, paper refund checks are 16 times more likely to be lost, stolen, altered or delayed, compared to ACH.²⁷ This IFR aligns with the vision of Executive Order 14247 through reduced costs, increased efficiency, and enhanced security that come with ACH payments.²⁸

Time Period of Analysis

This analysis primarily focuses on the potential impacts of this rule after it is in effect, starting in fiscal year 2026. However, CBP did incur systems development costs in fiscal year 2025 which need to be reflected in this analysis. Therefore, CBP provides cost, cost savings and benefits in this analysis

information will be automatically transferred to ACE. In order to provide banking information to CBP, CBP will require all other importers to create an ACE Portal account if they have not already done so, unless a waiver exists. CBP notes that there may be some exceptions including individuals and entities who are not considered "importers" for purposes of this rulemaking, are owed a refund and wish to receive the refund electronically via ACH. Such individuals and entities must submit an application according to the instructions provided on CBP.gov at <https://www.cbp.gov/trade/automated/ach/refund>.

²⁶ An importer may designate a third party, such as a licensed customs broker, by submitting CBP Form 4811, to electronically receive a refund on the importer's behalf. The designated third party must also enroll in ACH Refund via the ACE Portal account.

²⁷ See Treasury, Press Release, Treasury Announces Federal Government Will Phase out Paper Checks on September 30th, <https://home.treasury.gov/news/press-releases/sb0223>, and <https://fiscal.treasury.gov/news/paper-checks-going-away.html> (Aug. 14, 2025).

²⁸ CBP notes that there will still be a few exceptions to the electronic refund requirement when the recipient satisfies the conditions in 31 CFR 208.4 to receive a refund via a U.S. Treasury check, but CBP anticipates that these will be rare cases.

¹⁹ FinCen Alert on Nationwide Surge in Mail Theft-Related Check Fraud Schemes Targeting the U.S. Mail, <https://www.fincen.gov/system/files/shared/FinCEN%20Alert%20Mail%20Theft-Related%20Check%20Fraud%20FINAL%20508.pdf> (Feb. 27, 2023).

²⁰ In the case where a U.S. Treasury check is determined to be lost but not fraudulently cashed, a stop can be placed on it which may result in reissuance by CBP.

²¹ The CFIF was established by 31 U.S.C. 3343 and is available for the purpose of providing funding settlements made to a payee or special endorsee. 31 CFR 235.4. Feedback from the U.S. Treasury on December 12, 2025 suggests a small percent of fraudulent refund checks has to be recouped using the CFIF, the remaining are recovered from the financial institutions who accepted the check.

²² Data provided by CBP's Revenue Division, subject matter expert, on July 9, 2025.

²³ Executive Order 14247 Modernizing Payments To and From America's Bank Account, 90 FR 14001 (March 25, 2025), available at <https://www.whitehouse.gov/presidential-actions/2025/03/modernizing-payments-to-and-from-americas-bank-account/>.

²⁴ Refund via U.S. Treasury checks may still be printed and mailed in rare circumstances only if the recipient meets U.S. Treasury criteria identified in 31 CFR 208.4.

²⁵ For importers that have already requested ACH refunds from CBP and completed the paperwork and resubmitted to CBP, their ACH banking

for a 10-year time period from fiscal year 2025 to fiscal year 2034. For the remainder of this analysis, all references to years are for fiscal years unless otherwise noted.

Population Affected by Rule

CBP anticipates that this IFR will affect CBP, the U.S. Treasury, some financial institutions, and trade members that import goods into the United States. CBP anticipates that this rule will require trade members to set up ACE Portal accounts and to submit

ACH banking information so that CBP can issue ACH refunds instead of mailing refunds as U.S. Treasury checks. CBP anticipates that providing this ACH information would only need to be submitted once per importer, unless that importer wants to change the banking information for its ACH refund. Additionally, in the future, any company that becomes an importer to the United States will also be required to submit this information. CBP uses the number of importers to estimate how

many trade members will be affected in future years and will be required to submit this information. CBP used the number of importers and those with ACE Portal accounts and assumes that the total number of importers will increase by one percent each year.²⁹ CBP estimates the number of new importers between 2026–2034 would be approximately 42,814 or on average 4,757 annually. Table 2 displays CBP's estimates for how many importers there will be in future years.

TABLE 2—ESTIMATED NUMBER OF NEW IMPORTERS 2026–2034

Year	Total importers	Percent increase	New importers
2025	457,000	.....	.....
2026	461,570	1	4,570
2027	466,186	1	4,616
2028	470,848	1	4,662
2029	475,556	1	4,708
2030	480,312	1	4,756
2031	485,115	1	4,803
2032	489,966	1	4,851
2033	494,866	1	4,900
2034	499,814	1	4,949

Costs of Rule

CBP expects that both CBP and importers will incur costs during the period of analysis. Currently, in the absence of this IFR, when an importer submits an ACE Portal account application that application is manually reviewed and approved by a CBP ACE Account Services Desk (ASD) staff member. CBP anticipates an immediate significant increase in ACE Portal account applications as a result of this IFR and this would significantly increase the workload for ASD staff. Without other changes, due to the lack of ASD staff and the significant increase in workload, CBP would not be able to process this increased number of ACE Portal account applications in a reasonable time, which would result in

major delays in processing and approving many importers' ACE Portal accounts. To mitigate that problem, and to prevent delays in approving the significant influx of applications, CBP developed an automated review process in ACE which will be used to approve most of these applications.³⁰ As such, CBP does not anticipate significant delays, but this resulted in a development cost.

As part of this IFR, CBP's incurred costs related to Information Technology (IT) systems development and operations and maintenance costs associated with implementation of the ACH banking information collection tool into ACE and development of an automated process for the ACE Portal account application. Because ACH

Refund operates through ACE, CBP did not have to develop an entirely new system. CBP estimates that one-time development costs for creating the ACH Refund Authorization tab and ACE Portal account application automation were approximately \$1,478,004.³¹ In addition to the development costs, CBP will also incur annual operating and maintenance costs associated with the automation process and the ACH Refund Authorization tab in ACE. During the period of analysis, CBP expects these costs to be around \$972,123, or on average \$97,212 annually.³² Table 3 displays CBP's estimates for the IT systems development costs and IT systems ongoing operation and maintenance costs associated with this IFR.

TABLE 3—CBP IT SYSTEMS COSTS

Year	Development	Operation & maintenance costs	Total
2025	\$1,478,004	\$73,730	\$1,551,734
2026 .....	.....	123,032	123,032

²⁹ Information on the estimated total number of importers (457,000) provided by CBP's Revenue Division, subject matter expert, on June 20, 2025. Information on the estimated number of unique importers that already have an ACE Portal account (13,100) provided by CBP's Entry Summary, Accounts and Revenue Division, subject matter expert, on August 26, 2025, and September 26, 2025. CBP used the estimated percent increase in importers in 2025 to project an estimated one percent increase annually in the number of importers.

³⁰ CBP notes that this new automated ACE importer account creation process includes a new identity verification process to guard against possible fraud and identity theft. Upon submission of the electronic application, an email message is sent to the point of contact (POC) listed on the existing importer account to verify that the individual applying for the new account is in fact an employee of the importer. A new account is not created if one of the following is true: the importer account (*i.e.*, the 5106 record) does not already exist, the POC's email address is not present in the

system, or the POC does not respond to the system-generated email mentioned above.

³¹ Information provided by CBP's Revenue Division, subject matter expert, on August 28, 2025, and CBP's Office of Entry Summary, Accounts, and Revenue Division, on September 15, 2025.

³² Information provided by CBP's Revenue Division, subject matter expert, on August 28, 2025, and CBP's Office of Entry Summary, Accounts, and Revenue Division on September 15, 2025.

TABLE 3—CBP IT SYSTEMS COSTS—Continued

Year	Development	Operation & maintenance costs	Total
2027		126,846	126,846
2028		84,380	84,380
2029		86,995	86,995
2030		89,692	89,692
2031		92,473	92,473
2032		95,339	95,339
2033		98,295	98,295
2034		101,342	101,342
Total	1,478,004	972,123	2,450,127

* Note values may not sum due to rounding.

CBP also anticipates that ASD staff will incur time burdens to review ACE Portal account applications. CBP has developed an automated review and approval process for importer ACE Portal account applications but will still conduct manual review of a certain number of these applications. CBP does not know exactly how many of these importer ACE Portal account applications will require a manual review. Due to this uncertainty, CBP provides a range of estimates for how many of these importer applications will be reviewed and processed by ASD staff. For CBP's primary estimate, CBP expects that around 20 percent of these applications will be manually reviewed

by ASD staff. For a low estimate, CBP assumes that only 10 percent of these importer applications will be reviewed manually, while CBP's high estimate assumes that around 30 percent of applications are manually reviewed.³³ Based on these assumptions, CBP's primary estimate suggests that ASD staff will manually review around 97,343 importer applications from 2026 through 2034. Meanwhile, CBP's high and low estimates suggest that ASD staff will review between 146,014 and 48,671 applications during the period of analysis.

CBP estimates that on average it takes around 30 minutes (0.5 hours) for ASD staff to manually review and process

applications, and to establish an ACE Portal account.³⁴ To estimate the time burden to ASD staff, CBP multiplied the estimated number of applications manually reviewed by the average time burden of 0.5 hours. CBP's primary estimate suggests that during the period of analysis ASD staff will incur a time burden of around 48,671 hours when reviewing additional ACE Portal account applications as a result of this IFR. CBP's high and low estimates show the time burden to ASD staff will range from 73,007 to 24,336 hours from 2026–2034. Table 4 displays CBP's estimates for the ACE Portal account applications reviewed by CBP and the associated time burden hours from 2025–2034.

TABLE 4—CBP TIME BURDEN FROM MANUAL REVIEW OF ACE PORTAL ACCOUNT APPLICATIONS IN 2025–2034
[Time burden in hours]

Year	Estimated applications	Applications manually reviewed estimates			Time burden to review	Total time burden estimates		
		Primary (20%)	High (30%)	Low (10%)		Primary (20%)	High (30%)	Low (10%)
2025 .....	.....	.....	.....	.....	.....	.....	.....	.....
2026	448,470	89,694	134,541	44,847	0.5	44,847	67,271	22,424
2027	4,616	923	1,385	462	0.5	462	692	231
2028	4,662	932	1,399	466	0.5	466	699	233
2029	4,708	942	1,413	471	0.5	471	706	235
2030	4,756	951	1,427	476	0.5	476	713	238
2031	4,803	961	1,441	480	0.5	480	720	240
2032	4,851	970	1,455	485	0.5	485	728	243
2033	4,900	980	1,470	490	0.5	490	735	245
2034	4,949	990	1,485	495	0.5	495	742	247
Total	486,714	97,343	146,014	48,671	.....	48,671	73,007	24,336

* Note values may not sum due to rounding.

CBP monetizes these time burdens to ASD staff by multiplying the total time burden for each estimate by the average hourly loaded wage rate for a CBP Trade and Revenue Employee, \$85.19.³⁵ CBP's primary estimate shows that ASD staff

will incur a cost of approximately \$4.1 million. Meanwhile, CBP's high and low estimates suggest that costs to ASD staff range from \$6.2 million to \$2.1 million during the period of analysis. Table 5 below displays CBP's primary, high, and

low estimates for the time burden and costs associated with reviewing additional importer ACE Portal account applications as a result of this IFR.

³³ Information provided by CBP's Entry Summary, Accounts, and Revenue Division, subject matter experts, on August 29, 2025. At this point there is no plan established to eliminate the manual review process and CBP does not know exactly how many importer applications will be reviewed after

the automation tool is implemented. This uncertainty led CBP to provide a range of estimates.

³⁴ Information provided by CBP's Trade Transformation Office, subject matter expert, on August 26, 2025.

³⁵ CBP bases this wage on the FY 2024 salary, benefits, premium pay, non-salary costs, and awards of the national average of CBP Trade and Revenue Employee positions. Source: Email correspondence with CBP's Office of Finance on July 15, 2025.

TABLE 5—CBP COSTS FROM MANUAL REVIEW OF ACE PORTAL ACCOUNT APPLICATIONS 2025–2034
[Time burden in hours, costs in undiscounted 2025 U.S. dollars]

Year	Total time burden estimates			Wage rate	Cost estimates		
	Primary	High	Low		Primary	High	Low
2025	.....	.....	.....	.....	.....	.....	.....
2026	44,847	67,271	22,424	\$85.19	\$3,820,516	\$5,730,774	\$1,910,258
2027	462	692	231	85.19	39,321	58,982	19,661
2028	466	699	233	85.19	39,714	59,572	19,857
2029	471	706	235	85.19	40,112	60,167	20,056
2030	476	713	238	85.19	40,513	60,769	20,256
2031	480	720	240	85.19	40,918	61,377	20,459
2032	485	728	243	85.19	41,327	61,990	20,663
2033	490	735	245	85.19	41,740	62,610	20,870
2034	495	742	247	85.19	42,158	63,236	21,079
Total	48,671	73,007	24,336	.....	4,146,318	6,219,477	2,073,159

* Note values may not sum due to rounding.

CBP anticipates that importers will also incur costs as a result of this rule, which will require most importers to submit ACH banking information to CBP via ACE for the issuance of electronic refunds.³⁶ CBP anticipates that on average it will take around 8 minutes (0.133 hours) to complete the ACH banking information in ACE and submit it to CBP.³⁷ Over the period of analysis, CBP estimates that approximately 494,314 importers will need to submit ACH banking information to CBP, resulting in a one-time burden of around 65,909 hours when the ACH banking information is

submitted in ACE. To monetize these time burden costs to trade members, CBP multiplied the time burden hours by the average hourly loaded wage rate for importers, \$36.57.³⁸ CBP calculated this loaded wage rate by first multiplying the Bureau of Labor Statistics' (BLS) 2024 median hourly wage rate for Cargo and Freight Agents (\$23.99), which CBP assumes best represents the wage for importers, by the ratio of BLS' Q4 2024 total compensation to wages and salaries for Office and Administrative Support occupations (1.4886), the assumed occupational group for importers, to

account for non-salary employee benefits.³⁹ CBP uses an annual growth rate of 2.42% based on the prior year's change in the implicit price deflator, published by the Bureau of Economic Analysis.⁴⁰ CBP estimates that importers will incur costs of approximately \$2.4 million when submitting their ACH banking information to CBP as a result of this IFR. Table 6 displays CBP's estimates for time burden and costs to importers to submit their ACH banking information to CBP from 2025–2034.

TABLE 6—TRADE TIME BURDEN AND COSTS TO SUBMIT ACH REFUND INFORMATION ELECTRONICALLY

Year	Number of importers	Time burden per importer	Total time burden	Wage rate	Total cost
2025	.....	.....	.....	.....	.....
2026	456,070	0.133	60,809	\$36.57	\$2,223,797
2027	4,616	0.133	615	36.57	22,506
2028	4,662	0.133	622	36.57	22,731
2029	4,708	0.133	628	36.57	22,959
2030	4,756	0.133	634	36.57	23,188
2031	4,803	0.133	640	36.57	23,420
2032	4,851	0.133	647	36.57	23,654

³⁶ According to CBP's Revenue Division, subject matter expert, some importers have already submitted ACH banking information by requesting a paper ACH refund form and submitting the form to CBP. CBP estimates that around 5,500 importers would have that ACH banking information transferred over into ACE and would not have to resubmit that information in ACE.

³⁷ Data provided by CBP's Revenue Division, subject matter expert, on June 20, 2025.

³⁸ Source of median wage rate: U.S. Bureau of Labor Statistics. Occupational Employment and Wage Statistics, "May 2023 National Occupational Employment and Wage Estimates United States." Updated April 3, 2024. Available at https://www.bls.gov/oes/2023/may/oes_nat.htm. Accessed June 4, 2024. The total compensation to wages and salaries ratio is equal to the total compensation cost per hour worked for Office and Administrative Support occupations (\$33.98) divided by the wages and salaries cost per hour worked for the same occupation category (\$23.00). See "Table 2.

Employer Costs for Employee Compensation for civilian workers by occupational and industry group." Bureau of Labor Statistics, "Employer Costs for Employee Compensation—December 2023." Released March 13, 2024. Available at https://www.bls.gov/news.release/archives/eccec_03132024.pdf. Accessed June 4, 2024.

³⁹ Source of median wage rate: U.S. Bureau of Labor Statistics. Occupational Employment and Wage Statistics, "May 2024 National Occupational Employment and Wage Estimates United States." Updated April 2, 2025. Available at https://www.bls.gov/oes/2024/may/oes_nat.htm. Accessed June 17, 2025. The total compensation to wages and salaries ratio is equal to the total compensation cost per hour worked for Office and Administrative Support occupations (\$35.86) divided by the wages and salaries cost per hour worked for the same occupation category (\$24.09). See "Table 2. Employer Costs for Employee Compensation for civilian workers by occupational and industry group." Bureau of Labor Statistics, "Employer Costs

for Employee Compensation—December 2024." Released March 14, 2025. Available at https://www.bls.gov/news.release/archives/eccec_03142024.pdf. Accessed June 17, 2025.

⁴⁰ To adjust to 2025 dollars, multiply by the 2023–2024 percent change in the Bureau of Economic Analysis's Implicit Price Deflators for Gross Domestic Product (125.230/122.273–1). See "Table 1.1.9. Implicit Price Deflators for Gross Domestic Product," Line 1 Gross Domestic Product, annual. Bureau of Economic Analysis. Updated May 30, 2025. Available at <https://apps.bea.gov/iTable/?reqid=19&step=2&isuri=1&categories=survey#eyJhcHBpZCZlMTksInN0ZXBzIjpbMSwyLDMsM10sImRhZGEiOltbImNhdGVnb3pZXXMlCjTdXj2ZXkiXSxbIks5JUEFfVGFibGVfTGldZCIsIjEzIl0sWjYwXjZdF9ZZWFYiwiMjAxNiJdLFsiTGZzdF9ZZWFYiwiMjAyNCJdLFsiU2NhbgUilCIwIl0sWjYjTZXjZpZXMlCjB1I1dfQ==>. Accessed June 17, 2025.

TABLE 6—TRADE TIME BURDEN AND COSTS TO SUBMIT ACH REFUND INFORMATION ELECTRONICALLY—Continued

Year	Number of importers	Time burden per importer	Total time burden	Wage rate	Total cost
2033	4,900	0.133	653	36.57	23,891
2034	4,949	0.133	660	36.57	24,130
Total	494,314	.....	65,909	.....	2,410,276

* Note values may not sum due to rounding.

Additionally, for importers to submit the ACH banking information to CBP via ACE they will first need to create an ACE Portal account. This will result in an additional time burden to importers who have not already created an ACE Portal account. CBP estimates that on average it takes around 20 minutes (0.333 hours) to create an ACE Portal account.⁴¹ CBP notes that some importers have already created an ACE Portal account, therefore only the

importers that have not yet created their ACE Portal account will incur this time burden. CBP estimates that in 2026, approximately 448,470 importers will be required to create an ACE Portal account as a result of this IFR. From 2027 to 2034, CBP anticipates an additional 38,244 importers will also need to create an ACE Portal account. CBP estimates that importers are expected to incur approximately 162,238 hours of time burden as a result

of creating these ACE Portal accounts. To monetize these time burden costs to trade members, CBP multiplied the time burden hours by the average hourly loaded wage rate for importers, \$36.57. CBP estimates that importers will incur a cost of around \$5.9 million to create ACE Portal accounts as a result of this IFR. Table 7 displays CBP's estimates for the cost burden to importers when creating ACE Portal accounts as a result of this IFR from 2025–2034.

TABLE 7—TRADE TIME BURDEN AND COSTS TO CREATE ACE PORTAL ACCOUNTS

[Time in hours, costs in undiscounted 2025 U.S. dollars]

Year	Number of importers	Time burden per importer	Total time burden	Wage rate	Total cost
2025 .....	.....	.....	.....	.....	.....
2026	448,470	0.333	149,490	\$36.57	\$5,466,849
2027	4,616	0.333	1,539	36.57	56,265
2028	4,662	0.333	1,554	36.57	56,828
2029	4,708	0.333	1,569	36.57	57,396
2030	4,756	0.333	1,585	36.57	57,970
2031	4,803	0.333	1,601	36.57	58,550
2032	4,851	0.333	1,617	36.57	59,135
2033	4,900	0.333	1,633	36.57	59,727
2034	4,949	0.333	1,650	36.57	60,324
Total	486,714	.....	162,238	.....	5,933,046

* Note values may not sum due to rounding.

CBP also acknowledges that foreign importers may incur a slight cost from the requirement that they obtain a U.S. bank account for ACH refunds. However, CBP anticipates that this cost will be minimal because these foreign importers likely either have a U.S. bank

account, or they will authorize their broker to receive refunds on their behalf. Additionally, importers may receive payment via check if a waiver applies under 31 CFR part 208. CBP requests public comments on these costs discussed above and any other costs

CBP has not included in this analysis that may result from this IFR. Table 8 displays CBP's estimates for total costs as a result of this IFR during the period of analysis. CBP anticipates that overall, this IFR will result in a total cost of approximately \$14.9 million.

TABLE 8—TOTAL ESTIMATED COSTS FROM THIS IFR

[Costs in undiscounted 2025 U.S. dollars]

Year	CBP IT costs	CBP time burden costs	Importer time burden costs	Total cost
2025	\$1,551,734	.....	.....	\$1,551,734
2026	123,032	\$3,820,516	\$7,690,647	11,634,194
2027	126,846	39,321	78,772	244,938
2028	84,380	39,714	79,559	203,653
2029	86,995	40,112	80,355	207,462
2030	89,692	40,513	81,158	211,363
2031	92,473	40,918	81,970	215,360
2032	95,339	41,327	82,790	219,456
2033	98,295	41,740	83,618	223,652

⁴¹ Information provided by CBP's Revenue Division, subject matter expert, on July 18, 2025.

TABLE 8—TOTAL ESTIMATED COSTS FROM THIS IFR—Continued
[Costs in undiscounted 2025 U.S. dollars]

Year	CBP IT costs	CBP time burden costs	Importer time burden costs	Total cost
2034	101,342	42,158	84,454	227,953
Total	2,450,127	4,146,318	8,343,322	14,939,767

* Note values may not sum due to rounding.

Cost Savings of Rule

CBP anticipates that this IFR will result in cost savings to the Federal government, financial institutions, and trade members. Requiring electronic ACH refunds will eliminate the existing process of printing and mailing paper U.S. Treasury checks to importers.⁴² Since this process is conducted by the U.S. Treasury, CBP anticipates that these costs savings will be experienced by the U.S. Treasury. Prior to this IFR, CBP anticipates that, on average, every year CBP issues approximately 341,723 refunds, of which around 70% are printed and mailed by the U.S. Treasury

as checks.⁴³ CBP notes that in recent years the percentage of refunds being printed and mailed as U.S. Treasury checks has been declining and CBP assumes that the average number of paper refund checks sent in future years would continue to decline even without this IFR. CBP estimates the number of future paper refund checks that would be sent in the baseline by assuming the number of refunds sent as U.S. Treasury checks will decrease by around 8.8% each year.⁴⁴ Therefore during the period of analysis, CBP anticipates that this IFR would eliminate approximately 1,278,486 paper refund checks from

being printed and mailed by the U.S. Treasury after the IFR is implemented. CBP expects that the cost to print and mail each refund check costs the U.S. Treasury around \$2.66.⁴⁵ CBP estimates that this IFR will result in a total cost savings of approximately \$3,400,773 from eliminating the printing and mailing costs associated with paper refund checks. Table 9 displays CBP's estimates for the number of future paper refund checks it expects to send by U.S. Treasury (in the baseline), eliminated U.S. Treasury checks and the associated printing and mailing cost savings to the U.S. Treasury from this IFR.

TABLE 9—ESTIMATED BASELINE NUMBER OF REFUND PAPER CHECKS, AND EXPECTED ELIMINATED REFUND PAPER CHECKS AND ASSOCIATED PRINTING AND MAILING COST SAVINGS FROM THIS IFR

Year	Baseline number of future paper checks	% Decline in checks	Number of eliminated checks	Cost per paper check	Total cost savings
2025	218,868	.....	.....	\$2.66	\$0
2026	199,616	– 8.80	199,616	2.66	530,980
2027	182,058	– 8.80	182,058	2.66	484,275
2028	166,044	– 8.80	166,044	2.66	441,678
2029	151,439	– 8.80	151,439	2.66	402,828
2030	138,119	– 8.80	138,119	2.66	367,395
2031	125,970	– 8.80	125,970	2.66	335,079
2032	114,889	– 8.80	114,889	2.66	305,606
2033	104,784	– 8.80	104,784	2.66	278,725
2034	95,567	– 8.80	95,567	2.66	254,208
Total	1,497,354	.....	1,278,486	.....	3,400,773

* **Note:** The 2025 Number of Paper Checks Eliminated is provided to show CBP's estimated number which was used to calculate 2026 paper checks that will be eliminated as a result of this IFR. CBP does not expect any paper checks will be eliminated in 2025. Values may not sum due to rounding.

One of the primary benefits of transitioning from sending paper checks to electronic ACH refunds is the fact that electronic ACH refunds are much less likely to be lost, stolen, altered, or returned. Mailed paper checks from the U.S. Treasury are at least 16 times more likely to be subject to these issues compared to electronic ACH refunds.⁴⁶

As discussed earlier, when an importer files a claim that fraudulent activity has targeted a refund check, the U.S. Treasury adjudicates the claim of non-receipt. When it is determined that the refund check was indeed targeted by fraudulent activity, a refund check is resent to the importer. CBP notes that in 2023, approximately 1,026 paper refund

checks were a target of fraud and that number increased in 2024 to 1,393 checks, or on average 1,210 annually. These stolen checks resulted in the U.S. Treasury reissuing checks worth an estimated \$2.0 million in 2023 and \$3.98 million in 2024, which was a loss to financial institutions.⁴⁷ CBP assumes that issuing electronic ACH refunds

⁴² Refund checks may still be printed and mailed in rare circumstances only if the recipient meets U.S. Treasury criteria identified in 31 CFR 208.4.

⁴³ Data provided by CBP's Revenue Division, subject matter expert, on August 13, 2025.

⁴⁴ CBP estimated the annual decrease in refunds sent as U.S. Treasury checks by calculating the

annual percent change between the estimated number of paper refund checks for 2025 and the actual number of paper refund checks sent in 2023 $((222,425 - 269,907) / (269,907)) / 2 = 8.80\%$.

⁴⁵ Data provided by CBP's Revenue Division, subject matter expert, on July 17, 2025.

⁴⁶ Bureau of the Fiscal Service, Paper Checks are Going Away—Here's What You Need to Know, available at <https://fiscal.treasury.gov/news/paper-checks-going-away.html> (last updated Aug. 14, 2025).

⁴⁷ Data provided by CBP's Revenue Division, subject matter expert, on August 13, 2025.

would eliminate almost all of these instances of fraud. CBP estimates that transitioning to electronic ACH refunds would eliminate approximately 94% of these reissued checks due to fraud, or approximately 1,134 each year.⁴⁸ Based on the estimated value of refund checks for 2023, 2024 and part of 2025, the average value of a refund check that is

subject to theft and/or fraud was approximately \$2,439. Eliminating these instances of fraud would save a total of \$2.72 million ($1,134 \times \$2,439$) annually based on the estimated value of the losses incurred from fraud. Prior to this IFR, each one of these checks would also need to be reissued to the importer, and CBP already identified the printing

and mailing costs associated with issuing these paper refund checks above at \$2.66 per check. CBP estimates that these cost savings from the elimination of resending stolen checks each year will be around \$2.78 million annually. Table 10 below displays CBP's estimates for savings from eliminating the cost to resend stolen checks.

TABLE 10—COST SAVINGS FROM ELIMINATING PAPER CHECK FRAUD 2025–2034
[Undiscounted 2025 U.S. dollars]

Year	Number of fraudulent checks	Cost to resend checks	Estimated fraud loss	Total cost savings
2025 .....	.....	.....	.....	.....
2026	1,134	\$2.66	\$2,765,625	\$2,768,641
2027	1,134	2.66	2,765,625	2,768,641
2028	1,134	2.66	2,765,625	2,768,641
2029	1,134	2.66	2,765,625	2,768,641
2030	1,134	2.66	2,765,625	2,768,641
2031	1,134	2.66	2,765,625	2,768,641
2032	1,134	2.66	2,765,625	2,768,641
2033	1,134	2.66	2,765,625	2,768,641
2034	1,134	2.66	2,765,625	2,768,641
Total	10,205	.....	24,890,625	24,917,771

* Note values may not sum due to rounding.

In addition, eliminating the fraudulent activity on these checks could allow the U.S. Treasury employees to be redirected from paper check claim adjudications to other mission critical work if extrapolated governmentwide. CBP was unable to obtain a specific estimate on the average time burden to the U.S. Treasury to conduct check claim adjudications, as they can vary significantly on a case-by-case basis from days to weeks or longer and at times also involves external partners such as federal law enforcement. Therefore, CBP discusses these savings qualitatively in this analysis. Transitioning to electronic refunds would not fully eliminate the U.S. Treasury staff's work effort on adjudicating check claims as it is only one aspect of U.S. Treasury's post payment exception workloads. CBP assumes that the work effort to complete a paper check non-receipt claim adjudication is equal to the work effort to complete an ACH non-receipt claim adjudication. Unfortunately, CBP does not know exactly how many ACH non-receipt claims will occur in the future after the transition to electronic ACH

refunds, nor does it have insight into the U.S. Treasury's other post payment exception workloads. However, as CBP noted above, paper refund checks are 16 times more likely to be lost, stolen, altered or delayed, compared to ACH refunds. Therefore, CBP anticipates that the time savings to the U.S. Treasury staff could be significant, allowing staff to be redirected to other mission critical tasks if extrapolated governmentwide.

Additionally, CBP anticipates that this IFR will result in some time savings to importers from eliminating instances of check theft and fraud. Importers need to conduct reconciliation of their accounts to ensure the refund check was not received and cashed. Once this is confirmed, the importer needs to reach out to CBP's Revenue Division via email to notify CBP that the refund check may have been lost or stolen. CBP acknowledges that this time burden to importers will vary depending on the scenario and the company; therefore, CBP presents a range estimate. CBP's primary estimate suggests the average importer incurs a three-hour time burden to review and reconcile its accounts to identify a missing check and

to reach out to CBP.⁴⁹ CBP's low estimate and high estimate suggest that the average time burden would range from one hour to six hours. CBP requests comments on these assumptions. CBP's primary estimate shows that during the period of analysis importers would experience a time savings of approximately 30,615 hours or on average 3,402 annually as they would no longer have to review and reconcile their accounts to identify missing refund checks and notify CBP via email. CBP's low and high estimates propose the time savings would range between 10,205 hours and 61,231 hours. To monetize these time savings from this IFR, CBP multiplied the time savings hours by the average hourly loaded wage rate for importers, \$36.57. According to CBP's primary estimate, importers will experience a cost savings of approximately \$1,119,608 or \$124,401 annually. CBP's low and high estimates suggest total cost savings range from \$373,203 to \$2,239,215. Table 11 displays CBP's estimates for time and cost savings to trade members from eliminating theft and fraud of paper checks.

⁴⁸ CBP based this estimate on the assumption that paper checks are 16 times more likely to be subject to fraud, therefore transition to electronic ACH

refund would eliminate $[1210 - (1,210 * (1 - .9375))] = 1,134$.

⁴⁹ Information provided by CBP's Revenue Division, subject matter expert, on September 24, 2025.

TABLE 11—TIME AND COSTS SAVINGS TO TRADE FROM ELIMINATING THEFT AND FRAUD OF PAPER CHECKS 2025–2034
[Time savings in hours, costs in undiscounted 2025 U.S. dollars]

Year	Checks subject to fraud	Time savings estimates			Wage rate	Cost savings estimates		
		Primary	Low	High		Primary	Low	High
2025	1,134	3,402	1,134	6,803	\$36.57	\$124,401	\$41,467	\$248,802
2026	1,134	3,402	1,134	6,803	36.57	124,401	41,467	248,802
2027	1,134	3,402	1,134	6,803	36.57	124,401	41,467	248,802
2028	1,134	3,402	1,134	6,803	36.57	124,401	41,467	248,802
2029	1,134	3,402	1,134	6,803	36.57	124,401	41,467	248,802
2030	1,134	3,402	1,134	6,803	36.57	124,401	41,467	248,802
2031	1,134	3,402	1,134	6,803	36.57	124,401	41,467	248,802
2032	1,134	3,402	1,134	6,803	36.57	124,401	41,467	248,802
2033	1,134	3,402	1,134	6,803	36.57	124,401	41,467	248,802
2034	1,134	3,402	1,134	6,803	36.57	124,401	41,467	248,802
Total	10,205	30,615	10,205	61,231	.....	1,119,608	373,203	2,239,215

* Note values may not sum due to rounding.

Table 12 displays CBP's estimates for total cost savings as a result of this IFR during the period of analysis. CBP anticipates that overall, this IFR will result in total quantifiable cost savings of approximately \$29 million or on

average \$3.2 million annually. CBP also anticipates that the time savings to the U.S. Treasury staff could be significant, allowing staff to be redirected to other mission critical tasks if extrapolated governmentwide. CBP requests public

comments on these cost savings discussed above and any other costs savings CBP has not included in this analysis that may result from this IFR.

TABLE 12—TOTAL COST SAVINGS FROM 2025–2034
[Undiscounted 2025 U.S. dollars]

Year	Eliminating printing/ mailing	Eliminating fraud	Cost savings to trade	Total cost savings
2025	\$0	.....	.....	\$0
2026	527,143	\$2,728,054	\$124,401	3,379,598
2027	484,275	2,728,054	124,401	3,336,730
2028	441,678	2,728,054	124,401	3,294,133
2029	402,828	2,728,054	124,401	3,255,283
2030	367,395	2,728,054	124,401	3,219,850
2031	335,079	2,728,054	124,401	3,187,534
2032	305,606	2,728,054	124,401	3,158,061
2033	278,725	2,728,054	124,401	3,131,179
2034	254,208	2,728,054	124,401	3,106,663
Total	3,400,773	24,552,486	1,119,608	29,069,031

* Note values may not sum due to rounding.

Benefits of Rule

In addition to the expected cost savings of this rule, CBP anticipates there will be some benefits, but CBP is unable to quantify those benefits in this analysis. Transitioning to electronic ACH refunds creates a significantly more efficient refund process. Trade members would receive their electronic payments significantly more quickly than mailed paper checks, which can be subject to delays in delivery. CBP expects that trade members will benefit from receiving their refunds sooner, allowing them to use refund amounts

for other business expenses or investments significantly sooner than they would be able to use refunded amounts in mailed refund checks. CBP does not know how much of a benefit this will provide to trade members and requests public comments on these benefits and any other benefits resulting from this IFR.

Net Impact of Rule

CBP anticipates that over the time period of analysis (2025–2034), this IFR will result in an overall net cost savings compared to the baseline. CBP estimates

that from 2025–2034 this IFR will result in total costs of approximately \$14.9 million or on average \$1.5 million annually. Additionally, CBP estimates this IFR will result in quantifiable cost savings of around \$29 million or on average \$3.3 million annually. CBP expects that total net cost savings, from eliminating paper refund checks and transitioning to electronic refunds, will be around \$14.5 million or on average \$1.4 million annually. Table 13 displays CBP's estimates for total costs, cost savings and net cost savings as a result of this IFR from 2025–2034.

TABLE 13—TOTAL COST, COST SAVINGS AND NET COST SAVINGS FROM TRANSITIONING TO ELECTRONIC ACH REFUNDS FROM 2025–2034

[Undiscounted 2025 U.S. dollars]

Year	Costs	Cost savings	Net cost savings
2025	\$1,551,734	.....	(\$1,551,734)
2026	11,634,194	\$3,420,185	(8,214,009)
2027	244,938	3,377,317	3,132,378
2028	203,653	3,334,720	3,131,067
2029	207,462	3,295,870	3,088,408
2030	211,363	3,260,437	3,049,074
2031	215,360	3,228,121	3,012,761
2032	219,456	3,198,648	2,979,192
2033	223,652	3,171,767	2,948,114
2034	227,953	3,147,250	2,919,297
Total	14,939,767	29,434,315	14,494,548

* Note values may not sum due to rounding.

TABLE 14—TOTAL MONETIZED PRESENT VALUE AND ANNUALIZED COSTS 2025–2034

[2025 U.S. dollars]

	3% Discount rate	7% Discount rate
Present Value Cost	\$13,923,328	\$12,755,414
Annualized Cost	1,632,239	1,816,084

Table 14 shows the discounted total quantified costs from this IFR from 2025–2034 compared to the baseline scenario. As shown, the total costs over the 10-year period of analysis will range

from \$13.9 million (in 2025 U.S. dollars) using a three percent discount rate to \$12.8 million (in 2025 U.S. dollars) using a seven percent discount rate. Expected total annualized costs from

this final rule range from \$1.6 million using a three percent discount rate to \$1.8 million using a seven percent discount rate.

TABLE 15—TOTAL MONETIZED PRESENT VALUE AND ANNUALIZED COST SAVINGS 2025–2034

[2025 U.S. dollars]

	3% Discount rate	7% Discount rate
Present Value Cost Savings	\$25,516,795	\$21,408,372
Annualized Cost Savings	2,991,347	3,048,071

Table 15 shows the discounted total quantified costs savings as a result of this IFR from 2025–2034. As shown, the total cost savings over the 10-year period of analysis will range from \$25.5

million (in 2025 U.S. dollars) using a three percent discount rate to \$21.4 million (in 2025 U.S. dollars) using a seven percent discount rate. Expected total annualized cost savings from this

IFR will range from \$3.0 million using a three percent discount rate to \$3.1 million using a seven percent discount rate.

TABLE 16—TOTAL MONETIZED PRESENT VALUE AND ANNUALIZED NET COST SAVINGS 2025–2034

[2025 U.S. dollars]

	3% Discount rate	7% Discount rate
Present Value Net Cost Savings	\$10,850,260	\$7,252,411
Annualized Net Cost Savings	1,271,981	1,032,580

Table 16 shows the discounted total quantified net cost savings during the period of analysis from this IFR. As shown, the total net cost savings over the 10-year period of analysis compared to the baseline will range from \$10.8 million (in 2025 U.S. dollars) using a three percent discount rate to \$7.2 million (in 2025 U.S. dollars) using a seven percent discount rate. Expected

total annualized net cost savings from this IFR will range from \$1.3 million using a three percent discount rate to \$1.0 million using a seven percent discount rate.

C. Regulatory Flexibility Act

The Regulatory Flexibility Act (5 U.S.C. 601 *et seq.*), as amended by the Small Business Regulatory Enforcement

and Fairness Act of 1996, requires an agency to prepare and make available to the public a regulatory flexibility analysis that describes the effect of a proposed rule on small entities (*i.e.*, small businesses, small organizations, and small governmental jurisdictions) when the agency is required to publish a notice of proposed rulemaking for a rule. Since a notice of proposed

rulemaking is not necessary for this rule, CBP is not required to prepare a regulatory flexibility analysis for this rule. 5 U.S.C. 603.

D. Paperwork Reduction Act

In accordance with the Paperwork Reduction Act of 1995 (44 U.S.C. 3507), an agency may not conduct or sponsor, and an individual is not required to respond to, a collection of information unless it has been approved by the Office of Management and Budget (OMB) and assigned an OMB control number. However, this rule does not involve any material change to an existing approved information collection, and the banking account information for payments and credits is not covered by the Paperwork Reduction Act (44 U.S.C. 3507). As such, this rule does not affect any approved information collection.

Signing Authority

In accordance with Treasury Order 100–20, the Secretary of the Treasury delegated to the Secretary of Homeland Security the authority related to the customs revenue functions vested in the Secretary of the Treasury as set forth in 6 U.S.C. 212 and 215, subject to certain exceptions. This regulation is being issued in accordance with DHS Delegation 07010.3, Revision 03.2, which delegates to the Commissioner of CBP the authority to prescribe and approve regulations related to customs revenue functions.

Rodney S. Scott, Commissioner, having reviewed and approved this document, has delegated the authority to electronically sign the document to the Director of the Regulations and Disclosure Law Division of CBP, for purposes of publication in the **Federal Register**.

List of Subjects

19 CFR Part 24

Accounting, Claims, Exports, Freight, Harbors, Reporting and recordkeeping requirements, Taxes.

19 CFR Part 141

Reporting and recordkeeping requirements.

19 CFR Part 159

Antidumping, Countervailing duties, Foreign currencies.

19 CFR Part 174

Administrative practice and procedure.

Amendments to the CBP Regulations

For the reasons stated above, amend parts 24, 141, 159, and 174 of title 19

of the Code of Federal Regulations (19 CFR parts 24, 141, 159, and 174) as set forth below.

PART 24—CUSTOMS FINANCIAL AND ACCOUNTING PROCEDURE

- 1. The general authority citation for part 24 is revised to read as follows:

Authority: 5 U.S.C. 301; 19 U.S.C. 58a–58c, 66, 1202 (General Note 3(i), Harmonized Tariff Schedule of the United States), 1505, 1520, 1624; 26 U.S.C. 4461, 4462; 31 U.S.C. 3332, 3717, 9701; Pub. L. 107–296, 116 Stat. 2135 (6 U.S.C. 1 *et seq.*).

* * * * *

Section 24.36 also issued under 26 U.S.C. 5001(c)(4), 5041(c)(7), 5051(a)(6), 6423; Pub. L. 115–97; Pub. L. 116–260; 134 Stat. 3046.

- 2. Revise § 24.5(a) to read as follows:

§ 24.5 Filing identification number.

(a) *Generally.* Each person, business firm, Government agency, or other organization shall file CBP Form 5106, Create/Update Importer Identity Form, with the first formal entry which is submitted or the first request for services that will result in the issuance of a bill or a refund. A CBP Form 5106 shall also be filed for the ultimate consignee for which such entry is being made. CBP Form 5106 may be obtained from any CBP Office.

* * * * *

- 3. In § 24.24, the last two sentences of paragraph (c)(8)(i), the last sentence of paragraph (e)(4)(iii), and the last sentence of paragraph (e)(4)(iv)(A) are revised to read as follows:

§ 24.24 Harbor maintenance fee.

* * * * *

(c) * * *

(8) * * *

(i) * * *

A description of the cargo listed in the shipping documents and a brief summary of the intended use of the goods, if such use is not reflected in the documents, are acceptable evidence for certification purposes. Approved HMF refund payments will be made via ACH in accordance with 31 U.S.C. 3332, unless a waiver condition in 31 CFR 208.4 is met.

* * * * *

(e) * * *

(4) * * *

(iii) * * * Approved HMF refund payments will be made via ACH in accordance with 31 U.S.C. 3332, unless a waiver condition in 31 CFR 208.4 is met.

(iv) * * *

(A) * * * Approved HMF refund payments will be made via ACH in accordance with 31 U.S.C. 3332, unless

a waiver condition in 31 CFR 208.4 is met.

* * * * *

- 4. In § 24.36, the introductory text of paragraph (a) and paragraph (a)(3) are revised to read as follows:

§ 24.36 Refunds of excessive duties, taxes, etc.

(a) When it is found upon, or prior to, liquidation or reliquidation of an entry or reconciliation that a refund of excessive duties, taxes, fees or interest (at the rate determined in accordance with § 24.3a(c)(1)) is due, a refund shall be prepared in the name of the person to whom the refund is due, as determined under paragraphs (b) and (c) of this section, and issued electronically in accordance with 31 U.S.C. 3332, unless a waiver condition in 31 CFR 208.4 is met. If CBP Form 4811, submitted to CBP through a CBP-approved method, authorizes someone other than the payee to receive a refund, CBP will issue the refund electronically to the authorized person in accordance with 31 U.S.C. 3332 and the waiver conditions in 31 CFR 208.4. If a power of attorney is on file, the refund will be issued electronically to such attorney, if requested. A CBP Form 4811 received by CBP will not be effective if a customs transaction requiring the use of the owner's importer number has not been made within three years from the date the CBP Form 4811 was filed or if there is no unliquidated entry on file to which such number is to be associated. For purposes of this section:

* * * * *

(3) If a refund, including any interest thereon, is not paid in full within the applicable 30-day period specified in paragraph (a)(2) of this section, the refund shall be considered delinquent thereafter and interest under 19 U.S.C. 1505(d) shall accrue on the unpaid balance by 30-day periods until the full balance is paid. However, no interest will accrue during the 30-day period in which the refund is paid. Likewise, no interest under 19 U.S.C. 1505(d) will accrue when CBP certifies an electronic refund for issuance within 30 days of the liquidation or reliquidation of the entry, and CBP is unable to deliver the electronic refund solely due to the recipient's failure to provide CBP with the necessary banking information to effectuate delivery of the electronic refund.

* * * * *

PART 141—ENTRY OF MERCHANDISE

- 5. The general authority citation for part 141 continues to read as follows:

Authority: 19 U.S.C. 66, 1448, 1484, 1498, 1624.

* * * * *

■ 6. Revise § 141.61(d)(1) through (3) to read as follows:

§ 141.61 Completion of entry and entry summary documentation.

* * * * *

(d) * * *

(1) *Generally.* Except as provided in paragraph (d)(2) of this section, the importer number of the importer of record and the consignee number of the ultimate consignee must be reported for each entry summary and for each drawback entry. When the importer of record and the ultimate consignee are the same, the importer number may be entered in both spaces provided on CBP Form 7501 (boxes 22 and 23), or its electronic equivalent, or the importer number may be entered in the space provided for the importer (box 23, or its electronic equivalent) and the word “SAME” may be entered in the space provided for the ultimate consignee (box 22, or its electronic equivalent).

(2) *Exception.* In the case of a consolidated entry summary covering the merchandise of more than one ultimate consignee, the importer number must be reported on CBP Form 7501 (box 23, or its electronic equivalent) and the notation “CONSOLIDATED” must be made in the space provided for the consignee number (box 22, or its electronic equivalent).

(3) *When refunds, bills, or notices of liquidation are to be sent to agent.* If an importer of record desires to have refunds issued electronically in accordance with § 24.36, and bills or notices of liquidation mailed in care of an agent, the agent’s importer number must be reported on CBP Form 7501 in the box designated “Reference No” (box 24, or its electronic equivalent). In this case, the importer of record must file, or must have filed previously, through a CBP-approved method, a CBP Form 4811 authorizing the electronic issuance of refunds, and the mailing of bills or notices of liquidation, to the agent.

* * * * *

PART 159—LIQUIDATION OF DUTIES

■ 7. The general and specific authority citations for part 159 continue to read as follows:

Authority: 19 U.S.C. 66, 1500, 1504, 1624.

* * * * *

Section 159.6 also issued under 19 U.S.C. 1321, 1505;

* * * * *

§ 159.6 [Amended]

■ 8. Amend § 159.6 as follows:

■ a. In paragraph (c), remove the words “refund checks” and add in their place the word “refunds”; and

■ b. In paragraph (d), remove the words “refund check” and add in their place the words “a refund”.

PART 174—PROTESTS

■ 9. The general authority citation for part 174 continues to read as follows:

Authority: 19 U.S.C. 66, 1514, 1515, 1624.

* * * * *

■ 10. In § 174.13, paragraph (c) is revised to read as follows:

§ 174.13 Contents of protest.

* * * * *

(c) *Optional designation for refunds.* If desired by the importer/consignee, the statement “any refunds with respect to the entry under protest shall be issued electronically in accordance with 31 U.S.C. 3332, unless a waiver condition in 31 CFR 208.4 is met, to the agent designated by the importer/consignee:_____”

(Name and Address of Agent)

may be appended to the protest. This designation supersedes any existing designation previously authorized on CBP Form 4811.

Robert F. Altneu,

Director, Regulations & Disclosure Law Division, Regulations & Rulings, Office of Trade, U.S. Customs and Border Protection.

[FR Doc. 2025–24171 Filed 12–31–25; 8:45 am]

BILLING CODE 9111–14–P

DEPARTMENT OF THE TREASURY

Financial Crimes Enforcement Network

31 CFR Parts 1010 and 1032

RIN 1506–AB58 and 1506–AB69

Delaying the Effective Date of the Anti-Money Laundering/Countering the Financing of Terrorism Program and Suspicious Activity Report Filing Requirements for Registered Investment Advisers and Exempt Reporting Advisers

AGENCY: Financial Crimes Enforcement Network (FinCEN), Treasury.

ACTION: Final rule.

SUMMARY: FinCEN is amending the Anti-Money Laundering/Countering the Financing of Terrorism (AML/CFT) Program and Suspicious Activity Report (SAR) Filing Requirements for Registered Investment Advisers and

Exempt Reporting Advisers (IA AML Rule) to delay the effective date by two years. As part of this delay, FinCEN is amending the date by which an investment adviser must develop and implement an AML/CFT program.

DATES: As of December 31, 2025, the effective date of the rule published September 4, 2024, at 89 FR 72156 is delayed until January 1, 2028. This rule is effective January 1, 2028.

SUPPLEMENTARY INFORMATION:

I. Introduction

In this final rule, FinCEN amends the effective date of the IA AML Rule¹ to delay the obligations of covered investment advisers (covered IAs) under the IA AML Rule from January 1, 2026, to January 1, 2028.

II. Background

A. IA AML Rule

On September 4, 2024, FinCEN published the IA AML Rule, which defines certain investment advisers as “financial institutions” under the Bank Secrecy Act (BSA).² The IA AML Rule requires covered IAs to establish AML/CFT programs, report suspicious activity, and keep relevant records, among other requirements.³ In the 2024 Investment Adviser Risk Assessment (IA Risk Assessment), Treasury described the illicit finance risks associated with the investment adviser sector that the IA AML Rule was designed to address, including that investment advisers may be misused by money launderers, terrorist financiers, or other actors who seek access to the U.S. financial system for illicit purposes and who threaten U.S. national security.⁴

B. IA AML Effective Date NPRM

On September 22, 2025, FinCEN proposed delaying the effective date of the IA AML Rule by two years (IA AML Effective Date NPRM) and amending 31 CFR 1032.210(c) of the IA AML Rule to

¹ See U.S. Department of the Treasury (Treasury), FinCEN, *Anti-Money Laundering/Countering the Financing of Terrorism Program and Suspicious Activity Report Filing Requirements for Registered Investment Advisers and Exempt Reporting Advisers*, 89 FR 72156 (Sept. 4, 2024).

² Pursuant to FinCEN’s authority under the BSA, it may define a business or agency as a “financial institution” if such business or agency “engages in any activity . . . determine[d] by regulation to be an activity which is similar to, related to, or a substitute for any activity” in which a “financial institution” as defined by the BSA is authorized to engage. See 31 U.S.C. 5312(a)(2)(Y).

³ See IA AML Rule, 89 FR at 72274–78.

⁴ See Treasury, *2024 Investment Adviser Risk Assessment* (Feb. 1, 2024), <https://home.treasury.gov/system/files/136/US-Sectoral-Illlicit-Finance-Risk-Assessment-Investment-Advisers.pdf>.

reflect this delay.⁵ Under the IA AML Effective Date NPRM, all requirements set forth under the IA AML Rule were proposed to be effective on January 1, 2028. In the IA AML Effective Date NPRM, FinCEN assessed that delaying the effective date of the IA AML Rule would pose a number of advantages, including providing FinCEN an opportunity to review the IA AML Rule and, as applicable, ensure the IA AML Rule is effectively tailored. In response to the IA AML Effective Date NPRM, FinCEN received 22 comments. Submissions came from a variety of commenters, including industry trade groups, transparency organizations, law firms, non-profit organizations, financial advisory firms, and individual members of the public. Several comment letters supported the proposed rule, others opposed, and some, while in support of the proposed rule, raised issues regarding timing considerations in light of other anticipated future rulemakings. FinCEN also received comments on topics outside the scope of the IA AML Effective Date NPRM.

III. Discussion of Comments Received

A. Support for the Delay in Effective Date

Comments received. Several commenters strongly supported the two-year delay in implementation of the IA AML Rule, citing benefits to both investment advisers and FinCEN. Specifically, commenters stated that significant time and resources are needed to establish an AML compliance program. One of these commenters stated that building a compliant AML program is a complex, multi-year process that requires significant planning, budgeting, and coordination. Other commenters noted that rushing this implementation process will create inefficient and costly programs. A few commenters stated that delaying the effective date of the IA AML Rule will provide the time necessary for FinCEN to provide clarity on the rule in several important respects. One of these commenters stated that a two-year extension is a reasonable and appropriate amount of time for FinCEN to tailor the IA AML Rule to achieve FinCEN's objectives, while reducing where possible duplication and burden when there is little or no corresponding benefit. Another commenter stated that clarity is necessary for the industry to

implement the requirements of IA AML Rule by January 1, 2028, and to reduce unnecessary costs without forgoing the intended benefits of the rule. This commenter explained that delaying the effective date will provide FinCEN with time to issue the guidance necessary to efficiently and effectively implement the IA AML Rule, in particular the application of the Section 312 special due diligence requirements, sharing of Suspicious Activity Report (SAR) filings among affiliates, and Section 314(b) information sharing.

Final rule. FinCEN has carefully considered commenters' views and agrees that delaying the effective date of the IA AML Rule from January 1, 2026, to January 1, 2028, is appropriate. The two-year delay will provide additional time for FinCEN to review the IA AML Rule and, as applicable, ensure the IA AML Rule is effectively tailored to the diverse business models and risk profiles of types of firms within the investment adviser sector. Delaying the effective date will also provide investment advisers more time to come into compliance with the rule upon the revised effective date. FinCEN therefore adopts 31 CFR 1032.210(c) as proposed and extends the effective date of the IA AML Rule from January 1, 2026, until January 1, 2028.

B. Timing Considerations in Light of Other Rulemakings

Comments received. Several commenters that supported the two-year delay in implementation of the IA AML Rule expressed concern with regard to the timing of the potential revisions to the scope of the IA AML Rule and other rulemakings related to the IA sector, in particular the IA Customer Identification Program (CIP) rulemaking. Several commenters recommended that FinCEN reissue the IA CIP NPRM and IA AML NPRM concurrently to allow covered IAs to consider them in tandem and develop holistic, risk-based compliance programs.

Final rule. FinCEN has carefully considered each comment related to the timing of the potential revisions to the scope of the IA AML Rule and the timing of other rulemakings related to the IA sector and understands the concerns raised given the interrelatedness of the rulemakings. FinCEN intends to consider these timing issues during the rulemaking processes for any future IA-related rules to ensure appropriate coordination efforts and to reduce unnecessary costs and uncertainty.

C. Opposition to the Delay in Effective Date

Comments received. Several comment letters strongly opposed the two-year delay in effective date. Commenters from transparency organizations were especially concerned about the heightened risk of illicit finance if the IA AML Rule is delayed, and disputed the assertion that the current implementation date of January 1, 2026, provides insufficient time for compliance. Some commenters stated that the proposed delay in the implementation and enforcement of the IA AML Rule will have serious and measurable costs for U.S. national security and public safety, global leadership, and private-sector stability. In particular, these commenters noted that gaps in U.S. AML coverage might be exploited by sanctioned actors, terrorist organizations, corrupt officials, and foreign adversaries, and argued that the longer these gaps remain, the more exploitation will occur. Some commenters stated that the current timeline already provides a sufficient implementation period, explaining that the IA AML Rule was finalized in 2024 with an effective date of January 1, 2026, and that there has been nearly two years of lead time, which they believe is more than adequate for investment advisers to design, test, and implement robust compliance programs. These commenters noted that many advisers already maintain elements of AML/CFT compliance, particularly those affiliated with broker-dealers, banks, or other financial institutions subject to existing AML requirements. The commenters argued that the proposed extension would therefore not materially improve industry readiness.

Final rule. FinCEN has carefully considered each comment in opposition to delaying the effective date of the IA AML Rule. As explained in the IA AML Effective Date NPRM, FinCEN is mindful that delaying the effective date may prolong the U.S. financial system's potential exposure to previously identified vulnerabilities and illicit finance risks associated with the IA sector. However, consistent with the Administration's deregulatory policies focused on reducing any unnecessary or duplicative regulatory burden on Americans, the Secretary, through FinCEN, has determined that the IA AML Rule should be reviewed to ensure it strikes an appropriate balance between cost and benefit. While the illicit finance risks associated with investment advisers remain, this review will allow FinCEN to ensure the IA AML Rule is consistent with the

⁵ See Treasury, FinCEN, *Delaying the Effective Date of the Anti-Money Laundering/Countering the Financing of Terrorism Program and Suspicious Activity Report Filing Requirements for Registered Investment Advisers and Exempt Reporting Advisers*, 90 FR 45361 (Sept. 22, 2025).

Administration's deregulatory agenda and is effectively tailored to the diverse business models and risk profiles of the investment adviser sector—while still adequately protecting the U.S. financial system and guarding against money laundering, terrorist financing, and other illicit finance risks. FinCEN also recognizes that extending the effective date of the rule may help ease potential compliance costs for industry and reduce regulatory uncertainty while FinCEN undertakes a broader review of the IA AML Rule.

FinCEN has therefore declined to make any changes to the proposed effective date and retains the two-year extension to January 1, 2028.

D. Other Issues Raised by Commenters

Comments received. Commenters raised several issues that were not relevant to the IA AML Effective Date NPRM. Some explained why they believe registered investment advisers (RIAs) generally have limited control over client transactions. Other commenters provided reasons why the scope of investment advisers subject to the IA AML Rule should be narrowed. Some commenters recommended that FinCEN clarify certain aspects of the rule, in particular the scope of advisory services, reliance on third parties, risk-based AML/CFT program application, special due diligence for correspondent and private banking accounts, SAR filing obligations, SAR sharing and confidentiality, and funds transfer and travel rules.

Final Rule. FinCEN has reviewed the comments on issues that are not relevant to the IA AML Effective Date NPRM and is not adopting changes to this final rule as a result of these comments.

IV. Regulatory Impact Analysis

FinCEN has analyzed the anticipated economic impacts of this final rule as required under E.O. 12866, 13563, and 14192;⁶ the Regulatory Flexibility Act (RFA);⁷ the Unfunded Mandates Reform Act (UMRA);⁸ the Paperwork Reduction Act (PRA);⁹ and the Congressional Review Act (CRA).¹⁰ The results of this

analysis are discussed in the remainder of this section¹¹ and Section V¹² below.

A. Economic Considerations

The sum total of the combined economic effects of the final rule remains difficult to meaningfully quantify.¹³ Nevertheless, FinCEN anticipates that the two-year delay could reduce certain direct costs by enabling covered IAs to forgo select compliance-related activities and expenditures¹⁴ in calendar years 2026 and 2027. The total dollar value¹⁵ of this pro forma cost reduction has been estimated¹⁶ to be approximately \$1.45 billion dollars.¹⁷ While FinCEN received comment letters in response to the IA AML Effective Date NPRM that referred to this cost estimate, no comments provided actionable suggestions, data, or anecdotal evidence that would suggest the agency's analysis contained substantive miscalculations requiring revision. FinCEN is therefore retaining, without modification, the estimates in its original analysis of the expected change in pro-forma costs in this final rule.

1. Baseline Updates

Since the publication of the IA AML Rule, the annual baseline population has incurred a net increase of 335¹⁸

¹¹ See Section IV.A for analysis responsive to obligations under E.O. 12866, 13563, and 14192.

¹² See Section V for analysis responsive to obligations under the RFA, PRA, and UMRA.

¹³ As this final rule merely delays the effective date of the IA AML Rule, any potential changes to the scope of the IA AML Rule are outside the scope of this rule and any related economic analysis.

¹⁴ The proposed amendment to delay the effective date would not relieve covered IAs of BSA obligations that predate the effective date of the IA AML Rule, if any, or other obligations under the Investment Advisers Act of 1940 (15 U.S.C. 80b–1 *et seq.*) (Advisers Act) with a regulatory nexus, if any. Therefore, expenditures on activities undertaken that also satisfy those obligations would not be considered affected by the proposed amendment.

¹⁵ As expected to accrue to covered IAs, select customers, and the federal government, estimated in 2022-value. See IA AML Rule, 89 FR at 72209–74.

¹⁶ See IA AML Rule, 89 FR at 72243, Table 5.26.

¹⁷ *Id.* The IA AML Rule originally projected aggregate expenses of \$800 million in 2026 and \$780 million in 2027 in 2022 U.S. dollar value. These expenditures were removed from the ten-year time series of anticipated costs and the remaining eight-year series discounted at a seven percent rate to estimate the expected cost savings of the proposed rule, including a two-year upfront delay. The choice to remove costs originally scheduled to accrue in years three (2026) and four (2027) of the forecast model of costs reflects the way in which start-up costs were originally built into the first three years of the estimates.

¹⁸ This estimate is based on the assumption that the proportion of new covered RIAs that would not qualify for an exemption has remained the same as in the IA AML Rule (approximately 91.4 percent). Data on the number of investment advisers

expected covered IAs, of which six¹⁹ are expected to be definitionally small.²⁰ FinCEN additionally estimates that there would be an increase in the total baseline population of covered IAs' expected customers of approximately 10.2 million²¹ or 20.4 million²² that would not have been taken into account at the time of the IA AML Rule's initial publication. Of these projected new customers, for purposes of comparison to the IA AML Rule PRA baseline customers, approximately 1.5 million or 1.8 million would be expected to incur the information collection burden originally assigned to legal entities in the IA AML Rule PRA analysis,²³ which represents an increase of approximately 241,849 or 483,699 expected respondents in 2026 or 2028, respectively.²⁴

(including 15,870 RIAs and 5,743 exempt reporting advisers) as of calendar year end 2024 was obtained from Industry Statistics—Investment Adviser Association 2025, <https://www.investmentadviser.org/industry-snapshots/> (accessed Aug. 15, 2025). Since the publication of the IA AML Rule, the number of covered RIAs increased by 438 and the number of ERAs decreased by 103.

¹⁹ This estimate is based on the assumption that the proportion of new covered IAs that would be considered small for purposes of Regulatory Flexibility Analysis has remained the same as in the IA AML Rule (approximately 1.9 percent). See IA AML Rule, 89 FR at 72216, 72255–61.

²⁰ The IA AML Rule relies on the small entity definition under the Advisers Act rule adopted for purposes of the RFA. See IA AML Rule, 89 FR at 72255–56.

²¹ This estimate is derived from applying two years of the respective expected annual growth rates from the IA AML Rule regulatory impact analysis (IA AML Rule RIA) (9.5 percent per year for individuals and legal entities, 6 percent for pooled investment vehicles (PIVs)) to the baseline population of customers implied by Table 5.7 and Table 5.15. The IA AML Rule uses the term “customers” for those natural and legal persons who enter into an advisory relationship with an investment adviser. This is consistent with terminology in the BSA and FinCEN's implementing regulations. FinCEN acknowledges that the Advisers Act and its implementing regulations primarily use the term “clients,” and so that term is used in specific reference to Advisers Act requirements; otherwise the term “customers” is used.

²² This estimate is derived from applying four years of the respective expected annual growth rates from the IA AML Rule RIA (9.5 percent per year for individuals and legal entities, 6 percent for PIVs) to the baseline population of customers implied by Table 5.7 and Table 5.15.

²³ In the IA AML Rule RIA, FinCEN assigned an expected information collection-related burden to the legal entity customers of covered IAs with limited baseline AML/CFT measures.

²⁴ These estimates reflect an applied annual average expected increase of 9.5 percent for two (four) years to the affected baseline population of affected legal entities. FinCEN notes that this growth rate exceeds the observed annual average growth in total (asset management only) RIA customers as reported in the IA 2025 snapshot (see *supra* note 34, Table 2B) over calendar years 2018–2024, which was approximately 8.1 (6.5) percent. To the extent that the growth rates estimated in the

⁶ See E.O. 12866, *Regulatory Planning and Review*, 58 FR 51735 (Oct. 4, 1993); E.O. 13563, *Improving Regulation and Regulatory Review*, 76 FR 3821 (Jan. 21, 2011); E.O. 14192, *Unleashing Prosperity Through Deregulation*, 90 FR 9065 (Feb. 6, 2025).

⁷ See generally 5 U.S.C. 601 *et seq.*

⁸ Public Law 104–4, 202, 109 Stat. 48, 64 (1995).

⁹ Paperwork Reduction Act of 1995, Public Law 104–13, 109 Stat. 163 (1995).

¹⁰ 5 U.S.C. 801–808.

2. Expected Benefits and Costs

If the effect of the final rule is conservatively interpreted to be strictly a shift by two years of a cost profile that would otherwise continue into all future time periods, then the rule's primary effect on economic benefits and costs would generally be attributable to the unrealized costs in 2026 and 2027 and the forgone benefits the implemented regulations would have otherwise provided in those two years.²⁵ This implies substantial savings in 2026 and 2027, cost increases associated with delayed ramp-up in 2028, and minor effects starting in 2029. Applying discount rates of seven and three percent over a ten-year period, the net present value of the anticipated cost savings are approximately \$1,453.63 million and \$1,523.60 million, respectively. This corresponds to annualized savings of \$183.01 million at a seven percent discount rate and \$153.06 million at a three percent discount rate.²⁶ FinCEN recognizes, however, that this conceptualization of costs may not fully account for costs or benefits of compliance with other regulations that implement AML/CFT program and SAR filing requirements.

3. Alternatives

In partial fulfillment of its obligations under statutory authorities, FinCEN considered several alternatives to the final rule amendment.

a. Status Quo

FinCEN is mindful that the proposed amendment to delay the effective date may prolong the U.S. financial system's

IA AML Rule exceed the realized growth rate in customer population for the majority of covered IAs, this would attenuate the expected impact of a delayed effective date on the increase in up-front or start-up costs.

²⁵ See *supra* note 5, Section IV.B.

²⁶ FinCEN expects that some aspects of this and other estimates of cost reductions could be overstated because they do not take into account that some expenditures assigned to effective year 1 have already occurred and are not reversible or would not be cost-free to reverse. For example, to the extent that a covered IA may have already reviewed their current policies and procedures to assess the need for revisions (*i.e.*, gap analysis) or already undertaken steps to modify those policies and procedures accordingly, the cost savings of regulatory delay would be overestimated. Similarly, if it would become necessary to retroactively conform representations to covered IAs' customers about an IA's AML/CFT related policies and procedures where disclosure materials have already been updated, but implementation would be paused by the proposed delay, the estimated changes in costs presented here would not include this newly introduced potential retrofitting cost and would consequently overstate the reduced burden proportionately. Cost reductions may further be overstated to the extent that covered IAs opt to commence voluntary compliance with AML/CFT program requirements in advance of the proposed delayed effective date.

exposure to previously identified vulnerabilities and illicit finance risks associated with the investment adviser sector.²⁷ At the same time, the IA AML Rule imposes costs that, given other concurrent regulatory changes and uncertainties, may now be higher than those identifiable at the time of the IA AML Rule's initial promulgation. FinCEN has weighed these potential costs to covered IAs, their customers, and the federal government against the previously identified risks and assesses that, in contrast to maintaining the status quo effective date of January 1, 2026, a two-year delay more appropriately balances trade-offs between probable risks and costs.

b. Other Alternatives

FinCEN considered other approaches to limiting the near-term costs incurred by covered IAs and their customers while operationalizing the IA AML Rule. FinCEN considered proposing a delayed effective date that would be connected with, or conditioned on, the effective date of one or more other rules that may impact the regulatory obligations of covered IAs. However, FinCEN concluded that delaying in a manner that is conditional on other regulatory effective dates may lead to uncertainty and have less than the desired magnitude of impact in reducing costs and, as a result, the costs of the potential harms from this approach outweigh those associated with a two-year delay.

In addition, when a rule may potentially affect small entities with greater relative economic impact, it is customary to consider potential accommodations for them, like additional time to conduct the full suite of changes to daily operations necessary for compliance. At the same time, the agency must consider if such accommodations would meaningfully benefit small entities without unduly undermining the objectives that necessitated regulation. In connection with this rule, FinCEN considered affording an additional year delay to covered IAs that would qualify as "small" under the categories defined by the RFA.²⁸ As in the IA AML Rule, FinCEN again concluded that any alternative that affords differential compliance requirements is not appropriate at this time.²⁹ Moreover, FinCEN estimated that to successfully implement a regime that requires recorded documentation that one or more parties meet the eligibility criteria

²⁷ See *supra* note 4.

²⁸ See 5 U.S.C. 601(3)–(6).

²⁹ See IA AML Rule, 89 FR at 72260–61.

for a temporary waiver of requirements is unlikely to be substantially less costly than the alternative compliance regime, and thus both would not meaningfully reduce costs and would unequivocally reduce the expected benefits relative to the proposed rule. For these reasons FinCEN did not elect to propose or afford additional time to affected small entities.

B. Executive Orders 12866, 13563, and 14192

This rule was deemed "Economically Significant" by the Office of Management and Budget's (OMB's) Office of Information and Regulatory Affairs (OIRA) because it meets the criteria at E.O. 12866 subsection 3(f)(1).³⁰ Accordingly, the forgoing analysis was conducted because it is expected to result in effects beyond this threshold.

This action is considered an E.O. 14192 deregulatory action,³¹ estimated to generate \$88.88 million in annualized cost savings at a 7 percent discount rate when discounted relative to year 2024, over a perpetual time horizon.

V. Compliance With Other Authorities

A. Regulatory Flexibility Act

Pursuant to the RFA, FinCEN certifies that the final rule will not have a significant economic impact on a substantial number of small entities, and consequently that further analysis under the RFA is not necessary.³²

Based on the analysis in the IA AML Rule, small covered IAs constitute less than two percent of the population of covered IAs.³³ Furthermore, using numbers from the updated baseline in this notice in addition to the IA AML Rule RIA, FinCEN continues to estimate that small covered IAs constitute less than three percent of small investment advisers (small IAs).³⁴ Therefore, even if

³⁰ Per E.O. 12866, if a regulatory action is expected to result in a rule that would have an annual effect on the economy equal to or greater than \$100 million (*see* 58 FR at 51740–41; 76 FR at 3822.), a regulatory impact analysis is required.

³¹ See OMB, *Guidance Implementing Section 3 of Executive Order 14192, Titled "Unleashing Prosperity Through Deregulation,"* M–25–20 (Mar. 26, 2025), Q4 ("What is a 'E.O. 14192 deregulatory action'"), available at <https://www.whitehouse.gov/wp-content/uploads/2025/02/M-25-20-Guidance-Implementing-Section-3-of-Executive-Order-14192-Titled-Unleashing-Prosperity-Through-Deregulation.pdf>.

³² See 5 U.S.C. 605.

³³ Small covered IAs were estimated to constitute approximately 1.9 percent of covered IAs in the IA AML Rule. IA AML Rule, 89 FR at 72216.

³⁴ The updated baseline population of small covered IAs is estimated to be 391 (385 from the IA AML Rule RIA baseline + 6 from the NPRM baseline). See IA AML Rule, 89 FR at 72215–16.

all the small IAs affected by the proposed rule were conclusively determined to be significantly impacted, they would still fall short by a full order of magnitude of comprising a “substantial number” either as a percentage of the total population of covered IAs or as a percentage of the total population of small IAs.

Certain commenters expressed concern that FinCEN’s analysis uses an inappropriate threshold to define small IAs. FinCEN considered these arguments, but for reasons previously discussed in greater detail,³⁵ does not believe that using the commenters’ proposed definition is appropriate at this time, particularly as part of a rulemaking that only delays implementation of IA AML Rule by two years.³⁶

B. Paperwork Reduction Act

The substance of this rule pertains to amending the IA AML Rule exclusively with respect to the effective date. The PRA analysis in the IA AML Rule was originally constructed to be generally insensitive to potential changes in the timing of implementation.³⁷ As such, there is no incremental PRA burden associated with this final rule, and no modifications to previous burden estimates are required.

C. Unfunded Mandates Reform Act

Pursuant to the UMRA, FinCEN considered whether the final rule is likely to result in an incremental expenditure of \$187 million or more annually by State, local, and Tribal governments or by the private sector in any given year.³⁸ As in the IA AML

The IA AML Rule estimated that the total population of small IAs was 13,430 in 2023, meaning at the time the IA AML Rule was originally published the proportion of small covered IAs was approximately 2.9 percent of all small IAs. FinCEN estimates that because 391/13,430 is also approximately 2.9 percent and that any expected increase in the total population of small IAs since 2023 would have the effect of increasing the denominator (lowering the ratio of covered small IAs to all small IAs), it may reasonably continue to expect that the proportion of small IAs affected by this NPRM remains near or below three percent.

³⁵ 89 FR at 72255.

³⁶ Election to make use of an alternative definition of “small” for purposes of RFA analysis generally requires rulemaking that is subject to notice and comment, a process that would, by nature of the time necessary to complete, delay the IA AML Effective Date rulemaking beyond the effective date it would delay.

³⁷ See IA AML Rule, 89 FR at 72261–74.

³⁸ The U.S. Bureau of Economic Analysis reported the annual value of the gross domestic product (GDP) deflator in 1995 (the year in which UMRA was enacted) as 66.939, and 2024 as 125.230. See U.S. Bureau of Economic Analysis, “Table 1.1.9. Implicit Price Deflators for Gross Domestic Product” (accessed Aug. 20, 2025). Thus, the inflation adjusted estimate for \$100 million is

Effective Date NPRM, FinCEN maintains that further analysis under the UMRA is not required.³⁹

One commenter expressed concern about how FinCEN reached that conclusion. The commenter suggested that FinCEN considered only the near-term expenditure decreases a delayed effective date would provide and did not account for how those expenditures might instead accrue in a later year. As explained in the IA AML Effective Date NPRM, FinCEN’s expenditure estimates are not limited to any particular year, but rather account for potential costs associated with both rule implementation and ongoing compliance whenever the IA AML Rule takes effect. Consequently, FinCEN declines to reconsider its UMRA determination.

VI. Effective Date

This rule is effective upon publication in the **Federal Register**. The original effective date of the IA AML Rule was January 1, 2026, which is fewer than 30 days after this rule’s publication in the **Federal Register**. Under the Administrative Procedure Act (APA), codified at 5 U.S.C. 553(d), a 30-day delayed effective date is required, except for “(1) a substantive rule which grants or recognizes an exemption or relieves a restriction; (2) interpretative rules and statements of policy; or (3) as otherwise provided by the agency for good cause found and published with the rule.” FinCEN finds good cause under 5 U.S.C. 553(d)(3) to make this rule effective immediately, because a 30-day delayed effective date is unnecessary. The purpose of the 30-day delayed effective date is to “give affected parties a reasonable time to adjust their behavior before the final rule takes effect.” *Omnipoint Corp. v. Fed. Comm’n Comm’n*, 78 F.3d 620, 630 (D.C. Cir. 1996). The parties affected by this rule, however, do not need time to adjust their behavior because the rule does not impose any new obligations on them. On the contrary, this rule gives affected parties additional time to adjust their behavior to the requirements of the IA AML Rule. For the same reasons, 5 U.S.C. 553(d)(1) also applies.

Similarly, pursuant to the Congressional Review Act (CRA), OIRA has designated this rule a “major rule,”

125.230 divided by 66.939, multiplied by 100, or \$187.080 million.

³⁹ Pursuant to 2 U.S.C. 1532.202(c), “[a]ny agency may prepare any statement required under subsection (a) in conjunction with or as a part of any other statement or analysis, provided that the statement or analysis satisfies the provisions of subsection (a).” FinCEN intends for the analysis provided in Section IV to satisfy the requirements in 2 U.S.C. 1532.202(a).

for purposes of Subtitle E of the Small Business Regulatory Enforcement and Fairness Act of 1996 (also known as the Congressional Review Act or CRA).⁴⁰ Under section 801 of the CRA, a major rule generally may take effect no earlier than 60 days after the rule is published in the **Federal Register**.⁴¹ Notwithstanding this requirement, section 808(2) of the CRA allows agencies to dispense with the requirements of section 801 when the agency for good cause finds that such procedure would be impracticable, unnecessary, or contrary to the public interest. If the agency finds such good cause, the rule shall take effect at such time as the agency promulgating the rule determines.⁴² Pursuant to section 808(2) and for the reasons discussed above, FinCEN for good cause finds that delaying the effective date of this rule is unnecessary and that this rule should be effective upon publication in the **Federal Register**.

List of Subjects

31 CFR Part 1010

Administrative practice and procedure, Anti-money laundering, Banks, Money laundering, Reporting and recordkeeping requirements, Suspicious transactions, Terrorist financing.

31 CFR Part 1032

Administrative practice and procedure, Anti-money laundering, Banks, Banking, Brokers, Brokerage, Investment advisers, Money laundering, Mutual funds, Reporting and recordkeeping requirements, Securities, Small business, Suspicious transactions, Terrorist financing.

Authority and Issuance

For the reasons stated in the preamble, FinCEN delays the effective date of the rule published September 4, 2024, at 89 FR 72156, until January 1, 2028, and amends 31 CFR part 1032 as follows:

PART 1032—RULES FOR INVESTMENT ADVISERS

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

Authority: 12 U.S.C. 1829b and 1951–1959; 31 U.S.C. 5311–5314 and 5316–5336; title III, sec. 314, Pub. L. 107–56, 115 Stat. 307.

■ 2. Revise § 1032.210(c) to read as follows:

⁴⁰ See 5 U.S.C. 804(2).

⁴¹ 5 U.S.C. 801(a)(3).

⁴² 5 U.S.C. 808(2).

§ 1032.210 Anti-money laundering/countering the financing of terrorism programs for investment advisers.

* * * * *

(c) *Effective date.* An investment adviser must develop and implement an AML/CFT program that complies with the requirements of this section on or before January 1, 2028.

Andrea M. Gacki,

Director, Financial Crimes Enforcement Network.

[FR Doc. 2025–24184 Filed 12–31–25; 8:45 am]

BILLING CODE 4810–02–P

POSTAL SERVICE

39 CFR Part 111

Shape-Based Labeling Lists; Correction

AGENCY: Postal Service.

ACTION: Final rule; correction.

SUMMARY: The Postal Service (USPS®) is correcting a final rule that appeared in the **Federal Register** on December 30, 2025. The document issued a final rule amending *Mailing Standards of the United States Postal Service*, Domestic Mail Manual (DMM®) in various sections to implement shape-based labeling lists for SCF letters, flats, and parcels.

DATES: *Effective Date:* January 2, 2026.

FOR FURTHER INFORMATION CONTACT:

Doriane Harley at (202) 268–2537 or Dale Kennedy at (202) 268–6592.

SUPPLEMENTARY INFORMATION: In FR Doc. 2025–23996 appearing on page 61063 in the **Federal Register** on December 30, 2025, the following correction is made:

DATES: [Corrected]

On page 61063, in the first column, the **DATES** section is corrected to read “*Effective Date:* February 1, 2026.”

Colleen Hibbert-Kapler,

Attorney, Ethics and Legal Compliance.

[FR Doc. 2025–24212 Filed 12–31–25; 8:45 am]

BILLING CODE P

ENVIRONMENTAL PROTECTION AGENCY

40 CFR Part 52

[EPA–R08–OAR–2024–0550; FRL–13050–02–R8]

Air Plan Approval; Colorado; Revisions to Colorado Procedural Rules and Common Provisions Regulation

AGENCY: Environmental Protection Agency (EPA).

ACTION: Direct final rule.

SUMMARY: The Environmental Protection Agency (EPA) is taking direct final action to approve revisions to the Colorado State Implementation Plan (SIP) that were submitted by the Colorado Department of Public Health and Environment (CDPHE) on May 20, 2022. CDPHE requested EPA approval of revisions to the Colorado’s Procedural Rules and Common Provisions Regulation. The revised rules include non-substantive updates to rule language that are administrative in nature and were intended to provide for general cleanup and improved readability. The EPA is approving these SIP revisions because it has determined that they are in accordance with the requirements for SIP provisions under the Clean Air Act (CAA).

DATES: This direct final rule is effective on March 3, 2026, without further notice, unless the EPA receives adverse comment by February 2, 2026. If adverse comments are received, the EPA will publish a timely withdrawal of the direct final rule, or the relevant provisions of the rule, in the **Federal Register** informing the public that the rule will not take effect.

ADDRESSES: Submit your comments, identified by Docket ID No. EPA–R08–OAR–2024–0550, to the Federal Rulemaking Portal: <https://www.regulations.gov>. Follow the online instructions for submitting comments. Once submitted, comments cannot be edited or removed from <https://www.regulations.gov>. The EPA may publish any comment received to its public docket. Do not submit electronically any information you consider to be Confidential Business Information (CBI) or other information whose disclosure is restricted by statute. Multimedia submissions (audio, video, etc.) must be accompanied by a written comment. The written comment is considered the official comment and should include discussion of all points you wish to make. The EPA will generally not consider comments or comment contents located outside of the primary submission (*i.e.*, on the web, cloud, or other file sharing system). For additional submission methods, the full EPA public comment policy, information about CBI or multimedia submissions, and general guidance on making effective comments, please visit <https://www.epa.gov/dockets/commenting-epa-dockets>.

Docket: The EPA has established a docket for this action under Docket ID No. EPA–R08–OAR–2024–0550. All documents in the docket are listed on the <https://www.regulations.gov>

website. Although listed in the index, some information is not publicly available, *e.g.*, CBI or other information whose disclosure is restricted by statute. Certain other material, such as copyrighted material, is not placed on the internet and will be publicly available only in hard copy form. Publicly available docket materials are available through <https://www.regulations.gov>, or please contact the person identified in the **FOR FURTHER INFORMATION CONTACT** section for additional availability information.

FOR FURTHER INFORMATION CONTACT: Liz Ulrich, Air and Radiation Division, EPA, Region 8, Mailcode 8ARD–IO, 1595 Wynkoop Street, Denver, Colorado 80202–1129, telephone number: (406) 457–5008, email address: ulrich.elizabeth@epa.gov.

SUPPLEMENTARY INFORMATION:

Throughout this document “we,” “us,” and “our” means the EPA.

I. Background

On May 20, 2022, the State of Colorado, through the CDPHE, submitted two rule revisions for inclusion into the Colorado SIP.¹ These revisions were adopted in 2021 by the Colorado Air Quality Control Commission (AQCC). The AQCC is appointed by the governor of Colorado and authorized by the Colorado General Assembly to oversee Colorado’s air quality program in accordance with the Colorado Air Pollution Prevention and Control Act.

The first rule revision involves minor administrative changes to one provision in the Procedural Rules, which are codified in the Code of Colorado Regulations (CCR) at 5 CCR 1001–1. Colorado’s Procedural Rules govern all procedures and hearings before the AQCC and certain procedures and hearings before the Air Pollution Control Division within CDPHE. The revisions submitted to the EPA involve section XI., which specifies certain requirements regarding the composition of the AQCC and disclosure by its members of potential conflicts of interest. CAA section 128(a)(1) mandates that “any board or body which approves permits or enforcement

¹ The first SIP Submittal, “Colorado Common Provisions, Clerical Change in Section XI.A.” The cover letter is dated May 16, 2022, but the SIP was submitted to EPA on May 20, 2022. This submittal was deemed complete by operation of law on November 20, 2022.

The second SIP Submittal, “CO Common Provisions 10212021.” The letter is dated May 16, 2022, but the SIP was submitted to the EPA on May 20, 2022. This SIP Submittal was deemed complete by operation of law on November 20, 2022.

Both SIP submissions are available in the docket for this action.

orders under this chapter shall have at least a majority of members who represent the public interest and do not derive any significant portion of their income from persons subject to permits or enforcement orders under this chapter.” 42 U.S.C. 7428(a)(1). The State’s revision to section XI. makes a grammatical change (specifically, changing “persons” to “person’s”). In addition, the State’s SIP submission reflects a revised numbering format, from Arabic numerals (as found in the current SIP ²) to Roman numerals.

The second rule revision involves minor administrative changes to one provision in the Common Provisions Regulation, which is codified at 5 CCR 1001–2. Section I. of the Common Provisions Regulation establishes definitions, a statement of intent, and general provisions applicable to all emission control regulations adopted by the AQCC.³ The revisions submitted to the EPA involve section I.A., which concerns materials incorporated by reference and are clerical or administrative in nature. The first change replaces the word “section” with the section symbol (*i.e.*, “§”), and the second provides updated information on how copies of materials incorporated by reference may be obtained.⁴

The SIP submission also contains information related to the State’s revision of certain “state-only” provisions throughout the Procedural Rules and the Common Provisions Regulation. However, the EPA is acting only on the revisions the State submitted for incorporation into the Colorado SIP: revisions to section XI. of 5 CCR 1001–1 and section I.A. of 5 CCR 1001–2.

II. What action is EPA taking?

The EPA is approving minor administrative revisions to Colorado’s SIP, which the State presented in two separate submittals, related to procedures governing AQCC rulemaking and the availability of materials incorporated by reference. The revisions update the Procedural Rules codified at 5 CCR 1001–1 and the Common Provisions Regulation codified at 5 CCR 1001–2, which the EPA had previously approved and incorporated into the Colorado SIP.

The EPA is approving the revisions to the Procedural Rules and Common Provisions Regulation in the Colorado SIP because they do not interfere with applicable requirements of the CAA and are approvable under CAA section 110(l).⁵

We are publishing this action without prior proposal because we view these SIP revisions as noncontroversial and anticipate no relevant adverse comments. The revisions are administrative in nature and do not constitute substantive changes to Colorado’s SIP. However, in the “Proposed Rules” section of this **Federal Register** publication, we are publishing a separate action that will serve as the proposed rule to approve the revisions to Colorado’s SIP submitted by the CDPHE on May 20, 2022. If adverse comments are received on this direct final rule, we will not institute a second comment period on this action. Any parties interested in commenting must do so at this time. For further information about commenting on this rule, see the **ADDRESSES** section of this document.

If the EPA receives adverse comment, we will publish a timely withdrawal in the **Federal Register** informing the public that this direct final rule, or the relevant provisions of this rule, will not take effect. We will address all public comments in any subsequent final rule based on the proposed rule. If we receive adverse comment on a distinct provision of this rulemaking, we will publish a timely withdrawal in the **Federal Register** indicating which provisions we are withdrawing. The provisions that are not withdrawn will become effective on the date set out above, notwithstanding adverse comment on any other provision.

III. Incorporation by Reference

In this document, the EPA is finalizing regulatory text that includes incorporation by reference (IBR). In accordance with requirements of 1 CFR 51.5, the EPA is finalizing the IBR of CCR described in the amendments set forth to 40 CFR part 52, below. The EPA has made, and will continue to make, these materials generally available through <https://www.regulations.gov> and at the EPA Region 8 Office (please contact the person identified in the **FOR FURTHER INFORMATION CONTACT** section of this preamble for more information). Therefore, these materials have been approved by the EPA for inclusion in the SIP, have been IBR’d by the EPA into that plan, are fully federally enforceable under sections 110 and 113

of the CAA as of the effective date of the final rulemaking of the EPA’s approval, and will be IBR’d in the next update to the SIP compilation.⁶

IV. Statutory and Executive Order Reviews

Under the CAA, the Administrator is required to approve a SIP submission that complies with the provisions of the CAA and applicable Federal regulations. 42 U.S.C. 7410(k); 40 CFR 52.02(a). Thus, in reviewing SIP submissions, the EPA’s role is to approve state choices, provided that they meet the criteria of the CAA. Accordingly, this action merely approves state law as meeting Federal requirements and does not impose additional requirements beyond those imposed by state law. For that reason, this action:

- Is not a “significant regulatory action” subject to review by the Office of Management and Budget under Executive Order 12866 (58 FR 51735, October 4, 1993);
- Is not subject to Executive Order 14192 (90 FR 9065, February 6, 2025) because SIP actions are exempt from review under Executive Order 12866;
- Does not impose an information collection burden under the provisions of the Paperwork Reduction Act (44 U.S.C. 3501 *et seq.*);
- Is certified as not having a significant economic impact on a substantial number of small entities under the Regulatory Flexibility Act (5 U.S.C. 601 *et seq.*);
- Does not contain any unfunded mandate or significantly or uniquely affect small governments, described in the Unfunded Mandates Reform Act of 1995 (Pub. L. 104–4);
- Does not have federalism implications as specified in Executive Order 13132 (64 FR 43255, August 10, 1999);
- Is not subject to Executive Order 13045 (62 FR 19885, April 23, 1997) because it approves a state program;
- Is not a significant regulatory action subject to Executive Order 13211 (66 FR 28355, May 22, 2001);
- Is not subject to requirements of section 12(d) of the National Technology Transfer and Advancement Act of 1995 (15 U.S.C. 272 note) because application of those requirements would be inconsistent with the CAA.
- Is not approved to apply on any Indian reservation land or in any other area where the EPA or an Indian Tribe has demonstrated that a Tribe has jurisdiction. In those areas of Indian country, the rule does not have Tribal implications and will not impose

² See 40 CFR 52.320, table c.

³ 5 CCR 1001–2, section I.A.

⁴ Specifically, the statement “Materials incorporated by reference may also be available through the United States Government Printing Office, online at <https://www.govinfo.gov>.” replaces “or may be examined at the State Publications Depository and Distribution Center.”

⁵ 42 U.S.C. 7410(l).

⁶ 62 FR 27968 (May 22, 1997).

substantial direct costs on Tribal governments or preempt Tribal law as specified by Executive Order 13175 (65 FR 67249, November 9, 2000).

- Is subject to the Congressional Review Act (CRA), and the EPA will submit a rule report to each House of the Congress and to the Comptroller General of the United States. This action is not a “major rule” as defined by 5 U.S.C. 804(2).

Under section 307(b)(1) of the CAA, petitions for judicial review of this action must be filed in the United States Court of Appeals for the appropriate circuit by March 3, 2026. Filing a petition for reconsideration by the Administrator of this final rule does not affect the finality of this action for the purposes of judicial review nor does it extend the time within which a petition for judicial review may be filed and shall not postpone the effectiveness of such rule or action. This action may not be challenged later in proceedings to

enforce its requirements (see CAA section 307(b)(2)).

List of Subjects in 40 CFR Part 52

Environmental protection, Air pollution control, Carbon monoxide, Greenhouse gases, Incorporation by reference, Intergovernmental relations, Lead, Nitrogen dioxide, Ozone, Particulate matter, Reporting and recordkeeping requirements, Sulfur oxides, Volatile organic compounds.

Dated: December 16, 2025.

Cyrus M. Western,

Regional Administrator, Region 8.

For the reasons stated in the preamble, the Environmental Protection Agency is amending 40 CFR part 52 as follows:

PART 52—APPROVAL AND PROMULGATION OF IMPLEMENTATION PLANS

■ 1. The authority citation for part 52 continues to read as follows:

Authority: 42 U.S.C. 7401 *et seq.*

Subpart G—Colorado

■ 2. In § 52.320, the table in paragraph (c) is amended by:

■ a. Under the heading “5 CCR 1001–01, Procedural Rules” revising the entry “State Implementation Plan”; and

■ b. Under the heading “5 CCR 1001–02, Common Provisions Regulation” revising the entry “I. Definitions, Statement of Intent, and General Provisions Applicable to all Emission Control Regulations adopted by the Colorado Air Quality Control Commission”.

The revisions read as follows:

§ 52.320 Identification of plan.

* * * * *

(c) * * *

Title	State effective date	EPA effective date	Final rule citation/date	Comments
5 CCR 1001–01, Procedural Rules				
State Implementation Plan	9/14/2021	2/2/2026	90 FR [insert Federal Register page where the document begins], 1/2/2026.	Includes revised numbering format and grammatical change.
5 CCR 1001–02, Common Provisions Regulation				
I. Definitions, Statement of Intent, and General Provisions Applicable to all Emission Control Regulations adopted by the Colorado Air Quality Control Commission.	12/15/2021	2/2/2026	90 FR [insert Federal Register page where the document begins], 1/2/2026.	Revisions were made to I.A., replaces the word “section” with “§”, and updates how copies of materials incorporated by reference may be obtained. Except I.G. Definitions, “Construction” and “Day”
*	*	*	*	*

* * * * *

[FR Doc. 2025–24141 Filed 12–31–25; 8:45 am]

BILLING CODE 6560–50–P

ENVIRONMENTAL PROTECTION AGENCY

40 CFR Part 52

[EPA–R05–OAR–2024–0215; FRL–12351–02–R5]

Air Plan Approval; Michigan and Minnesota; Revision to Taconite Federal Implementation Plan

AGENCY: Environmental Protection Agency (EPA).

ACTION: Final rule.

SUMMARY: The Environmental Protection Agency (EPA) is finalizing nitrogen oxide (NO_x) and/or sulfur dioxide (SO₂) limits for the indurating furnaces at five taconite facilities in accordance with the procedures set forth in the Federal Implementation Plan (FIP) addressing the requirement for best available retrofit technology (BART) at taconite facilities. EPA is also modifying the Upper Predictive Limit (UPL) equations used to establish NO_x and SO₂ emission limits under the FIP. Finally, the EPA is revising reporting provisions to require reports be submitted to the EPA electronically. The EPA is finalizing these actions pursuant to Clean Air Act (CAA) sections 110 and 169A.

DATES: This final rule is effective on February 2, 2026.

ADDRESSES: The EPA has established a docket for this action under Docket ID No. EPA–R05–OAR–2024–0215. All documents in the docket are listed on the <https://www.regulations.gov> website. Although listed in the index, some information is not publicly available, *i.e.*, Confidential Business Information (CBI), Proprietary Business Information (PBI), or other information the disclosure of which is restricted by statute. Certain other material, such as copyrighted material, is not placed on the internet and will be publicly available only in hard copy form. Publicly available docket materials are available either through <https://www.regulations.gov> or at the EPA, Region 5, Air and Radiation Division, 77 West Jackson Boulevard, Chicago,

Illinois 60604. This facility is open from 8:30 a.m. to 4:30 p.m., Monday through Friday, excluding Federal holidays. The EPA recommends that you telephone Kathleen D'Agostino, at (312) 886-1767 before visiting the Region 5 office.

FOR FURTHER INFORMATION CONTACT: For information about this final rule, contact Kathleen D'Agostino, Air and Radiation Division (AR18J), Environmental Protection Agency, Region 5, 77 West Jackson Boulevard, Chicago, Illinois 60604; telephone number (312) 886-1767; email address dagostino.kathleen@epa.gov.

SUPPLEMENTARY INFORMATION: Preamble acronyms and abbreviations.

Throughout this preamble the use of “we,” “us,” or “our” is intended to refer to the EPA. We use multiple acronyms and terms in this preamble. While this list may not be exhaustive, to ease the reading of this preamble and for reference purposes, the EPA defines the following terms and acronyms here:

BART best available retrofit technology
 CAA Clean Air Act
 CBI Confidential Business Information
 CEMS continuous emissions monitoring system
 “Cliffs” Cleveland-Cliffs, Inc., formerly known as Cliffs Natural Resources
 “Cliffs facilities” Tilden, Hibbing, Minorca, Northshore, and United Taconite
 “Conservation Groups” the National Parks Conservation Association, Coalition to Protect America’s National Parks, Minnesota Center for Environmental Advocacy, and Sierra Club, collectively
 EPA Environmental Protection Agency
 FIP Federal Implementation Plan
 “Hibbing” Hibbing Taconite Company
 “Minorca” Minorca Mine
 NESHAPs National Emission Standards for Hazardous Air Pollutants
 “Northshore” Northshore Mining Company—Silver Bay
 NO_x nitrogen oxide
 NSPS New Source Performance Standards
 “Original 2013 FIP” FIP promulgated on February 6, 2013 (78 FR 8706)
 PBI Proprietary Business Information
 PRA Paperwork Reduction Act
 RFA Regulatory Flexibility Act
 RHR Regional Haze Rule rule promulgated on July 1, 1999 (64 FR 35714), codified at 40 CFR part 51, subpart P.
 SO₂ sulfur dioxide
 “Tilden” Tilden Mining Company
 UMRA Unfunded Mandates Reform Act
 UPL Upper Predictive Limit
 “U.S. Steel” United States Steel
 UTAC United Taconite

Organization of this document. The information presented in this preamble is organized as follows:

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I. Background

On February 6, 2013 (78 FR 8706), the EPA promulgated a FIP that included BART limits for certain taconite furnaces in Minnesota and Michigan (the “Original 2013 FIP”). On April 16, 2016 (81 FR 21672), in response to petitions for reconsideration and due to new information submitted to the EPA after promulgation of the Original 2013 FIP, the EPA revised the Original 2013 FIP (the “2016 Revised FIP”). The 2016 Revised FIP revised emission limits for certain facilities and established a process to confirm or modify those emission limits using continuous emissions monitoring system (CEMS) data that were to be collected after the installation of the selected low-NO_x technology. Under the 2016 Revised FIP, NO_x emission limits do not become enforceable until the EPA confirms or modifies the emission limits in accordance with set procedures.

On December 4, 2024 (89 FR 96152), the EPA proposed to modify the UPL equations used to establish NO_x and SO₂ emission limits and to finalize NO_x and/or SO₂ limits for the indurating furnaces at five taconite facilities in accordance with the procedures set forth in the Original 2013 FIP and 2016 Revised FIP (the “2024 Proposed Rule”). These facilities include Tilden Mining Company (“Tilden”), located at 101 Cci Mine Road, Ishpeming, Michigan; Hibbing Taconite Company (“Hibbing”), located at 4950 Highway 5 North, Hibbing, Minnesota; Minorca Mine (“Minorca”), located at 5950 Old Highway 53, Virginia, Minnesota; Northshore Mining Company—Silver Bay (“Northshore”), located at 10 Outer Drive, Silver Bay, Minnesota, and United Taconite (“UTAC”), located at 8470 Townline Road, Forbes, Minnesota. Tilden, Minorca, Northshore, and UTAC are owned by Cleveland-Cliffs, Inc. (“Cliffs”), formerly known as Cliffs Natural Resources, and Hibbing is jointly owned by Cliffs and United States Steel (“U.S. Steel”). The primary units identified as being subject to BART at Tilden, Hibbing, Minorca, UTAC, and Northshore include the following pelletizing (indurating) furnaces: Tilden Grate Kiln Line 1, Hibbing Straight-Grate Lines 1–3, Minorca Straight-Grate Line 1, UTAC Grate Kiln Lines 1 and 2, and Northshore Straight-Grate Furnaces 11 and 12.¹

Specifically, the EPA proposed to establish the following NO_x limits, with compliance to be determined on a

rolling 30-day average: 3.0 pounds (lbs) NO_x per million British Thermal Unit (MMBtu) for all fuels for Tilden Line 1; a crossline average limit of 1.5 lb NO_x/MMBtu for Hibbing Lines 1, 2, and 3; a crossline average emission limit of 3.0 lbs NO_x/MMBtu for all fuels for UTAC Lines 1 and 2; and 1.6 lbs NO_x/MMBtu for Minorca’s indurating furnace. The EPA proposed to establish the following SO₂ limits, with compliance to be determined on a rolling 30-day average: 189 pounds of SO₂ per hour (lbs/hr) for all fuels for Tilden Line 1; an aggregate emission limit of 247.8 lbs SO₂/hr for Hibbing Lines 1, 2, and 3; 68.2 lbs SO₂/hr for Minorca’s indurating furnace; and an aggregate limit of 17.0 lbs SO₂/hr for Northshore Furnaces 11 and 12. The EPA also proposed to revise the reporting requirements to require reports be submitted to the EPA electronically. An explanation of the CAA requirements, a detailed analysis of how these requirements apply to the taconite facilities, and the EPA’s reasons for proposing the modified equations and revised limits were provided in the notice of proposed rulemaking and will not be restated here.

II. Public Comments

The EPA held a virtual public hearing on December 9, 2024. The EPA received no verbal or written comments at the virtual public hearing. The comment period on the proposed action described above closed on January 21, 2025. The EPA received one comment letter from the National Parks Conservation Association, Coalition to Protect America’s National Parks, Minnesota Center for Environmental Advocacy, and Sierra Club (collectively, the “Conservation Groups”). The Conservation Groups’ comments are summarized and addressed below.

1. *Comment:* The Conservation Groups stated that Minnesota’s six taconite mining facilities and the one in Michigan are significant sources of haze-forming pollution; however, the EPA proposed to approve the facilities’ data without conducting the BART analyses required under the CAA and Regional Haze Rule (RHR).² The Conservation Groups alleged that the EPA improperly focuses only on the CEMS data provided by the facilities. As a result, the Conservation Groups claim that the EPA’s proposed FIP Revision is arbitrary and capricious, in violation of the CAA and the RHR.

Response: The EPA disagrees that the Agency proposed emission limits for

¹ Fuel sulfur content BART limits were also set for two process boilers and a line dryer at Tilden. Those limits are not impacted by this action.

² The RHR was published in the **Federal Register** July 1, 1999 (64 FR 35714), codified at 40 CFR part 51, subpart P.

Tilden, Hibbing, Minorca, Northshore, and United Taconite (the “Cliffs facilities”) without conducting the required BART analysis for each facility. Under the RHR, each State (or in the case of a FIP, the EPA), is directed to conduct BART determinations for such “BART-eligible” sources that may reasonably be anticipated to cause or contribute to any visibility impairment in a Class I area.³ On July 6, 2005, 70 FR 39104, the EPA published the Guidelines for BART Determinations Under the RHR at appendix Y to 40 CFR part 51 (the “BART Guidelines”) to assist States and the EPA in determining which sources should be subject to the BART requirements and in determining appropriate emission limits for each source subject to BART. The BART Guidelines are mandatory for power plants above 750 megawatts and are considered useful guidance for other types of sources. 70 FR 39104, 39108 (July 6, 2005).

In the August 15, 2012, (77 FR 49312–49313) Proposed FIP, the EPA conducted five-step BART analyses for the Cliffs facilities. The five-step analyses were conducted in accordance with the BART Guidelines. In the October 22, 2015, (80 FR 64160, 64166) Proposed FIP Revision, the EPA revised the five-step BART analyses for the Cliffs facilities in response to new information provided by the companies. In a final action on April 12, 2016 (81 FR 21672), (the “2016 Revised FIP”), the EPA determined that low-stoich, low-NO_x burners (LNBs) (for grate kilns) and LNBs that utilize a combination of water, steam injection, and pre-combustion technologies (for straight-grate kilns) are the appropriate NO_x reduction technology and constitute BART for these taconite furnaces. Because these technologies had not previously been used on taconite furnaces, the EPA set NO_x emission limits and set forth a process to confirm or modify those emission limits using CEMS data that were to be collected after the installation of the selected low-NO_x technology. Under the 2016 Revised FIP, the NO_x emission limits do not become enforceable until the EPA confirms or modifies the emission limits in accordance with procedures set forth in the 2016 Revised FIP.⁴ In the current action, the EPA is modifying the BART emission limits in accordance with the

procedures set forth in the 2016 Revised FIP.

Similarly, in the Original 2013 FIP, the EPA determined that existing controls reflected SO₂ BART for Hibbing, Minorca, and Northshore and established SO₂ emission limits for each furnace, with the option or requirement, depending on the facility, that the owner or operator submit one year of CEMS data to the EPA to set a revised SO₂ emission limit calculated using the appropriate UPL equation.⁵ The 2016 Revised FIP restricted the sulfur content of the coal burned at Tilden, set an SO₂ emission limit, and required Tilden to submit one year of CEMS data to the EPA to set a revised SO₂ emission limit calculated using the appropriate UPL equation.⁶ In this action, the EPA is revising SO₂ emission limits in accordance with the process set forth in the Original 2013 FIP and 2016 Revised FIP. Therefore, as demonstrated in the cited prior rulemakings, the EPA conducted the required BART analyses prior to revising the NO_x and SO₂ emission limits in this action.

2. *Comment:* The Conservation

Groups assert that it is unreasonable for the EPA to propose to relax the emission limits for NO_x and SO₂ from furnaces at the taconite mining facilities in Michigan and Minnesota.

Response: The EPA disagrees that the emission limits in this action are unreasonable. The RHR requires States (or in the case of a FIP, the EPA) to develop an implementation plan that sets emission limits based on the degree of reduction achievable through the application of the best system of continuous emission reduction.⁷ As discussed in the EPA’s response to Comment 1, with respect to NO_x, the EPA conducted five-factor BART analyses in the Original 2013 FIP and revised those BART analyses in the 2016 Revised FIP. Because the technologies identified in the BART analyses had not previously been used on taconite furnaces, the EPA set NO_x emission limits and established a process to either confirm or modify those emission limits within established ranges using CEMS data that were to be collected after the installation of the selected low-NO_x technology. The 2016 Revised FIP also allowed facilities to request for EPA approval a single NO_x limit for all fuels.⁸ The EPA is not

modifying the NO_x BART determinations in the 2016 Revised FIP. Rather, in accordance with both the 2016 Revised FIP and general BART requirements, the EPA is finalizing limits for these facilities that reflect the degree of reduction achievable utilizing the control technology identified in the 2016 Revised FIP BART determinations, consistent with the process set forth in the 2016 Revised FIP.

As discussed in the EPA’s response to Comment 1, with respect to SO₂, the Agency conducted five-factor BART analyses in the Original 2013 FIP and 2016 Revised FIP in which the Agency identified BART controls, established SO₂ emission limits, and provided a process for modifying those limits after the collection of CEMS data.⁹ In this action, the EPA is not attempting to modify those BART determinations; rather, the Agency is modifying SO₂ emission limits for these facilities to reflect the degree of reduction achievable utilizing the BART controls identified in accordance with the process set forth in the Original 2013 FIP and 2016 Revised FIP.

3. *Comment:* The Conservation

Groups assert that, although U.S. Steel’s Keetac mine emission limits appear in a second settlement agreement, the EPA’s proposal does not mention this information and does not propose to revise the Keetac mine emission limits in the proposed rulemaking.

Response: This action addresses NO_x and SO₂ emission limits only for the indurating furnaces at the Cliffs taconite pellet production facilities, not the mines. The EPA proposed a separate rule for the Keetac facility on April 24, 2025, at 90 FR 17233.

4. *Comment:* The Conservation

Groups assert that the EPA’s proposal references the facilities’ CEMS data, through which the taconite mining facilities claim they are unable to meet the EPA’s BART emission limits. The Conservation Groups further assert that even if the CAA or RHR could be interpreted to allow implementation of BART via such a short-circuited approach, the EPA cannot rely on only the CEMS data to ensure reasonable progress.

Response: The EPA disagrees with Conservation Groups’ contention that the EPA relied on CEMS data to ensure reasonable progress. In this action, the EPA is finalizing NO_x BART emission

³ “BART-eligible sources” are those sources that have the potential to emit 250 tons or more of a visibility-impairing air pollutant, were not in operation prior to August 7, 1962, were in existence on August 7, 1977, and whose operations fall within one or more of 26 specifically listed source categories. 40 CFR 51.301.

⁴ See e.g., 40 CFR 52.1235(b)(1)(ii)(1).

⁵ See 40 CFR 52.1235 (b)(2)(ii), (v), and (vi).

⁶ See 40 CFR 52.1183(k)(3).

⁷ See 40 CFR 51.301 “Best Available Retrofit Technology (BART).”

⁸ The 2016 Revised FIP allowed each respective facility to seek single NO_x limits for Tilden at 40 CFR 52.1183(k)(1)(viii), and for UTAC at 40 CFR

52.1235(b)(1)(iv)(A)(8), and 40 CFR

52.1235(b)(1)(iv)(B)(8).

⁹ The 2016 Revised FIP allowed each respective facility to seek single NO_x limits for Tilden at 40 CFR 52.1183(k)(1)(viii), and for UTAC at 40 CFR 52.1235(b)(1)(iv)(A)(8), and 40 CFR 52.1235(b)(1)(iv)(B)(8).

limitations for indurating furnaces at Tilden, Hibbing, UTAC, and Minorca and SO₂ BART emission limits for indurating furnaces at Tilden, Hibbing, Minorca, and Northshore in accordance with the procedures set forth in the Original 2013 FIP and 2016 Revised FIP. The EPA is not promulgating long-term strategies or establishing reasonable progress goals for Minnesota or Michigan. Both States submitted, and the EPA approved, regional haze State Implementation Plans (SIPs) for the first planning period.

As discussed in the EPA's responses to Comments 1 and 2, the Agency followed the BART process set forth in the RHR at 40 CFR part 51, subpart P and the BART Guidelines. As explained in other responses above, the EPA's five-factor SO₂ BART analyses for Hibbing, Minorca, and Northshore were set forth in the proposed Original 2013 FIP and the Agency's five-factor NO_x BART analyses for Tilden, Hibbing, UTAC, and Minorca and SO₂ BART analysis for Tilden were set forth in the proposed 2016 Revised FIP. The EPA's NO_x and SO₂ BART determinations were finalized in the Original 2013 FIP and 2016 Revised FIP. See response to Comment 1.

On June 12, 2012 (77 FR 34801), the EPA approved Minnesota's regional haze plan for the first implementation planning period as satisfying the applicable requirements in 40 CFR 51.308 except for BART emission limits for the taconite facilities. Among the regional haze plan elements approved were Minnesota's long-term strategy for making reasonable progress toward visibility goals. Minnesota's long-term strategy did not rely on the achievement of any particular degree of emission control from the taconite plants to achieve reasonable progress goals. Rather, Minnesota evaluated emission controls from other industrial sectors and facilities in the area to achieve progress goals.

On December 3, 2012 (77 FR 71533), the EPA approved Michigan's regional haze plan for the first implementation planning period as satisfying the applicable requirements in 40 CFR 51.308 except for BART emission limits for Tilden, St. Mary's Cement, and Escanaba Paper Company. Among the regional haze plan elements approved was Michigan's long-term strategy for making reasonable progress toward visibility goals. Michigan's long-term strategy did not rely on the achievement of any particular degree of emission control from the taconite plants to achieve reasonable progress goals. The EPA is currently reconsidering the RHR and may make changes to this

determination after the rulemaking, if appropriate.

5. *Comment:* The Conservation Groups assert that the EPA did not propose to require that the taconite sources optimize their emission control systems even though the EPA's Original 2013 FIP determined that the taconite sources should be able to meet control efficiencies substantially greater than seen in the CEMS reports. The Conservation Groups assert that the EPA has repeatedly found that optimization of emission controls is highly cost effective and thus the EPA must require that the taconite sources optimize the emission control systems and ensure that the FIP emission limits reflect the best system of continuous emission reduction achievable.

Response: The EPA disagrees that the Original 2013 FIP or the 2016 Revised FIP required that an affected source "optimize" NO_x reduction technology. The 2016 Revised FIP required facilities to submit an engineering report and modeling of the NO_x reduction control technology being installed, including process and control technology variables that impact NO_x emissions control technology performance and how these variables can be adjusted to reduce NO_x emissions. The limit confirmation and modification process set forth in the 2016 Revised FIP further specifies that only CEMS data that meet both pellet quality specifications and proper furnace burner operation parameters be used when calculating the final emission limit and may exclude data resulting from operations inconsistent with the reported design parameters of the NO_x reduction control technology installed. When calculating the emission limits, the EPA only used data resulting from operations consistent with the design parameters of the NO_x reduction control technology specified in each respective engineering report.

6. *Comment:* The Conservation Groups assert that the EPA lacks authority to set an alternative BART average emission limit at Hibbing Lines 1, 2 and 3 that is less stringent than controlling BART at each of the individual units. According to the Conservation Groups, the EPA calculated the individual BART emission limits for the three Hibbing Lines as follows: 1.5 lbs NO_x/MMBtu for Line 1; 1.4 lbs NO_x/MMBtu for Line 2; and 1.5 lbs NO_x/MMBtu for Line 3. The EPA's BART Guidelines allow a source "to 'average' emissions across any set of BART-eligible emission units within a fenceline, so long as the emission reductions from each pollutant being controlled for BART would be

equal to those reductions that would be obtained by simply controlling each of the BART-eligible units that constitute [a] BART-eligible source." The EPA's 2024 Proposed Rule explains that the Agency averaged the single line limits described above and calculated a crossline 720-hour average emission limit of 1.5 lbs NO_x/MMBtu. However, the Conservation Groups assert that the result of an average of those three values (1.4, 1.5 and 1.5) is 1.46. Thus, the Conservation Groups assert that the EPA must not use a value of 1.5 because that would not be equal to reductions controlled at Line 2.

Response: The EPA disagrees with the Conservation Groups' assertion that the Agency does not have the authority to set alternative average emission limits as calculated. As the Conservation Groups point out, the BART Guidelines allow "sources to 'average' emissions across any set of BART-eligible emission units within a fenceline, so long as the emission reductions from each pollutant being controlled for BART would be equal to those reductions that would be obtained by simply controlling each of the BART-eligible units that constitute [a] BART-eligible source." Hibbing operates three identical furnaces (Line 1, Line 2, and Line 3) and installed the same burner design on each furnace. Therefore, emission reductions are equal to the reductions that would be obtained by controlling each BART-eligible unit. The difference in individual NO_x limits is due to variations in CEMS data across the three units during the data collection period.¹⁰ EPA regulations such as New Source Performance Standards (NSPS) and National Emission Standards for Hazardous Air Pollutants (NESHAPs) generally establish emissions limits at two significant figures. In addition, the BART Guidelines contain presumptive NO_x and SO₂ emissions limits for certain types of utility boilers, all set at two significant figures. For Hibbing, the EPA averaged emissions across the three lines and calculated a crossline average emission limit of 1.5 lbs NO_x/MMBtu. While the average of 1.5, 1.4, and 1.5 is 1.46 lbs NO_x/MMBtu, all NO_x emission limits for the taconite furnaces have been set at two significant figures and 1.46 rounds to 1.5.

7. *Comment:* The Conservation Groups assert that the EPA did not include full BART analyses for the taconite sources. The Conservation Groups further assert that the EPA did not evaluate the BART factors here to

¹⁰ See Hibbing Emission Limit Calculations, available in the docket for this action.

ensure that the proposed emission limitation revisions satisfy those factors.

Response: The EPA disagrees with this comment. *See* response to Comment 1.

8. *Comment:* To conduct compliant BART analyses for the taconite sources subject to BART, the Conservation Groups assert that the EPA should have considered the available control train that the Conservation Groups discuss in their 2024 Minnesota Comments, which likely would result in lower emissions limits than included in the 2016 Revised FIP.¹¹ The Conservation Groups assert that the EPA has never codified that BART is determined at one time. To the extent that the EPA believes that the Agency's prior BART determinations for the taconite sources still serve as valid BART determinations when revised by new data, the Conservation Groups assert that the EPA did not articulate any such rationale. CAA section 169A(b)(2) makes clear that BART is a mandatory part of "each applicable implementation plan" and expressly requires that States (or, in the case of a FIP, the Administrator) "includ[e]" BART for "each" eligible source.

Response: The EPA disagrees that this action requires new BART analyses. As the Conservation Groups note, CAA section 169A(b)(2)(A) requires "each applicable implementation plan" to include requirements to install and operate BART. While the CAA does not define the applicable implementation plans, the RHR does. Under the RHR at 40 CFR 51.308(d), "States were required to submit SIPs addressing regional haze visibility impairment in 2007, which covered what we refer to as the first implementation period (2008–2018)." 82 FR 3078, 3082 (January 10, 2017) (the "2017 RHR"). For subsequent implementation periods, "[e]ach State identified in § 51.300(b) must revise and submit its regional haze implementation plan revision to EPA by July 31, 2021, July 31, 2028, and every 10 years thereafter." 40 CFR 51.308(f).

In the 2017 RHR, the EPA noted "States were required to undertake the BART determination process during the first implementation period. The BART requirement was a one-time requirement. . . ." 82 FR 3078, 3083 (January 10, 2017).¹² Therefore, while

CAA section 169A(b)(2)(A) requires "each applicable implementation plan" to include requirements to go through the BART determination process, the RHR establishes the various implementation plans under 40 CFR 51.308(b) and (f) and only requires undergoing the BART determination process in the first implementation plan under 40 CFR 51.308(e). Regardless, the EPA agrees that BART was an explicit first implementation period requirement and, as part of the first implementation period, the EPA's BART determinations were finalized in the Original 2013 FIP and 2016 Revised FIP. Therefore, there is no requirement to re-evaluate BART controls for the taconite sources. However, under the 2016 Revised FIP, the NO_x emission limits do not become enforceable until the EPA confirms or modifies the emission limits in accordance with procedures set forth in the 2016 Revised FIP. Therefore, in the current action, the EPA is modifying the BART emission limits in accordance with the BART determinations and procedures set forth in the Original 2013 FIP and 2016 Revised FIP. *See* response to Comment 1.

9. *Comment:* The Conservation Groups assert that nothing in the CAA or RHR supports exempting the taconite sources from BART analyses based on litigation and settlement negotiations. The Conservation Groups contend that it is inappropriate for the EPA to rely on settlement discussions between the EPA and the taconite facilities to avoid meeting the CAA and RHR requirements for these facilities. Sierra Club submitted comments on the proposed consent decree, to which the Conservation Groups assert that the EPA has not yet responded.

Response: The EPA disagrees that the Agency is relying on the settlement agreement to meet statutory obligations and disagrees that the Agency is exempting the sources from BART analyses. As explained in other responses above, the EPA's SO₂ BART analyses for Hibbing, Minorca, and Northshore were set forth in the proposed Original 2013 FIP and the EPA's NO_x BART analyses for Tilden, Hibbing, UTAC, and Minorca and SO₂

uncontrolled, older stationary sources in order to address visibility impacts from these sources. States were required to conduct five-factor BART determinations for 'BART-eligible' sources that are anticipated to cause or contribute to any visibility impairment in a Class I area. As an alternative to requiring source-specific BART controls, states have the flexibility to adopt an emissions trading program or other alternative program as long as the alternative provides greater reasonable progress towards improving visibility than BART and meets certain other requirements set out in 40 CFR 51.308(e)(2)."

BART analysis for Tilden were set forth in the proposed 2016 Revised FIP. The EPA's BART determinations were finalized in the Original 2013 FIP and 2016 Revised FIP. The EPA entered into a settlement agreement with Cliffs on September 12, 2024, which detailed the results of the EPA's emission limit calculations that were performed using CEMS data in accordance with the procedures set forth in the Original 2013 FIP and 2016 Revised FIP.¹³ While BART-eligible sources may be reassessed and subject to additional control technologies in future implementation periods, States (or the EPA when issuing a FIP) are not obligated to reopen their BART determinations to consider additional data or control technologies after the determination has been made. *See also* response to Comment 1.

Regarding Sierra Club's comments on the proposed settlement agreement, under CAA section 113(g) the EPA is not obligated to respond to comments on settlement agreements, only to consider such comments: "The Administrator or the Attorney General, as appropriate, shall promptly consider any such written comments and may withdraw or withhold his consent to the proposed order or agreement if the comments disclose facts or considerations which indicate that such consent is inappropriate, improper, inadequate, or inconsistent with the requirements of this chapter." ¹⁴ The EPA considered Sierra Club's comments and concluded it was appropriate to finalize the settlement.

10. *Comment:* The Conservation Groups assert that the EPA withholds emission data from the public, thwarting meaningful public participation. The Conservation Groups further assert that Federal law requires that hourly CEMS emissions data submitted by UTAC must be made available to the public because the data is necessary to determine the amount of emissions emitted by the source. Furthermore, the Conservation Groups assert that the EPA does not provide enough descriptive information about the "process information" that UTAC also claimed as CBI to determine whether it is entitled to confidential treatment. Therefore, the Conservation Groups assert that the EPA must also conduct a CBI determination of those claims and fully describe the Agency's analysis for the public because the Agency's disclosures are necessary for

¹¹ *See* Docket EPA–R05–OAR–2022–0974.

¹² *See also*, August 2019 *Guidance on Regional Haze State Implementation Plans for the Second Implementation Period*, at A–3, https://www.epa.gov/sites/default/files/2019-08/documents/8-20-2019_-_regional_haze_guidance_final_guidance.pdf. "BART. As a one-time requirement during the first implementation period, 40 CFR 51.308(e) directed states to evaluate potential BART controls at certain larger, often

¹³ Settlement Agreement between Cleveland-Cliffs, Inc., Cleveland-Cliffs Steel, LLC, and U.S. EPA, Sep. 12, 2024.

¹⁴ *See* 42 U.S.C. 7413(g).

the public to meaningfully review and comment on the proposed emission limitations for the UTAC source.

Response: The EPA disagrees that that the Agency withheld UTAC emission data from the public. The EPA provided all hourly emission data submitted by UTAC covering the periods from December 12, 2018, to February 24, 2019, and from January 25, 2022, to March 26, 2023, including NO_x emission data in lbs/MMBtu and NO_x emissions in lbs/MMBtu over a 720-hour average. The EPA also provided the Agency's calculation file that details the Agency's analysis of UTAC's emission data. These files are available in the docket for this action.¹⁵ UTAC claimed as CBI the specific hourly fuel mix and the percent stoich. The data claimed as CBI are not necessary to "determine the amount of emissions emitted by the source" and the EPA is obligated to treat this information as confidential in accordance with the procedures set forth in 40 CFR part 2, subpart B.

11. *Comment:* The Conservation Groups assert that the EPA's rationale for the relaxation of the emission limits and failure to require additional measures by the taconite sources, failure to conduct new BART analyses, and reliance on the flawed and outdated prior BART analyses are not reasonably moored to the requirements of the CAA. Rather than reducing pollution, the Conservation Groups assert that the proposed changes will allow the taconite facilities to emit more haze-forming pollution in the future.

Response: The EPA disagrees that this action is inconsistent with the requirements of the CAA. As discussed in the response to Comment 8, BART is a one-time requirement of the first planning period, per the CAA. The EPA's BART analyses were set forth in the proposed Original 2013 FIP and proposed 2016 Revised FIP. The EPA's BART determinations were finalized in the Original 2013 FIP and 2016 Revised FIP. *See* response to Comment 1. The emission limits set forth in the 2024 Proposed Rule reflect the degree of reduction achievable utilizing the control technology identified in the Original 2013 FIP and the 2016 Revised

FIP BART determinations and are being set in conformance with the processes set forth in both the Original 2013 FIP and 2016 Revised FIP.

12. *Comment:* The Conservation Groups assert that the 2024 Proposed Rule fails to include the details necessary for practical enforceability. Specifically, the Conservation Groups assert that the EPA's 2024 Proposed Rule fails to explain how the proposed revised regulations identified for inclusion in the FIP comply with the monitoring, recordkeeping, and reporting requirements of the CAA and provide adequate reporting for citizen enforcement.

Response: The EPA disagrees that the 2024 Proposed rule had insufficient detail to ensure enforceability. The regional haze regulations codified in the Minnesota SIP at 40 CFR 52.1235(c), (d), and (e) and the Michigan SIP at 40 CFR 52.1183(l), (m), and (n) contain applicable monitoring, recordkeeping, and reporting requirements, including semiannual compliance reports and quarterly excess emission reports, and require that affected facilities submit such data to the EPA. These data are publicly available through the Freedom of Information Act (FOIA) process.

13. *Comment:* The Conservation Groups assert that CAA section 110(a)(2)(F)(iii), 42 U.S.C. 7410(a)(2)(F)(iii), and 40 CFR 51.211(a) require FIPs to provide for periodic reporting "on the nature and amount of emissions" from stationary sources. The Conservation Groups further assert that the EPA's proposal and associated regulations do not explain how the EPA will make the reported compliance information available to the public and that the EPA's final FIP action must provide this information.

Response: The EPA agrees that the reported compliance information should be available to the public. The Air Emissions Reporting Rule (AERR) at 40 CFR part 52 subpart A requires States to inventory emission sources, including stationary sources, and report this information to the EPA. The EPA makes these data publicly accessible on the Agency's website at www.epa.gov/air-emissions-inventories, which hosts the National Emissions Inventory and provides information on the AERR program. In addition, as stated in the response to Comment 12, the regional haze regulations codified in the Minnesota SIP at 40 CFR 52.1235(e) and the Michigan SIP at 40 CFR 52.1183(n) contain applicable reporting requirements, including semiannual compliance reports and quarterly excess emission reports, and require that affected facilities submit such data to

the EPA. These data are publicly available through the FOIA process.

14. *Comment:* The Conservation Groups assert that under the FIP, certain future compliance plans and alternative monitoring procedures would be developed outside of the EPA's FIP public notice and comment process and the public will not have an opportunity to review and comment via the FIP rulemaking process. The Conservation Groups further assert that the EPA must revise the Agency's proposed regulations to provide for public notice and comment on the plans and alternative monitoring procedures.

The Conservation Groups assert that several provisions in the EPA's proposed FIP regulations allow for the development of future plans and alternative approaches to compliance:

- Sampling and calculation methodology for determining the sulfur content of coal are determined via a plan, which is not part of the FIP (Tilden Grate Kiln Line 1 (40 CFR 52.1183(k)(3)).

- Data substitution and CEMS supplementation calculated via a site-specific monitoring plan, which is not part of the FIP (40 CFR 51.1183(l)(4)(xii)).

- Provisions that allow for the "owner or operator" to "submit to EPA for approval an alternative monitoring procedure request" (40 CFR 52.1235(b)(2)(vi)(D)).

Response: The Conservation Groups state that the EPA must provide for public notice and comment on "future compliance plans and alternative monitoring procedures." This appears to reference the site-specific monitoring procedures promulgated in the Original 2013 FIP, codified at 40 CFR 52.1183(n)(8) and 52.1235(e)(8). These provisions set forth the requirement that sources "submit for review and approval by the Regional Administrator a site-specific monitoring plan" and specify the minimum information to be included at 40 CFR 52.1183(n)(8)(i) through (x) and 52.1235(e)(8)(i) through (x). During the public comment period for the Original 2013 FIP, the EPA took comment on the procedures and provisions of the site-specific monitoring plans. In this action, the EPA is not revising the procedures set forth in the Original 2013 FIP for sources to submit to the EPA for review and approval site-specific monitoring plans. This action clarifies when certain information required to be in the site-specific monitoring plans may be used to supplement CEMS data during periods of startup, shutdown, and malfunction (SSM) or to develop an alternative monitoring procedure under

¹⁵ See Attachment to April, 11, 2023, email from McWilliams—UTAC L1 L2 NO_x CEMS data-filtering out values outside of engineering specifications.pdf, Attachment to April 11, 2023, email from McWilliams—UTAC L1 L2 NO_x CEMS Raw Data 1–25–22 to 3–26–23.pdf, Attachment to April, 11, 2023, email from McWilliams—UTAC Line 1 co-fire NO_x data 2–12–18 to 2–25–19.pdf, Attachment to April, 11, 2023, email from McWilliams—UTAC Line 2 co-fire NO_x data 11–14–22 to 3–5–23.pdf, and United Taconite Emission Limit Calculations.xlsx, available in the docket.

certain conditions. Therefore, comments on the procedures set forth in the Original 2013 FIP are outside the scope of this action.

15. *Comment:* The Conservation Groups assert that the proposed regulatory text omits monitoring requirements for Process Boilers #1 and #2 at Northshore. The Conservation Groups further assert that the EPA must require CEMS to be installed on these units and apply the same maintenance, reporting, and recordkeeping requirements to them as are applied to the other CEMS because those provisions are necessary to ensure the emission limits at the process boilers—which apply during periods of SSM—are enforceable.

Response: The EPA disagrees that regulatory text regarding monitoring requirements for Process Boiler #1 and #2 are necessary for this action. The provisions related to these boilers were promulgated in the Original 2013 FIP and are not being revised by this action, except to reflect the compliance date of October 10, 2021. The EPA solicited comment on the Original 2013 FIP and new comments on these provisions are outside the scope of this action.

16. *Comment:* The Conservation Groups assert that, contrary to the CAA's requirement that emission limits apply at all times, the EPA's proposed FIP regulations do not specify this requirement for all of the taconite sources. The Conservation Groups further assert that the only taconite source with such a provision is Northshore (40 CFR. 52.1235(b)(vi)). Therefore, the Conservation Groups assert that the EPA's final regulations must specify that the emission limits apply at all times for all units, including SSM periods.

Response: The EPA disagrees with the Conservation Groups' assertion that the FIP should be modified to specify that emission limits apply at all times. The FIP already clearly requires that the emission limits apply at all times and this action does not impact that provision. The Original 2013 FIP, codified at 40 CFR 52.1235(e)(7)(x)(A) and 40 CFR 52.1183(n)(7)(x)(A), clearly states “[f]or purposes of this section, an excess emission is defined as any 30-day or 720-hour rolling average period, including periods of startup, shutdown, and malfunction, [emphasis added], during which the 30-day or 720-hour (as appropriate) rolling average emissions of either regulated pollutant (SO₂ and NO_x), as measured by a CEMS, exceeds the applicable emission standards in this section.”

III. What action is the EPA taking?

The EPA is modifying the UPL equations used to establish NO_x and SO₂ emission limits and finalizing NO_x and/or SO₂ emission limits for the indurating furnaces at five taconite facilities in accordance with the procedure set forth in the Original 2013 FIP and 2016 Revised FIP. Specifically, the EPA is establishing the following NO_x limits, with compliance to be determined on a rolling 30-day average: 3.0 lbs NO_x/MMBtu for all fuels for Tilden Line 1; a crossline average limit of 1.5 lb NO_x/MMBtu for Hibbing Lines 1, 2, and 3; a crossline average emission limit of 3.0 lbs NO_x/MMBtu for all fuels for UTAC Lines 1 and 2; and 1.6 lbs NO_x/MMBtu for Minorca's indurating furnace. The EPA is establishing the following SO₂ limits, with compliance to be determined on a rolling 30-day average: 189 lbs SO₂/hr for all fuels for Tilden Line 1; an aggregate emission limit of 247.8 lbs SO₂/hr for Hibbing Lines 1, 2, and 3; 68.2 lbs SO₂/hr for Minorca's indurating furnace; and an aggregate limit of 17.0 lbs SO₂/hr for Northshore Furnaces 11 and 12. The EPA is also revising reporting provisions to require reports to be submitted to the Agency electronically. The EPA is currently reconsidering the RHR and may make changes to this determination after the rulemaking, if appropriate.

IV. Statutory and Executive Order Reviews

A. Executive Order 12866: Regulatory Planning and Review and Executive Order 13563: Improving Regulation and Regulatory Review 13563

This action is exempt from review by the Office of Management and Budget (OMB) because it is a rule of particular applicability and will only apply to five taconite facilities—Tilden in Michigan and Hibbing, Minorca, Northshore, and UTAC in Minnesota.

B. Executive Order 14192: Unleashing Prosperity Through Deregulation

This action is not subject to Executive Order 14192 because actions that are rules of particular applicability are exempt from review under Executive Order 12866. This action will specifically regulate five taconite facilities—Tilden in Michigan and Hibbing, Minorca, Northshore, and UTAC in Minnesota.

C. Paperwork Reduction Act (PRA)

This rule does not impose an information collection burden under the provisions of the PRA.

D. Regulatory Flexibility Act (RFA)

I certify that this action will not have a significant economic impact on a substantial number of small entities under the RFA (5 U.S.C. 601 *et seq.*). This action will not impose any requirements on small entities. This action will establish emission limits for five taconite sources. None of these sources are owned by small entities and therefore are not small entities.

E. Unfunded Mandates Reform Act (UMRA)

This action does not contain any unfunded mandate as described in UMRA, 2 U.S.C. 1531–1538, and does not significantly or uniquely affect small governments. The action imposes no enforceable duty on any State, local, or Tribal governments or the private sector.

F. Executive Order 13132: Federalism

This action does not have federalism implications. It will not have substantial direct effects on the States, on the relationship between the national government and the States, or on the distribution of power and responsibilities among the various levels of government.

G. Executive Order 13175: Consultation and Coordination With Indian Tribal Governments

This rule does not have Tribal implications as specified in Executive Order 13175. It will not have substantial direct effects on Tribal governments. Thus, Executive Order 13175 does not apply to this rule. However, the EPA did discuss this action in conference calls with the Michigan and Minnesota Tribes.

H. Executive Order 13045: Protection of Children From Environmental Health and Safety Risks

This action is not subject to Executive Order 13045 because it is not 3(f)(1) significant as defined in Executive Order 12866.

I. Executive Order 13211: Actions That Significantly Affect Energy Supply, Distribution, or Use

This action is not subject to Executive Order 13211 because it is not a significant regulatory action under Executive Order 12866.

J. National Technology Transfer Advancement Act

This rulemaking does not involve technical standards.

K. Congressional Review Act

This rule is exempt from the Congressional Review Act because it is

a rule of particular applicability. This action will specifically regulate five taconite facilities—Tilden in Michigan and Hibbing, Minorca, Northshore, and UTAC in Minnesota.

L. Judicial Review

Under section 307(b)(1) of the CAA, petitions for judicial review of this action must be filed in the United States Court of Appeals for the appropriate circuit by March 3, 2026. Filing a petition for reconsideration by the Administrator of this final rule does not affect the finality of this rule for the purposes of judicial review or extend the time within which a petition for judicial review may be filed and shall not postpone the effectiveness of such rule or action. This action may not be challenged later in proceedings to enforce its requirements. See section 307(b)(2).

List of Subjects in 40 CFR Part 52

Environmental protection, Air pollution control, Incorporation by reference, Intergovernmental relations, Nitrogen oxides, Regional haze, Reporting and recordkeeping requirements, and Sulfur oxides.

Lee Zeldin,

Administrator.

For the reasons stated in the preamble, title 40 CFR part 52 is amended as follows:

PART 52—APPROVAL AND PROMULGATION OF IMPLEMENTATION PLANS

■ 1. The authority citation for part 52 continues to read as follows:

Authority: 42 U.S.C. 7401 et seq.

■ 2. Section 52.1183 is amended by:

■ a. Revising paragraphs (k)(1), (3), (4) and (5);

■ b. Revising paragraphs (l)(3), (4)(v) and (xii);

■ c. Revising paragraphs (n)(1) and (2) introductory text; and

■ d. Removing and reserving paragraph (p).

The revisions read as follows:

§ 52.1183 Visibility protection.

* * * * *

(k) Tilden Mining Company, or any subsequent owner/operator of the Tilden Mining Company facility in Ishpeming, Michigan, shall meet the following requirements:

(1) *NO_x Emission Limits.* (i) An emission limit of 3.0 lbs NO_x/MMBTU, based on a 30-day rolling average, shall apply to Tilden Grate Kiln Line 1 (EUKILN1) beginning February 2, 2026.

(ii) Compliance with this emission limit shall be demonstrated with data collected by a continuous emissions monitoring system (CEMS) for NO_x.

* * * * *

(3) The owner or operator of the Tilden Grate Kiln Line 1 (EUKILN1) furnace shall meet an emission limit of 189.0 lbs SO₂/hr, based on a 30-day rolling average, beginning on February 2, 2026. Compliance with this emission limit shall be demonstrated with data collected by a continuous emissions monitoring system (CEMS) for SO₂. Beginning November 12, 2016, any coal burned on Tilden Grate Kiln Line 1 shall have no more than 0.60 percent sulfur by weight based on a monthly block average. The sampling and calculation methodology for determining the sulfur content of coal must be described in the monitoring plan required for this furnace.

(4) Emissions resulting from the combustion of fuel oil are not included in the calculation of the 30-day rolling average. However, if any fuel oil is burned after the first day that SO₂ CEMS are required to be operational, then the information specified in (k)(5) must be submitted, for each calendar year, to the Regional Administrator at *R5ARDReporting@epa.gov* no later than 30 days after the end of each calendar year so that a limit can be set.

(5) Records shall be kept for any day during which fuel oil is burned as fuel (either alone or blended with other fuels) in Grate Kiln Line 1. These records must include, at a minimum, the gallons of fuel oil burned per hour, the sulfur content of the fuel oil, and the SO₂ emissions in pounds per hour. If any fuel oil is burned after the first day that SO₂ CEMS are required to be operational, then the records must be submitted, for each calendar year, to the Regional Administrator at *R5ARDReporting@epa.gov* no later than 30 days after the end of each calendar year.

(l) * * *

(3) The owner or operator shall install, certify, calibrate, maintain, and operate one or more continuous diluent monitor(s) (O₂ or CO₂) and continuous stack gas flow rate monitor(s) on Tilden Grate Kiln Line 1 to allow conversion of the NO_x and SO₂ concentrations to units of the standard (lbs/MMBTU and lbs/hr, respectively) unless a demonstration is made that a diluent monitor and/or continuous flow rate monitor are not needed for the owner or operator to demonstrate compliance with applicable emission limits in units of the standard.

(4) * * *

(v) The owner or operator of each CEMS must furnish the Regional Administrator a written report of the results of each quarterly performance evaluation and a data accuracy assessment pursuant to 40 CFR part 60 appendix F within 60 days after the calendar quarter in which the performance evaluation was completed. These reports shall be submitted to the Regional Administrator at *R5AirEnforcement@epa.gov*.

* * * * *

(xii) Data substitution must not be used for purposes of determining compliance under this regulation. If CEMS data is measuring only a portion of the NO_x or SO₂ emitted during startup, shutdown, or malfunction conditions, the CEMS data may be supplemented, but not modified, by the addition of calculated emission rates using procedures set forth in the site specific monitoring plan.

* * * * *

(n) *Reporting requirements.* (1) Unless instructed otherwise, all requests, reports, submittals, notifications, and other communications required by this section shall be submitted to the Regional Administrator at *R5AirEnforcement@epa.gov*. References in this section to the Regional Administrator shall mean the EPA Regional Administrator for Region 5.

(2) The owner or operator of each BART affected unit identified in this section and CEMS required by this section must provide to the Regional Administrator the written notifications, reports, and plans identified at paragraphs (n)(2)(i) through (viii) of this section.

* * * * *

(p) [Reserved]

■ 3. Section 52.1235 is amended by:

■ a. Revising paragraphs (b)(1)(ii), (iv), (v), (vi), (2)(ii), (v) and (vi);

■ b. Revising paragraphs (c)(1), (2), (3), (4)(ii), (v), and (xii); and

■ c. Revising paragraphs (e)(1) and (2) introductory text; and

■ d. Revising paragraph (f).

The revisions read as follows:

§ 52.1235 Regional haze.

* * * * *

(b) * * *

(1) * * *

(ii) *Hibbing Taconite Company—(A)* An aggregate emission limit of 1.5 lbs NO_x/MMBTU, based on a 30-day rolling average, shall apply to the combined NO_x emissions from the three indurating furnaces, Line 1 (EU020), Line 2 (EU021), and Line 3 (EU022), beginning on February 2, 2026. To determine the aggregate emission rate,

the combined NO_x emissions from Lines 1, 2, and 3 shall be divided by the total heat input to the three lines (in MMBtu) during every rolling 30-day period.

(B) Compliance with this emission limit shall be demonstrated with data collected by a continuous emissions monitoring system (CEMS) for NO_x.

* * * * *

(iv) *United Taconite*—(A) An aggregate emission limit of 3.0 lbs NO_x/MMBtu, based on a 30-day rolling average, shall apply to the combined NO_x emissions from the two indurating furnaces, Grate Kiln Line 1 (EU040) and Grate Kiln Line 2 (EU042), beginning on February 2, 2026. To determine the aggregate emission rate, the combined NO_x emissions from Grate Kiln Line 1 and Grate Kiln Line 2 shall be divided by the total heat input to the two lines (in MMBtu) during every rolling 30-day period.

(B) Compliance with this emission limit shall be demonstrated with data collected by a continuous emissions monitoring system (CEMS) for NO_x.

(v) *Minorca Mine*—(A) An emission limit of 1.6 lbs NO_x/MMBtu, based on a 30-day rolling average, shall apply to the Minorca Mine indurating furnace (EU026). This emission limit will become enforceable on February 2, 2026.

(B) Compliance with this emission limit will be demonstrated with data collected by a continuous emissions monitoring system (CEMS) for NO_x.

(vi) *Northshore Mining Company—Silver Bay*: An emission limit of 1.5 lbs NO_x/MMBtu, based on a 30-day rolling average, shall apply to Furnace 11 (EU100/EU104) beginning October 10, 2018. An emission limit of 1.5 lbs NO_x/MMBtu, based on a 30-day rolling average, shall apply to Furnace 12 (EU110/EU114) beginning October 11, 2019. However, for any 30, or more, consecutive days when only natural gas is used at either Northshore Mining Furnace 11 or Furnace 12, a limit of 1.2 lbs NO_x/MMBtu, based on a 30-day rolling average, shall apply. An emission limit of 0.085 lbs NO_x/MMBtu, based on a 30-day rolling average, shall apply to Process Boiler #1 (EU003) and Process Boiler #2 (EU004) beginning October 10, 2021. The 0.085 lbs NO_x/MMBtu emission limit for each process boiler applies at all times a unit is operating, including periods of start-up, shut-down and malfunction.

(2) * * *

(ii) *Hibbing Taconite Company*—(A) An aggregate emission limit of 247.8 lbs SO₂/hour, based on a 30-day rolling average, shall apply to the combined

SO₂ emissions from the three indurating furnaces, Line 1 (EU020), Line 2 (EU0021), and Line 3 (EU022), beginning on February 10, 2017. To determine the aggregate emission rate, the combined SO₂ emissions from Lines 1, 2, and 3 shall be divided by the total hours of operation of the three lines during every rolling 30-day period.

(B) Compliance with this emission limit shall be demonstrated with data collected by a continuous emissions monitoring system (CEMS) for SO₂.

(C) Emissions resulting from the combustion of fuel oil are not included in the calculation of the 30-day rolling average. However, if any fuel oil is burned after the first day that SO₂ CEMS are required to be operational, then the information specified in (b)(2)(vii) must be submitted, for each calendar year, to the Regional Administrator at R5ARDReporting@epa.gov no later than 30 days after the end of each calendar year so that a limit can be set.

* * * * *

(v) *Minorca Mine*—(A) An emission limit of 68.2 lbs SO₂/hr, based on a 30-day rolling average, shall apply to the indurating furnace (EU026) beginning February 2, 2026.

(B) Compliance with this emission limit shall be demonstrated with data collected by a continuous emissions monitoring system (CEMS) for SO₂.

(C) Emissions resulting from the combustion of fuel oil are not included in the calculation of the 30-day rolling average. However, if any fuel oil is burned after the first day that SO₂ CEMS are required to be operational, then the information specified in (b)(2)(vii) must be submitted, for each calendar year, to the Regional Administrator at R5ARDReporting@epa.gov no later than 30 days after the end of each calendar year so that a limit can be set.

(vi) *Northshore Mining Company—Silver Bay*—(A) An aggregate emission limit of 17.0 lbs SO₂/hr, based on a 30-day rolling average, shall apply to Furnace 11 (EU100/EU104) and Furnace 12 (EU110/EU114) beginning February 2, 2026. To determine the aggregate emission rate, the combined SO₂ emissions from Furnace 11 and Furnace 12 shall be divided by the total hours of operation of the two furnaces during every rolling 30-day period.

(B) Compliance with these emission limits shall be demonstrated with data collected by a continuous emissions monitoring system (CEMS) for SO₂.

(C) Emissions resulting from the combustion of fuel oil are not included in the calculation of the 30-day rolling average. However, if any fuel oil is burned after the first day that SO₂ CEMS

are required to be operational, then the information specified in (b)(2)(vii) must be submitted, for each calendar year, to the Regional Administrator at R5ARDReporting@epa.gov no later than 30 days after the end of each calendar year so that a limit can be set.

(D) The owner or operator may submit to EPA for approval an alternative monitoring procedure request. The request shall include at least one year of CEMS data demonstrating consistent values at or below 5 lbs SO₂/hr. The alternative monitoring procedure request shall not remove the obligation to maintain and operate a flow rate monitor in the stack. If approved, the owner or operator would not be required to operate the SO₂ CEMS and may demonstrate continuous compliance using an emission factor derived from the average of at least one year of existing SO₂ data using the procedure set forth in the site specific monitoring plan, and verified by annual stack tests using EPA approved test methods, multiplied by the daily measured flow rate as recorded by the flow rate monitor and recorded as the daily lb/hr SO₂ emission rate.

* * * * *

(c) *Testing and monitoring*. (1) The owner or operator of the respective facility shall install, certify, calibrate, maintain and operate continuous emissions monitoring systems (CEMS) for NO_x on United States Steel Corporation, Keetac unit EU030; Hibbing Taconite Company units EU020, EU021, and EU022; United States Steel Corporation, Minntac units EU225, EU261, EU282, EU315, and EU334; United Taconite units EU040 and EU042; Minorca Mine unit EU026; and Northshore Mining Company-Silver Bay units Furnace 11 (EU100/EU104) and Furnace 12 (EU110/EU114). Compliance with the emission limits for NO_x shall be determined using data from the CEMS.

(2) The owner or operator shall install, certify, calibrate, maintain, and operate CEMS for SO₂ on United States Steel Corporation, Keetac unit EU030; Hibbing Taconite Company units EU020, EU021, and EU022; United States Steel Corporation, Minntac units EU225, EU261, EU282, EU315, and EU334; United Taconite units EU040 and EU042; Minorca Mine unit EU026; and Northshore Mining Company-Silver Bay units Furnace 11 (EU100/EU104) and Furnace 12 (EU110/EU114).

(3) The owner or operator shall install, certify, calibrate, maintain, and operate one or more continuous diluent monitor(s) (O₂ or CO₂) and continuous stack gas flow rate monitor(s) on the

BART affected units to allow conversion of the NO_x and SO₂ concentrations to units of the standard (lbs/MMBTU and lbs/hr, respectively) unless a demonstration is made that a diluent monitor and/or continuous flow rate monitor are not needed for the owner or operator to demonstrate compliance with applicable emission limits in units of the standards.

(4) * * *

(ii) CEMS must be installed and operational such that the operational status of the CEMS identified in paragraphs (c)(1) and (2) of this section shall be verified by, as a minimum, completion of the manufacturer's written requirements or recommendations for installation, operation, and calibration of the devices.

* * * * *

(v) The owner or operator of each CEMS must furnish the Regional

Administrator a written report of the results of each quarterly performance evaluation and a data accuracy assessment pursuant to 40 CFR part 60 appendix F within 60 days after the calendar quarter in which the performance evaluation was completed. These reports shall be submitted to the Regional Administrator at R5AirEnforcement@epa.gov.

* * * * *

(xii) Data substitution must not be used for purposes of determining compliance under this section. If CEMS data is measuring only a portion of the NO_x or SO₂ emitted during startup, shutdown, or malfunction conditions, the CEMS data may be supplemented, but not modified, by the addition of calculated emission rates using procedures set forth in the site specific monitoring plan.

* * * * *

(e) *Reporting Requirements.* (1) Unless instructed otherwise, all requests, reports, submittals, notifications, and other communications required by this section shall be submitted to the Regional Administrator at R5AirEnforcement@epa.gov. References in this section to the Regional Administrator shall mean the EPA Regional Administrator for Region 5.

(2) The owner or operator of each BART affected unit identified in this section and CEMS required by this section must provide to the Regional Administrator the written notifications, reports and plans identified at paragraphs (e)(2)(i) through (viii) of this section.

* * * * *

(f) *Equations for establishing the upper predictive limit*—(1) Equation for normal distribution and statistically independent data.

$$UPL = \bar{x} + t_{[(n-1),(0.99)]} \sqrt{s^2 \left(\frac{1}{n} + \frac{1}{m} \right)}$$

Where:

$\bar{x}$ = average or mean of hourly test run data;
 $t_{[(n-1),(0.99)]}$ = t score, the one-tailed t value of the Student's t distribution for a specific degree of freedom (n - 1) and a confidence level (0.99, to reflect the 99th percentile)
 s^2 = variance of the hourly data set;

n = number of values (e.g., 5,760 if 8 months of valid lbs NO_x/MMBTU hourly values)
 m = number of values used to calculate the test average ($m = 720$ as per averaging time)

(i) To determine if statistically independent, use the Rank von

Neumann Test on p. 137 of data Quality Assessment: Statistical Methods for Practitioners EPA QA/G-9S.

(ii) Alternative to Rank von Neumann test to determine if data are dependent, data are dependent if t test value is greater than t critical value, where:

$$t \text{ test} = \frac{\rho}{\sqrt{\frac{1 - \rho^2}{n - 2}}}$$

ρ = correlation between data points
 $t \text{ critical} = t_{[(n-2),(0.95)]}$ = t score, the two-tailed t value of the Student's t Distribution for a specific degree of freedom (n - 2) and a confidence level (0.95)

(iii) The Anderson-Darling normality test is used to establish whether the data are normally distributed. That is, a distribution is considered to be normally distributed when $p > 0.05$.

(2) Non-parametric equation for data not normally distributed and normally distributed but not statistically independent.

$m = (n+1) * \alpha$

m = the rank of the ordered data point, when data are sorted smallest to largest. The data points are 720-hour averages for establishing NO_x limits.

n = number of data points (e.g., 5,040 720-hourly averages for eight months of valid NO_x lbs/MMBTU values)
 $\alpha = 0.99$, to reflect the 99th percentile

If m is a whole number, then the limit, UPL , shall be computed as:

$UPL = X_m$

Where:

X_m = value of the m^{th} data point in terms of lbs SO₂/hr or lbs NO_x/MMBTU, when the data are sorted smallest to largest.

If m is not a whole number, the limit shall be computed by linear interpolation according to the following equation.

$UPL = x_m = x_{m_i m_d} = x_{m_i} + 0. m_d (x_{m_{(i+1)}} - x_{m_i})$

Where:

m_i = the integer portion of m , i.e., m truncated at zero decimal places, and

m_d = the decimal portion of m

[FR Doc. 2025-24207 Filed 12-31-25; 8:45 am]

BILLING CODE 6560-50-P

ENVIRONMENTAL PROTECTION AGENCY

40 CFR Parts 61 and 63

[EPA-R06-OAR-2020-0086; FRL-12761-02-R6]

National Emission Standards for Hazardous Air Pollutants; Delegation of Authority to Oklahoma

AGENCY: Environmental Protection Agency (EPA).

ACTION: Final rule; notice of delegation.

SUMMARY: The Oklahoma Department of Environmental Quality (ODEQ) has

submitted updated regulations for receiving delegation and approval of its program for the implementation and enforcement of certain National Emission Standards for Hazardous Air Pollutants (NESHAP) for all sources as provided for under previously approved delegation mechanisms. The updated State regulations incorporate by reference certain NESHAP promulgated by the Environmental Protection Agency (EPA) at parts 61 and 63, as they existed through June 30, 2023. The EPA is providing notice that it is taking final action to approve the delegation of certain NESHAP to ODEQ. The delegation of authority under this action applies to sources located in certain areas of Indian country as discussed herein.

DATES: This rule is effective on February 2, 2026.

ADDRESSES: The EPA has established a docket for this action under Docket ID No. EPA–R06–OAR–2020–0086. All documents in the docket are listed on the <https://www.regulations.gov> website. Although listed in the index, some information is not publicly available, *e.g.*, Confidential Business Information (CBI) or other information whose disclosure is restricted by statute. Certain other material, such as copyrighted material, is not placed on the internet. Publicly available docket materials are available electronically through <https://www.regulations.gov>.

FOR FURTHER INFORMATION CONTACT: Clovis Steib, EPA Region 6 Office, Infrastructure and Ozone Section (ARSI), telephone number: (214) 665–7566, email address: steib.clovis@epa.gov.

SUPPLEMENTARY INFORMATION: Throughout this document “we,” “us,” and “our” means the EPA.

I. Background

The background for this action is discussed in detail in our July 10, 2025, proposal (90 FR 30613). In that document we proposed to approve updating the delegation of certain NESHAP to ODEQ. The delegation provides ODEQ with the primary responsibility to implement and enforce the delegated standards, as they existed through June 30, 2023.

II. Response to Comments

EPA received two anonymous public comments. One recommends EPA not delegate NESHAP implementation and enforcement authority to ODEQ on account of emissions from fossil fuels costing taxpayers. We thank the commenter for the comment but find it to be beyond the scope of this action.

This action approves ODEQ’s requested updates to its current NESHAP delegation, it does not speak to fossil fuel emissions more broadly, the appropriate regulatory mechanism for such emissions, or the cost associated with regulating the industry. The second comment recommends EPA encourage ODEQ to conduct integrated emissions planning that considers carbon dioxide emissions in addition to hazardous air pollutant (HAP) emissions. We thank the commenter for the comment but find the request to be beyond the scope of this action. As previously noted, this action approves ODEQ’s requested updates to its current NESHAP delegation, it does not speak to Oklahoma’s broader regulatory scheme or the regulation of emissions beyond HAPs. As such, we are finalizing the NESHAP delegation to ODEQ as proposed.

III. Impacts on Areas of Indian Country

Following the U.S. Supreme Court decision in *McGirt v. Oklahoma*, 140 S. Ct. 2452 (2020), the Governor of the State of Oklahoma requested approval under section 10211(a) of the Safe, Accountable, Flexible, Efficient Transportation Equity Act of 2005: A Legacy for Users, Public Law 109–59, 119 Stat. 1144, 1937 (August 10, 2005) (“SAFETEA”), to administer in certain areas of Indian country (as defined at 18 U.S.C. 1151) the State’s environmental regulatory programs that were previously approved by the EPA outside of Indian country. The State’s request excluded certain areas of Indian country further described below.

The EPA has approved Oklahoma’s SAFETEA request to administer all of the State’s EPA-approved environmental regulatory programs in the requested areas of Indian country. As requested by Oklahoma, the EPA’s approval under SAFETEA does not include Indian country lands, including rights-of-way running through the same, that: (1) qualify as Indian allotments, the Indian titles to which have not been extinguished, under 18 U.S.C. 1151(c); (2) are held in trust by the United States on behalf of an individual Indian or Tribe; or (3) are owned in fee by a Tribe, if the Tribe (a) acquired that fee title to such land, or an area that included such land, in accordance with a treaty with the United States to which such Tribe was a party, and (b) never allotted the land to a member or citizen of the Tribe (collectively “excluded Indian country lands”).

The EPA’s approval under SAFETEA expressly provided that to the extent the EPA’s prior approvals of Oklahoma’s environmental programs excluded

Indian country, any such exclusions are superseded for the geographic areas of Indian country covered by the EPA’s approval of Oklahoma’s SAFETEA request. The approval also provided that future revisions or amendments to Oklahoma’s approved environmental regulatory programs would extend to the covered areas of Indian country (without any further need for additional requests under SAFETEA).

As explained above, the EPA is finalizing an update to the Oklahoma NESHAP delegation which will apply statewide in Oklahoma. Consistent with the EPA’s SAFETEA approval, this NESHAP delegation will apply to areas of Indian country pursuant to the SAFETEA approval, including to all Indian country in the State of Oklahoma other than the excluded Indian country lands as described above.

IV. Final Action

EPA is taking final action to approve updates to the Oklahoma NESHAP delegation so as to provide the ODEQ with the authority to implement and enforce certain newly incorporated NESHAP promulgated by the EPA and amendments to existing standards currently delegated, as they existed through June 30, 2023.

V. Statutory and Executive Order Reviews

Under the CAA, the Administrator has the authority to approve section 112(l) submissions that comply with the provisions of the Act and applicable Federal regulations. In reviewing section 112(l) submissions, the EPA’s role is to approve State choices, provided that they meet the criteria and objectives of the CAA and of the EPA’s implementing regulations. Accordingly, this action merely approves the State’s request as meeting Federal requirements and does not impose additional requirements beyond those imposed by State law.

For this action, a review of all applicable Statutory and Executive Orders are indicated as follows:

A. Executive Order 12866: Regulatory Planning and Review and Executive Order 13563: Improving Regulation and Regulatory Review

This action is not a significant regulatory action as defined in Executive Order 12866 (58 FR 51735, October 4, 1993) and was therefore not submitted to the Office of Management and Budget (OMB) for review.

B. Executive Order 14192: Unleashing Prosperity Through Deregulation

This action is not an Executive Order 14192 regulatory action because this action is not significant under Executive Order 12866.

C. Paperwork Reduction Act (PRA)

This action does not impose an information collection burden under the PRA (44 U.S.C. 3501 *et seq.*) because it does not contain any information collection activities.

D. Regulatory Flexibility Act (RFA)

This action is certified to not have a significant economic impact on a substantial number of small entities under the RFA (5 U.S.C. 601 *et seq.*). This action approves the delegation of federal rules as requested by the state agency and will therefore have no net regulatory burden for all directly regulated small entities.

E. Unfunded Mandates Reform Act (UMRA)

This action does not contain an unfunded mandate as described in UMRA, 2 U.S.C. 1531–1538, and does not significantly or uniquely affect small governments. This action imposes no enforceable duty on any State, local, or Tribal governments or the private sector.

F. Executive Order 13132: Federalism

This action does not have federalism implications as specified in Executive Order 13132 (64 FR 43255, August 10, 1999). It will not have substantial direct effects on the states, on the relationship between the national government and the states, or on the distribution of power and responsibilities among the various levels of government.

G. Executive Order 13175: Consultation and Coordination With Indian Tribal Governments

This approval of ODEQ's request to update their NESHAP delegation will apply to certain areas of Indian country throughout Oklahoma as discussed in the preamble, and therefore has Tribal implications as specified in E.O. 13175 (65 FR 67249, November 9, 2000). However, this action will neither impose substantial direct compliance costs on federally recognized Tribal governments, nor preempt Tribal law. This action will not impose substantial direct compliance costs on federally recognized Tribal governments because no actions will be required of Tribal governments. This action will also not

preempt Tribal law as no Oklahoma Tribe implements a regulatory program under the CAA, and thus does not have applicable or related Tribal laws. Consistent with the EPA Policy on Consultation and Coordination with Indian Tribes (December 7, 2023), the EPA has offered consultation to all 38 Tribal governments whose lands are located within the exterior boundaries of the State of Oklahoma and that may be affected by this action and provided information about this action.

H. Executive Order 13045: Protection of Children From Environmental Health Risks and Safety Risks

The EPA interprets Executive Order 13045 as applying only to regulatory actions considered significant under section 3(f)(1) of Executive Order 12866 and that concern environmental health or safety risks that EPA has reason to believe may disproportionately affect children, per the definition of “covered regulatory action” in section 2–202 of Executive Order 13045. This action is not subject to Executive Order 13045 because it approves a state program.

I. Executive Order 13211: Actions Concerning Regulations That Significantly Affect Energy Supply, Distribution or Use

This action is not subject to Executive Order 13211 (66 FR 28355, May 22, 2001), because it is not a significant regulatory action under Executive Order 12866.

J. National Technology Transfer and Advancement Act (NTTAA)

This rulemaking does not involve technical standards. This action is not subject to requirements of section 12(d) of the National Technology Transfer and Advancement Act of 1995 (15 U.S.C. 272 note) because application of those requirements would be inconsistent with the Clean Air Act (CAA).

K. Congressional Review Act (CRA)

This action is subject to the CRA, and the EPA will submit a rule report to each House of the Congress and to the Comptroller General of the United States. This action is not a “major rule” as defined by 5 U.S.C. 804(2).

Under section 307(b)(1) of the CAA, petitions for judicial review of this action must be filed in the United States Court of Appeals for the appropriate circuit by March 3, 2026. Filing a petition for reconsideration by the Administrator of this final rule does not affect the finality of this action for the

purposes of judicial review nor does it extend the time within which a petition for judicial review may be filed and shall not postpone the effectiveness of such rule or action. This action may not be challenged later in proceedings to enforce its requirements (see section 307(b)(2)).

List of Subjects

40 CFR Part 61

Environmental protection, Air pollution control, Hazardous substances, Intergovernmental relations, Radioactive materials, Reporting and recordkeeping requirements, Uranium, Vinyl chloride.

40 CFR Part 63

Environmental protection, Air pollution control, Administrative practice and procedure, Business and industry, Carbon oxides, Hazardous substances, Intergovernmental relations, Nitrogen oxides, Ozone, Reporting and recordkeeping requirements, Sulfur oxides, Volatile organic compounds.

Authority: 42 U.S.C. 7401 *et seq.*

Dated: December 11, 2025.

James McDonald,

Director, Air and Radiation Division, Region 6.

For the reasons stated in the preamble, the Environmental Protection Agency amends 40 CFR parts 61 and 63 as follows:

PART 61—NATIONAL EMISSION STANDARDS FOR HAZARDOUS AIR POLLUTANTS

■ 1. The authority citation for part 61 continues to read as follows:

Authority: 42 U.S.C. 7401 *et seq.*

Subpart A—General Provisions

■ 2. Section 61.04 is amended by revising paragraph (c)(6)(iv) to read as follows:

§ 61.04 Address.

* * * * *

(c) * * *

(6) * * *

(iv) *Oklahoma.* The Oklahoma Department of Environmental Quality (ODEQ) has been delegated the following part 61 standards promulgated by EPA, as amended in the **Federal Register** through June 30, 2023. The (X) symbol is used to indicate each subpart that has been delegated.

TABLE 4 TO PARAGRAPH (c)(6)(iv)—DELEGATION STATUS FOR PART 61 STANDARDS—STATE OF OKLAHOMA
[Applies to sources located in certain areas of Indian country]

Subpart	Source category	ODEQ
A	General Provisions	X
B	Radon Emissions From Underground Uranium Mines	No
C	Beryllium	X
D	Beryllium Rocket Motor Firing	X
E	Mercury	X
F	Vinyl Chloride	X
G	(Reserved)	
H	Emissions of Radionuclides Other Than Radon From Department of Energy Facilities	No
I	Radionuclide Emissions From Federal Facilities Other Than Nuclear Regulatory Commission Licensees and Not Covered by subpart H.	No
J	Equipment Leaks (Fugitive Emission Sources) of Benzene	X
K	Radionuclide Emissions From Elemental Phosphorus Plants	No
L	Benzene Emissions From Coke By-Product Recovery Plants	X
M	Asbestos	X
N	Inorganic Arsenic Emissions From Glass Manufacturing Plants	X
O	Inorganic Arsenic Emissions From Primary Copper Smelters	X
P	Inorganic Arsenic Emissions From Arsenic Trioxide and Metallic Arsenic Production Facilities	X
Q	Radon Emissions From Department of Energy Facilities	No
R	Radon Emissions From Phosphogypsum Stacks	No
S	(Reserved)	
T	Radon Emissions From the Disposal of Uranium Mill Tailings	No
U	(Reserved)	
V	Equipment Leaks (Fugitives Emission Sources)	X
W	Radon Emissions From Operating Mill Tailings	No
X	(Reserved)	
Y	Benzene Emissions From Benzene Storage Vessels	X
Z-AA	(Reserved)	
BB	Benzene Emissions From Benzene Transfer Operations	X
CC-EE	(Reserved)	
FF	Benzene Waste Operations	X
Appendix A	Compliance Status Information	X
Appendix B	Test Methods	X
Appendix C	Quality Assurance Procedures	X
Appendix D	Methods for Estimating Radionuclide Emissions	No
Appendix E	Compliance Procedures Methods for Determining Compliance With subpart I	No

* * * * *

PART 63—NATIONAL EMISSION STANDARDS FOR HAZARDOUS AIR POLLUTANTS FOR SOURCE CATEGORIES

■ 3. The authority citation for part 63 continues to read as follows:

Authority: 42 U.S.C. 7401 *et seq.*

Subpart E—Approval of State Programs and Delegation of Federal Authorities

■ 4. Section 63.99 is amended by revising paragraph (a)(37)(i) to read as follows:

§ 63.99 Delegated Federal authorities.

(a) * * *

(37) * * *

(i) The following table lists the specific part 63 standards that have been delegated unchanged to the

Oklahoma Department of Environmental Quality for all sources. The “X” symbol is used to indicate each subpart that has been delegated. The delegations are subject to all of the conditions and limitations set forth in Federal law, regulations, policy, guidance, and determinations. Some authorities cannot be delegated and are retained by EPA. These include certain General Provisions authorities and specific parts of some standards. Any amendments made to these rules after June 30, 2023, are not delegated.

TABLE 14 TO PARAGRAPH (a)(37)(i)—DELEGATION STATUS FOR PART 63 STANDARDS—STATE OF OKLAHOMA
[Applies to sources located in certain areas of Indian country]

Subpart	Source category	ODEQ ¹
A	General Provisions	X
B	Requirements for Control Technology Determinations for Major Sources in Accordance with Clean Air Act sections 112(g) and 112(j).	X ²
C	List of Hazardous Air Pollutants, Petitions Process, Lesser Quantity Designations, Source Category List ..	No
D	Regulations Governing Compliance Extensions for Early Reductions of Hazardous Air Pollutants	No
E	Approval of State Programs and Delegation of Federal Authorities	No
F	SYNTHETIC ORGANIC CHEMICAL MANUFACTURING INDUSTRY (SOCMI)	X
G	SOCMI for Process Vents, Storage Vessels, Transfer Operations and Wastewater	X
H	Equipment Leaks and Fenceline Monitoring for All Emission Sources	X
I	Certain Processes Subject to the Negotiated Regulation for Equipment Leaks	X

TABLE 14 TO PARAGRAPH (a)(37)(i)—DELEGATION STATUS FOR PART 63 STANDARDS—STATE OF OKLAHOMA—
Continued

[Applies to sources located in certain areas of Indian country]

Subpart	Source category	ODEQ ¹
J	Polyvinyl Chloride and Copolymers Production	(³)
K	(Reserved)	
L	Coke Oven Batteries	X
M	Perchloroethylene Air Emission Standards for Dry Cleaning Facilities	X
N	Chromium Emissions from Hard and Decorative Chromium Electroplating and Chromium Anodizing Tanks	X
O	Ethylene Oxide Emissions Standards for Sterilization Facilities	X
P	(Reserved)	
Q	Industrial Process Cooling Towers	X
R	Gasoline Distribution Facilities (Bulk Gasoline Terminals and Pipeline Breakout Sessions)	X
S	Pulp and Paper Industry	X
T	Halogenated Solvent Cleaning	X
U	Group I Polymers and Resins	X
V	(Reserved)	
W	Epoxy Resins Production and Non-Nylon Polyamides Production	X
X	Secondary Lead Smelting	X
Y	Marine Tank Vessel Loading Operations	X
Z	(Reserved)	
AA	Phosphoric Acid Manufacturing Plants	X
BB	Phosphate Fertilizers Production Plants	X
CC	Petroleum Refineries	X
DD	Off-Site Waste and Recovery Operations	X
EE	Magnetic Tape Manufacturing Operations	X
FF	(Reserved)	
GG	Aerospace Manufacturing and Rework Facilities	X
HH	Oil and Natural Gas Production Facilities	X
II	Shipbuilding and Ship Repair (Surface Coating)	X
JJ	Wood Furniture Manufacturing Operations	X
KK	Printing and Publishing Industry	X
LL	Primary Aluminum Reduction Plants	X
MM	Chemical Recovery Combustion Sources at Kraft, Soda, Sulfite, and Stand-Alone Semichemical Pulp Mills	X
NN	Wool Fiberglass Manufacturing at Area Sources	X
OO	Tanks—Level 1	X
PP	Containers	X
QQ	Surface Impoundments	X
RR	Individual Drain Systems	X
SS	Closed Vent Systems, Control Devices, Recovery Devices and Routing to a Fuel Gas System or a Process	X
TT	Equipment Leaks—Control Level 1	X
UU	Equipment Leaks—Control Level 2 Standards	X
VV	Oil-Water Separators and Organic-Water Separators	X
WW	Storage Vessels (Tanks)—Control Level 2	X
XX	Ethylene Manufacturing Process Units: Heat Exchange Systems and Waste Operations	X
YY	Generic Maximum Achievable Control Technology Standards	X
ZZ—BBB	(Reserved)	
CCC	Steel Pickling—HCl Process Facilities and Hydrochloric Acid Regeneration Plants	X
DDD	Mineral Wool Production	X
EEE	Hazardous Waste Combustors	X
FFF	(Reserved)	
GGG	Pharmaceuticals Production	X
HHH	Natural Gas Transmission and Storage Facilities	X
III	Flexible Polyurethane Foam Production	X
JJJ	Group IV Polymers and Resins	X
KKK	(Reserved)	
LLL	Portland Cement Manufacturing Industry	X
MMM	Pesticide Active Ingredient Production	X
NNN	Wool Fiberglass Manufacturing	X
OOO	Manufacture of Amino/Phenolic Resins	X
PPP	Polyether Polyols Production	X
QQQ	Primary Copper Smelting	X
RRR	Secondary Aluminum Production	X
SSS	(Reserved)	
TTT	Primary Lead Smelting	X
UUU	Petroleum Refineries: Catalytic Cracking Units, Catalytic Reforming Units, and Sulfur Recovery Plants	X
VVV	Publicly Owned Treatment Works	X
WWW	(Reserved)	
XXX	Ferroalloys Production: Ferromanganese and Silicomanganese	X
AAAA	Municipal Solid Waste Landfills	X

TABLE 14 TO PARAGRAPH (a)(37)(i)—DELEGATION STATUS FOR PART 63 STANDARDS—STATE OF OKLAHOMA—
Continued

[Applies to sources located in certain areas of Indian country]

Subpart	Source category	ODEQ ¹
BBBB	(Reserved)	
CCCC	Nutritional Yeast Manufacturing	X
DDDD	Plywood and Composite Wood Products	X ⁴
EEEE	Organic Liquids Distribution (Non-Gasoline)	X
FFFF	Miscellaneous Organic Chemical Manufacturing	X
GGGG	Solvent Extraction for Vegetable Oil Production	X
HHHH	Wet-Formed Fiberglass Mat Production	X
IIII	Surface Coating of Automobiles and Light-Duty Trucks	X
JJJJ	Paper and other Web Coating	X
KKKK	Surface Coating of Metal Cans	X
MMMM	Surface Coating of Miscellaneous Metal Parts and Products	X
NNNN	Surface Coating of Large Appliances	X
OOOO	Printing, Coating, and Dyeing of Fabrics and Other Textiles	X
PPPP	Surface Coating of Plastic Parts and Products	X
QQQQ	Surface Coating of Wood Building Products	X
RRRR	Surface Coating of Metal Furniture	X
SSSS	Surface Coating for Metal Coil	X
TTTT	Leather Finishing Operations	X
UUUU	Cellulose Products Manufacturing	X
VVVV	Boat Manufacturing	X
WWWW	Reinforced Plastic Composites Production	X
XXXX	Rubber Tire Manufacturing	X
YYYY	Stationary Combustion Turbines	X
ZZZZ	Stationary Reciprocating Internal Combustion Engines	X
AAAAA	Lime Manufacturing Plants	X
BBBBB	Semiconductor Manufacturing	X
CCCCC	Coke Ovens: Pushing, Quenching and Battery Stacks	X
DDDDD	Industrial, Commercial, and Institutional Boilers and Process Heaters	X ⁵
EEEEE	Iron and Steel Foundries	X
FFFFF	Integrated Iron and Steel Manufacturing Facilities	X
GGGGG	Site Remediation	X
HHHHH	Miscellaneous Coating Manufacturing	X
IIIII	Mercury Cell Chlor-Alkali Plants	X
JJJJJ	Brick and Structural Clay Products Manufacturing	X ⁶
KKKKK	Clay Ceramics Manufacturing	X ⁶
LLLLL	Asphalt Processing and Asphalt Roofing Manufacturing	X
MMMMM	Flexible Polyurethane Foam Fabrication Operation	X
NNNNN	Hydrochloric Acid Production	X
OOOOO	(Reserved)	
PPPPP	Engine Test Cells/Stands	X
QQQQQ	Friction Materials Manufacturing Facilities	X
RRRRR	Taconite Iron Ore Processing	X
SSSSS	Refractory Products Manufacturing	X
TTTTT	Primary Magnesium Refining	X
UUUUU	Coal and Oil-Fired Electric Utility Steam Generating Units	X ⁷
VVVVV	(Reserved)	
WWWWW	Hospital Ethylene Oxide Sterilizers	X
XXXXX	(Reserved)	
YYYYY	Area Sources: Electric Arc Furnace Steelmaking Sources	X
ZZZZZ	Iron and Steel Foundries Area Sources	X
AAAAAA	(Reserved)	
BBBBBB	Gasoline Distribution Bulk Terminals, Bulk Plants, and Pipeline Facilities	X
CCCCC	Gasoline Dispensing Facilities	X
DDDDDD	Polyvinyl Chloride and Copolymers Production Area Sources	X
EEEEEE	Primary Copper Smelting Area Sources	X
FFFFFF	Secondary Copper Smelting Area Sources	X
GGGGGG	Primary Nonferrous Metals Area Sources: Zinc, Cadmium, and Beryllium	X
HHHHHH	Paint Stripping and Miscellaneous Surface Coating Operations at Area Sources	X
IIIIII	(Reserved)	
JJJJJJ	Industrial, Commercial, and Institutional Boilers Area Sources	X
KKKKKK	(Reserved)	
LLLLLL	Acrylic and Modacrylic Fibers Production Area Sources	X
MMMMMM	Carbon Black Production Area Sources	X
NNNNNN	Chemical Manufacturing Area Sources: Chromium Compounds	X
OOOOOO	Flexible Polyurethane Foam Production and Fabrication Area Sources	X
PPPPPP	Lead Acid Battery Manufacturing Area Sources	X
QQQQQQ	Wood Preserving Area Sources	X
RRRRRR	Clay Ceramics Manufacturing Area Sources	X
SSSSSS	Glass Manufacturing Area Sources	X

TABLE 14 TO PARAGRAPH (a)(37)(i)—DELEGATION STATUS FOR PART 63 STANDARDS—STATE OF OKLAHOMA—Continued

[Applies to sources located in certain areas of Indian country]

Subpart	Source category	ODEQ ¹
TTTTTT	Secondary Nonferrous Metals Processing Area Sources	X
UUUUUU	(Reserved)	
VVVVVV	Chemical Manufacturing Area Sources	X
WWWWWW	Area Source Standards for Plating and Polishing Operations	X
XXXXXX	Area Source Standards for Nine Metal Fabrication and Finishing Source Categories	X
YYYYYY	Area Sources: Ferroalloys Production Facilities	X
ZZZZZZ	Area Source Standards for Aluminum, Copper, and Other Nonferrous Foundries	X
AAAAAA	Area Sources: Asphalt Processing and Asphalt Roofing Manufacturing	X
BBBBBB	Area Sources: Chemical Preparation Industry	X
CCCCCC	Area Sources: Paints and Allied Products Manufacturing	X
DDDDDD	Prepared Feeds Areas Sources	X
EEEEEE	Gold Mine Ore Processing and Production Area Source Category	X
FFFFFF-GGGGGG	(Reserved)	
HHHHHH	Polyvinyl Chloride and Copolymers Production Major Sources	X
Appendix A	Test Methods	X
Appendix B	Sources Defined by Rarely Reduction Provisions	X
Appendix C	Determination of the Fraction Biodegraded (F_{bio}) in a Biological Treatment Unit	X
Appendix D	Alternative Validation Procedure for EPA Waste and Wastewater Methods	X
Appendix E	Monitoring Procedure for Nonthoroughly Mixed Open Biological Treatment Systems at Kraft Pulp Mills Under Unsafe Sampling Conditions.	X

¹ Authorities which may not be delegated include: § 63.6(g), Approval of Alternative Non-Opacity Emission Standards; § 63.6(h)(9), Approval of Alternative Opacity Standards; § 63.7(e)(2)(ii) and (f), Approval of Major Alternatives to Test Methods; § 63.8(f), Approval of Major Alternatives to Monitoring; § 63.10(f), Approval of Major Alternatives to Recordkeeping and Reporting; and all authorities identified in the subparts (e.g., under “Delegation of Authority”) that cannot be delegated.

² Sections 63.41, 63.43, and 63.44 only of subpart B.

³ The ODEQ has adopted the subpart unchanged and applied for delegation of the standard. The subpart was vacated and remanded to EPA by the United States Court of Appeals for the District of Columbia Circuit. See, *Mossville Environmental Action Network v. EPA*, 370 F. 3d 1232 (D.C. Cir. 2004). Because of the D.C. Court’s holding this subpart is not delegated to ODEQ at this time.

⁴ This subpart was issued a partial vacatur by the United States Court of Appeals for the District of Columbia Circuit. See 72 FR 61060 (October 29, 2007).

⁵ Final rule. See 76 FR 15608 (March 21, 2011), as amended at 78 FR 7138 (January 31, 2013); 80 FR 72807 (November 20, 2015).

⁶ Final promulgated rule adopted by the EPA. See 80 FR 65470 (October 26, 2015). Note that subpart 63 KKKKK was amended to correct minor typographical errors at 80 FR 75817 (December 4, 2015).

⁷ Final Rule. See 77 FR 9304 (February 16, 2012), as amended 81 FR 20172 (April 6, 2016) Final Supplemental Finding that it is appropriate and necessary to regulate HAP emissions from Coal- and Oil-fired EUSGU Units. See 81 FR 24420 (April 25, 2016).

* * * * *

[FR Doc. 2025–24149 Filed 12–31–25; 8:45 am]

BILLING CODE 6560–50–P

ENVIRONMENTAL PROTECTION AGENCY

40 CFR Part 63

[EPA–HQ–OAR–2023–0330; FRL–4908.2–01–OAR]

RIN 2060–AW28

Congressional Review Act Revocation of 2024 Review of Final Rule Reclassification of Major Sources as Area Sources Under Section 112 of the Clean Air Act

AGENCY: Environmental Protection Agency (EPA).

ACTION: Final rule.

SUMMARY: The U.S. Environmental Protection Agency (EPA or Agency) is amending the Code of Federal Regulations (CFR) to remove the provisions finalized by the EPA in a 2024 rule titled “Review of Final Rule Reclassification of Major Sources as

Area Sources Under Section 112 of the Clean Air Act” (2024 Rule) and restoring the language of the final rule titled “Reclassification of Major Sources as Area Sources Under Section 112 of the Clean Air Act,” published November 19, 2020, and with minor corrections published December 28, 2020. Under the Congressional Review Act (CRA), Congress passed, and the President signed, a joint resolution of disapproval of the 2024 Rule. The 2024 Rule amended the General Provisions that apply to National Emission Standards for Hazardous Air Pollutants (NESHAP) by requiring certain sources of persistent and bioaccumulative hazardous air pollutants (HAP) listed in Clean Air Act (CAA) section 112(c)(6) to continue to comply with major source emission standards under CAA section 112(d)(2) or standards under CAA section 112(d)(4) even if the sources reclassify as area sources. Under the joint resolution and by operation of the CRA, the 2024 Rule has no legal force or effect.

DATES: This final rule is effective January 2, 2026.

ADDRESSES: The EPA has established a docket for this action under Docket ID No. EPA–HQ–OAR–2023–0330. All documents in the docket are listed at <https://www.regulations.gov>. Although listed, some information is not publicly available, e.g., Confidential Business Information (CBI) or other information whose disclosure is restricted by statute. The EPA does not place certain other material, such as copyrighted material, on the internet; this material is publicly available only as PDF versions accessible only on EPA computers in the docket office reading room. The public cannot download certain data bases and physical items from the docket but may request these items by contacting the docket office at 202–566–1744. The docket office has 10 business days to respond to such requests. With the exception of such material, publicly available docket materials are available electronically at <https://www.regulations.gov>.

FOR FURTHER INFORMATION CONTACT: For information about this final rule, contact U.S. EPA, Attn: Ms. Angela M. Ortega, Mail Drop: D243–02 109 T.W.

Alexander Drive, P.O. Box 12055, Research Triangle Park, North Carolina 27711; telephone number: (919) 541-4197; and email address: ortega.angela@epa.gov.

SUPPLEMENTARY INFORMATION:

Preamble acronyms and abbreviations. Throughout this document the use of “we,” “us,” or “our” refers to the EPA. We use multiple acronyms and terms in this preamble. While this list may not be exhaustive, to ease the reading of this preamble and for reference purposes, the EPA defines the following terms and acronyms here:

APA Administrative Procedure Act
CAA Clean Air Act
CBI Confidential Business Information
CFR Code of Federal Regulations
CRA Congressional Review Act
EPA Environmental Protection Agency
FR Federal Register
HAP hazardous air pollutant(s)
MACT maximum achievable control technology
NESHAP national emission standards for hazardous air pollutants
NTTAA National Technology Transfer and Advancement Act
OMB Office of Management and Budget
PDF portable document format
PRA Paperwork Reduction Act
RFA Regulatory Flexibility Act
RIA Regulatory Impact Analysis
UMRA Unfunded Mandates Reform Act of 1995
U.S.C. United States Code

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 - L. Judicial Review

I. Does this action apply to me?

Regulated entities. Categories and entities potentially impacted by this rule include major sources of HAP that were subject to certain major source

NESHAP requirements and that reclassified from a major to an area source of HAP pursuant to the requirements in 40 CFR part 63 subpart A, implementing CAA section 112. If you have any questions regarding the applicability of any aspect of this NESHAP, please contact the appropriate person listed in the preceding **FOR FURTHER INFORMATION CONTACT** section of this preamble.

II. Background and Rationale for This Final Action

On January 25, 2018, the EPA issued a guidance memorandum titled, “Reclassification of Major Sources as Area Sources Under Section 112 of the Clean Air Act.”¹ The memorandum discussed the statutory provisions that govern when a major source subject to a major source NESHAP under CAA section 112 may be reclassified as an area source, and thereby avoid being subject to major source NESHAP requirements. The guidance also rescinded the May 1995 “Once In, Always In Policy.”²

On October 1, 2020, the EPA finalized a rule titled “Reclassification of Major Sources as Area Sources Under Section 112 of the Clean Air Act” (also known as Major MACT (Maximum Achievable Control Technology) to Area Rule or 2020 Final Rule).³ The 2020 Final Rule allowed major sources of HAP to reclassify as an area source at any time after taking steps to limit emissions.

On September 10, 2024, the EPA finalized a rule titled “Review of Final Rule Reclassification of Major Sources as Area Sources Under Section 112 of the Clean Air Act.”⁴ This 2024 Rule amended the 2020 Final Rule. Specifically, the 2024 Rule amended the NESHAP General Provisions in 40 CFR 63.1(c)(6) to require that sources subject to major source NESHAP used to meet the Agency’s obligations under CAA section 112(c)(6) for seven specific persistent and bioaccumulative HAP remain subject to those major source NESHAP, even if the sources reclassified to area source status. In addition, the 2024 Rule made minor amendments to the notification requirements in 40 CFR 63.9.

The United States Senate passed a joint resolution, S.J. Res. 31, on May 1, 2025, disapproving the 2024 Rule under the CRA, 5 U.S.C. 801 *et seq.* The

United States House of Representatives passed S.J. Res. 31 on May 22, 2025, and President Donald J. Trump signed it into law as Public Law (Pub. L.) 119–20 on June 20, 2025. Under the joint resolution and by operation of the CRA, the 2024 Rule has no legal force or effect.

III. Final Action

This final action revises the CFR by removing the now nullified amendments that had been codified under the 2024 Rule, thus returning the rule to the version finalized in the 2020 Final Rule.

The EPA is taking this ministerial action as a final rule without providing an opportunity for public comment or a public hearing because the EPA finds that the Administrative Procedure Act (APA) “good cause” exemption to notice-and-comment rulemaking applies here.⁵ The EPA has determined that good cause exists to take this final action because the correction of the CFR is a ministerial act to effectuate S.J. Res. 31 and the operation of the CRA. The CRA joint resolution became law on June 20, 2025, at which point the 2024 Rule ceased to have any legal force or effect. As such, public notice and comment is unnecessary and would serve no useful purpose.

For these reasons, the EPA finds good cause to issue a final rulemaking without undergoing public notice and comment, in conformance with 5 U.S.C. 553(b)(B).

IV. Statutory and Executive Order Review

Additional information about these statutes and Executive Orders can be found at <https://www.epa.gov/laws-regulations/laws-and-executive-orders>.

A. Executive Order 12866: Regulatory Planning and Review

This action is not a significant regulatory action and was therefore not submitted to the Office of Management and Budget (OMB) for review.

B. Executive Order 14192: Unleashing Prosperity Through Deregulation

This action is considered an Executive Order 14192 deregulatory action. The present value (PV) of the regulatory costs savings beginning in 2025 using a 7 percent discount rate over an infinite time horizon is \$935.8 million in 2024 dollars discounted to 2024. The equivalent annual value (EAV) is \$65.5 million dollars (in 2024 dollars). Details on the estimated cost savings of this final rule can be found

¹ See notice of issuance of this guidance memorandum at 83 FR 5543 (February 8, 2018).

² “Potential to Emit from MACT Standards—Guidance on Timing Issues,” from John Seitz to the EPA Regional Air Division Directors (May 16, 1995) (“May 1995 Seitz Memorandum”).

³ 85 FR 73854, November 19, 2020.

⁴ 89 FR 73293, September 10, 2024.

⁵ 5 U.S.C. 553(b)(B).

in EPA's analysis of the potential costs and benefits associated with this action, which can be found in the docketed memo *Derivation of Regulatory Cost Savings under Executive Order 14912*. To reflect the CRA nullification, this final rule removes from the CFR provisions that keep sources subject to certain major source NESHAP after reclassification to area source status, thus provides regulatory certainty to sources, permitting authorities, and other stakeholders.

C. Paperwork Reduction Act (PRA)

This action does not impose an information collection burden under the PRA. This final action is ministerial in nature and does not contain any information collection activities.

D. Regulatory Flexibility Act (RFA)

This action is not subject to the RFA. The RFA applies only to rules subject to notice and comment rulemaking requirements under the APA, 5 U.S.C. 553, or any other statute. This rule is not subject to notice and comment requirements because the Agency has invoked the APA "good cause" exemption under 5 U.S.C. 553(b)(B).

E. Unfunded Mandates Reform Act (UMRA)

This action does not contain any unfunded mandate as described in UMRA, 2 U.S.C. 1531–1538, and does not significantly or uniquely affect small governments. The action imposes no enforceable duty on any state, local, or Tribal governments.

F. Executive Order 13132: Federalism

This action does not have federalism implications. It will not have substantial direct effects on the states, on the relationship between the National Government and the states, or on the distribution of power and responsibilities among the various levels of government.

G. Executive Order 13175: Consultation and Coordination With Indian Tribal Governments

This action does not have Tribal implications as specified in Executive Order 13175. This action is ministerial in nature. Thus, Executive Order 13175 does not apply to this action.

H. Executive Order 13045: Protection of Children From Environmental Health Risks and Safety Risks

The EPA interprets Executive Order 13045 as applying only to those regulatory actions that concern environmental health or safety risks that the EPA has reason to believe may

disproportionately affect children, per the definition of "covered regulatory action" in section 2–202 of the Executive Order.

Therefore, this action is not subject to Executive Order 13045 because it does not concern an environmental health risk or safety risk. Since this action does not concern human health, the EPA's Policy on Children's Health also does not apply.

I. Executive Order 13211: Actions That Significantly Affect Energy Supply, Distribution, or Use

This action is not subject to Executive Order 13211 because it is not a significant regulatory action under E.O. 12866.

J. National Technology Transfer and Advancement Act (NTTAA)

This rulemaking does not involve technical standards.

K. Congressional Review Act (CRA)

As discussed earlier in this document, this action reflects the effect of the joint resolution to disapprove the 2024 Rule under the CRA.

L. Judicial Review

Under CAA section 307(b)(1), any petition for review of this final rule must be filed in the U.S. Court of Appeals for the District of Columbia Circuit by March 3, 2026.

List of Subjects in 40 CFR Part 63

Environmental protection, Administrative practice and procedures, Air pollution control, Congressional Review Act, Hazardous substances, Intergovernmental relations, Reporting and recordkeeping requirements.

Lee Zeldin,
Administrator.

Under the authority of the Congressional Review Act and Public Law 119–20, 139 Stat. 71, the Environmental Protection Agency amends part 63 of title 40, chapter I, of the Code of Federal Regulations as follows:

PART 63—NATIONAL EMISSION STANDARDS FOR HAZARDOUS AIR POLLUTANTS FOR SOURCE CATEGORIES

■ 1. The authority citation for part 63 continues to read as follows:

Authority: 42 U.S.C. 7401 *et seq.*

Subpart A—General Provisions

§ 63.1 [Amended]

■ 2. Amend § 63.1 by removing paragraph (c)(6)(iii).

■ 3. Amend § 63.9 by revising paragraphs (j) and (k) introductory text, and removing paragraph (k)(3) to read as follows:

§ 63.9 Notification requirements.

* * * * *

(j) *Change in information already provided.* Any change in the information already provided under this section shall be provided to the Administrator within 15 calendar days after the change. The owner or operator of a major source that reclassifies to area source status is also subject to the notification requirements of this paragraph (j). The owner or operator may use the application for reclassification with the regulatory authority (e.g., permit application) to fulfill the requirements of this paragraph (j). A source which reclassified after January 25, 2018, and before January 19, 2021, and has not yet provided the notification of a change in information is required to provide such notification no later than February 2, 2021, according to the requirements of paragraph (k) of this section. Beginning January 19, 2021, the owner or operator of a major source that reclassifies to area source status must submit the notification according to the requirements of paragraph (k) of this section. A notification of reclassification must contain the following information:

- (1) The name and address of the owner or operator;
- (2) The address (i.e., physical location) of the affected source;
- (3) An identification of the standard being reclassified from and to (if applicable); and
- (4) Date of effectiveness of the reclassification.

(k) *Electronic submission of notifications or reports.* If you are required to submit notifications or reports following the procedure specified in this paragraph (k), you must submit notifications or reports to the EPA via CEDRI, which can be accessed through the EPA's Central Data Exchange (CDX) (<https://cdx.epa.gov/>). The notification or report must be submitted by the deadline specified. The EPA will make all the information submitted through CEDRI available to the public without further notice to you. Do not use CEDRI to submit information you claim as confidential business information (CBI). Anything submitted using CEDRI cannot later be claimed to be CBI. Although we do not expect persons to assert a claim of CBI, if persons wish to assert a CBI, submit a complete notification or report, including information claimed to be CBI, to the EPA. Submit the file on a

compact disc, flash drive, or other commonly used electronic storage medium and clearly mark the medium as CBI. Mail the electronic medium to U.S. EPA/OAQPS/CORE CBI Office, Attention: Group Leader, Measurement Policy Group, MD C404-02, 4930 Old Page Rd., Durham, NC 27703. The same file with the CBI omitted must be submitted to the EPA via the EPA's CDX as described earlier in this paragraph (k). All CBI claims must be asserted at the time of submission. Furthermore, under section 114(c) of the Act emissions data is not entitled to confidential treatment and requires the EPA to make emissions data available to the public. Thus, emissions data will not be protected as CBI and will be made publicly available.

* * * * *

[FR Doc. 2025-24202 Filed 12-31-25; 8:45 am]

BILLING CODE 6560-50-P

DEPARTMENT OF COMMERCE

National Oceanic and Atmospheric Administration

50 CFR Part 229

[Docket No. 251229-0188]

RIN 0648-BN37

Taking of Marine Mammals Incidental to Commercial Fishing Operations; Harbor Porpoise Take Reduction Plan; Change to Gillnet Gear Requirements

AGENCY: National Marine Fisheries Service (NMFS), National Oceanic and Atmospheric Administration (NOAA), Commerce.

ACTION: Interim final rule; request for comments.

SUMMARY: NMFS is taking a deregulatory action to revise the regulations implementing the Harbor Porpoise Take Reduction Plan (HPTRP) to ensure the HPTRP is consistent with a gillnet gear requirement previously put in place under the Monkfish Fishery Management Plan to reduce bycatch of Atlantic sturgeon. This action is necessary to inform the public about an amendment to the Harbor Porpoise Take Reduction Plan altering the minimum twine size requirement to ensure that fishermen may use the low-profile gillnet gear required by the Monkfish Fishery Management Plan and also be in compliance with the Marine Mammal Protection Act while fishing in the New Jersey Atlantic Sturgeon Bycatch Reduction Area.

DATES: Effective on January 2, 2026. Comments on this revision to the Harbor

Porpoise Take Reduction Plan must be received by February 2, 2026.

ADDRESSES: A plain language summary of this interim final rule is available at <https://www.regulations.gov/docket/NOAA-NMFS-2025-0603>. You may submit comments on this document, identified by NMFS-NOAA-2025-0063, by any of the following methods:

Electronic Submission: Submit all electronic public comments via the Federal e-Rulemaking Portal. Go to <https://www.regulations.gov> and enter NOAA-NMFS-2025-0063 in the Search box. Click on the "Comment" icon, complete the required fields, and enter or attach your comments.

Instructions: All comments received that are timely and properly submitted are a part of the public record and will generally be posted for public viewing on <https://www.regulations.gov> without change. All personal identifying information (e.g., name, address, etc.), confidential business information, or otherwise sensitive information submitted voluntarily by the sender will be publicly accessible. We will accept anonymous comments (enter "N/A" in the required fields if you wish to remain anonymous). Comments sent by any other method, to any other address or individual, or received after the end of the comment period, may not be considered by us.

Copies of this action, including the environmental assessment (EA) prepared in support of this action, as well as the EA and the Regulatory Impact Review/Initial Regulatory Flexibility Analysis (RIR/IRFA) for related changes to the Monkfish Fishery Management Plan are available via the internet at <https://www.regulations.gov/> or by contacting Elizabeth Stratton (see **FOR FURTHER INFORMATION CONTACT** below).

Several of the background documents for the Harbor Porpoise Take Reduction Plan (HPTRP) and the take reduction planning process can also be downloaded from the Plan website (<https://www.fisheries.noaa.gov/new-england-mid-atlantic/marine-mammal-protection/harbor-porpoise-take-reduction-plan>), including copies of the EA for this action. Information on the analytical tools used to support the development and analysis of the interim final regulations can be found in the EA. The complete text of current regulations implementing the HPTRP can be found in 50 CFR 229.33 and 229.34 or downloaded from the HPTRP's website, along with outreach compliance guides to current regulations.

FOR FURTHER INFORMATION CONTACT: Elizabeth Stratton, Harbor Porpoise

Take Reduction Team Coordinator, (978) 281-9307 or nmfs.gar.hprt@noaa.gov.

SUPPLEMENTARY INFORMATION:

Background

Due to high levels of incidental take of harbor porpoise (*Phocoena phocoena*) in U.S. commercial fishing gear in the late 1980s, management of bycatch in commercial gillnet gear of the Gulf of Maine/Bay of Fundy (GOM/BOF) stock of harbor porpoise began with the formation of the Harbor Porpoise Working Group. In 1994, Congress amended the Marine Mammal Protection Act (MMPA) to include provisions governing the take of marine mammals incidental to commercial fishing operations, including incidental take authorization, reporting and monitoring requirements, and development of take reduction planning. Pursuant to section 118(f)(6)(C) of the MMPA, NMFS created the Harbor Porpoise Take Reduction Team (Team) consisting of stakeholders representing state and federal government agencies, the fishing industry, conservation organizations, and researchers. The Team recommended take reduction measures to reduce mortality and serious injury of the GOM/BOF stock of harbor porpoise to below the stock's potential biological removal (PBR) level. NMFS used those recommendations to propose and finalize a take reduction plan. The first iteration of the plan, published on December 2, 1998 (63 FR 66464), was originally conceived as two separate harbor porpoise take reduction plans, one for New England and one for the Mid-Atlantic. These were combined into one plan in a final rule, referred to here as the Harbor Porpoise Take Reduction Plan (HPTRP), but remain in separate sections—50 CFR 229.33 (New England Plan) and 50 CFR 229.34 (Mid-Atlantic Plan)—in the Code of Federal Regulations.

The commercial fisheries managed under the HPTRP, the Northeast sink gillnet fishery and the Mid-Atlantic gillnet fishery, are Category I fisheries as listed on the MMPA List of Fisheries (89 FR 77789, September 24, 2024). Category I fisheries are those that have frequent incidental mortality and serious injury of marine mammals. The HPTRP regulations in New England implemented closures and required pingers for bycatch reduction, while the in the Mid-Atlantic, the HPTRP regulations implemented closures and large-mesh (7–18 inches; 17.78–45.72 cm) and small-mesh (>5 and <7 inches; >12.7 and <17.78 cm) gillnet gear

specifications, including requirements for floatline length, minimum twine size, tie-down requirements, net size, nets per vessel, and nets per string.

In 1998, the 5-year (1990–1995) review of the HPTRP estimated annual mortality from New England and Mid-Atlantic gillnet fisheries was 2,040 harbor porpoises, of which only 10 percent, or approximately 200 harbor porpoises, were attributed to the Mid-Atlantic region. The goal of the HPTRP was to reduce bycatch by 79 percent (63 FR at 66464, December 2, 1998) to bring it below PBR, which at the time was 483 harbor porpoises (62 FR 3005, January 21, 1997) across both regions. Since the implementation of the HPTRP, harbor porpoise mortality and serious injury incidental to U.S. commercial fisheries has fallen to 22.3 percent of PBR (now 649, Hayes *et al.*, 2023), with the most recent stock assessment report covering 2017–2021 estimating a mean combined annual mortality of 145, with 131 in Northeast sink gillnet fisheries, 10 in Mid-Atlantic gillnet fisheries, and 4 in Northeast bottom trawl fisheries (Hayes *et al.*, 2023).

The GOM/BOF harbor porpoise stock is not listed as threatened or endangered under the Endangered Species Act (ESA), and this stock is no longer considered strategic under the MMPA (MMPA sec. 3(19)). As noted above, the total annual mortality and serious injury estimate for the GOM/BOF harbor porpoise stock in U.S. commercial fisheries is currently well below PBR (145, 22.3 percent of PBR), with the majority of bycatch occurring in the Northeast sink gillnet fishery and not in the Mid-Atlantic gillnet fishery, the subject of this modification.

The change to the HPTRP in this rule is a necessary deregulatory action to comport with changes to regulations under the Monkfish Fishery Management Plan (FMP) implemented to protect ESA-listed Atlantic sturgeon. NMFS issued a Biological Opinion on

May 27, 2021, that considered the effects of authorizing two interstate fishery management plans (ISFMP) and eight Federal FMPs, including the Monkfish and Spiny Dogfish FMPs, on ESA-listed species and designated critical habitat. The Biological Opinion determined that NMFS's authorization of the eight FMPs and two ISFMPs may adversely affect, but was not likely to jeopardize, threatened (Gulf of Maine) and endangered (New York Bight, Chesapeake Bay Carolina, and Southern Atlantic) distinct population segments (DPS) of Atlantic sturgeon. The Biological Opinion included an Incidental Take Statement and Reasonable and Prudent Measures (RPM) with accompanying Terms and Conditions to minimize the impacts of incidental take of Atlantic sturgeon. The RPMs required that NMFS convene a working group to review all of the available information on Atlantic sturgeon bycatch in the federally-permitted large-mesh gillnet fisheries and, by May 27, 2022, develop an Action Plan to reduce Atlantic sturgeon bycatch (Sturgeon Action Plan) in these fisheries by 2024.

NMFS initially issued the Sturgeon Action Plan on May 26, 2022, and revised it on September 26, 2022, incorporating feedback from both the New England and Mid-Atlantic Fishery Management Councils (Councils) and members of the public. The Councils subsequently developed and approved a joint framework action—Framework Adjustment 15 to the Monkfish FMP and Framework Adjustment 6 to the Dogfish FMP—to address the recommendations of the Sturgeon Action Plan and fulfill the requirements of the Biological Opinion.

The final rule to implement the Sturgeon Action Plan was published on December 18, 2024 (89 FR 102834) and contains area-based gear requirements and overnight soak prohibitions for

vessels fishing with gillnets in the monkfish and spiny dogfish fisheries to reduce bycatch of Atlantic sturgeon. The Sturgeon Action Plan's requirements for vessels fishing for spiny dogfish involve overnight soak prohibitions and are not relevant to this rule. The Sturgeon Action Plan's gear requirements are a suite of characteristics that together are defined as "low-profile gillnet gear" (50 CFR 648.2) and are required by vessels fishing under federally permitted monkfish days-at-sea within the New Jersey Atlantic Sturgeon Bycatch Reduction Area (New Jersey Polygon or NJP, defined in 50 CFR 648.91(d)) beginning on January 1, 2026. However, characteristics of the low-profile gillnet gear are inconsistent with one of the current measures, twine size, in the HPTRP in the Mid-Atlantic.

The NJP in the Sturgeon Action Plan is wholly encompassed by management areas designated in the HPTRP, identified specifically as the Waters off New Jersey Management Area (WNJMA, see figure 1). The WNJMA also contains within it two smaller HPTRP management areas, identified as Mudhole North and Mudhole South, that have the same gear modification requirements, but with different closure dates in the same January to April timeframe; they are parts of the WNJMA, and any change to the WNJMA applies to both Mudholes. The HPTRP requires gillnets in the WNJMA to employ specific gear modifications intended to reduce harbor porpoise bycatch, including a minimum twine diameter of 0.9 millimeters (mm) from January 1 to March 31 and from April 21 to April 30 in all large mesh (7–18 inches; 17.78–45.72 cm) gillnet gear. The HPTRP minimum twine size requirement of 0.9 mm in the Mid-Atlantic conflicts with the new definition in the Monkfish FMP of "low-profile gillnet gear," which includes a twine size requirement of 0.81 mm.

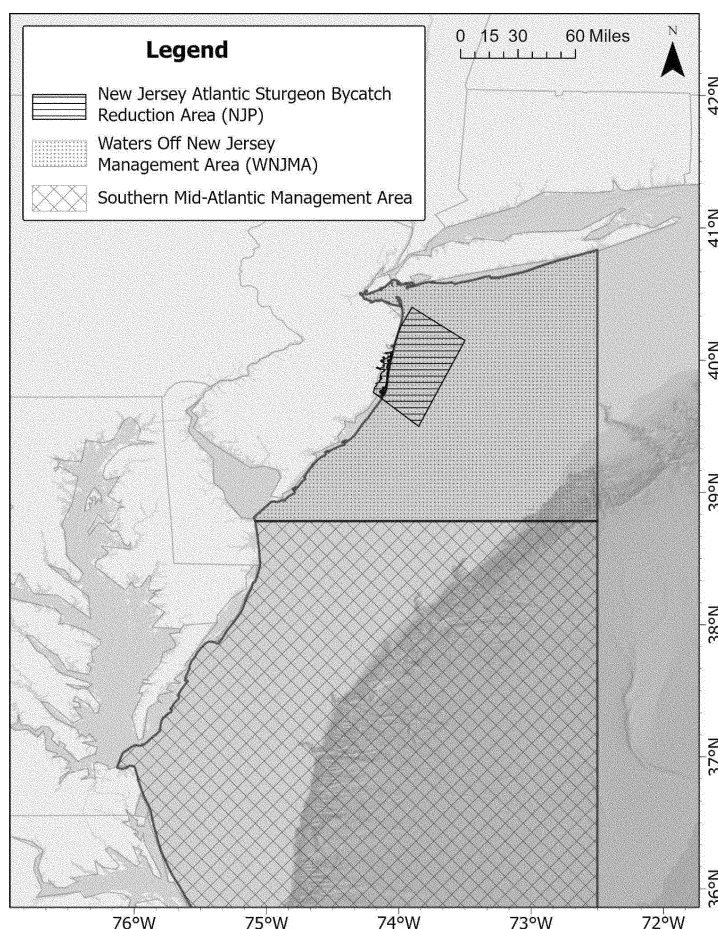


Figure 1 -- Harbor Porpoise Take Reduction Plan (HPTRP) Areas overlapping and adjacent to the New Jersey Atlantic Sturgeon Bycatch Reduction Area.

This discrepancy between requirements in the Monkfish FMP and the HPTRP prompted a review of the current HPTRP gear restrictions and history.

When the HPTRP was implemented in 1998, the Mid-Atlantic coastal gillnet fishery consisted of both local Mid-Atlantic vessels and New England vessels that fished in Mid-Atlantic waters during the winter months. The New England vessels fishing in the Mid-Atlantic region used a finer twine size¹ and more nets per string than the local Mid-Atlantic vessels. Data indicated that the fine twine gear used by New England vessels was associated with a higher level of harbor porpoise bycatch than the gear used by local fishermen in the Mid-Atlantic. For that reason, the HPTRP employed gear modifications to reflect locally prevailing practices in the Mid-Atlantic (63 FR 48670, September

11, 1998). Among those requirements was a 0.9-mm minimum twine size for large-mesh (7–18 inches; 17.78–45.72 cm) gillnets, which had lower harbor porpoise bycatch than hauls targeting monkfish using smaller twine sizes (Palka 1997). The HPTRP also set a 0.81-mm minimum twine size for small-mesh (>5 and <7 inch; >12.7 and <17.78 cm) gillnets in the Mid-Atlantic. Because none of the gear characteristics alone were strongly correlated with reduced bycatch, the HPTRP combined a number of measures to achieve the bycatch reduction goal in the Mid-Atlantic; however, smaller twine size (such as 0.62 mm and 0.66 mm) and floatline length appeared to be the predominant gear characteristics correlated with harbor porpoise bycatch in the Mid-Atlantic.

As noted above, when the minimum twine size requirement for large-mesh gillnet gear was established in the HPTRP in 1998, there were not enough data to distinguish the effect of twine size as opposed to other factors like soak time and floatline length, on harbor

porpoise bycatch. Now, 27 years after the rule was implemented, we still expect that a combination of factors influence the rate of bycatch of harbor porpoise in gillnet gear; the role that twine size plays in affecting harbor porpoise bycatch rates remains unclear. Currently, there is a low rate of observer coverage in mid-Atlantic gillnet fisheries,² and observed bycatch has been very low in the Mid-Atlantic region in recent years, with a mean combined annual mortality of 10 from 2017 through 2021 (Hayes *et al.*, 2023). In addition, 0.81-mm twine in large mesh gear has not been observed since 2016, and was rare before that, so there are few data for comparison. Finally, there are fewer harbor porpoises present in the Mid-Atlantic from January to May due to changes in habitat use. Given all of these constraints, there is some uncertainty in how this small change (0.9 mm to 0.81 mm, a change of only

¹ Reported twine size in monkfish hauls with harbor porpoise bycatch were: 0.57mm (3 takes), 0.62 mm (6 takes), 0.66 mm (4 takes), 0.71 mm (1 take), 0.81 mm (1 take), and 0.90 mm (1 take) (Palka 1997).

² From 2015 through 2022, observer coverage in Mid-Atlantic gillnet fisheries ranged from 1 to 13 percent (Precoda 2024; Precoda and Orphanides 2022).

0.09 mm) in twine size may affect harbor porpoise bycatch.

Analysis of the available data indicates that the combinations of gear configurations and environmental variables, along with relatively low bycatch rates, will show a barely perceptible effect in the data, if there is one, as a result of this twine size change. Scientists have noted that it could take several years of observation to see any effect of this small change in minimum twine size (Precoda *et al.*, 2025).

In June 2024, NMFS convened the Team to monitor implementation of the HPTRP and that meeting was open to the public. At that meeting, the Team discussed the changes to the Monkfish FMP, and did not voice any concerns about NMFS modifying the HPTRP. Members of the Team also supported changing the minimum twine size to 0.81 mm throughout the HPTRP regulated areas in the Mid-Atlantic to minimize the burden on fishermen who might have to otherwise change their nets when fishing outside the NJP. This rule therefore modifies the minimum required twine size for large-mesh gillnet gear in all HPTRP management areas in the Mid-Atlantic, so that fishermen will not have to maintain two sets of gear.

A technical memo summarizing the information presented to the Team was published after the meeting (Precoda *et al.*, 2025). The memo used historical observer gillnet data from waters including and extending beyond the NJP and developed two generalized additive models, with different definitions for bycatch, using different data sets to evaluate the potential impact on harbor porpoise bycatch of this change to a minimum 0.81-mm diameter twine in the HPTRP management areas in the Mid-Atlantic (Precoda *et al.*, 2025). The analysis showed that the statistically significant factors affecting harbor porpoise bycatch included year, soak duration, longitude, and combinations of twine size and soak duration or twine size and month, but twine size on its own was not significant (Precoda *et al.*, 2025). After accounting for these other influential factors, statistical models showed that harbor porpoise bycatch in 12-inch (30.48-cm) mesh gillnets observed during 1994–2022 with 0.81-mm twine size tended to be higher than in gillnets with 0.9-mm twine size, though that difference was larger before 2005 than in the more recent 2012–2022 timeframe. There is no evidence that changing twine size from 0.9 mm to 0.81 mm would, on its own, produce a large impact on harbor porpoise bycatch, such that the levels of harbor porpoise

bycatch in the Mid-Atlantic gillnet fishery would meaningfully change from current levels (Precoda *et al.*, 2025).

Summary of Change to the Harbor Porpoise Take Reduction Plan

This interim final rule amends the gillnet gear modification requirements in § 229.34, the Mid-Atlantic portion of the HPTRP, to reduce the minimum allowable twine size diameter for nets with a mesh size of greater than 7 inches (17.78 cm) to a diameter of 0.81 mm from the current minimum allowable twine size diameter of 0.9 mm. This deregulatory amendment would not require fishermen to make any changes to their gear but would allow fishermen who use the low-profile gillnet gear required by the Monkfish FMP to also be in compliance with the MMPA while fishing in the NJP. In order to provide fishermen fishing in the NJP with maximum flexibility, the change in the minimum twine size requirement will apply to all the managed areas of the HPTRP within the Mid-Atlantic, as suggested by a member of the Team. This suggestion was supported by several others, and no Team member voiced an objection.

This action does not require fishermen to change their gear, and therefore does not impose an economic impact. The economic impact to fishermen of the new low-profile gillnet gear requirements, including a change to the 0.81-mm twine size, within the NJP is thoroughly discussed in the EA for the Joint Framework Action to Reduce Sturgeon Bycatch in Monkfish and Spiny Dogfish Fisheries available on our website (<https://www.fisheries.noaa.gov/action/framework-adjustment-15-monkfish-fishery-management-plan-framework-adjustment-6-spiny>).

For fishermen who do not fish in the NJP, the change to the HPTRP to allow a slightly smaller minimum twine size is not expected to have any negative economic effects. The Monkfish FMP modifications and this rule do not impose any new requirements on fishermen fishing outside the NJP. This action allows additional flexibility by increasing the range of twine sizes fishermen may use in a broader area, so that fishermen do not need to modify gear when moving outside of the NJP in order to remain in compliance with the HPTRP.

While the rule will not impose an economic impact, taking no action would have economic consequences. If no action is taken to modify the minimum twine size requirements in the HPTRP, federally permitted

monkfish fishermen currently fishing in the NJP, which is within the HPTRP's WNJMA, would be unable to comply with the conflicting regulations between January and April, effectively rendering the NJP as a closed area. Based on 2021 through 2024 Catch Accounting and Monitoring System (CAMS) data from the NMFS Greater Atlantic Regional Fisheries Office (GARFO), an average of nine federally permitted monkfish vessels fishing large-mesh fixed-gear gillnet operated in the NJP between January and April each year. On average, these vessels collectively generated \$156,640 (in 2024 dollars) in revenue from the NJP during these four months. Additional economic impacts of taking no action would depend on how fishermen respond to the regulatory environment. Some fishermen may choose to modify their gear in accordance with the Monkfish FMP. By doing so, they would be excluded from fishing within the HPTRP's WNJMA from January to April. Based on 2021–2024 GARFO CAMS data, an average of 12 federally permitted monkfish vessels fishing large-mesh fixed-gear gillnet operated in the WNJMA during those months each year. On average, these vessels collectively generated \$279,174 (in 2024 dollars) in revenue from the WNJMA during these four months. However, it is unlikely all vessels would make the same gear modification decision. The economic impacts would likely be a portion of this value, depending on the number and revenues of vessels undertaking the modification to gain access to the NJP during May through December.

Alternatively, fishermen could decide not to alter their gear and remain in compliance with the existing HPTRP. If so, fishermen would be functionally excluded from the NJP for the duration of the year. Based on 2021–2024 GARFO CAMS data, an average of 14 federally permitted monkfish vessels fishing large-mesh fixed-gear gillnet operated in the NJP. On average, these vessels collectively generated \$427,863 (in 2024 dollars) in revenue from the NJP. However, it is unlikely all vessels would make the same gear modification decision. The economic impacts of this possibility would be a portion of this value, depending on the number and revenues of vessels who do not change their gear to maintain unrestricted access to the WNJMA. While there are areas outside of the NJP where federal monkfish gear is currently fished, fishermen would potentially have to displace gear upwards of 20 additional miles (32 kilometers) from shore,

affecting the time at sea and fuel costs (Miller *et al.*, 2024a, Miller *et al.*, 2024b). For more details on the economic analyses and underlying assumptions, please see section 6.7 in the associated EA for this action, as well as sections 5.5, 6.6, and 7.1 of the Joint Framework Action to Reduce Sturgeon Bycatch in Monkfish and Spiny Dogfish Fisheries EA (NEFMC and MAFMC 2024).

This modification of the HPTRP exercises NMFS' discretion and authority under the MMPA and is needed to provide consistency of MMPA regulations with Framework Adjustment 15 to the Monkfish FMP and Framework Adjustment 6 to the Spiny Dogfish FMP (89 FR 65576, August 12, 2024), which are intended to minimize bycatch of Atlantic sturgeon, including distinct population segments listed as threatened or endangered under the ESA. The rule will continue to reduce mortality and serious injury of harbor porpoise through the gear modifications and closures in place, congruent with the MMPA section 118 short-term goal of remaining below PBR, and is not expected to affect the trajectory with respect to the long-term goal of the Plan of achieving a zero mortality and serious injury rate.

Classification

The NMFS Assistant Administrator has determined that the rule is consistent with the HPTRP, with the rulemaking authority under MMPA section 118(f), and with other applicable laws.

Executive Order 12866 and Executive Order 14192

This rule has been determined to be not significant for purposes of Executive Order 12866. The rule is considered an Executive Order 14192 deregulatory action.

Administrative Procedure Act

In promulgating this change to the HPTRP, we find that there is good cause to waive prior notice and an opportunity for public comment otherwise required pursuant to 5 U.S.C. section 553 because notice and comment would be contrary to public interest (5 U.S.C. 553(b)(B)). In addition, there is an exigent need to implement this action to relieve restrictions on the regulated community and mitigate economic harm caused by an unintended closure of the New Jersey Atlantic Sturgeon Bycatch Reduction Area (NJP) to fishing as a result of conflicting regulations. In order to immediately relieve this restriction, this rule is effective upon publication

pursuant to 5 U.S.C. 553 (d)(1). Specifically, beginning January 1, 2026, Framework Adjustment 15 to the Monkfish Fishery Management Plan (FMP) requires federally permitted monkfish vessels, fishing in the NJP, to use 0.81-mm twine size while the existing HPTRP regulations require a minimum twine size of 0.9 mm in the same area from January through April each year.

An average of nine federally permitted monkfish vessels fishing large-mesh fixed-gear gillnet operate in the NJP between January and April each year (the time and area that would be subject to closure), collectively generating approximately \$156,640 (in 2024 dollars) in revenue during these four months and accounting for approximately 15 percent of the annual monkfish effort in the Waters off New Jersey Management Area. Any delay in amending the HPTRP to harmonize with the Monkfish FMP requirement will result in substantial economic impacts to these small fishing businesses and businesses that depend on them.

In addition, the public has had ample opportunity to comment on the Monkfish FMP 0.81 mm twine size requirement. There were approximately 20 public meetings with opportunities for public comment related to Monkfish Framework Adjustment 15 (see Table 50 in the Environmental Assessment for the Joint Framework Action to Reduce Sturgeon Bycatch in Monkfish and Spiny Dogfish Fisheries). In addition, the proposed rule for Monkfish Framework Adjustment 15, which was published on August 12, 2024 (89 FR 65576), was open for a 30-day public comment period. During the public comment period, NMFS received no comments on this change as it related to harbor porpoise take.³ NMFS also notified, via email, all members of GARFO's Marine Mammal/Endangered Species and general interest email lists (10,149 recipients) about a Harbor Porpoise Take Reduction Team meeting on June 28, 2024, where the proposal to change the HPTRP to a minimum 0.81-mm twine size in the Mid-Atlantic region would be discussed. In addition, NMFS posted information about the meeting on its website, including a registration link for non-Team members to observe the meeting. At that meeting, the Harbor Porpoise Take Reduction Team received a briefing and asked

³ The only comment that mentioned the Mid-Atlantic Plan raised concerns that the change to the minimum twine size regulation in the Mid-Atlantic Plan would not be in place by January 1, 2026, and would result in an inadvertent fishery closure that would incur negative economic impacts to the fishery (89 FR at 102836).

questions about the Monkfish Framework Adjustment 15 low-profile gear requirement (including the 0.81-mm twine size) and Team members voiced no concerns about NMFS modifying the HPTRP to avoid this conflict in regulations. Members of the Team also supported changing the minimum twine size to 0.81 mm throughout the HPTRP's Mid-Atlantic regulated areas to minimize the burden on fishermen who might have to otherwise change their nets when fishing outside the NJP. Members of the public in attendance were invited to email any additional comments to the Harbor Porpoise Take Reduction Team coordinator. No comments were submitted.

This rule relieves a restriction by removing a conflict between the Monkfish FMP and the HPTRP and will allow fishermen to continue fishing without interruption. By changing the minimum twine size required in large-mesh gillnets in the existing HPTRP management areas in the Mid-Atlantic to a minimum diameter of 0.81 mm rather than a minimum of 0.9 mm, this regulation does not require fishermen to make any changes. Federally permitted monkfish vessels will have changed their gear to be consistent with the Monkfish FMP requirements. This rule allows fishermen to be in compliance with both the HPTRP and the Monkfish FMP's requirement to use low-profile gear (with a twine size of 0.81 mm) when fishing in the NJP, does not require fishermen who fish outside of the NJP to make any changes, and also allows fishermen who fish both inside and outside of the NJP to maintain the gear of their choosing. Vessels need the immediate implementation of this measure to authorize them to continue fishing in the areas and times of year they have been fishing, and will continue to fish in accordance with the new gear requirements implemented by the Monkfish FMP beginning January 1, 2026. It is in the public interest that commercial fishing vessels and the businesses that depend on them avoid the economic impacts of the unintended closure that will result if this rule is delayed.

National Environmental Policy Act

An Environmental Assessment has been prepared, analyzing the impacts on the human environment that would result from this interim final rule and NMFS has determined that this interim final rule will not have significant environmental impacts upon implementation of the action. Upon consideration of any comments received on this interim final rule, NMFS may

publish a subsequent rule confirming, modifying, or withdrawing this interim final rule.

Paperwork Reduction Act

This rule contains no information collection requirements under the Paperwork Reduction Act of 1995.

Regulatory Flexibility Act

Because a notice of proposed rulemaking and an opportunity for public participation are not required to be given for this rule by 5 U.S.C. 553(b)(B), the analytical requirements of the Regulatory Flexibility Act (5 U.S.C. 601 *et seq.*) are not applicable. Accordingly, no regulatory flexibility analysis is required, and none has been prepared.

References

Hayes, S.H., E. Josephson, K. Maze-Foley, J. McCordic, P.E. Rosel, and J. Wallace. 2023. U.S. Atlantic and Gulf of Mexico Marine Mammal Stock Assessments 2022. Northeast Fisheries Science Center, Woods Hole, MA.

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Miller, A.S., L.K. Solinger, B. Shank, A. Huamani and M. J. Asaro. 2024b. Gearing Up: Methods for Quantifying gear density for fixed-gear commercial fisheries in the U.S. Atlantic. Canadian Journal of Fisheries and Aquatic Sciences. 82: 1–15.

NEFMC and MAFMC. 2024. Environmental Assessment of the Joint Framework Action to Reduce Sturgeon Bycatch in Monkfish and Spiny Dogfish Fisheries: Monkfish Framework Adjustment 15 and Spiny Dogfish Framework Adjustment 6. October 22, 2024. 248 pp.

Palka, D. 1997. Effects of Gear Characteristics on the Mid-Atlantic Harbor Porpoise Bycatch. Report to the Mid-Atlantic Take Reduction Team. Unpublished.

Precoda, K., S. Chavez-Rosales, and D. Palka. 2025. Investigating gillnet twine size and Mid-Atlantic harbor porpoise bycatch. Northeast Fisheries Science Center Reference Document 25–03. 24 pp.

List of Subjects in 50 CFR Part 229

Administrative practice and procedure, Confidential business information, Fisheries, Marine mammals, Reporting and recordkeeping requirements.

Dated: December 30, 2025.

Samuel D. Rauch III,
Deputy Assistant Administrator for Regulatory Programs, National Marine Fisheries Service.

For the reasons set out in the preamble, 50 CFR part 229 is amended as follows:

PART 229—AUTHORIZATION FOR COMMERCIAL FISHERIES UNDER THE MARINE MAMMAL PROTECTION ACT OF 1972

■ 1. The authority citation for 50 CFR part 229 continues to read as follows:

Authority: 16 U.S.C. 1361 *et seq.*; § 229.32(f) also issued under 16 U.S.C. 1531 *et seq.*

■ 2. Amend § 229.34 by revising paragraphs (b)(1)(ii)(B), (b)(2)(ii)(B), (b)(3)(ii)(B), and (b)(4)(ii)(B) to read as follows:

§ 229.34 Harbor Porpoise Take Reduction Plan Regulations—Mid-Atlantic.

- * * * * *

(b) * * *

(1) * * *

(ii) * * *

(B) *Twine size.* The twine is at least 0.81 mm in diameter.

* * * * *

(2) * * *

(ii) * * *

(B) *Twine size.* The twine is at least 0.81 mm in diameter.

* * * * *

(3) * * *

(ii) * * *

(B) *Twine size.* The twine is at least 0.81 mm in diameter.

* * * * *

(4) * * *

(ii) * * *

(B) *Twine size.* The twine is at least 0.81 mm in diameter.

* * * * *

Proposed Rules

Federal Register

Vol. 91, No. 1

Friday, January 2, 2026

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.

DEPARTMENT OF THE TREASURY

Internal Revenue Service

26 CFR Parts 1 and 301

[REG–113515–25]

RIN 1545–BR75

Car Loan Interest Deduction

AGENCY: Internal Revenue Service (IRS), Treasury.

ACTION: Notice of proposed rulemaking and notice of public hearing.

SUMMARY: This document contains proposed regulations regarding the deduction for certain taxpayers for an amount up to \$10,000 of qualified passenger vehicle loan interest. This document also contains proposed regulations regarding new information reporting requirements for certain persons who, in a trade or business, receive from any individual interest aggregating \$600 or more for any calendar year on a specified passenger vehicle loan, including applicable penalties for failures to file information returns or furnish payee statements as required. The proposed regulations would affect taxpayers that may deduct qualified passenger vehicle loan interest, and also persons subject to these information reporting requirements. This document also provides notice of a public hearing on these proposed regulations.

DATES: Written or electronic comments must be received by February 2, 2026. The public hearing is being held on February 24, 2026, at 10 a.m. ET. Requests to speak and outlines of topics to be discussed at the public hearing must be received by February 2, 2026. If no outlines are received by February 2, 2026, the public hearing will be cancelled. Requests to attend the public hearing must be received by 5 p.m. ET on February 20, 2026.

ADDRESSES: Commenters are strongly encouraged to submit public comments electronically. Submit electronic submissions via the Federal

eRulemaking Portal at www.regulations.gov (indicate IRS and REG–113515–25) by following the online instructions for submitting comments. Once submitted to the Federal eRulemaking Portal, comments cannot be edited or withdrawn. The Department of the Treasury (Treasury Department) and the IRS will publish for public availability any comments submitted electronically and comments submitted on paper to its public docket. Send hard copy submissions to: CC:PA:01:PR (REG–113515–25), Room 5503, Internal Revenue Service, P.O. Box 7604, Ben Franklin Station, Washington, DC 20044.

FOR FURTHER INFORMATION CONTACT:

Concerning the proposed regulations, Riston Escher of the Office of Associate Chief Counsel (Income Tax & Accounting) at (202) 317–7003; concerning submissions of comments or the public hearing, please contact Publications and Regulations Section at (202) 317–6901 (not toll-free numbers) or by email at publichearings@irs.gov (preferred).

SUPPLEMENTARY INFORMATION:

Authority

This notice of proposed rulemaking contains proposed amendments that would add new regulations to the Income Tax Regulations (26 CFR part 1) under sections 163 and 6050AA of the Internal Revenue Code (Code), as amended and enacted, respectively, by section 70203(a) and (c)(1) of Public Law 119–21, 139 Stat. 72, 176–179 (July 4, 2025), commonly known as the One, Big, Beautiful Bill Act (OBBBA), related to the allowance of a Federal income tax deduction under section 163(a) and (h)(4) for qualified passenger vehicle loan interest (QPVL) and certain information reporting requirements under section 6050AA for persons receiving certain interest on a specified passenger vehicle loan (SPVL). This notice of proposed rulemaking also contains proposed amendments to the Procedure and Administration Regulations (26 CFR part 301) relating to electronic filing of returns under section 6011 of the Code, and penalties under section 6721 of the Code for failures to file information returns and under section 6722 of the Code for failures to furnish payee statements.

The proposed regulations are issued under the authority of section 7805(a) of

the Code, which authorizes the Secretary of the Treasury or the Secretary's delegate (Secretary) to prescribe all needful rules and regulations for the enforcement of the Code including all rules and regulations as may be necessary by reason of any alteration of law in relation to internal revenue. The proposed regulations under section 6050AA are also issued under the authority of section 6050AA(e), which authorizes the Secretary to issue such regulations or other guidance as may be necessary or appropriate to carry out the purposes of section 6050AA, including regulations or other guidance to prevent the duplicate reporting of information under section 6050AA. The proposed regulations under section 6011 are also issued under the authority of section 6011(e), which authorizes the Secretary to prescribe regulations that require taxpayers to electronically file returns, including information returns, if the taxpayer is required to file at least 10 returns of any type during a calendar year.

Background

Section 70203(a) of the OBBBA amended section 163(h) (relating to the disallowance of any deduction for personal interest) by inserting a new paragraph (4) to provide an exception for QPVL. Additionally, section 70203(b) of the OBBBA amended section 63(b) of the Code by inserting a new paragraph (7) to allow this deduction for taxpayers that do not itemize their deductions. Further, section 70203(c) of the OBBBA added new section 6050AA to the Code to require returns relating to applicable passenger vehicle loan interest received in a trade or business from individuals. The amendments made by section 70203 of the OBBBA apply to indebtedness incurred after December 31, 2024. The new allowance of a deduction for QPVL under section 163(a) and (h)(4) applies solely to taxable years beginning after December 31, 2024, and before January 1, 2029. New section 6050AA provides that no information return is required under section 6050AA for any period to which new section 163(h)(4) does not apply.

I. Section 163

Section 163(a) allows a deduction for all interest paid or accrued within the

taxable year on indebtedness. Section 163(h) generally disallows a deduction for personal interest. Section 163(h)(1) provides that a taxpayer other than a corporation cannot take a deduction for personal interest paid or accrued during the taxable year under chapter 1 of the Code. Section 163(h)(2) defines “personal interest” as any interest deductible under chapter 1 other than (a) interest paid or accrued on indebtedness properly allocable to the conduct of a trade or business (other than the trade or business of performing services as an employee), (b) investment interest, (c) interest taken into account under section 469 of the Code in computing income or loss from a passive activity, (d) qualified residence interest, (e) interest payable under section 6601 of the Code on any unpaid portion of the tax imposed by section 2001 of the Code for the period during which an extension of time for payment of such tax is in effect under section 6163 of the Code, and (f) any interest allowable as a deduction under section 221 of the Code.

As added by the OBBBA, new section 163(h)(4)(A) provides that in the case of taxable years beginning after December 31, 2024, and before January 1, 2029, personal interest does not include QPVLI. As a result, a deduction for QPVLI is allowable under section 163(a) for taxable years beginning after December 31, 2024, and before January 1, 2029. Section 163(h)(4)(B)(i) provides that “QPVLI” means any interest that is paid or accrued during the taxable year on indebtedness incurred by the taxpayer after December 31, 2024, for the purchase of, and that is secured by a first lien on, an applicable passenger vehicle (APV) for personal use, subject to certain enumerated exceptions in section 163(h)(4)(B)(ii). Section 163(h)(4)(C) provides limitations on the amount of QPVLI that a taxpayer can deduct during a taxable year. Section 163(h)(4)(D) defines an “APV” as a vehicle that satisfies the requirements of section 163(h)(4)(D)(i) through (vi) but excludes from the definition any vehicle the final assembly of which did not occur within the United States. Section 163(h)(4)(E) provides the definition of “final assembly” and special rules on the treatment of a refinancing and related party indebtedness.

II. Section 63(b)(7)

Section 63 defines “taxable income” for purposes of subtitle A of the Code (subtitle A). Section 63(a) provides the general rule that, except as provided in section 63(b), for purposes of subtitle A, the term “taxable income” means gross income minus the deductions allowed

by chapter 1 (other than the standard deduction). Section 63(b) provides that, in the case of an individual who does not elect to itemize the individual’s deductions for the taxable year, for purposes of subtitle A, the term taxable income means “adjusted gross income” (as defined in section 62 of the Code), minus the deductions enumerated in section 63(b)(1) through (7). As amended by the OBBBA, new section 63(b)(7) provides that so much of the deduction allowed by section 163(a) as is attributable to the exception under section 163(h)(4)(A) is subtracted from adjusted gross income in computing taxable income.

III. Section 6050AA

New section 6050AA(a) provides that any person engaged in a trade or business who, in the course of that trade or business, receives from any individual interest aggregating \$600 or more for any calendar year on an SPVL, must file an information return reporting the receipt of interest. Section 6050AA(b) provides that the information return filed by the recipient of such interest (interest recipient) must be in the form prescribed by the Secretary and must contain: (A) the name and address of the individual from whom such interest was received, (B) the amount of such interest received for the calendar year, (C) the amount of outstanding principal on the SPVL as of the beginning of such calendar year, (D) the date of origination of that loan, (E) the year, make, model, and vehicle identification number (VIN) of the APV that secures that loan (or any other description of that vehicle as the Secretary may prescribe), and (F) any other information as the Secretary may prescribe.

Section 6050AA(c) provides that every person required to make an information return under section 6050AA(a) must also furnish to each individual whose name is required to be included in the return a written statement showing the name, address, and phone number of the information contact of the interest recipient, and the information required to be included in the information return under section 6050AA(b)(2)(B) through (F).

Section 6050AA(e) authorizes the Secretary to issue regulations or guidance necessary to carry out the purposes of section 6050AA, including regulations or other guidance to prevent duplicate reporting.

IV. Section 6011 and Electronic Filing of Information Returns

Section 6011(e) authorizes the Secretary to prescribe regulations

providing standards for determining which returns must be filed on magnetic media or in other machine-readable form. Section 6011(e)(5) authorizes the Secretary to prescribe regulations that require taxpayers to electronically file returns, including information returns, if the taxpayer is required to file at least 10 returns of any type during a calendar year.

V. Penalties Under Sections 6721 and 6722

Section 6721 imposes a penalty for any failure to file an information return on or before the required filing date, and for any failure to include all the information required to be shown on a return or the inclusion of incorrect information. Section 6722 imposes a penalty for any failure to furnish a payee statement on or before the required furnishing date to the person to whom such statement is required to be furnished and for any failure to include all the information required to be shown on a payee statement or the inclusion of incorrect information.

Section 70203(c)(2)(A) of the OBBBA amended section 6724(d)(1) to add information reporting requirements under section 6050AA—regarding returns relating to QPVLI received in a trade or business from individuals—to the definition of “information return.” Section 70203(c)(2)(B) of the OBBBA similarly amended the definition of “payee statement” in section 6724(d)(2). As a result of these amendments, penalties under sections 6721 and 6722 may be imposed on interest recipients that fail to file correct information returns and payee statements under section 6050AA.

On October 21, 2025, the IRS released Notice 2025–57, 2025–45 I.R.B. 692, to provide transitional guidance on the information reporting requirements under section 6050AA. Notice 2025–57 provides that an interest recipient will be deemed to have satisfied the reporting obligations under section 6050AA for interest on SPVLs received in 2025 if the interest recipient makes a statement available to the individual indicating the total amount of interest received in calendar year 2025 on an SPVL.

Explanation of Provisions

I. Explanation of Proposed § 1.163–16

A. QPVLI Generally

Section 163(h)(4)(B)(i) provides the general rule that QPVLI means any interest that is paid or accrued during the taxable year on indebtedness incurred by the taxpayer after December 31, 2024, for the purchase of, and that

is secured by a first lien on, an APV for personal use. Proposed § 1.163–16(c)(1) would provide that interest is QPVL only if the interest is paid or accrued on an SPVL that is secured by a first lien on the purchased APV at the time the taxpayer pays or accrues interest on that SPVL. A lender's release of a lien typically occurs following the borrower's final payment on the related indebtedness. Thus, at the time of the final payment, an SPVL would typically still be secured by a lien on the purchased APV. See parts I.C (*Interest paid or accrued*), I.E.1 (*SPVLs Generally*), and I.D (*QPVL exceptions*) of this Explanation of Provisions.

B. Taxpayers That May Deduct QPVL

Section 163(h)(4)(B)(i) provides that QPVL is interest paid or accrued on indebtedness incurred by the taxpayer for the purchase of an APV for personal use.

Proposed § 1.163–16(a)(2)(i) would provide that only individuals, decedents' estates, and non-grantor trusts may deduct QPVL. This is because only those taxpayers could be considered to have purchased an APV for personal use as described in part I.H.2 of this Explanation of Provisions (*Types of Taxpayers that May Satisfy the Personal Use Requirement*).

Under existing rules (for example, § 301.7701–3(b)), an entity may be disregarded as an entity separate from its owner for Federal tax purposes. Accordingly, for Federal income tax purposes (including for purposes of section 163(h)(4)), activities of a disregarded entity are treated as the activities of the owner. Additionally, a grantor or other person treated as owning any portion of a trust under sections 671 through 679 of the Code (a grantor trust) is treated as the owner of the trust property for Federal income tax purposes. See Revenue Ruling 85–13 (1985–1 C.B. 184). For example, if a grantor trust acquires an APV and incurs a secured loan for its purchase, the grantor trust's deemed owner is treated as the owner of the APV and the obligor of the loan, and eligibility of the grantor trust's deemed owner to deduct the interest paid by the grantor trust as QPVL is determined by disregarding the grantor trust and instead looking to the deemed owner to test whether all of the requirements for deductible QPVL have been satisfied. In this case, the modified adjusted gross income phaseout (as would be provided in proposed § 1.163–16(h)(2)) is determined based upon the modified adjusted gross income of the deemed owner of the grantor trust, rather than

the modified adjusted gross income of the grantor trust or any other person.

Thus, similar to the deduction for qualified residence interest under section 163(h)(3), the proposed regulations would permit QPVL to be deducted by an individual, decedent's estate, or non-grantor trust, including with respect to a grantor trust or disregarded entity deemed owned by the individual, decedent's estate, or non-grantor trust.

Section 63(b)(7) provides that the deduction for QPVL is allowed for taxpayers who do not itemize deductions. Proposed § 1.163–16(a)(2)(ii) would clarify that the deduction for QPVL may be taken by taxpayers who itemize deductions and taxpayers who take the standard deduction. For taxpayers who itemize deductions, the deduction is available under the general rule of section 63(a). For taxpayers who take the standard deduction, the deduction is available under section 63(b)(7).

C. Interest Paid or Accrued

Proposed § 1.163–16(c)(2)(i) would provide that interest on an SPVL accrues on a daily basis over the term of the SPVL, consistent with the accrual of interest on other debt instruments. The amount of QPVL that is deductible by a taxpayer for the taxable year is determined by the taxpayer's overall method of accounting for Federal income tax purposes (either the cash receipts and disbursements method or an accrual method) or an applicable special method of accounting. For purposes of section 163(h)(4), QPVL includes all interest payable with respect to the amount financed under an SPVL.

Proposed § 1.163–16(c)(2)(ii) would provide that a payment on an SPVL is treated first as a payment of interest to the extent interest has accrued and remains unpaid on the SPVL as of the date the payment is due, and second, to the extent of any excess, as a payment of principal. Proposed § 1.163–16(c)(2)(ii) would also make clear that, consistent with the foregoing, a simple interest calculation may be used to determine the amount of interest that has accrued and remains unpaid on an SPVL when a payment is made. Under this simple interest calculation, interest accrues daily over the term of the SPVL based on the outstanding principal balance and the Annual Percentage Rate (APR) or stated interest rate provided in the retail installment sales contract or other contract evidencing the SPVL.

D. QPVL Exceptions

1. In General

As discussed in part I.A of this Explanation of Provisions (*QPVL Generally*), proposed § 1.163–16(c)(1) would provide that interest is QPVL only if the interest is paid or accrued on an SPVL that is secured by a first lien on the purchased APV at the time the taxpayer pays or accrues interest on that SPVL.

Consistent with section 163(h)(4)(B)(ii), proposed § 1.163–16(c)(4) would provide that QPVL does not include amounts paid or accrued on: (i) a loan to finance fleet sales; (ii) a loan incurred for the purchase of a commercial vehicle that is not used for personal purposes; (iii) any lease financing; (iv) a loan to finance the purchase of a vehicle with a salvage title; or (v) a loan to finance the purchase of a vehicle intended to be used for scrap or parts.

2. Non-Purchase Transactions

Proposed § 1.163–16(b)(6) would provide that the term “lease financing” means a transaction that is not a purchase of an APV, and under which a taxpayer has usage rights with respect to an APV but is not considered the owner of the APV under State or other applicable law. As stated in part I.F of this Explanation of Provisions (*Purchase of the APV*), proposed § 1.163–16(b)(11) would provide that “purchase” means an acquisition that is both (i) an acquisition of a vehicle for Federal income tax purposes and (ii) the acquisition of the title of the vehicle for purposes of State or other applicable law. Accordingly, because under proposed § 1.163–16(b)(6) a lease financing does not involve a purchase of an APV, it would not be considered an SPVL, and QPVL would not include any amounts paid or accrued with respect to a lease financing, including any amounts payable under the lease financing that are attributable to the time value of money.

A transaction that is a lease financing under State or other applicable law would not be a purchase within the meaning of section 163(h)(4)(B)(i) and proposed § 1.163–16(b)(6) and (11), even if the transaction is properly viewed as a sale for Federal income tax purposes. Conversely, a transaction that is a purchase of an APV under State or other applicable law that is properly viewed as a lease for Federal income tax purposes also would not be a purchase within the meaning of section 163(h)(4)(B)(i) and proposed § 1.163–16(b)(11).

Proposed § 1.163–16(c)(6)(i) would provide an example that illustrates the application of proposed § 1.163–16(c)(1) and (4) to a non-purchase transaction.

3. Lien on APV Substitutes

Proposed § 1.163–16(c)(3)(ii) would provide an exception to the proposed general rule in proposed § 1.163–16(c)(1) and (c)(3)(i) that interest is QPVL only if the interest is paid or accrued on an SPVL that is secured by a first lien on the purchased APV at the time the taxpayer pays or accrues interest on that SPVL. This proposed exception would permit the substitution of collateral on the SPVL in limited circumstances. Under this proposed exception, if an SPVL is secured by a first lien on an APV that is replaced with a substitute APV due to an unforeseen intervening event, and the lien is transferred to that substitute APV under the loan documentation terms, the indebtedness will continue to be treated as an SPVL. Unforeseen intervening events would include a defective APV required to be replaced under State or other applicable lemon law or an APV that is required to be replaced due to an insurance product.

This proposed exception would be limited to substitute vehicles for which original use commences with the taxpayer, and that otherwise meet the requirements to be an APV. Furthermore, this proposed exception would be intended to apply in situations in which the existing SPVL continues without change other than the substitution of the collateral for the SPVL, as if the unforeseen intervening event did not occur. If instead the lender in that situation treats the original SPVL as being satisfied and new indebtedness as being issued to the taxpayer for the substitute vehicle, the generally applicable rules would apply for determining if this new indebtedness for the vehicle is an SPVL.

Proposed § 1.163–16(c)(6)(ii) would provide an example that illustrates the application of proposed § 1.163–16(c)(3).

4. Requirement To Report the VIN

Consistent with section 163(h)(4)(B)(iii), proposed § 1.163–16(c)(5) would provide that interest paid or accrued by a taxpayer during the taxable year on an SPVL is not deductible as QPVL unless the taxpayer reports the VIN of the purchased APV on the Schedule 1–A (or successor) or other relevant form specified by the Secretary. Proposed § 1.163–16(b)(16) would provide that “VIN” means the series of Arabic numbers and Roman letters that is assigned to a motor

vehicle for identification purposes under 49 CFR 565.13.

E. Specified Passenger Vehicle Loan (SPVL)

1. SPVLs Generally

Section 163(h)(4)(B)(i) provides that interest is QPVL only if it is paid or accrued on indebtedness that is incurred by the taxpayer after December 31, 2024, for the purchase of, and that is secured by a first lien on, an APV for personal use. Because section 163(h)(4)(B)(i) does not use a specific term for this indebtedness, proposed § 1.163–16(b)(15) refers to this indebtedness as a “specified passenger vehicle loan” or an “SPVL,” the term used in section 6050AA to reference this indebtedness.

Proposed § 1.163–16(b)(14) would provide that “secured by a first lien” means a valid and enforceable security interest in an APV under State or other applicable law with priority ahead of all other security interests, other than tax liens or other similar security interests that may be given higher priority at a later date following the date of purchase and only in limited circumstances. This exception would be intended to clarify that so-called springing liens that result due to the operation of State or other applicable law and that may be given a higher priority at a later date following the date of purchase, such as a tax lien arising due to the non-payment of State property taxes, do not prevent the APV from being secured by a first lien.

Section 163(h)(4)(E)(iii) provides that indebtedness between the taxpayer and a related party (within the meaning of section 267(b) or 707(b)(1) of the Code) is not an SPVL.

2. The SPVL Must Be Incurred for the Purchase of an APV

An APV may be sold under loan documentation referred to as a “motor vehicle retail installment sales contract”. A typical motor vehicle retail installment sales contract indicates the total amount to be paid as part of the purchase transaction for the APV, which includes the purchase price of the vehicle and other fees and charges for property and services that are part of the purchase transaction. The total amount to be paid for the purchase transaction takes into account the value of any trade-in vehicle and any amounts paid by a taxpayer at the time of the purchase transaction for an APV, such as a down payment. In certain cases, amounts representing debt on a vehicle traded in as part of the purchase transaction for the APV in excess of the value of the vehicle (so-called “negative equity”) are

rolled into the financing for the purchase of the APV and included in the total amount to be paid as part of the purchase transaction for the APV.

The “amount financed” consists of the total amount to be paid as part of the purchase transaction for the APV, including any negative equity, reduced by the value of any trade-in vehicle and any down payment. Under the typical terms of the contract, the APR is the cost of the buyer’s credit as a yearly rate. The finance charge stated in the contract, which is the total dollar amount the credit will cost the buyer, is determined based on the APR, the amount financed, and the period over which the buyer will make payments.

Proposed § 1.163–16(d)(2)(i) would provide that indebtedness qualifies as an SPVL only to the extent the indebtedness is incurred for the purchase of an APV as well as for any other items or amounts customarily financed in an APV purchase transaction and that directly relate to the purchased APV (for example, vehicle service plans, extended warranties, sales taxes, and vehicle-related fees). For this purpose, whether an item or amount is customarily financed in an APV purchase transaction would be determined on an industry-wide basis, and not by reference to the financing terms of a particular financing entity.

Proposed § 1.163–16(d)(2)(ii) would provide that to the extent any indebtedness is not described in proposed § 1.163–16(d)(2)(i), this indebtedness is not incurred by a taxpayer for the purchase of an APV, even if it is incurred as part of a purchase transaction for an APV, and, therefore, this indebtedness is not an SPVL. For example, an amount representing negative equity under an existing loan on a trade-in vehicle is not described in proposed § 1.163–16(d)(2)(i) because such negative equity is not an item or amount directly related to the purchased APV.

In addition, indebtedness is not incurred by a taxpayer for the purchase of an APV to the extent the indebtedness is incurred to purchase collision and liability insurance or to purchase any property or services not directly related to the purchased APV (for example, a trailer or a boat). Indebtedness is also not incurred by a taxpayer for the purchase of an APV to the extent the indebtedness relates to cash proceeds that the taxpayer receives from the lender.

In general, under proposed § 1.163–16(d)(2)(iii)(A), if a taxpayer incurs indebtedness attributable to more than the purchase of an APV and any items

or amounts customarily financed with the purchase of the APV that are directly related to the purchased APV, the portion of the indebtedness attributable to this excess amount (nonqualifying indebtedness) would not be an SPVL. Accordingly, none of the interest attributable to this portion of the indebtedness would be deductible as QPVL. Proposed § 1.163–16(d)(2)(iii)(B) would provide that for purposes of determining the portion of the indebtedness that constitutes nonqualifying indebtedness, any down payment or other consideration supplied by the taxpayer is applied first against any negative equity and any other amounts that are not incurred for the purchase of the APV or for other items customarily financed in an APV purchase transaction and that directly relate to the purchase of the APV. This proposed rule would reduce the amount of indebtedness that otherwise would not qualify as an SPVL to the extent of any down payment or other consideration supplied by the taxpayer. For example, if a taxpayer incurred indebtedness totaling \$50,000 to purchase an APV, made a down payment of \$4,000, and traded in a car with \$6,000 of negative equity, and all other amounts incurred by the taxpayer were for the purchase of the APV or for other items or amounts customarily financed in an APV purchase transaction that directly relate to the purchased APV, then \$48,000 of the indebtedness would qualify as an SPVL and only \$2,000 would not qualify as an SPVL.

Proposed § 1.163–16(d)(6)(i) and (ii) provide examples that would illustrate the application of proposed § 1.163–16(d)(2)(i) through (iii).

3. Refinanced SPVLs

Section 163(h)(4)(E)(ii) generally provides that a new loan resulting from refinancing an SPVL is an SPVL if the new loan is secured by a first lien on the APV with respect to which the refinanced SPVL was incurred, but only to the extent the amount of the new loan does not exceed the amount of the refinanced SPVL.

Proposed § 1.163–16(d)(4) would provide this rule and clarify that the amount of the new loan that is an SPVL is limited to the outstanding balance of the refinanced SPVL as of the date of the refinancing. Consistent with proposed § 1.163–16(d)(5)(i), which would provide that the SPVL would have to be originally incurred by the taxpayer, proposed § 1.163–16(d)(4) would provide that, if there is a change in obligor as part of the refinancing, the new loan is not an SPVL with regard to

any obligor other than the original obligor unless the refinancing is in connection with a change in obligor by reason of the obligor's death within the meaning of proposed § 1.163–16(d)(5)(ii). See part I.E.4 of this Explanation of Provisions (*SPVL Must Be Incurred by the Taxpayer*).

Proposed § 1.163–16(d)(6)(iii) would provide an example that illustrates the application of proposed § 1.163–16(d)(4).

4. The SPVL Must Be Incurred by the Taxpayer

Proposed § 1.163–16(d)(5) would provide additional guidance on the requirement in section 163(h)(4)(B)(i) that indebtedness be “incurred by the taxpayer” in order to qualify as an SPVL. Generally, section 163(h)(4) provides an exception to the disallowance of a deduction for personal interest in section 163(h)(1) that applies to certain taxpayers that incur SPVLs. Section 163(h)(4) does not provide that indebtedness owed by a taxpayer other than the taxpayer that originally incurred the indebtedness may qualify as an SPVL.

Accordingly, proposed § 1.163–16(d)(5)(i) would provide a proposed general rule that indebtedness is an SPVL only if that indebtedness was originally incurred by the taxpayer. For example, if individual A incurs an SPVL and subsequently is replaced by individual B as the obligor on the indebtedness, the indebtedness is no longer an SPVL.

However, the proposed regulations would contain an exception to this proposed general rule for a change in obligor by reason of the obligor's death. In the limited circumstance of the death of the original obligor, this rule would treat the obligor succeeding to the decedent's interest as stepping into the shoes of the original obligor for purposes of section 163(h)(4). Thus, proposed § 1.163–16(d)(5)(ii)(A) would provide that if a change in obligor on an SPVL occurs by reason of the death of the obligor, then the indebtedness remains an SPVL with respect to the new obligor.

Proposed § 1.163–16(d)(5)(ii)(B) would provide that a change in obligor by reason of death as described in proposed § 1.163–16(d)(5)(ii) would include a change in obligor (whether through a modification of the existing indebtedness or a refinancing) by reason of the following: the succession to ownership of an APV subject to an SPVL by the deceased obligor's estate, a surviving joint owner of the APV, or the surviving beneficiary designated by contract, a transfer on death provision,

or by operation of law; and a distribution of an APV subject to an SPVL by a deceased obligor's estate to a legatee or heir or by a trust that is made to a trust beneficiary by reason of death.

Proposed § 1.163–16(d)(5)(ii)(C) would provide that a change in obligor by reason of death as described in proposed § 1.163–16(d)(5)(ii) would not include changes in the obligor resulting from the following: a sale, exchange, or other disposition of an APV by a decedent's estate or trust, other than certain distributions described in proposed § 1.163–16(d)(5)(ii)(B); or any disposition of an APV by an individual who received the APV by reason of death (unless that individual also dies and the change in obligor is described in proposed § 1.163–16(d)(5)(ii)(B)).

For example, assume D, an individual, incurs indebtedness that qualifies as an SPVL. Subsequently, D dies and D's APV, subject to the SPVL, then belongs to D's estate. Sometime thereafter, D's estate distributes the APV, subject to the SPVL, to H, a residuary legatee under D's will. Subsequently, H gifts the APV, subject to the SPVL, to G, an individual. Under proposed § 1.163–16(d)(5)(ii) the indebtedness remains an SPVL with respect to D, D's estate, and H, during such time as each person held the APV subject to the indebtedness, because each of these parties is the obligor on the indebtedness due to the death of D (an obligor of an SPVL). Accordingly, D, D's estate, and H each may deduct the amount of interest that each of D, D's estate, and H, respectively, paid or accrued on the SPVL as QPVL, subject to the requirements of section 163(h)(4)(C) and proposed § 1.163–16(h). For example, it may be the case that D and H cannot deduct the interest because their respective modified adjusted gross incomes exceed the limits imposed by section 163(h)(4)(C)(ii), but that D's estate is able to deduct the interest. However, the indebtedness is not an SPVL with respect to G because G did not originally incur the indebtedness or become the obligor on the indebtedness by reason of D's death.

F. Purchase of the APV

Section 163(h)(4)(B)(i) requires that the indebtedness incurred by the taxpayer be for the purchase of an APV. Proposed § 1.163–16(b)(11) would provide that “purchase” means an acquisition that is both an acquisition of a vehicle for Federal income tax purposes and the acquisition of the title of the vehicle for purposes of State or other applicable law. A purchase results

in the taxpayer being listed as the owner on the title or registration of the APV under State or other applicable law, with the lender listed on the title as the first lienholder. The fact that a lender may physically hold this title until the indebtedness is repaid would not affect whether the transaction is considered a purchase.

G. Applicable Passenger Vehicle (APV)

1. In General

Section 163(h)(4)(D) defines APV as meaning any vehicle: (i) the original use of which commences with the taxpayer; (ii) that is manufactured primarily for use on public streets, roads, and highways (not including a vehicle operated exclusively on a rail or rails); (iii) that has at least 2 wheels; (iv) that is a car, minivan, van, sport utility vehicle, pickup truck, or motorcycle; (v) that is treated as a motor vehicle for purposes of title II of the Clean Air Act; and (vi) that has a gross vehicle weight rating of less than 14,000 pounds. Section 163(h)(4)(D) also provides that the term APV does not include any vehicle the final assembly of which did not occur within the United States.

Proposed § 1.163–16(e)(1) would provide that a vehicle is an APV only if it satisfies the requirements set forth in section 163(h)(4)(D). Proposed § 1.163–16(b)(13) would define car, minivan, van, sport utility vehicle, pickup truck, and motorcycle by reference to existing, well-established vehicle classification standards used by the Environmental Protection Agency (EPA), consistent with the reference in section 163(h)(4)(D)(v) to the Clean Air Act that the EPA administers. Proposed § 1.163–16(e)(2) and (3), respectively, would provide rules for determining whether original use commences with the taxpayer and final assembly occurred in the United States.

2. Original Use

Proposed § 1.163–16(e)(2)(i) would provide that original use commences with the first person that takes delivery of a vehicle after the vehicle is sold, registered, or titled. In the case of a dealer, proposed § 1.163–16(e)(2)(i) would also provide that original use of a vehicle does not commence with the dealer unless the dealer registers or titles the vehicle to itself (for example, in the case of certain demonstrator vehicles or loaner vehicles). Proposed § 1.163–16(e)(2)(i) would recognize that dealers may operate vehicles prior to the sale to retail purchasers in a manner that does not require the vehicle to be registered or titled under State or other applicable law, and that operation of the

vehicle in this manner would not result in original use commencing with the dealer. For example, if a dealer uses a vehicle for test drives or as a demonstrator vehicle, and State or other applicable law does not require the dealer to register or title the vehicle, original use of that vehicle would not commence with the dealer. In this case, a subsequent retail purchaser of that vehicle could satisfy the original use requirement for the vehicle. On the other hand, dealer operation that requires the vehicle to be registered or titled under State or other applicable law would cause original use to commence with the dealer. For example, if a dealer uses a vehicle as a courtesy car loaned to customers in connection with servicing or the repair of vehicles and State or other applicable law requires the dealer to register or title the vehicle, original use of that vehicle would commence with the dealer. In this case, a subsequent retail purchaser of that vehicle cannot satisfy the original use requirement for the vehicle, and therefore the vehicle would not be an APV when purchased by the retail purchaser. Although a dealer's requirement to register or title vehicles may vary under State or other applicable law, this proposed standard would be straightforward for taxpayers to apply and administrable for the IRS.

The proposed approach to original use for retail purchasers recognizes that prior use of a vehicle by the dealer that would prevent the vehicle from being sold as a new vehicle under the associated loan documentation to a retail purchaser generally would suffice to cause the original use to commence with the dealer. Accordingly, under proposed § 1.163–16(e)(2)(i), for retail purchasers that incur indebtedness to purchase a vehicle, original use would commence with that purchaser only if the loan documentation treats the vehicle as a new vehicle.

Proposed § 1.163–16(e)(2)(ii) would provide an exception to the original use requirement. Under this exception, if a retail purchaser returns a vehicle within 30 days after the purchaser took delivery of that vehicle, the original use of that vehicle would not be considered to have commenced with that purchaser. In this case, the original use of that vehicle may commence with a subsequent retail purchaser of that vehicle if that subsequent purchaser's loan documentation treats the vehicle as a new vehicle. The Treasury Department and the IRS understand that dealers may have return policies that range from several days up to 30 days, and these proposed rules are intended to reflect industry practice.

Proposed § 1.163–16(e)(2)(iii) would provide examples that illustrate the application of proposed § 1.163–16(e)(2)(i) and (ii), including the application of the proposed original use requirement to dealer demonstrator vehicles, a vehicle that was previously the subject of a cancelled sale, a vehicle that was previously leased and was purchased by the lessee after the lease was terminated, and a vehicle that was previously returned by a retail purchaser.

3. Final Assembly

Section 163(h)(4)(D) provides that an APV does not include any vehicle the final assembly of which did not occur within the United States. The final assembly point is listed on the vehicle information label attached to each vehicle on a dealer's premises. Proposed § 1.163–16(e)(3) would provide that, to establish that final assembly occurred within the United States, the taxpayer may rely on (1) the vehicle's plant of manufacture as reported in the VIN under 49 CFR 565; or (2) the final assembly point reported on the label affixed to the vehicle as described in 49 CFR 583.5(a)(3). Taxpayers can determine whether the vehicle's plant of manufacture is located in the United States by following the instructions on the National Highway Traffic Safety Administration (NHTSA) VIN Decoder website: <https://www.nhtsa.gov/vin-decoder>.

These proposed reliance standards are intended to allow taxpayers to determine whether a vehicle meets the final assembly requirement in a straightforward manner, such that a taxpayer may more clearly make informed purchase decisions that consider the potential applicability of section 163(h)(4) at the time of the purchase of a vehicle.

H. Personal Use of the APV

1. Definition of Personal Use

The definition of QPVL in section 163(h)(4)(B) requires that the indebtedness is incurred by the taxpayer for the purchase of an APV for personal use, as contrasted with the purchase of a vehicle for use in a trade or business, for investment, or for other non-personal use. Accordingly, proposed § 1.163–16(b)(10) would define "personal use" to mean use by an individual other than in any trade or business (except for use in the trade or business of performing services as an employee), or for the production of income. Costs of commuting between an individual's home and the individual's main or regular place of work are

personal expenses. See Revenue Ruling 99-7 (1999-1 C.B. 361) and § 1.262-1(b)(5).

2. Types of Taxpayers That May Satisfy the Personal Use Requirement

Inherent in section 163(h)(4)(B)(i) of the Code and the proposed definition of personal use in proposed § 1.163-16(b)(10) is that individuals may satisfy the personal use requirement. For example, an individual that incurs indebtedness for the purchase of an APV may satisfy the personal use requirement with the individual's own use of the car.

Ordinary trusts are generally formed for the purpose of protecting or conserving property for one or more beneficiaries, and this property may be property for the personal use of one or more individual beneficiaries. Decedents' estates are generally formed to hold a deceased owner's property for one or more legatees or heirs and then distribute that property to one or more legatees or heirs. Less commonly, a decedent's estate may purchase property for the personal use of one or more individual legatees or heirs. Thus, some decedents' estates and non-grantor trusts that incur indebtedness to purchase APVs may qualify to deduct QPVLI. Other non-grantor trusts might never be able to satisfy the personal use test (for example, qualified funeral trusts as defined in section 685(b) of the Code) and thus would not be able to deduct QPVLI.

In contrast to decedents' estates and non-grantor trusts, business entities generally are formed for the purpose of carrying on profit-making activities. Business entities cannot satisfy the personal use requirement of section 163(h)(4)(B)(i) and proposed § 1.163-16(f)(1) and therefore would not qualify to deduct QPVLI under proposed § 1.163-16(a)(2).

3. Determination of Personal Use Based on Intent at the Time Indebtedness Is Incurred

Many taxpayers purchase a vehicle and expect to use it partially for personal use and partially for non-personal use. Section 163(h)(4)(B) does not require that a vehicle be purchased exclusively for personal use. Taxpayers may not be able to estimate with precision the relative proportions of these different types of uses at the time of purchase, and requiring taxpayers to make a determination regarding the exact amount of expected personal use and non-personal use is not administrable and may result in a considerable burden to taxpayers. Additionally, section 163(h)(4) does not

require that the person incurring indebtedness for the purchase of the vehicle be the same person that satisfies the personal use requirement. One member of a family may purchase a vehicle for personal use by another member of the family, and such purchase would satisfy the personal use requirement of section 163(h)(4).

Proposed § 1.163-16(f)(1) would provide that a taxpayer is considered to purchase that APV for personal use if, at the time the indebtedness is incurred, the taxpayer expects that the APV will be used for personal use by the taxpayer that incurred the indebtedness, or by certain members of that taxpayer's family and household, for more than 50 percent of the time. The proposed 50 percent threshold is intended to correspond to a vehicle being predominantly used for "personal use" within the meaning of section 163(h)(4)(B)(i) while still allowing taxpayers with considerable non-personal use to benefit from the deduction. The Treasury Department and the IRS understand that automotive retail installment sales contracts often indicate whether the purchased vehicle is for personal use or business use. Therefore, at the time a vehicle loan is incurred, the taxpayer financing the vehicle may have contemplated the intended use of a vehicle in a way that would facilitate evaluating this 50 percent personal use standard. In evaluating whether a taxpayer meets this personal use standard, it is intended that the IRS may consider information relating to the expected usage of the vehicle, such as information contained in the loan documentation and the type of collision and liability insurance held with respect to a vehicle.

Section 163(h)(4)(B)(i) of the Code could be read to require the personal use standard to be met only by reference to use by the taxpayer that incurred indebtedness to purchase the APV. However, the House Budget Report for Public Law 119-21 states that section 163(h)(4) was intended to "ease the financial burden of car ownership for working and growing families" (H.R. Rep. No. 119-106, at 1510 (2025)). As a result, such a narrow standard would appear contrary to Congressional intent in enacting section 163(h)(4) and contrary to common practices of the purchase and use of vehicles by families. Accordingly, proposed § 1.163-16(f)(1) would adopt a broader standard to allow usage by the taxpayer that incurred the indebtedness, that taxpayer's spouse, or an individual that is related to the taxpayer within the meaning of section 152(c)(2) or (d)(2) of

the Code, or any combination of these individuals to qualify.

Additionally, proposed § 1.163-16(f)(2) would provide that, for purposes of determining whether a decedent's estate or non-grantor trust expects that an APV will be used for personal use, the determination is based on the expected personal use of the vehicle by the legatees or heirs, or beneficiaries, respectively, who have a present or future interest in such decedent's estate or non-grantor trust; the spouse of such legatees, heirs, or beneficiaries; or an individual that is related to such legatees, heirs, or beneficiaries within the meaning of section 152(c)(2) or (d)(2), or a combination of these individuals.

The personal use requirement in section 163(h)(4) is a requirement that must be satisfied in connection with the incurrence of indebtedness, as opposed to an ongoing requirement. As a result, a taxpayer is not required to reevaluate personal and non-personal use in taxable years after the indebtedness is incurred. Differences between expected use and later actual use do not affect the taxpayer's eligibility to deduct QPVLI, nor the amount of the taxpayer's QPVLI. The taxpayer must evaluate and determine that the personal use requirement is met at the time the indebtedness is incurred.

Under proposed § 1.163-16(f)(1), an individual, decedent's estate, or non-grantor trust that receives an APV subject to an SPVL by reason of an obligor's death would not be required to evaluate whether it satisfies the personal use requirement; instead, the indebtedness would be an SPVL if it was an SPVL in the hands of the decedent (meaning, among other things, that the decedent satisfied the personal use requirement).

See part I.I of this Explanation of Provisions (*Non-personal use and independently deductible interest*) that discusses certain proposed rules relating to vehicles used for non-personal use and independently deductible interest.

Proposed § 1.163-16(f)(3) would provide examples that illustrate the application of proposed § 1.163-16(f).

I. Non-Personal Use and Independently Deductible Interest

Under section 163(a), taxpayers may deduct interest that is QPVLI as a different type of interest in certain circumstances. For example, taxpayers paying interest attributable to a vehicle used in a trade or business may be able to deduct that interest as a business interest expense. The Treasury Department and the IRS understand that some taxpayers may prefer to deduct

QPVLI as a different type of interest. Further, section 163(h)(4) does not affect the ability of a taxpayer to deduct interest that is otherwise able to be deducted under section 163(a) or a different section of the Code.

Accordingly, the proposed regulations would provide certain rules with respect to interest that is both QPVLI and interest otherwise deductible under section 163(a) or a different section of the Code. These proposed rules are intended to provide clarity for taxpayers and to prevent taxpayers from claiming duplicative interest deductions.

Proposed § 1.163–16(g)(1) would provide that independently deductible interest means interest paid or accrued that is QPVLI (prior to the application of the dollar limitation in section 163(h)(4)(C)(i) of the Code and in proposed § 1.163–16(h)(1) and determined without regard to proposed § 1.163–16(g)) and that also is deductible as a different type of interest under section 163(a) or a different section of the Code.

Proposed § 1.163–16(g)(2) would provide that all independently deductible interest may be deductible as QPVLI or may be deductible as a different type of interest described in proposed § 1.163–16(g)(1) (non-QPVLI). In addition, proposed § 1.163–16(g)(2) would provide that the amount of independently deductible interest that may be deductible as QPVLI (before the application of the \$10,000 limitation in section 163(h)(4)(C)(i)) is reduced dollar for dollar to the extent the taxpayer deducts that interest as non-QPVLI. These proposed provisions are intended to make clear that taxpayers may take any available interest deductions permitted under section 163(a) or a different section, while clarifying that a taxpayer may not deduct more total interest than otherwise is allowable. To ensure no amount of interest is deducted both as QPVLI and as some other type of deductible interest, proposed § 1.163–16(g)(3) would provide that a taxpayer must report any amount of independently deductible interest that is deducted in a taxable year as non-QPVLI on Form 1040 Schedule 1–A (or successor) or other relevant form.

Non-interest vehicle expenses deducted by a taxpayer would not affect the taxpayer's treatment of independently deductible interest or require any additional reporting. For example, non-interest vehicle expenses deducted by a taxpayer under section 162(a) as trade or business expenses have no effect on interest deducted as QPVLI for that taxable year. These amounts would not be subject to any of

the proposed provisions relating to independently deductible interest.

Proposed § 1.163–16(g)(4) would provide examples that illustrate the application of proposed § 1.163–16(g), including examples in which a taxpayer chooses to deduct independently deductible interest as QPVLI, and alternatively in which the taxpayer chooses to deduct independently deductible interest as non-QPVLI.

J. Limitations of QPVLI

Section 163(h)(4)(C)(i) provides that the deduction allowed for QPVLI by a taxpayer for any taxable year cannot exceed \$10,000. Section 163(h)(4)(C)(i) does not provide a different amount for joint filers (in contrast to section 163(h)(4)(C)(ii), discussed in the immediately following paragraph). Accordingly, proposed § 1.163–16(h)(1) would clarify that this \$10,000 limitation applies per Federal tax return. Thus, the maximum deduction allowed on a joint Federal income tax return is \$10,000. If two taxpayers have a Federal income tax return filing status of married filing separately, the \$10,000 limitation would apply separately to each taxpayer's return.

Section 163(h)(4)(C)(ii) provides that the amount otherwise allowable as a deduction under section 163(a) as QPVLI (after the application of the section 163(h)(4)(C)(i) dollar limitation) is reduced (but not below zero) by \$200 for each \$1,000 (or portion thereof) by which the modified adjusted gross income of the taxpayer for the taxable year exceeds \$100,000. In the case of married taxpayers filing a joint Federal income tax return, section 163(h)(4)(C)(ii) provides that this reduction begins after the taxpayer's modified adjusted gross income exceeds \$200,000.

With respect to the deduction of QPVLI by a decedent's estate or non-grantor trust (as would be defined in proposed § 1.163–16(b)(9)), the modified adjusted gross income threshold of \$100,000 would be applied to the decedent's estate or non-grantor trust, and not with respect to the beneficiaries of the decedent's estate or non-grantor trust. In the case of a decedent's estate or non-grantor trust, proposed § 1.163–16(b)(7)(ii) would provide that the term “modified adjusted gross income” means adjusted gross income (as defined in section 67(e) of the Code).

Proposed § 1.163–16(h)(3) would provide examples that illustrate the application of proposed § 1.163–16(h).

II. Explanation of Proposed § 1.6050AA–1

A. In General

The proposed regulations under section 6050AA would provide the operational, administrative, and definitional rules for persons in a trade or business who receive interest on an SPVL to comply with the statutory information reporting requirements with respect to receipt of interest to which section 163(h)(4) and proposed § 1.163–16 would apply.

In general, under section 6050AA and proposed § 1.6050AA–1(a), if the interest recipient receives from any individual at least \$600 of interest on an SPVL for a calendar year, the interest recipient would be required to file an information return with the IRS and furnish a statement to the payor of record on the SPVL.

B. Definitions

1. Applicable Passenger Vehicle (APV)

Proposed § 1.6050AA–1(b)(1) would provide that the term “applicable passenger vehicle” or “APV” has the meaning provided in section 163(h)(4)(D) and proposed § 1.163–16(b)(1). See part I.G of this Explanation of Provisions (*Applicable passenger vehicle (APV)*).

2. Calendar Year

Proposed § 1.6050AA–1(b)(2) would provide that the calendar year for which interest is received is the later of the calendar year in which the interest is received or the calendar year in which the interest properly accrues. In order to account for certain payments occurring near year end, the proposed regulations would also permit an interest recipient to report in the current calendar year prepaid interest accruing shortly after year-end. Proposed § 1.6050AA–1(b)(2)(ii) would permit an interest recipient to report as interest received during the current calendar year prepaid interest properly accruing by the following January 15. An interest recipient that reports as interest received during the current calendar year prepaid interest properly accruing by the following January 15 would not report that prepaid interest in the following calendar year. These proposed rules are consistent with the rules for reporting mortgage interest under section 6050H.

3. Interest Recipient

Proposed § 1.6050AA–1(b)(3) would provide that the term “interest recipient” means a person that is engaged in a trade or business, whether or not the trade or business of lending

money, and that, in the course of that trade or business, receives interest on an SPVL.

The Treasury Department and the IRS understand that, in some situations, a person collects interest on an SPVL on behalf of another (for example, the lender of record). The proposed rules provide that, in that situation, the person that first receives the interest generally would be required to report under proposed § 1.6050AA-1(a), and no reporting would be required upon the transfer of the interest from the interest recipient to the person on whose behalf the interest recipient received the interest. However, an initial recipient would not be required to report interest received on behalf of the person on whose behalf the interest recipient received the interest if the initial recipient does not possess the reporting information for the borrower and the person on whose behalf the interest recipient received the interest is engaged in a trade or business and would receive the interest in the course of its trade or business if it received the interest directly. In this situation, proposed § 1.6050AA-1(b)(3)(ii)(A) would require the person on whose behalf the interest recipient received the interest, rather than the initial recipient, to report.

4. Lender of Record

Proposed § 1.6050AA-1(b)(4) would provide that the term “lender of record” means the person who, at the time the loan is made, is named as the lender on the loan documents and whose right to receive payment from the payor of record is secured by a lien on the payor of record’s APV. The proposed regulations would also provide that an intention by the lender of record to sell or otherwise transfer the loan to a third party subsequent to the close of the transaction would not affect the determination of who is the lender of record. As a result of the interaction between proposed § 1.6050AA-1(b)(4) and (a)(2), a lender of record would be required to file an information return with the IRS and furnish a statement to the payor of record on the SPVL if they receive at least \$600 of interest on an SPVL for a calendar year, even if they intend to transfer the loan to a third party.

5. Payor of Record

The Treasury Department and the IRS understand that interest recipients maintain books and records regarding loans but do not necessarily track the identity of the party actually making the payments on a particular loan. The Treasury Department and the IRS also

understand that some interest recipients provide SPVLs as well as home mortgage loans and these interest recipients have an established practice for determining the payor of record with respect to such mortgage loans. Accordingly, the Treasury Department and the IRS are proposing a definition of the term “payor of record” that is similar to the definition of payor of record in § 1.6050H-1(b)(3). Proposed § 1.6050AA-1(b)(5) would define a payor of record on an SPVL as any person carried on the books and records of the interest recipient as the principal borrower on the SPVL. To prevent the duplicate reporting of information, if the books and records of the interest recipient do not indicate which borrower is the principal borrower, the proposed regulations would provide the interest recipient must designate a borrower as the principal borrower. As a result of the interaction between proposed § 1.6050AA-1(b)(5) and (a)(2), only the payor of record would be furnished a written statement on the SPVL under proposed § 1.6050AA-1(a)(2)(ii).

As described in part I.B of this Explanation of Provisions (*Taxpayers that may deduct QPVL*), proposed § 1.163-16(a)(2)(i) would provide that only individuals, decedents’ estates, and non-grantor trusts may deduct interest under section 163(h)(4). Because only these persons would need the information reported under section 6050AA to complete their income tax returns, proposed § 1.6050AA-1(b)(5) would also provide the term “person” means any individual, decedent’s estate, or non-grantor trust.

6. Secretary

Proposed § 1.6050AA-1(b)(6) would provide that the term “Secretary” has the meaning provided in section 7701(a)(11) of the Code.

7. Specified Passenger Vehicle Loan (SPVL)

Section 6050AA(d)(2) provides that the term “specified passenger vehicle loan” means the indebtedness described in section 163(h)(4)(B) with respect to any APV. Proposed § 1.6050AA-1(b)(7) would adopt this definition and would provide that the term “specified passenger vehicle loan” or “SPVL” has the meaning provided in proposed § 1.163-16(b)(15). See part I.E of this Explanation of Provisions (*Specified passenger vehicle loan (SPVL)*).

C. Reporting by Foreign Person

The Treasury Department and the IRS are aware that some foreign persons may receive interest on SPVLs. Individual

borrowers may not be aware that the interest recipient is a foreign person. Under proposed § 1.6050AA-1(c)(1), an interest recipient that is a foreign person would be required to report with respect to interest received on an SPVL to the extent such interest is received at a location in the United States. For example, a foreign bank with a branch located in the United States would be required to report with respect to interest received on an SPVL received at their U.S. branch. Under proposed § 1.6050AA-1(c)(2), an interest recipient that is a foreign person and receives interest at locations outside the United States would be required to report only if the foreign person is a controlled foreign corporation (as defined in section 957(a)) or if 50 percent or more of the foreign person’s gross income was effectively connected with the conduct of a trade or business within the United States. This proposed 50-percent figure would be calculated based on the three-year period ending with the close of the taxable year preceding the receipt of interest. These rules are similar to the rules applicable to foreign persons that receive home mortgage interest in § 1.6050H-1(d)(1).

D. Reporting With Respect to a Nonresident Alien Individual, Foreign Decedent’s Estate, or Foreign Non-Grantor Trust

Proposed § 1.6050AA-1(d)(1) would provide that the reporting requirement of section 6050AA would not apply if the payor of record is a nonresident alien individual, foreign decedent’s estate, or foreign non-grantor trust. Proposed § 1.6050AA-1(d)(2) would provide the documentation rules that the interest recipient would be required to follow to determine whether the payor of record is a nonresident alien individual, foreign decedent’s estate, or foreign non-grantor trust. These rules are similar to the rules applicable to nonresident alien individuals that receive home mortgage interest in § 1.6050H-1(d)(2).

E. Determining if a Loan Is an SPVL

The Treasury Department and the IRS understand that interest recipients will often not be the person listed on the loan documents as the lender of record but that these interest recipients are instead listed on subsequent loan documents as assignees whose right to receive payment from the payor of record is secured by a lien on the payor of record’s APV. Regarding the ability of these assignees to determine whether a loan is an SPVL, the Treasury Department and the IRS understand that these assignees typically receive

information as part of the loan assignment process that should largely enable them to determine whether reporting is required for the assigned loan. In particular, the Treasury Department and the IRS understand these assignees typically receive a copy of the retail installment sales contract, which generally includes relevant information, including the VIN, which these interest recipients can use to determine whether the vehicle's plant of manufacture is located in the United States, and information regarding the items and amounts financed in connection with the purchase of the vehicle. Accordingly, the Treasury Department and the IRS expect that assignees will have most of the information needed based on current business practices.

One piece of relevant information that assignees may not have as result of receiving a copy of the retail installment sales contract is whether the personal use requirement is met. The Treasury Department and the IRS understand that while retail installment sales contracts often include some indication of whether a vehicle is purchased for personal or business use, this is not true of all such contracts and, for those that include some indication, the information in the contract may not be sufficient for the assignee to determine if the personal use requirement is met. If the information in the contract is sufficient for an assignee of the loan to determine that the personal use requirement is met, then, in the absence of conflicting information, the assignee may rely on that information for purposes of satisfying its information reporting obligations. The assignee may choose to make arrangements to obtain information regarding personal use from the obligor, from the lender of record, or by some other means.

F. Amount of Interest Received on an SPVL for the Calendar Year

Section 6050AA(a) provides that the information return relates to interest received on an SPVL. Accordingly, under proposed § 1.6050AA-1(e), whether an interest recipient receives \$600 or more of interest on an SPVL would be determined on an SPVL-by-SPVL basis. An interest recipient would not be required to report interest of less than \$600 received on an SPVL, even if it receives a total of \$600 or more of interest on SPVLs from different vehicles from the same payor of record during a calendar year.

The Treasury Department and the IRS are aware that it might be burdensome for interest recipients to determine which SPVLs require reporting under

section 6050AA in a given year based on the amount of interest received. To alleviate this burden and because the information may be useful to taxpayers claiming a deduction for QPVL of less than \$600, proposed § 1.6050AA-1(a)(3) would permit, but not require, an interest recipient to report its receipt of less than \$600 of interest on an SPVL for a calendar year. To provide taxpayers with accurate information to claim the deduction, an interest recipient that chooses to file an information return under section 6050AA of less than \$600 would be subject to the requirements of proposed § 1.6050AA-1.

G. Requirement To File Information Return

Section 6050AA(b) provides that the information return filed by the interest recipient must be in the form prescribed by the Secretary and contain certain information. Accordingly, under proposed § 1.6050AA-1(f)(2), the interest recipient would be required to file a form designated by the Secretary that contains: (i) the name, address, and taxpayer identification number of the payor of record; (ii) the name, address, and taxpayer identification number of the interest recipient; (iii) the amount of interest received for the calendar year; (iv) the amount of outstanding principal on the SPVL as of the beginning of such calendar year; (v) the date of origination of such loan; (vi) the year, make, model, and VIN of the APV that secures such loan; (vii) the date the SPVL was acquired; and (viii) any other information required by the form or its instructions.

These items generally follow the items prescribed in section 6050AA(f)(2). In addition, because the Treasury Department and the IRS understand SPVLs may be sold or otherwise transferred to a new lender of record, proposed § 1.6050AA-1(f)(2)(vii) would require the lender of record to include the date it acquired the loan on the form.

H. Requirement To Furnish Written Statement

Proposed § 1.6050AA-1(g) would require the interest recipient that would be required to file a return under proposed § 1.6050AA-1(a) to furnish a statement to the payor of record. For rules regarding electronic delivery of these written statements, see Revenue Procedure 2025-22 (2025-30 IRB 200) (or its successor), republished as Publication 1179, "General Rules and Specifications for Substitute Forms 1096, 1098, 1099, 5498, and Certain Other Information Returns."

For purposes of tax administration, the proposed requirement to furnish written statements would require that those with a reporting obligation must provide statements to certain recipients containing the information reported to the IRS and, in some cases, additional information. Under proposed § 1.6050AA-1(g), the recipient would be the payor of record, and the written statement would be required to include the information that was reported on the form designated for this purpose. In addition, the written statement must include a legend that would identify the statement as important tax information that is being furnished to the IRS and would state that penalties may apply if the payor of record overstated a deduction for interest reported on the statement. To minimize the risk of recipients claiming an interest deduction that is limited by section 163(h)(4)(C) or otherwise ineligible, proposed § 1.6050AA-1(g)(2)(ii) would also require that the written statement include a legend stating that the payor of record may be unable to deduct the full amount of interest reported on the statement.

I. Due Dates

Section 6050AA(a) provides that the information return must be filed at such time as the Secretary may prescribe. Further, under section 6050AA(c), the written statement must be furnished to the recipient on or before January 31 of the year following the calendar year for which the information return was required to be made. Under proposed § 1.6050AA-1(f)(3), the interest recipient would be required to file the information return on or before February 28 (March 31 if filed electronically) of the year following the calendar year in which it receives the interest. To ensure the payor of record has the information necessary to prepare the payor's income tax return, and as directed by section 6050AA(c), proposed § 1.6050AA-1(g)(5) would require the interest recipient to furnish to the payor of record the written statement on or before January 31 of the year following the calendar year for which it receives the interest on the SPVL.

III. Explanation of Proposed Amendments to § 301.6011-2

Section 6011(e)(5) authorizes the Secretary to prescribe regulations that require taxpayers to electronically file returns, including information returns, if the taxpayer is required to file at least 10 returns of any type during a calendar year. On February 23, 2023, the Secretary published final regulations

implementing this 10-return threshold. TD 9972, 88 FR 11754 (February 23, 2023). Section 301.6011–2(b) prescribes the information returns that must be filed electronically once the ten-return threshold set out in § 301.6011–2(c)(1) is met. Consistent with section 6011(e)(5) and the existing regulations, proposed § 301.6011–2(b)(1) would add the return required under section 6050AA to the list of returns that must be filed electronically. Recipients of interest on SPVLs must file the information return required by section 6050AA and these regulations electronically if they are required to file at least 10 returns that calendar year. Any interest recipients required to file fewer than 10 returns during a calendar year may choose to make the information return reporting the interest electronically.

IV. Explanation of Proposed Amendments to § 301.6721–1

As amended by the OBBBA, section 6724(d)(1)(B)(xxix) defines an information return for purposes of the penalty imposed by section 6721 as including a return required by section 6050AA(a). Consistent with section 6724(d)(1)(B)(xxix), proposed § 301.6721–1(h)(3)(xxviii) would add returns required by section 6050AA to the list of information returns included in § 301.6721–1 (Failure to furnish correct information returns).

V. Explanation of Proposed Amendments to § 301.6722–1

As amended by the OBBBA, section 6724(d)(2)(MM) defines a payee statement for purposes of the penalty imposed by section 6722 as including a statement required by section 6050AA(c). Consistent with section 6724(d)(2)(MM), proposed § 301.6722–1(e)(2)(xxxix) would add returns required by section 6050AA to the list of payee statements included in § 301.6722–1 (Failure to furnish correct payee statements).

Proposed Applicability Dates

The regulations under section 163 are proposed to apply to taxable years in which taxpayers may deduct QPVL pursuant to section 163(h)(4). The regulations under section 6050AA are proposed to apply to calendar years in which taxpayers may deduct QPVL pursuant to section 163(h)(4). A taxpayer may rely on the proposed regulations under section 163 with respect to indebtedness incurred for the purchase of an APV after December 31, 2024, and on or before the date these regulations are published as final regulations in the **Federal Register**, provided that the taxpayer follows these

proposed regulations in their entirety and in a consistent manner. Similarly, interest recipients may rely on the proposed regulations under section 6050AA with respect to indebtedness incurred for the purchase of an APV after December 31, 2024, and on or before the date these regulations are published as final regulations in the **Federal Register**, provided that the taxpayer follows these proposed regulations in their entirety and in a consistent manner.

Special Analyses

I. Regulatory Planning and Review—Economic Analysis

Executive Orders 12866 and 13563 direct agencies to assess costs and benefits of available regulatory alternatives and, if regulation is necessary, to select regulatory approaches that maximize net benefits (including potential economic, environmental, public health and safety effects, distributive impacts, and equity). Executive Order 13563 emphasizes the importance of quantifying both costs and benefits, reducing costs, harmonizing rules, and promoting flexibility.

The proposed regulations have been designated by the Office of Management and Budget's (OMB's) Office of Information and Regulatory Affairs (OIRA) as subject to review under Executive Order 12866 pursuant to the Memorandum of Agreement (MOA, July 4, 2025) between the Treasury Department and the Office of Management and Budget regarding review of tax regulations. OIRA has determined that the proposed rulemaking is significant under section 3(f)(1) of Executive Order 12866 and subject to review under Executive Order 12866 and section 1(b) of the MOA. Accordingly, the proposed regulations have been reviewed by OMB.

This proposed rule, if finalized, is expected to be an Executive Order 14192 regulatory action.

Need for Regulation

Section 70203 of Public Law 119–21, 139 Stat. 72 (July 4, 2025), commonly known as the One, Big, Beautiful Bill Act (OBBBA), amends section 163(h) of the Internal Revenue Code¹ to provide a newly allowable income tax deduction for qualified passenger vehicle loan interest (QPVL). In the absence of regulations, taxpayers would face substantial uncertainty about which vehicle loan interest is eligible for the

deduction. The OBBBA also establishes section 6050AA of the Code to require interest recipients receiving at least \$600 of interest on a specified passenger vehicle loan (SPVL) within a calendar year to file an information return with the Internal Revenue Service (IRS) and furnish a statement to the payor of record. In the absence of guidance, interest recipients would face uncertainty about how to comply with the requirements.

The proposed regulations would clarify the statute for taxpayers and lenders, including by: defining “personal use” and providing a standard for “personal use” of a vehicle; clarifying the requirements for interest to be QPVL; clarifying the requirements for indebtedness to be a SPVL; defining “indebtedness incurred for the purchase of an applicable passenger vehicle” to include the cost of warranties, service plans, and other amounts customarily financed in a vehicle purchase transaction and that are directly related to the purchased vehicle; establishing which information must be reported by lenders to comply with the information reporting requirements; clarifying that the deduction is limited to \$10,000 per return, regardless of the taxpayer's filing status; providing rules for determining whether “final assembly” of a vehicle occurred in the United States; and offering further definitions and clarifications of terms in section 163(h)(4) and section 6050AA, such as the vehicle identification number (VIN).

I. The Statute and Proposed Regulations

Under section 163(h)(1), certain taxpayers cannot deduct personal interest paid or accrued during the taxable year. Section 70203(a) of the OBBBA adds a new section to the Code, section 163(h)(4). Section 163(h)(4)(A) provides that, in the case of taxable years beginning after December 31, 2024, and before January 1, 2029, personal interest does not include QPVL. This allows taxpayers to deduct QPVL for taxable years beginning after December 31, 2024, and before January 1, 2029. Section 163(h)(4)(B) defines QPVL as any interest that is paid or accrued during the taxable year on indebtedness incurred by the taxpayer after December 31, 2024, for the purchase of, and that is secured by a first lien on, an applicable passenger vehicle (APV) for personal use. Section 163(h)(4)(B) also includes exceptions to QPVL, such as financing for commercial vehicles or lease financing, and a requirement for taxpayers to include the VIN of the APV on the tax return in order to claim the deduction.

¹ References to a “section” are to a section of the Internal Revenue Code of 1986, as amended (Code), unless otherwise indicated.

The proposed regulations would provide definitions and clarifications of terms related to QPVLI in section 163(h)(4) and section 6050AA. The proposed regulations would clarify that individuals, decedents' estates, and non-grantor trusts may deduct QPVLI. The proposed regulations would provide that interest is only QPVLI if the interest is paid or accrued during the taxable year on indebtedness that is an SPVL secured by a first lien on an APV and is not otherwise excluded from the definition of QPVLI. The proposed regulations would adopt a standard for personal use that would provide that a taxpayer is considered to purchase an APV for personal use if, at the time the indebtedness is incurred, the taxpayer expects that the APV will be used for personal use by the taxpayer that incurred the indebtedness, that taxpayer's spouse, or an individual that is related to the taxpayer within the meaning of sections 152(c)(2) or (d)(2) of the Code, or any combination of these individuals, for more than 50 percent of the time the taxpayer expects to own the APV. The proposed 50 percent threshold is intended to correspond to a vehicle being predominantly used for "personal use" within the meaning of section 163(h)(4)(B)(i) while still allowing taxpayers with considerable non-personal use to benefit from the deduction. If the taxpayer is a decedent's estate or non-grantor trust, personal use is tested based on the use by legatees or heirs, or beneficiaries, respectively. Further, under the proposed regulations, the taxpayer would not be required to reevaluate compliance with the personal use standard in taxable years after the indebtedness is incurred. The proposed regulations also would clarify that taxpayers may not deduct the same interest as both QPVLI and otherwise deductible interest (such as a business interest expense) and that taxpayers must report certain information relating to vehicle interest deducted independent of QPVLI.

Typical auto loan sales contracts indicate an "amount financed" that may include property and services in addition to the amount for the price of the vehicle. The proposed regulations would provide that indebtedness incurred for the purchase of an APV as well as for certain items or amounts customarily financed in an APV purchase transaction and that are directly related to the purchased APV is an SPVL and therefore interest paid or accrued on such indebtedness is potentially eligible to be deducted. The regulations describe certain items and

services that are considered customarily financed in an APV purchase transaction and that are directly related to the purchased APV, such as vehicle service plans, extended warranties, sales taxes, and vehicle-related fees. Indebtedness not incurred for the purchase of an APV nor for any other items or amounts customarily financed in an APV purchase transaction and that are directly related to the purchased APV, and, therefore, interest paid or accrued on such indebtedness is not QPVLI. For example, to the extent that a taxpayer incurs indebtedness to purchase collision and liability insurance or to purchase any property or services unrelated to the vehicle (for example, a trailer or a boat), that indebtedness is not an SPVL, and, therefore, interest paid or accrued on that indebtedness is not QPVLI and may not be deducted under section 163(h)(4).

Section 163(h)(4)(C) establishes limitations on the amount of QPVLI that a taxpayer may deduct. The dollar limit is \$10,000 per taxable year. The proposed regulations would clarify that this limit applies regardless of the taxpayer's filing status for that taxable year. Additionally, under section 163(h)(4)(C), the deduction for QPVLI is reduced (but not below zero) by \$200 for each \$1,000 (or portion thereof) by which the taxpayer's modified adjusted gross income (MAGI) exceeds \$100,000 (\$200,000 in the case of a married couple filing a joint return). Section 163(h)(4)(C) defines "modified adjusted gross income" for the purposes of this phaseout as adjusted gross income of the taxpayer for the taxable year plus any amount excluded from gross income under sections 911, 931, or 933. The proposed regulations would clarify that for estates and non-grantor trusts, the MAGI phaseout is applied to the estate or trust, not with respect to the beneficiaries of the estate or trust; and for estates and non-grantor trusts, MAGI means AGI as defined in section 67(e).

Section 163(h)(4)(D) defines the term "applicable passenger vehicle". The criteria for an APV include that its original use must commence with the taxpayer and that its final assembly must have occurred in the United States. The proposed regulations would provide rules for determining whether original use of a vehicle begins with the taxpayer, rules for whether a vehicle's final assembly occurred in the United States, and definitions for other APV-related terms used in the statute. Original use commences with the first person that takes delivery of a vehicle after the vehicle is sold, registered, or titled. For purchasers that are not dealers, original use does not commence

with the taxpayer unless the loan documentation treats the vehicle as a new vehicle. For dealers, original use does not commence with the dealer unless the dealer registers or titles the vehicle. The proposed regulations would provide that taxpayers can determine the location of final assembly by (1) the plant of manufacture as reported in the VIN or (2) the final assembly point reported on the label affixed to the vehicle.

Section 163(h)(4)(E) provides other definitions and special rules. These include the treatment of refinancing and of indebtedness owed to related parties. The proposed regulations would clarify that for refinanced loans, the amount of the new loan on which interest is considered QPVLI is limited to the outstanding balance of the refinancing loan as of the date of the refinancing.

Section 70203(b) of the OBBBA amends section 63(b) of the Code so that the deduction for QPVLI is allowed for taxpayers who do not elect to itemize their deductions. The proposed regulations would clarify that the deduction is available to taxpayers who itemize their deductions and to taxpayers who claim the standard deduction.

Section 70203(c) of the OBBBA adds a new section 6050AA to the Code that establishes information reporting requirements for QPVLI. Any person who, in the course of a trade or business, receives from any individual more than \$600 in a calendar year on a SPVL must provide an information return to the IRS and furnish a statement to the payor of record. The proposed regulations would provide operational definitions and rules for complying with the information reporting requirements. The regulations clarify the need to report the date the SPVL was acquired; require that the statement to the payor of record includes a legend clarifying that the taxpayer may be unable to deduct the full amount of interest shown on the statement; and offer guidance on reporting by and to certain foreign persons. To prevent duplicate reporting, the proposed regulations also would provide that if an interest recipient's records for a loan do not indicate which borrower is the principal borrower, the interest recipient must designate a principal borrower. This follows established practice with respect to information reporting requirements for qualified residence interest.

II. Baseline

The Treasury Department and the IRS have assessed the benefits and costs of the proposed regulations relative to a no-action baseline reflecting anticipated Federal income tax-related behavior in the absence of these proposed regulations.

III. Affected Entities and Taxpayers

The proposed regulations would affect individuals, decedents' estates, and non-grantor trusts that may deduct QPVL, and also would affect any person engaged in a trade or business,

who, in the course of that trade or business, receives interest aggregating \$600 or more for any calendar year on an SPVL and is therefore subject to certain information reporting requirements. As described in the preamble to the proposed regulations, interest recipients receiving less than \$600 of interest on an SPVL would have the option to provide information returns.

Under section 163(h)(4), the deduction is limited to interest on loans for vehicles with final assembly occurring in the U.S. whose original use commences with the taxpayer. The

Treasury Department and the IRS estimate that in 2024, roughly 6 million loans originated on new, U.S.-assembled vehicles. (See Table A.) Retail sales of new light vehicles in the U.S. totaled about 16 million in 2024;² roughly 60 percent of new vehicle purchases are financed with loans;³ and analysis of vehicle model sales data suggests that about 60 percent of vehicles sold in the U.S. undergo U.S. final assembly. The Treasury Department and the IRS do not have an estimate of the number of estates and non-grantor trusts that are obligors on auto loans.

TABLE A—ESTIMATED ANNUAL LOANS ON NEW, U.S.-ASSEMBLED VEHICLES

1. 2024 U.S. new light vehicle sales	16 million.
2. Share of new vehicle sales financed with loans	60 percent.
3. Of new vehicles sold, share with U.S. final assembly	60 percent.
4. Estimated annual loans on new vehicles with U.S. final assembly	Approximately 6 million.

Notes: Row 4 is the rounded product of rows 1, 2, and 3.

Sources: "Light vehicle retail sales in the United States from 1976 to 2024," Statista, last accessed October 27, 2025, <https://www.statista.com/statistics/199983/us-vehicle-sales-since-1951/>; <https://www.bts.gov/content/new-and-used-passenger-car-sales-and-leases-thousands-vehicles>; "New and used passenger car and light truck sales and leases," Bureau of Transportation Statistics, last accessed October 27, 2025, <https://www.bts.gov/content/new-and-used-passenger-car-sales-and-leases-thousands-vehicles>; "State of the Automotive Finance Market Report: Q2 2025," Experian, last accessed October 27, 2025, <https://www.experian.com/automotive/auto-credit-webinar-form>; manufacturer vehicle model sales data.

To identify the number of businesses that the proposed regulations are expected to affect, the Treasury Department and the IRS analyzed confidential tax return data. For tax year 2023, approximately 36,000 businesses

filed a tax return with North American Industry Classification System (NAICS) codes for new car dealers (code 441110), motorcycle dealers (code 441227), car loan lenders (code 522220), and consumer lending (code 522291). (See

Table B.) This total does not include used car dealers because the statute and regulations only apply to loans for new vehicles.

TABLE B—ESTIMATED NUMBER OF AFFECTED BUSINESSES BY NAICS CODE

New car dealers (441110)	17,800
Motorcycle dealers (441227)	4,100
Car loan lenders (522220)	5,800
Consumer lending (522291)	8,100
Total	35,800

Notes: The table shows counts of tax year 2023 filers of forms 1065, 1120S, or 1120. NAICS codes appear in parentheses.

Source: Treasury Department analysis of confidential tax return data, October 24, 2025.

IV. Economic Effects of the Proposed Regulations

The proposed regulations would clarify the statute and facilitate taxpayers claiming the auto loan interest deduction. Consider, for example, a taxpayer who is purchasing a vehicle. For most people, a vehicle is a major purchase, and there are many elements to be considered along the way, including choices between a new versus

used vehicle, a U.S.-assembled versus foreign-assembled vehicle, and a cash purchase versus a loan or a lease. With the introduction of the deduction for qualified vehicle loan interest, the taxpayer now faces questions about whether and how the statute interacts with the vehicle and financing choices they make. For instance, in the absence of guidance, the taxpayer may not know whether their intended personal use of the vehicle is sufficient to claim the

deduction or whether a vehicle meets the standard for U.S.-final assembly.

The proposed rules would assist the taxpayer in understanding and claiming the qualified vehicle loan interest deduction. For example, the regulations direct taxpayers to the National Highway Traffic Safety Administration (NHTSA) VIN Decoder website to determine whether a vehicle underwent final assembly in the United States, a necessary condition for the vehicle to be

² "Light vehicle retail sales in the United States from 1976 to 2024," Statista, last accessed October 27, 2025, <https://www.statista.com/statistics/199983/us-vehicle-sales-since-1951/>; <https://www.bts.gov/content/new-and-used-passenger-car-sales-and-leases-thousands-vehicles>; "New and used passenger car and light truck sales and leases," Bureau of Transportation Statistics, last accessed

October 27, 2025, <https://www.bts.gov/content/new-and-used-passenger-car-sales-and-leases-thousands-vehicles>. The 16 million total transactions (row 1 of Table A) includes leases; the share of new vehicle transactions financed with a loan (row 2 of Table A), used to estimate the number of loans on new, U.S.-assembled vehicles, excludes leases.

³ "State of the Automotive Finance Market Report: Q2 2025," Experian, last accessed October 27, 2025, <https://www.experian.com/automotive/auto-credit-webinar-form>; "New and used passenger car and light truck sales and leases," Bureau of Transportation Statistics, last accessed October 27, 2025, <https://www.bts.gov/content/new-and-used-passenger-car-sales-and-leases-thousands-vehicles>.

eligible for the deduction. By facilitating taxpayers’ understanding of which vehicles are American made and eligible for the deduction under the statute, the proposed regulations would reduce taxpayer compliance burden and, as a result, may also increase consumer demand for vehicles and financing that are eligible for the deduction, namely loans for new, U.S.-assembled vehicles. The Treasury Department and the IRS do not have readily available parameters and models to quantify the extent of this increase in demand for U.S. assembled vehicles or debt financing. The following sections describe in further detail the potential economic impacts of specific elements of the proposed regulations

a. Personal Use Standard

Section 163(h)(4) limits the deduction to vehicles purchased for personal use. The proposed regulations would provide a standard for personal use. To meet the standard, the taxpayer must expect at the time of purchase that the APV will be used for personal use for more than 50 percent of the time the taxpayer expects to own the APV. An alternative standard of personal use could have required mostly or exclusively personal use of a vehicle for loan interest to be considered QPVLI.

The 50 percent personal use standard benefits taxpayers who debt-finance mixed-use vehicles who would be disallowed from taking the deduction for QPVLI under stricter, alternative standards. Interest on a vehicle loan that is properly allocable to a trade or business is generally deductible under section 163(h)(2)(A). Consider, for example, a taxpayer who finances the purchase of an APV expecting for 60 percent of use to be for personal use and 40 percent for use in a trade or business. Assume for a given tax year the taxpayer pays \$3,500 in interest on the vehicle loan, drives the vehicle 55 percent for personal use and 45 percent for use in a trade or business, and meets all other requirements to deduct QPVLI and interest properly allocable to a trade or business. (Note that 55 percent personal use for this tax year differs somewhat from the taxpayer’s expected 60 percent personal use over the cumulative time the taxpayer expects to own the vehicle.) Under a strict personal use standard for QPVLI, such as exclusive personal use, the taxpayer would be prohibited from deducting any interest as QPVLI, and would only be able to deduct the interest attributable to use in a trade or business (\$1,575, equal to 45 percent of the \$3,500 of interest paid during the year), provided all of the

other requirements for deducting interest properly allocable to a trade or business are met. Under the 50 percent personal use standard, the taxpayer can potentially deduct all \$3,500 in interest as QPVLI. Alternatively, the taxpayer would have discretion to deduct \$1,575 (45 percent of \$3,500) as interest properly allocable to a trade or business and \$1,925 as QPVLI (\$3,500 minus \$1,575). The 50 percent personal use standard benefits taxpayers with mixed-use vehicles who, under a strict personal use standard, would be able to deduct only interest properly allocable to a trade or business.

The Treasury Department and the IRS examined public survey data and confidential tax records to assess the prevalence of mixed-use vehicles that may be affected by the personal use standard. Analysis of Panel Study of Income Dynamics (PSID) data suggests that, in 2023, 11 percent of personally owned vehicles were used for mixed personal and business purposes.⁴ An alternative and narrower definition of personal use, such as exclusive personal use, would exclude roughly 700,000 loans (11 percent of the estimated 6 million total shown in Table A) from potential eligibility for the QPVLI deduction. (See Table C.)

TABLE C—ESTIMATED ANNUAL LOANS ON NEW, U.S.-ASSEMBLED VEHICLES FOR MIXED PERSONAL AND BUSINESS USE

1. Estimated annual loans on new, U.S.-assembled vehicles	6 million.
2. Share of personally owned vehicles used for mixed personal and business purposes	11 percent.
3. Estimated annual loans on new, U.S.-assembled vehicles for mixed personal and business use	Approximately 700,000.

Notes: Row 3 is the rounded product of rows 1 and 2.
Sources: Row 2 is derived from the 2023 Panel Study of Income Dynamics, variable ER82936. Row 1 is derived in Table A, with data sourced from: “Light vehicle retail sales in the United States from 1976 to 2024,” Statista, last accessed October 27, 2025, <https://www.statista.com/statistics/199983/us-vehicle-sales-since-1951/>; <https://www.bts.gov/content/new-and-used-passenger-car-sales-and-leases-thousands-vehicles>; “New and used passenger car and light truck sales and leases,” Bureau of Transportation Statistics, last accessed October 27, 2025, <https://www.bts.gov/content/new-and-used-passenger-car-sales-and-leases-thousands-vehicles>; “State of the Automotive Finance Market Report: Q2 2025,” Experian, last accessed October 27, 2025, <https://www.experian.com/automotive/auto-credit-webinar-form>; manufacturer vehicle model sales data.

Tax records also contain information on mixed personal and business use vehicles. Sole proprietors file Schedule C to record business income and expenses, including car or truck expenses. On part IV of Schedule C, certain taxpayers are required to enter information on their vehicle, including the date a vehicle was placed in service for business purposes; the number of miles driven for business, commuting, and other purposes; and whether the vehicle was available for personal use during off-duty hours.⁵

Schedule C data has several limitations for analysis of the personal use standard. First, Schedule C does not distinguish between new versus used cars, U.S.- versus foreign-assembled cars, or cars financed with loans versus cars that are leased or purchased with cash. Because used cars, foreign-assembled cars, and cars that are leased or purchased with cash are not eligible for the QPVLI deduction, totals of mixed-use vehicles from part IV of Schedule C overstate the number of sole proprietors’ vehicles that the personal use standard will affect. Second, the

data available for analysis cover predominantly electronically filed returns of Schedule C rather than paper filed returns. Third, the Schedule C data do not include vehicle expenses that taxpayers may deduct on Schedules E and F. Fourth, the Schedule C data indicate when the car was placed into service for business use rather than when the individual first acquired the car. The available Schedule C data nonetheless provide insight on the prevalence of personal use of sole proprietors’ business vehicles.

⁴ See variable ER82936 in the 2023 PSID. The survey language is: “Not counting routine use to get to and from work, is this vehicle also used for business purposes?”

⁵ Taxpayers are required to fill out part IV of Schedule C only if they claim car or truck expenses on Schedule C and are not required to file Form 4562 (Depreciation and Amortization) for the business in question. Taxpayers who have “listed property,” including automobiles, are required to enter information on such automobiles in Section B of Part V of Form 4562.

The Treasury Department and the IRS estimate that in tax year 2023, sole proprietors who filed electronically placed 5 million vehicles in service for business purposes.⁶ See Table D. About 80 percent of these taxpayers indicated that the vehicle was also available for personal use during off-duty hours.

Among filers for whom the vehicle was available for personal use, roughly 40 percent drove the vehicle more than 50 percent of its total mileage for personal use. The typical filer drove the vehicle for majority business use; the median share of total miles driven for business purposes was about 80 percent. These

estimates suggest that a substantial share of taxpayers with vehicles for business use would benefit from the 50 percent personal use standard, relative to a strict alternative standard, such as exclusive personal use.

TABLE D—STATISTICS ON TAX YEAR 2023 SOLE PROPRIETOR VEHICLE USE FROM SCHEDULE C, PART IV

1. Sole proprietors' vehicles placed in business service in tax year 2023 *	5 million.
2. Of vehicles placed in business service in tax year 2023 (row 1), share reported to be available for personal use.	80 percent.
3. Of vehicles placed in business service in 2023 and available for personal use, share reported with more than 50 percent of mileage for personal use.	40 percent.
4. Of vehicles placed in business service in 2023 and available for personal use, median share of miles driven for business use.	80 percent.

* This total does not correspond to vehicles eligible for the QPVL deduction; it includes used, leased, and foreign-assembled vehicles, which are not eligible for the QPVL deduction. See text for further detail on the Schedule C data and its limitations.
Source: Treasury Department analysis of confidential tax return data, October 24, 2025.

The proposed personal use rules also benefit taxpayers by providing clarity. In the absence of a personal use standard, two taxpayers with otherwise similar tax situations would face uncertainty as to whether this deduction applies to their situation. Without guidance, these taxpayers might make different choices as to whether their auto loan interest qualifies for the deduction, and, therefore, face different tax liability. Consider, for example, two taxpayers who each buy an APV expecting for 75 percent of its use to be for personal use and 25 percent for business use (assume they meet all other requirements to claim the deduction). Taxpayer A interprets the section 163(h)(4) personal use requirement to mean that interest on the loan is not QPVL, because the vehicle is partly for business use. In contrast, Taxpayer B interprets the personal use requirement to mean that interest on the loan is QPVL because a majority of the use of the vehicle is personal use. The proposed regulations would ensure that these two taxpayers use the same standard of personal use and are subject to the same tax treatment.

The proposed personal use standard, relative to a stricter alternative standard, may change vehicle purchase patterns among taxpayers who use their vehicles for mixed personal and business purposes (vehicles on which loan interest would not be considered QPVL under a strict personal use standard).

For this population, the 50 percent personal use standard would increase the economic appeal of financing relative to cash purchases and would increase the economic appeal of new, U.S.-assembled vehicles relative to used or foreign-assembled vehicles. The extent of consumption changes along these margins depends on several interacting factors, including: the extent to which increased demand for new, U.S.-assembled vehicles driven by the deduction affects the prices of these vehicles; substitution elasticities between new and used vehicles and between vehicles assembled in the U.S. and assembled abroad;⁷ the salience of the tax deduction at the time of purchase;⁸ and the extent to which taxpayers perceive the deduction as temporary, as prescribed in statute, or likely to be extended by future policymakers. The Treasury Department and the IRS do not have readily available parameters and models to precisely assess the impact. House Budget Committee Report 119–106 expects the deduction to promote domestic manufacturing.

b. Personal Use Determined Solely by Taxpayer Intent at Time Debt Is Incurred

The proposed regulations would provide that personal use is determined only once, based on taxpayers' intent at the time indebtedness is incurred. An alternative standard could have required

taxpayers to evaluate their expected use each year or document personal use each year to continue to qualify for the deduction. A repeated certification requirement would result in considerable compliance burden to taxpayers, particularly among taxpayers whose vehicles will be exclusively for personal use. The proposed regulations would benefit taxpayers by simplifying the process of claiming the QPVL deduction, relative to a requirement for annual certification of sufficient personal use.

c. Personal and Business Use Allocation

Under the proposed regulations, if a taxpayer meets the personal use standard (more than 50 percent of expected use of an APV for personal use), interest on the SPVL is considered QPVL. Alternative guidance could have required taxpayers to allocate amounts of loan interest attributable to personal and business uses of the APV and allowed only interest directly linked to personal use to be deducted. The proposed rules streamline the process and reduce the compliance burden of deducting QPVL for taxpayers and administering the deduction for the IRS. Many taxpayers with mixed personal and business use vehicles already track and allocate personal and business mileage for Federal income tax purposes. For these taxpayers, the proposed regulations promote flexibility by allowing taxpayers who meet the

⁶ The 5 million total reflects sole proprietorship-vehicle pairs. A sole proprietor who placed the same vehicle in service for multiple businesses in 2023 would appear more than once in this total. Because Schedule C does not include a VIN or other unique vehicle identifier, Treasury and the IRS cannot distinguish these cases—the same vehicle placed in service for multiple businesses—from

cases in which a sole proprietor placed multiple vehicles in service for multiple businesses.

⁷ There is limited evidence on elasticities relating directly to the country of vehicle assembly. See Grieco et al. (2024) for estimates on consumer responsiveness to prices changes across vehicle manufacturers. Grieco, Paul L.E., Charles Murry, and Ali Yurukoglu. 2024. "The Evolution of Market Power in the U.S. Automobile Industry." *The*

Quarterly Journal of Economics 139 (2): 1201–1253, <https://academic.oup.com/qje/article-abstract/139/2/1201/7276495?redirectedFrom=fulltext>.

⁸ Chetty, Raj, Adam Looney, and Kory Kroft. 2009. "Salience and Taxation: Theory and Evidence." *American Economic Review* 99 (4): 1145–77, <https://www.aeaweb.org/articles?id=10.1257/aer.99.4.1145>.

personal use standard and all other requirements to deduct vehicle interest solely as QPVL or, to the extent the taxpayers have interest properly allocable to a trade or business, as a business expense.

d. Specified Passenger Vehicle Loan (SPVL) and Further Definitions

The proposed regulations would clarify what constitutes a SPVL. Specifically, the proposed rules provide that indebtedness qualifies as a SPVL only if the indebtedness is incurred for the purchase of an APV and for items and amounts customarily financed in an APV purchase transaction and that are directly related to the purchased APV. These items include vehicle service plans, extended warranties, and sales taxes and vehicle-related fees. Indebtedness incurred for collision and liability insurance or to purchase any property or services unrelated to the APV (for example, a trailer or a boat) is not considered a SPVL. The proposed regulations strengthen the incentive for debt financing of the items and amounts included in the SPVL definition (such as warranties and sales taxes), relative to a rule that excluded those items and amounts from the SPVL definition.

Alternative guidance could have prescribed that only debt directly attributable to the price of the vehicle is a SPVL and therefore that only interest on that portion of a loan is deductible. Such an alternative standard could result in substantial compliance costs to taxpayers and to lenders and interest recipients in requiring allocations of indebtedness and associated interest. For amounts customarily financed together, such as the price of the vehicle itself and sales taxes and warranties on the vehicle, identifying and allocating which interest is attributable to which portion of total indebtedness would be difficult and costly to administer. The proposed guidance benefits taxpayers by removing uncertainty and reduces burden relating to what taxpayers may consider a SPVL. According to Autotrader, for financed vehicle purchases, “taxes and dealer fees are almost always included in the payment.”⁹ A substantial share of taxpayers with QPVL would therefore benefit from the proposed SPVL definition, relative to an alternative definition that would require taxpayers to identify separately interest attributable to the price of the vehicle and items and amounts customarily

financed with the vehicle. Relatedly, an SPVL definition limited strictly to the price of the vehicle may also require additional information reporting that burdens interest recipients and lenders. The proposed SPVL definition benefits entities subject to information reporting requirements because taxpayers can determine their QPVL without needing information on interest amounts related to the price of the vehicle separate from interest amounts related to items and amounts customarily financed with the vehicle.

II. Paperwork Reduction Act

The Paperwork Reduction Act of 1995 (44 U.S.C. 3501–3520) (PRA) generally requires that a Federal agency obtain the approval of the Office of Management and Budget (OMB) before collecting information from the public, whether that collection of information is mandatory, voluntary, or required to obtain or retain a benefit. An agency may not conduct or sponsor, and a person is not required to respond to, a collection of information unless it displays a valid control number assigned by the OMB.

The general recordkeeping requirements mentioned in these proposed regulations are considered general tax records under § 1.6001–1(e). A taxpayer would use these records to establish its eligibility for the section 163(h)(4) deduction and the amount of the deduction claimed. The recordkeeping requirements would include that individuals keep records about the SPVL, the APV, and the amount of interest paid or accrued. For PRA purposes, general tax records are already approved by OMB under 1545–0074 for individuals and 1545–0092 for trust and estate filers.

These proposed regulations also mention reporting requirements related to claiming deductions as set forth in proposed § 1.163–16. These collections will be made by eligible taxpayers as part of filing a return (such as the appropriate Form 1040 or 1041), including filling out the relevant schedules. These forms are approved by OMB under 1545–0074 for individuals and 1545–0092 for trust and estate filers.

These proposed regulations also include reporting, third-party disclosure and recordkeeping requirements required under section 6050AA as set forth in proposed § 1.6050AA–1. The collections will be used by the IRS for tax compliance purposes and by taxpayers to calculate their deduction. The burden associated with these information collections will be included in Form 1098–VLI and its instructions

and approved with OMB control number 1545–XXXX in accordance with PRA procedures under 5 CFR 1320.10. The Treasury Department and the IRS request comments on all aspects of information collection burdens related to the proposed regulations. In addition, when available, drafts of IRS forms are posted for comment at www.irs.gov/draftforms.

The likely respondents are corporations and partnerships. The estimated burden for these requirements is as follows:

Estimated number of respondents:
35,800 respondents.

Estimated number of responses:
6,000,000 responses.

Estimated frequency of responses:
Annually.

Estimated average time per response:
0.25 hours.

Estimated total annual burden hours:
1,500,000 hours.

Estimated total annual burden cost:
\$130,785,000.

The collections of information contained in this notice of proposed rulemaking has been submitted to the OMB for review in accordance with the PRA. Commenters are strongly encouraged to submit public comments electronically. Written comments and recommendations for the proposed information collection should be sent to www.reginfo.gov/public/do/PRAMain, with copies to the Internal Revenue Service. Find this particular information collection by selecting “Currently under Review—Open for Public Comments” then by using the search function. Submit electronic submissions for the proposed information collection to the IRS via email at pra.comments@irs.gov (indicate REG–113515–25 on the Subject line). Comments on the collection of information should be received by March 3, 2026.

Comments are specifically requested concerning: Whether the proposed collection of information is necessary for the proper performance of the functions of the IRS, including whether the information will have practical utility. The accuracy of the estimated burden associated with the proposed collection of information. How the quality, utility, and clarity of the information to be collected may be enhanced. How the burden of complying with the proposed collection of information may be minimized, including through the application of automated collection techniques or other forms of information technology. Estimates of capital or start-up costs and costs of operation, maintenance, and purchase of services to provide information.

⁹ “Are taxes and fees included in car financing?”, Autotrader, last accessed October 28, 2025, <https://www.autotrader.com/car-shopping/financing-a-car-are-taxes-and-fees-included-in-financing-222154>.

Books or records relating to a collection of information must be retained as long as their contents may become material in the administration of any Internal Revenue law. Generally, tax returns and tax return information are confidential, as required by section 6103.

III. Regulatory Flexibility Act

The Regulatory Flexibility Act (5 U.S.C. 601 *et seq.*) (RFA) imposes certain requirements with respect to Federal rules that are subject to the notice and comment requirements of section 553(b) of the Administrative Procedure Act (5 U.S.C. 551 *et seq.*) and that are likely to have a significant economic impact on a substantial number of small entities. Unless an agency determines that a proposal will not have a significant economic impact on a substantial number of small entities, section 603 of the RFA requires the agency to present an initial regulatory flexibility analysis (IRFA) of the proposed regulations. The Treasury Department and the IRS have not determined whether the proposed regulations, when finalized, will have a significant economic impact on a substantial number of small entities. This determination requires further study. However, because there is a possibility of a significant economic impact on a substantial number of small entities, these proposed regulations include an IRFA. The Treasury Department and the IRS invite comments on both the number of entities affected by these proposed regulations and the economic impact of these proposed regulations on small entities.

A. Need for and Objectives of the Rule

The proposed regulations would provide the eligibility rules and key definitions regarding the section 163(h)(4) deduction to allow taxpayers to determine whether their interest is QPVL eligible for the section 163(h)(4) deduction. In addition, the proposed regulations would provide the operational, administrative, and definitional rules for persons in a trade or business to comply with the statutory information reporting requirements under section 6050AA with interest received on a SPVL.

The proposed rules are expected to clarify the OBBBA provision regarding the car loan interest deduction, which Congress intended to ease the financial burden of car ownership for individuals and promote domestic manufacturing. See House Budget Committee report on the OBBBA, H. Rept. 119–106, at 1510 (2025). The proposed rules are intended

to facilitate the easing of the financial burden of car ownership by providing the information necessary for taxpayers to claim the deduction. Additionally, the proposed rules are consistent with the promotion of domestic manufacturing. The rules direct taxpayers to the National Highway Traffic Safety Administration VIN lookup tool to help taxpayers determine whether a vehicle had final assembly in the United States, a necessary condition for the vehicle to be eligible for the deduction. Because the proposed rules assist taxpayers in claiming the deduction, the rules may also increase consumer demand for vehicles with final assembly in the United States. Over time, this may lead manufacturers to increase production and assembly of vehicles in the United States in order to meet demand for vehicles that are eligible for the deduction. Thus, the Treasury Department and the IRS intend and expect that the proposed rules will deliver benefits across the economy that will favorably impact individuals, vehicle dealers, and the domestic manufacturing industry, including vehicle manufacturers.

B. Affected Small Entities

The Small Business Administration estimates in its 2023 Small Business Profile that 99.9 percent of United States businesses meet its definition of a small business. The applicability of these proposed regulations does not depend on the size of the business, as defined by the Small Business Administration. As described more fully in the preamble to these proposed regulations and in this IRFA, these rules may affect a variety of different businesses across several different industries but will primarily affect dealers of new vehicles and financial entities that would be required to file and furnish information returns under section 6050AA.

The Treasury Department and the IRS currently estimate 35,800 businesses may be impacted by these proposed regulations because they are car and motorcycle loan lenders. Of the estimated 35,800 car and motorcycle loan lenders that may be impacted by these proposed regulations, the Treasury Department and the IRS expect 24,600 would likely be considered a small business entity. To prepare these estimates, the Treasury Department and IRS reviewed tax return filings for relevant industry codes for prior taxable years.

1. Impact of the Rules

The recordkeeping and reporting requirements would increase for businesses that provide loans on new

cars and motorcycles. Although the Treasury Department and the IRS do not have sufficient data to precisely determine the likely extent of the increased costs of compliance, the estimated burden of complying with the recordkeeping and reporting requirements are described in the Paperwork Reduction Act section of the preamble. Based on the estimated number of responses (6,000,000) and an estimate time to respond of 0.25 hours, the estimated burden is 1,500,000 total burden hours.

2. Alternatives Considered

The Treasury Department and the IRS considered alternatives to the proposed regulations. For example, the Treasury Department and the IRS considered a delay to reporting for small businesses. Although this would ease the burden on small businesses, it would increase the burden on individuals who need the information reported under section 6050AA to accurately claim the deduction for QPVL on their Federal income tax returns. Accordingly, the Treasury Department and the IRS decided not to delay reporting for small businesses.

The Treasury Department and the IRS also considered whether reporting should be required for each person from whom interest was received. However, the Treasury Department and the IRS understand that interest recipients do not necessarily track the identity of the person making payments. Therefore, in order to reduce the reporting burden for small businesses that may find this additional tracking burdensome, these proposed regulations would define a payor of record on an SPVL as any person carried on the books and records of the interest recipient as the principal borrower of the SPVL.

Another alternative considered was whether reporting under section 6050AA should be limited to QPVL. However, the Treasury Department and the IRS understand that interest recipients do not necessarily have the information necessary to determine whether interest on a SPVL is QPVL for an individual. Accordingly, to reduce the reporting burden for small businesses that do not routinely ask individuals for information such as the expected amount of personal use of the vehicle, these proposed regulations propose that interest recipients report receipt of interest received on a SPVL.

3. Duplicative, Overlapping, or Conflicting Federal Rules

The proposed regulations would not duplicate, overlap, or conflict with any relevant Federal rules. As discussed in

the Explanation of Provisions, the proposed regulations would merely provide requirements, procedures, and definitions related to the section 163(a) deduction for QPVL and section 6050AA. The Treasury Department and the IRS invite input from interested members of the public about identifying and avoiding overlapping, duplicative, or conflicting requirements.

IV. Section 7805(f)

Pursuant to section 7805(f) of the Code, these proposed regulations will be submitted to the Chief Counsel for the Office of Advocacy of the Small Business Administration for comment on its impact on small business.

V. Unfunded Mandates Reform Act

Section 202 of the Unfunded Mandates Reform Act of 1995 (UMRA) requires that agencies assess anticipated costs and benefits and take certain other actions before issuing a final rule that includes any Federal mandate that may result in expenditures in any one year by a State, local, or Tribal government, in the aggregate, or by the private sector, of \$100 million in 1995 dollars, updated annually for inflation. These proposed regulations do not include any Federal mandate that may result in expenditures by State, local, or Tribal governments, or by the private sector, in excess of that threshold.

VI. Executive Order 13132: Federalism

Executive Order 13132 (entitled “Federalism”) prohibits an agency from publishing any rule that has federalism implications if the rule either imposes substantial, direct compliance costs on State and local governments, and is not required by statute, or preempts State law, unless the agency meets the consultation and funding requirements of section 6 of the Executive order. This proposed rule does not have federalism implications and does not impose substantial direct compliance costs on State and local governments or preempt State law within the meaning of the Executive order.

Comments and Public Hearing

Before the proposed regulations are adopted as final regulations, consideration will be given to comments regarding this notice of proposed rulemaking that are submitted timely to the IRS as prescribed in this preamble under the **ADDRESSES** section. The Treasury Department and the IRS request comments on all aspects of the proposed regulations. All comments submitted will be available at www.regulations.gov. Once submitted to the Federal eRulemaking Portal,

comments cannot be edited or withdrawn.

A public hearing has been scheduled for February 24, 2026, beginning at 10 a.m. ET, in the Auditorium at the Internal Revenue Building, 1111 Constitution Avenue NW, Washington, DC. Due to building security procedures, visitors must enter at the Constitution Avenue entrance. In addition, all visitors must present photo identification to enter the building. Because of access restrictions, visitors will not be admitted beyond the immediate entrance area more than 30 minutes before the hearing starts. Participants may alternatively attend the public hearing by telephone.

The rules of 26 CFR 601.601(a)(3) apply to the hearing. Persons who wish to present oral comments at the hearing must submit an outline of the topics to be discussed and the time to be devoted to each topic by February 2, 2026. A period of 10 minutes will be allotted to each person for making comments. An agenda showing the scheduling of the speakers will be prepared after the deadline for receiving outlines has passed. Copies of the agenda will be available free of charge at the hearing. If no outline of the topics to be discussed at the hearing is received by February 2, 2026, the public hearing will be cancelled. If the public hearing is cancelled, a notice of cancellation of the public hearing will be published in the **Federal Register**.

Individuals who want to testify in person at the public hearing must send an email to publichearings@irs.gov to have your name added to the building access list. The subject line of the email must contain the regulation number REG-113515-25 and the language TESTIFY In Person. For example, the subject line may say: Request to TESTIFY In Person at Hearing for REG-113515-25.

Individuals who want to testify by telephone at the public hearing must send an email to publichearings@irs.gov to receive the telephone number and access code for the hearing. The subject line of the email must contain the regulation number REG-113515-25 and the language TESTIFY Telephonically. For example, the subject line may say: Request to TESTIFY Telephonically at Hearing for REG-113515-25.

Individuals who want to attend the public hearing in person without testifying must also send an email to publichearings@irs.gov to have your name added to the building access list. The subject line of the email must contain the regulation number REG-113515-25 and the language ATTEND In Person. For example, the subject line

may say: Request to ATTEND Hearing In Person for REG-113515-25. Requests to attend the public hearing must be received by 5:00 p.m. ET on February 20, 2026.

Individuals who want to attend the public hearing by telephone without testifying must also send an email to publichearings@irs.gov to receive the telephone number and access code for the hearing. The subject line of the email must contain the regulation number REG-113515-25 and the language ATTEND Hearing Telephonically. For example, the subject line may say: Request to ATTEND Hearing Telephonically for REG-113515-25. Requests to attend the public hearing must be received by 5:00 p.m. ET on February 20, 2026.

Hearings will be made accessible to people with disabilities. To request special assistance during a hearing, please contact the Publications and Regulations Section of the Office of Associate Chief Counsel (Procedure and Administration) by sending an email to publichearings@irs.gov (preferred) or by telephone at (202) 317-6901 (not a toll-free number) by February 19, 2026.

Statement of Availability of IRS Documents

Guidance cited in this preamble is published in the Internal Revenue Bulletin and is available from the Superintendent of Documents, U.S. Government Publishing Office, Washington, DC 20402, or by visiting the IRS website at <https://www.irs.gov>.

Drafting Information

The principal author of these proposed regulations is Riston Escher, Office of the Associate Chief Counsel (Income Tax & Accounting), IRS. However, other personnel from the Treasury Department and the IRS participated in their development.

List of Subjects

26 CFR Part 1

Income taxes, Reporting and recordkeeping requirements.

26 CFR Part 301

Employment taxes, Excise taxes, Income taxes, Penalties, Reporting and recordkeeping requirements.

Proposed Amendments to the Regulations

Accordingly, the Treasury Department and the IRS propose to amend 26 CFR parts 1 and 301 as follows:

PART 1—INCOME TAXES

■ **Paragraph 1.** The authority citation for part 1 is amended by adding an entry in numerical order for § 1.6050AA–1 to read in part as follows:

Authority: 26 U.S.C. 7805 * * *

* * * * *

Section 1.6050AA–1 is also issued under 26 U.S.C. 6050AA(e).

* * * * *

■ **Par. 2.** Section 1.163–16 is added to read as follows:

§ 1.163–16 Qualified passenger vehicle loan interest.

(a) *Overview*—(1) *In general.* In computing the taxable income for a taxable year beginning after December 31, 2024, and before January 1, 2029, of a taxpayer described in paragraph (a)(2) of this section, for purposes of the deduction allowable under section 163(a) of the Internal Revenue Code (Code) for interest paid or accrued within the taxable year on indebtedness, section 163(h)(4) excludes qualified passenger vehicle loan interest (QPVL) (as defined in section 163(h)(4)(B) and paragraph (b)(12) of this section) from the definition of “personal interest” paid or accrued during the taxable year for which a deduction would be disallowed under section 163(h)(1). See paragraph (b) of this section for definitions of terms used in section 163(h)(4) and this section.

(2) *Taxpayers that may deduct QPVL*—(i) *In general.* Only a taxpayer that is an individual, decedent’s estate, or non-grantor trust may deduct QPVL in computing the taxpayer’s taxable income.

(ii) *Deduction available without regard to whether taxpayer itemizes deductions.* Under section 63(b)(7) of the Code, the deduction for QPVL allowable under section 163(h)(4) may be taken by a taxpayer without regard to whether the taxpayer itemizes deductions or takes the standard deduction.

(b) *Definitions.* The following definitions apply for purposes of section 163(h)(4) and this section:

(1) *Applicable passenger vehicle (APV).* The term *applicable passenger vehicle* or *APV* means a vehicle that satisfies the requirements of paragraph (e)(1) of this section.

(2) *Dealer.* The term *dealer* means a person licensed by a State, the District of Columbia, the Commonwealth of Puerto Rico, any other territory or possession of the United States, an Indian Tribal government (as defined in section 7701(a)(40) of the Code), or an Alaska Native Corporation (as defined

in section 3 of the Alaska Native Claims Settlement Act (43 U.S.C. 1602(m)) to engage in the sale of vehicles. This term includes a dealer licensed by any jurisdiction that makes sales at sites outside of the jurisdiction in which it is licensed.

(3) *Final assembly.* The term *final assembly* means the process by which a manufacturer produces a vehicle at, or through the use of, a plant, factory, or other place from which the vehicle is delivered to a dealer with all component parts necessary for the mechanical operation of the vehicle included with the vehicle, whether or not the component parts are permanently installed in or on the vehicle.

(4) *Grantor trust.* A *grantor trust* is any portion of a trust that is treated as being owned by one or more persons under sections 671 through 679 of the Code.

(5) *Independently deductible interest.* The term *independently deductible interest* means interest that satisfies the requirements of paragraph (g)(1) of this section.

(6) *Lease financing.* The term *lease financing* means a transaction that is not a purchase of an APV, and under which a taxpayer has usage rights with respect to an APV but is not considered the owner of the APV under State or other applicable law.

(7) *Modified adjusted gross income*—(i) *Individuals.* The term *modified adjusted gross income*, in the case of an individual, means adjusted gross income (as defined in section 62 of the Code) increased by any amount excluded from gross income under sections 911, 931, or 933 of the Code.

(ii) *Decedents’ estates and non-grantor trusts.* The term *modified adjusted gross income*, in the case of a decedent’s estate or non-grantor trust, means adjusted gross income as defined in section 67(e) of the Code.

(8) *Negative equity.* The term *negative equity* means existing indebtedness on a vehicle traded in as part of a purchase transaction for an APV, to the extent such indebtedness exceeds the vehicle’s trade-in value specified by the contract for the purchase of the APV.

(9) *Non-grantor trust.* The term *non-grantor trust* means a trust (or the portion of a trust) that is not a grantor trust.

(10) *Personal use.* The term *personal use* means use by an individual other than in any trade or business (except for the use in the trade or business of performing services as an employee), or for the production of income.

(11) *Purchase.* The term *purchase* means an acquisition that is both an acquisition of a vehicle for Federal

income tax purposes and the acquisition of the title of the vehicle for purposes of State or other applicable law.

(12) *Qualified passenger vehicle loan interest (QPVL).* The term *qualified passenger vehicle loan interest* or *QPVL* means any interest that satisfies the requirements of paragraph (c)(1) of this section.

(13) *Qualified vehicle classification*—(i) *In general.* The term *qualified vehicle classification* means one of the following vehicle classifications:

(ii) *Car.* The term *car* means a vehicle classified in one of the classes of passenger vehicles listed in 40 CFR 600.315–08(a)(1), or otherwise so classified by the Administrator of the EPA under 40 CFR 600.315–08(a).

(iii) *Minivan.* The term *minivan* means a vehicle classified as a minivan under 40 CFR 600.315–08(a)(2)(iv), or otherwise so classified by the Administrator of the EPA under 40 CFR 600.315–08(a).

(iv) *Van.* The term *van* means a vehicle classified as a van under 40 CFR 600.315–08(a)(2)(iii), or otherwise so classified by the Administrator of the EPA under 40 CFR 600.315–08(a).

(v) *Sport utility vehicle.* The term *sport utility vehicle* means a vehicle classified as a small sport utility vehicle or standard sport utility vehicle under 40 CFR 600.315–08(a)(2)(v) and (vi), or otherwise so classified by the Administrator of the EPA under 40 CFR 600.315–08(a).

(vi) *Pickup truck.* The term *pickup truck* means a vehicle classified as a small pickup truck or standard pickup truck under 40 CFR 600.315–08(a)(2)(i) and (ii), or otherwise so classified by the Administrator of the EPA under 40 CFR 600.315–08(a).

(vii) *Motorcycle.* The term *motorcycle* means a vehicle classified as a motorcycle under 40 CFR 86.402–78, or otherwise so classified by the Administrator of the EPA.

(14) *Secured by a first lien.* The term *secured by a first lien* means a valid and enforceable security interest under State or other applicable law in an APV with status ahead of all other security interests, other than tax liens or other similar security interests that may be given higher priority at a later date following the date of purchase and only in limited circumstances.

(15) *Specified passenger vehicle loan (SPVL).* The term *specified passenger vehicle loan* or *SPVL* means indebtedness that satisfies the requirements of paragraph (d)(1) of this section.

(16) *Vehicle identification number (VIN).* The term *vehicle identification number* or *VIN* means a series of Arabic

numbers and Roman letters that is assigned to a motor vehicle for identification purposes under 49 CFR 565.13.

(c) *Qualified passenger vehicle loan interest (QPVLI)*—(1) *In general.* Interest is QPVLI only if the interest is paid or accrued during the taxable year on indebtedness that is an SPVL secured by a first lien on an APV and is not excluded from the definition of QPVLI (as described in paragraphs (c)(4) and (5) of this section).

(2) *Determining the amount of interest paid or accrued during a taxable year*—

(i) *In general.* Interest on an SPVL accrues on a daily basis over the term of the SPVL. The amount of QPVLI that is deductible by a taxpayer for the taxable year is determined under the taxpayer's overall method of accounting for Federal income tax purposes (either the cash receipts and disbursements method or an accrual method) or an applicable special method of accounting. For purposes of section 163(h)(4), the amount of QPVLI includes all interest payable with respect to the amount financed under an SPVL (that is, the amount of indebtedness that qualifies for purposes of determining whether indebtedness is an SPVL under paragraph (d)(2) of this section).

(ii) *Allocation of payments.* In general, a payment on an SPVL is treated first as a payment of interest to the extent interest has accrued and remains unpaid on the SPVL as of the date the payment is due, and second, to the extent of any excess, as a payment of principal. See §§ 1.446–2(e) and 1.1275–2(a) for rules on allocating payments between interest and principal. For purposes of this paragraph (c)(2)(ii), a simple interest calculation may be used to determine the amount of interest that has accrued and remains unpaid on an SPVL when a payment on the SPVL is made. Under this simple interest calculation, interest accrues daily over the term of the SPVL based on its outstanding principal balance and the annual percentage rate or interest rate provided in the retail installment sales contract or other contract evidencing the SPVL.

(3) *Determining whether the SPVL is secured by a first lien on an APV*—(i) *In general.* In order for interest paid or accrued on an SPVL to be QPVLI, the SPVL must be secured by a first lien (as defined in paragraph (b)(14) of this section) on the APV financed by the SPVL at the time the interest is paid or accrued.

(ii) *Exception for substitute vehicle due to unforeseen intervening event.* In the case of an SPVL secured by a first lien on an APV that is replaced at a later

time with a substitute vehicle that is an APV due to an unforeseen intervening event (for example, a defective APV is required to be replaced under State or other applicable law or an APV is required to be replaced under an insurance product), and as a result the SPVL is secured by a first lien on that substitute vehicle, the substitute vehicle is considered the initially purchased APV for purposes of this paragraph (c)(3) and for purposes of paragraph (c)(5) of this section.

(4) *Interest that is not QPVLI.* QPVLI does not include any amount paid or accrued on any of the following:

- (i) A loan to finance fleet sales.
- (ii) A loan incurred for the purchase of a commercial vehicle that is not used for personal purposes.
- (iii) Any lease financing.
- (iv) A loan to finance the purchase of a vehicle with a salvage title.
- (v) A loan to finance the purchase of a vehicle intended to be used for scrap or parts.

(5) *VIN requirement.* Interest paid or accrued by the taxpayer during the taxable year on an SPVL is not treated as QPVLI and may not be deducted under section 163(h)(4) unless the taxpayer reports the VIN of the purchased APV on the Federal tax return for the taxable year in the manner prescribed by the Internal Revenue Service in guidance published in the Internal Revenue Bulletin or in forms and instructions.

(6) *Examples.* The rules of paragraphs (c)(1), (c)(3) and (c)(4)(iii) of this section are illustrated by the following examples:

(i) *Example 1: Lease financing*—(A) *Facts.* Dealer is located in State Y. Dealer purchases an APV from the manufacturer and sells the car to Leasing Company. Leasing Company leases the car to A for a 120-month period in a transaction that is a lease for State Y purposes. At the end of the lease term, A has the option to purchase the car for a nominal amount. For Federal income tax purposes, the lease agreement is properly viewed as a sale. A makes lease payments during the taxable year.

(B) *Analysis.* A's lease payments are made under a lease financing transaction and do not qualify as QPVLI. Additionally, notwithstanding that the lease agreement is properly viewed as a sale for Federal income tax purposes, the transaction is not a purchase (as defined in paragraph (b)(11) of this section) and therefore the lease is not an SPVL. Accordingly, no amounts paid under the lease are QPVLI.

(ii) *Example 2: Defective vehicle replaced*—(A) *Facts.* A, a resident of

State X, incurs an SPVL to purchase Vehicle 1. The SPVL is secured by a first lien on Vehicle 1. After purchase, A discovers Vehicle 1 is defective. Under State X law that requires the replacement of new vehicles with serious defects, the manufacturer replaces defective Vehicle 1 with Vehicle 2. As a result, the SPVL is secured by a first lien on Vehicle 2. Vehicle 2 is an APV with respect to A, as the original use of Vehicle 2 commences with A, and the vehicle meets all other requirements of an APV as described in paragraph (e) of this section. The SPVL continues to be in effect with no changes other than the substitution of Vehicle 1 for Vehicle 2 occurring under State X law. A continues making payments under the terms of the SPVL.

(B) *Analysis.* The interest paid or accrued on the SPVL that is now secured by Vehicle 2 is QPVLI. The SPVL is secured by a first lien on the APV that was purchased as a result of the incurred SPVL at the time that interest is paid or accrued. As Vehicle 1 was replaced with Vehicle 2, an APV, due to an unforeseen intervening event and the SPVL is secured by a first lien on Vehicle 2, Vehicle 2 is considered the initially purchased APV.

(d) *Specified passenger vehicle loan (SPVL)*—(1) *In general.* Indebtedness is an SPVL only if the indebtedness is incurred by the taxpayer after December 31, 2024, for the purchase of an APV for personal use, and is secured by a first lien on that APV.

(2) *Indebtedness incurred for the purchase of an APV*—(i) *In general.* For purposes of paragraph (d)(1) of this section, indebtedness is an SPVL only to the extent the indebtedness is incurred for the purchase of an APV and, if part of the same purchase transaction, for any other items or amounts customarily financed in an APV purchase transaction and that are directly related to the purchased APV. Items or amounts customarily financed in an APV purchase transaction and that are directly related to the purchased APV include, for example, vehicle service plans, extended warranties, sales taxes, and vehicle-related fees.

(ii) *Indebtedness that is not incurred for the purchase of an APV.* To the extent any indebtedness is not incurred by a taxpayer for the purchase of an APV or for any other items or amounts customarily financed in an APV purchase transaction that are directly related to the purchased APV, such indebtedness is not an SPVL even if it is incurred as part of a purchase transaction for an APV. For example, indebtedness incurred for the

repayment of negative equity on a loan secured by a trade-in vehicle, to purchase collision and liability insurance, or to purchase any property or services unrelated to an APV (for example, a trailer or a boat) is not incurred by a taxpayer for the purchase of an APV or for any other items or amounts customarily financed in an APV purchase transaction that are directly related to the purchased APV, and as a result is not an SPVL. In addition, indebtedness is not incurred by a taxpayer for the purchase of an APV or for any other items or amounts customarily financed in an APV purchase transaction and that are directly related to the purchased APV to the extent the indebtedness relates to cash proceeds that the taxpayer receives from the lender.

(iii) *Allocation of indebtedness*—(A) In general. Except as provided in paragraph (d)(2)(iii)(B) of this section, if a taxpayer incurs indebtedness described in both paragraphs (d)(2)(i) and (ii) of this section as part of the same transaction, the indebtedness must be allocated between the indebtedness described in paragraph (d)(2)(i) of this section and the indebtedness described in paragraph (d)(2)(ii) of this section. Only the portion of the indebtedness allocated to the indebtedness described in paragraph (d)(2)(i) of this section is an SPVL. In such cases, payments of interest and principal are allocated to the portion of the indebtedness described in paragraph (d)(2)(i) of this section and the portion of the indebtedness described in paragraph (d)(2)(ii) of this section on a pro rata basis.

(B) *Allocation of down payment*. For purposes of determining the portion of the indebtedness described in paragraph (d)(2)(ii) of this section, any down payment (or other consideration provided by the taxpayer at the time of the purchase transaction for an APV) is applied first against any negative equity and any other amounts that are not incurred for the purchase of the APV or for other items customarily financed in an APV purchase transaction and that directly relate to the purchase of the APV.

(3) *Related party indebtedness*. Any indebtedness owed to a person who is related to the taxpayer within the meaning of section 267(b) or section 707(b)(1) of the Code is not an SPVL.

(4) *Refinancing of an SPVL*. If a taxpayer refinances an SPVL (refinanced loan), the resulting indebtedness (new loan) is an SPVL if the new loan is secured by a first lien on the APV with respect to which the refinanced loan was incurred. The amount of the new

loan that is an SPVL is limited to the outstanding balance of the refinanced loan as of the date of the refinancing. A taxpayer allocates principal and interest between the amount of the new loan that is an SPVL and the remaining portion of the indebtedness on a pro rata basis. For purposes of this paragraph (d)(4), if there is a change in obligor as part of the refinancing, the new loan is not an SPVL with regard to any subsequent obligor unless the refinancing is in connection with a change in obligor by reason of the obligor's death within the meaning of paragraph (d)(5)(ii) of this section.

(5) *Whether the SPVL was incurred by the taxpayer*—(i) *In general*. Except as provided in paragraph (d)(5)(ii) of this section, indebtedness is an SPVL only if that indebtedness was originally incurred by the taxpayer. For example, if an individual incurs an SPVL and subsequently ceases to be an obligor and another individual becomes the obligor on the indebtedness, the indebtedness is not an SPVL with respect to the other individual.

(ii) *Exception for a change in obligor by reason of the death of an obligor*—(A) *In general*. If a change in obligor is by reason of the death of an obligor of an SPVL, then the indebtedness is treated as an SPVL with respect to the new obligor.

(B) *Change in obligor by reason of the death of an obligor*. For purposes of paragraph (d)(5)(ii)(A) of this section, a change in obligor by reason of death includes the following:

(1) The succession to ownership of an APV subject to an SPVL by—

- (i) The deceased obligor's estate;
- (ii) A surviving joint owner of the APV; or

(iii) The surviving beneficiary designated by contract, a transfer on death provision, or by operation of law.

(2) A distribution of an APV subject to an SPVL by—

- (i) A deceased obligor's estate to a legatee or heir; or

(ii) A trust that is made to a trust beneficiary by reason of death as described in this paragraph (d)(5)(ii).

(3) Any refinancing of an SPVL in connection with a transfer by reason of death as described in this paragraph (d)(5)(ii).

(C) *Not a change in obligor by reason of the death of an obligor*. A change in obligor by reason of death as described in this paragraph (d)(5)(ii) does not include changes resulting from the following:

- (1) A sale, exchange, or other disposition of an APV by a decedent's estate or trust, other than a distribution

described in paragraph (d)(5)(ii)(B)(2) of this section.

(2) Any disposition of an APV by an individual who received the APV by reason of death (unless that disposition is by reason of that individual's death and the change in obligor is described in paragraph (d)(5)(ii)(B) of this section).

(6) *Examples*. The rules of paragraphs (d)(2) and (4) of this section are illustrated by the following examples in which A is an individual who incurs indebtedness to purchase an APV for personal use:

(i) *Example 1: Vehicle-related purchases*—(A) *Facts*. A finances the purchase of an APV for personal use by incurring a loan. The loan is secured by a first lien on the APV. The retail installment sales contract, which evidences the loan, indicates that the total amount financed is equal to the sum of the APV purchase price, the cost for an extended warranty, sales tax, title and registration fees, and a dealer document fee.

(B) *Analysis*. All of the amount financed under the loan is incurred for the purchase of an APV and for other items or amounts customarily financed in an APV purchase transaction and that directly relate to the purchased APV within the meaning of paragraph (d)(2)(i) of this section. Accordingly, the loan is an SPVL and all of the interest on the loan may be deductible as QPVL.

(ii) *Example 2: Non-vehicle-related purchase*—(A) *Facts*. A incurs indebtedness to finance the purchase of both an APV and a trailer. The indebtedness is secured by a first lien on the APV. The price of the trailer is added to the amount financed as part of the retail installment sales contract that includes the purchase price of the APV.

(B) *Analysis*. The indebtedness attributable to the purchase price of the trailer included in the amount financed under the retail installment sales contract is not incurred for the purchase of an APV or for any other items or amounts customarily financed in an APV purchase transaction and that directly relate to the purchased APV within the meaning of paragraph (d)(2)(i) of this section and therefore this indebtedness is not included in an SPVL under paragraph (d)(2)(ii) of this section. In accordance with the allocation rules in paragraph (d)(2)(iii) of this section, A must allocate the portion of the indebtedness that is allocable to the purchase price of the trailer to indebtedness described in paragraph (d)(2)(ii) of this section that is not an SPVL. Thus, none of the interest that is attributable to that portion of the indebtedness is QPVL. The remaining

portion of the indebtedness is allocated to indebtedness described in paragraph (d)(2)(i) of this section that is an SPVL.

(iii) *Example 3: Vehicle refinanced*—(A) *Facts.* A incurs indebtedness (Loan 1) to finance the purchase of an APV, and in a subsequent taxable year in which A is eligible to deduct QPVL, A refinances Loan 1 by incurring new indebtedness of \$38,000 (Loan 2), which is secured by a first lien on the APV. At the time of refinancing, the APV has a fair market value of \$38,000 and Loan 1 has an outstanding balance of \$30,000. The Loan 2 proceeds of \$38,000 are used to first repay the \$30,000 Loan 1 balance, with the remaining \$8,000 going to A as cash proceeds.

(B) *Analysis.* Of the \$38,000 amount financed by Loan 2, \$8,000 is the amount of the resulting indebtedness that exceeds the amount of such refinanced indebtedness within the meaning of paragraph (d)(4) of this section. Only \$30,000 of the \$38,000 balance of Loan 2 is an SPVL per the rule in paragraph (d)(4) of this section. Thus, none of the interest attributable to the \$8,000 portion of Loan 2 is interest that is deductible as QPVL.

(iv) *Example 4: Negative equity and down payment*—(A) *Facts.* A finances the purchase of an APV that costs \$40,000, and trades in a previously owned vehicle subject to an existing vehicle loan with \$6,000 of negative equity. A makes a down payment of \$4,000 as part of the APV purchase transaction, incurring indebtedness of \$42,000 (\$40,000 plus \$6,000 minus \$4,000).

(B) *Analysis.* The \$6,000 of negative equity is not an item or amount customarily financed in an APV purchase transaction that is directly related to the purchased APV within the meaning of paragraph (d)(2)(i) of this section. In accordance with the allocation rules in paragraph (d)(2)(iii) of this section, A must allocate the \$42,000 of indebtedness between indebtedness described in paragraph (d)(2)(i) of this section and indebtedness described in paragraph (d)(2)(ii) of this section. For purposes of determining the portion of the indebtedness described in paragraph (d)(2)(ii) of this section, the down payment of \$4,000 is allocated against the \$6,000 of negative equity. As a result, of the \$42,000 of indebtedness incurred by A, \$40,000 of the indebtedness incurred is indebtedness incurred for the purchase of an APV as described in paragraph (d)(2)(i) of this section and \$2,000 is indebtedness not incurred for the purchase of an APV as described in paragraph (d)(2)(ii) of this section.

(e) *Applicable passenger vehicle (APV)*—(1) *In general.* A vehicle is an APV only if—

(i) The original use of the vehicle commences with the taxpayer (as described in paragraph (e)(2)(i) of this section);

(ii) The vehicle is manufactured primarily for use on public streets, roads, and highways (not including a vehicle operated exclusively on a rail or rails);

(iii) The vehicle has at least 2 wheels;

(iv) The vehicle is in a qualified vehicle classification (as defined in paragraph (b)(13) of this section);

(v) The vehicle is treated as a motor vehicle for purposes of title II of the Clean Air Act;

(vi) The vehicle has a gross vehicle weight rating of less than 14,000 pounds; and

(vii) The final assembly (as defined in paragraph (b)(3) of this section) of the vehicle occurs within the United States (as described in paragraph (e)(3) of this section).

(2) *Determining whether original use commences with the taxpayer*—(i) *In general.* Original use of a vehicle commences with the first person that takes delivery of the vehicle after the vehicle is sold, registered, or titled. In the case of a dealer, original use of a vehicle does not commence with the dealer unless the dealer registers or titles the vehicle. In the case of a purchaser that is not a dealer and that incurs indebtedness to purchase a vehicle, original use of the vehicle does not commence with that purchaser unless the vehicle is treated as a new vehicle under the loan documentation.

(ii) *Vehicle return exception.* If a purchaser that is not a dealer returns a vehicle to a seller within 30 days of taking delivery of the vehicle, then that purchaser will not be considered the first person that takes delivery of the vehicle after the vehicle is sold, registered, or titled for purposes of paragraph (e)(2)(i) of this section, and, accordingly, original use of the vehicle does not commence with that purchaser.

(iii) *Examples.* The rules of paragraphs (e)(1)(i) and (e)(2) of this section are illustrated by the following examples:

(A) *Example 1: Demonstrator vehicles registered and titled in dealer's name*—

(1) *Facts.* Dealer operates in State X. Dealer purchases and takes delivery of a new vehicle from the manufacturer and designates this vehicle as a demonstrator vehicle. State X law requires a dealer to title and register the vehicle in its name. Accordingly, Dealer titles and registers the vehicle in its

name and uses the vehicle as a demonstrator vehicle.

(2) *Analysis.* Original use of the vehicle commences with Dealer. Dealer is the first person that takes delivery of the vehicle after it is sold, registered, or titled. Accordingly, the vehicle will not be considered an APV by a subsequent purchaser of the vehicle, and interest paid or accrued by a subsequent purchaser on indebtedness incurred for the purchase of the vehicle is not QPVL.

(B) *Example 2: Demonstrator vehicles not registered and titled in dealer's name*—

(1) *Facts.* The facts are the same as in paragraph (e)(2)(iii)(A) of this section (*Example 1*), except that Dealer operates in State Y. State Y law does not require a dealer to title and register a demonstrator vehicle in its name. Accordingly, Dealer does not title and register the vehicle in its name and uses the vehicle as a demonstrator vehicle.

(2) *Analysis.* Original use of the vehicle does not commence with Dealer. Dealer is not the first person that takes delivery of the vehicle after it is sold, registered, or titled. Original use of the vehicle may commence with a subsequent purchaser of the vehicle if the vehicle is treated as a new vehicle under the loan documentation for the loan incurred by that subsequent purchaser to purchase the vehicle.

(C) *Example 3: Cancelled sale*—(1) *Facts.* A, an individual, enters into a contract to purchase a special-order vehicle from a dealer in State Z that is estimated to be delivered in one month. State Z law provides that the vehicle is not required to be titled and registered until A takes delivery of the vehicle. A cancels the order under the sales contract prior to the delivery occurring.

(2) *Analysis.* Original use of the vehicle does not commence with A. A is not the first person that takes delivery of the vehicle after it is sold, registered, or titled. Original use of the vehicle may commence with a subsequent purchaser of the vehicle if the vehicle is treated as a new vehicle under the loan documentation for the loan incurred by that subsequent purchaser to purchase the vehicle.

(D) *Example 4: Vehicle purchase following a lease*—(1) *Facts.* Dealer purchases and takes delivery of a new vehicle from the manufacturer for resale. Dealer does not register or title the vehicle and sells the vehicle to Leasing Company. After taking delivery of the vehicle, Leasing Company titles and registers the vehicle in its name. Leasing Company leases the car to A, an individual. At the end of the lease term, A exercises its option to purchase the car under its lease agreement.

(2) *Analysis.* Original use of the vehicle does not commence with A. Original use of the vehicle commences with Leasing Company. Leasing Company is the first person that takes delivery of the vehicle after it is sold, registered, or titled. Original use does not commence with Dealer because Dealer did not register or title the vehicle.

(E) *Example 5: Returned vehicle*—(1) *Facts.* A is a retail purchaser that purchases a vehicle from Dealer. A returns the car to Dealer 15 days after taking delivery of the vehicle.

(2) *Analysis.* Original use of the vehicle does not commence with A. Because A returned the vehicle to Dealer within 30 days of taking delivery of the vehicle, A is not considered to be the first person that takes delivery of the vehicle after it is sold, registered, or titled and therefore original use does not commence with A. Original use of the vehicle may commence with a subsequent purchaser of the vehicle if the vehicle is treated as a new vehicle under the loan documentation for the loan incurred by that subsequent purchaser to purchase the vehicle.

(3) *Determining whether final assembly has occurred within the United States.* To determine whether the final assembly of a vehicle occurred within the United States, a taxpayer may rely on—

(i) The vehicle's plant of manufacture as reported in the VIN; or

(ii) The final assembly point reported on the label affixed to the vehicle as described in 49 CFR 583.5(a)(3).

(f) *Determination of personal use*—(1) *In general.* A taxpayer that incurs indebtedness to purchase an APV is considered to purchase that APV for personal use if, at the time the indebtedness is incurred, that taxpayer expects that the APV will be used for personal use by the taxpayer, the taxpayer's spouse, or an individual that is related to the taxpayer within the meaning of section 152(c)(2) or (d)(2) of the Code, or any combination of these individuals, for more than 50 percent of the time. The taxpayer's intent is determined based on the expected use during the period the taxpayer expects to own the APV.

(2) *Special rules for decedents' estates and non-grantor trusts.* For purposes of determining whether a decedent's estate or non-grantor trust that incurs indebtedness to purchase an APV expects that the APV will be used for personal use under paragraph (f)(1) of this section, the determination is based on the expected personal use by one or more of the legatees or heirs, or beneficiaries, respectively, who have a

present or future interest in that decedent's estate or non-grantor trust; the spouse of a legatee, heir, or beneficiary; or an individual that is related to a legatee, heir, or beneficiary within the meaning of section 152(c)(2) or (d)(2).

(3) *Examples.* The rules of this paragraph (f) are illustrated by the following examples in which A is an individual:

(i) *Example 1: Predominant personal use*—(A) *Facts.* At the time A incurs indebtedness to purchase an APV, A expects to use the APV for A's personal use for 85 percent of the time. A expects to use the APV to earn income as a driver for a rideshare service for the remaining 15 percent of the time.

(B) *Analysis.* A is considered to have purchased the APV for personal use. At the time A purchases the APV, A expects that the APV will be used for personal use more than 50 percent of the time. A's intention to use the APV to earn income as a driver for a rideshare service for 15% of the time does not preclude A from being considered to have purchased the APV for personal use.

(ii) *Example 2: Predominant business use*—(A) *Facts.* At the time A incurs indebtedness to purchase an APV, A expects to use the APV in A's contracting business that is a sole proprietorship for 60 percent of the time. A expects to use the APV for A's personal use for the remaining 40% of the time.

(B) *Analysis.* A is not considered to have purchased the APV for personal use. At the time A purchases an APV, A does not expect that the APV will be used for personal use more than 50 percent of the time.

(iii) *Example 3: Personal use by an individual related to taxpayer*—(A) *Facts.* At the time A incurs indebtedness to purchase an APV, A expects the APV to be used exclusively for personal use by A's child B.

(B) *Analysis.* A is considered to have purchased the APV for personal use. At the time A purchases the APV, A expects that the APV will be used for personal use more than 50 percent of the time by B, an individual that is related to A within the meaning of section 152(c)(2) or (d)(2).

(g) *Independently deductible interest*—(1) *In general.* Independently deductible interest is limited to interest that is QPVL determined under section 163(h)(4)(B)(i) (prior to the application of the dollar limitation of section 163(h)(4)(C)(i) described in paragraph (h)(1) of this section and determined without regard to this paragraph (g)) and that is otherwise deductible by the

taxpayer as a different type of interest under section 163(a) or a different section of the Code.

(2) *Deducting independently deductible interest.* A taxpayer may deduct independently deductible interest paid or accrued by the taxpayer during the taxable year as QPVL (subject to the application of the dollar limitation of section 163(h)(4)(C)(i) described in paragraph (h)(1) of this section), or alternatively, as a different type of interest described in paragraph (g)(1) of this section (non-QPVL), subject to any applicable limitations. The amount of independently deductible interest that may be deductible as QPVL for a taxable year (before the application of the dollar limitation of section 163(h)(4)(C)(i) described in paragraph (h)(1) of this section) is reduced to the extent that the taxpayer deducts that independently deductible interest as non-QPVL.

(3) *Reporting independently deductible interest.* If a taxpayer deducts independently deductible interest in a taxable year as non-QPVL under paragraph (g)(2) of this section, the taxpayer must report information relating to that independently deductible interest in the manner prescribed by the Internal Revenue Service in guidance published in the Internal Revenue Bulletin or in forms and instructions.

(4) *Examples.* The rules of this paragraph (g) regarding independently deductible interest are illustrated by the following examples in which A is an individual:

(i) *Example 1: Independently deductible interest*—(A) *Facts.* During the taxable year, A paid \$1,000 of interest on an SPVL that may be deductible by A as \$1,000 of QPVL. During the taxable year, 40 percent of the use of the APV is attributable to A's trade or business. A may deduct the full \$1,000 as QPVL after considering the application of the modified adjusted gross income phaseout in paragraph (h)(2) of this section as A's modified adjusted gross income is less than \$100,000.

(B) *Analysis.* \$400 (40% of \$1,000) is independently deductible interest because this amount is deductible as QPVL and as business interest under section 163(a). Assume A may deduct the full \$400 as business interest after considering any applicable limitations. A may deduct the interest paid on the SPVL in multiple ways including—

(1) A may deduct this \$400 of interest as QPVL. In this case, A would deduct all \$1,000 of interest as QPVL; or

(2) A may deduct this \$400 as business interest. In this case, A would

deduct \$600 as QPVL and \$400 as business interest, because A must reduce its \$1,000 of QPVL by the \$400 of interest deducted as business interest to determine the amount A can deduct as QPVL. Additionally, A must report information relating to that independently deductible interest in the manner prescribed by the Internal Revenue Service in guidance published in the Internal Revenue Bulletin or in forms and instructions.

(ii) *Example 2: QPVL limited by dollar limitation*—(A) *Facts*. During the taxable year, A paid \$12,000 of interest on an SPVL. During the taxable year, 30 percent of the use of the APV is attributable to A's trade or business. A may deduct up to \$10,000 of the interest as QPVL after considering the application of the dollar limitation and the modified adjusted gross income phaseout in paragraphs (h)(1) and (2) of this section as A's modified adjusted gross income is less than \$100,000.

(B) *Analysis*. \$3,600 (30% of \$12,000) is independently deductible interest because this amount is deductible as QPVL and as business interest under section 163(a). Assume A may deduct the full \$3,600 as business interest after considering any applicable limitations. A may deduct the interest paid on the SPVL in multiple ways including—

(1) A may maximize QPVL deducted. A may deduct \$10,000 of interest as QPVL, and deduct the remaining \$2,000 as business interest. Additionally, A must report information relating to that independently deductible interest in the manner prescribed by the Internal Revenue Service in guidance published in the Internal Revenue Bulletin or in forms and instructions; or

(2) A may maximize business interest deducted. A may deduct \$3,600 of business interest, and the remaining \$8,400 as QPVL. A has \$12,000 of interest paid on an SPVL and must reduce that by the amount of independently deductible interest of the taxpayer deducts as business interest (\$3,600). Additionally, A must report information relating to that independently deductible interest in the manner prescribed by the Internal Revenue Service guidance published in the Internal Revenue Bulletin or in forms and instructions.

(iii) *Example 3: QPVL limited by dollar limitation*—(A) *Facts*. During the taxable year, A paid \$15,000 of interest on an SPVL. During the taxable year, 20 percent of the use of the APV is attributable to A's trade or business. A may deduct up to \$10,000 of the interest as QPVL after considering the application of the dollar limitation and

the modified adjusted gross income phaseout in paragraphs (h)(1) and (2) of this section as A's modified adjusted gross income is less than \$100,000.

(B) *Analysis*. \$3,000 (20% of \$15,000) is independently deductible interest because this amount is deductible as QPVL and as business interest under section 163(a). Assume A may deduct the full \$3,000 as business interest after considering any applicable limitations. Therefore, the \$3,000 is deductible as business interest or as QPVL. If A were to deduct the \$3,000 of independently deductible interest as QPVL, the application of the dollar limitation in paragraph (h)(1) of this section would limit A's deduction to \$10,000 of the \$15,000 as QPVL. Instead, A may deduct \$3,000 of interest as business interest and deduct \$10,000 as QPVL as the modified adjusted gross income phaseout in paragraph (h)(2) of this section does not reduce A's QPVL deduction amount. Additionally, A must report information relating to that independently deductible interest in the manner prescribed by the Internal Revenue Service in guidance published in the Internal Revenue Bulletin or in forms and instructions.

(h) *Limitations*—(1) *Dollar limitation*. The amount taken into account as QPVL by a taxpayer for any taxable year may not exceed \$10,000 per Federal tax return regardless of filing status.

(2) *Modified adjusted gross income phaseout*. The amount taken into account as QPVL (after the application of the dollar limitation in paragraph (h)(1) of this section) is reduced (but not below zero) by \$200 for each \$1,000 (or portion thereof) by which the modified adjusted gross income of the taxpayer for the taxable year exceeds \$100,000 or, in the case of a joint Federal income tax return, by which the modified adjusted gross income exceeds \$200,000.

(3) *Examples*. The rules of this paragraph (h) are illustrated by the following examples:

(i) *Example 1: Dollar limitation*—(A) *Facts*. A and B are married and file a joint Federal income tax return. A incurs an SPVL to purchase Vehicle 1. B incurs an SPVL to purchase Vehicle 2. During the taxable year, A paid \$6,000 of interest on the SPVL for Vehicle 1. B paid \$5,000 of interest on the SPVL for Vehicle 2.

(B) *Analysis*. A and B can deduct no more than \$10,000 as QPVL on their joint Federal income tax return because of the dollar limitation described in paragraph (h)(1) of this section.

(ii) *Example 2: Modified adjusted gross income phaseout*—(A) *Facts*. A is an individual that paid \$7,000 of QPVL

on an SPVL during the taxable year and files a Federal income tax return with a filing status as single. A has modified adjusted gross income of \$124,200 for the taxable year.

(B) *Analysis*. The maximum amount of QPVL that A can deduct for the taxable year is \$2,000. A's modified adjusted gross income is greater than \$100,000. Therefore, the amount of QPVL that can be taken into account as QPVL after the application of the dollar limitation (\$7,000) must be reduced by \$200 for each \$1,000 (or portion thereof) that A's modified adjusted gross income exceeds \$100,000. A's modified adjusted gross income exceeds \$100,000 by \$24,200. Thus, the \$7,000 amount must be reduced by \$5,000, which is equal to 200×25 ($\$24,200 / \$1,000 = 24.2$ (which is then rounded up to 25)).

(i) *Applicability date*. This section applies to taxable years beginning after December 31, 2024, and before January 1, 2029.

■ **Par. 3.** Section 1.6050AA–1 is added to read as follows:

§ 1.6050AA–1 Information reporting of applicable passenger vehicle loan interest received in a trade or business from an individual.

(a) *Information reporting requirement*—(1) *Overview*. The information reporting requirements of section 6050AA of the Internal Revenue Code (Code) and this section apply to an interest recipient who receives at least \$600 of interest on a specified passenger vehicle loan (SPVL) from a payor of record for a calendar year. See paragraph (b) of this section for definitions of terms used in section 6050AA and this section.

(2) *Reporting requirement*. Except as otherwise provided in this section, an interest recipient that receives at least \$600 of interest on an SPVL for a calendar year must—

(i) File an information return, as described in paragraph (f) of this section, with the Internal Revenue Service (IRS); and

(ii) Furnish a statement to the payor of record, as described in paragraph (g) of this section, on the SPVL.

(3) *Optional reporting*. An interest recipient may, but is not required to, report its receipt of less than \$600 of interest on an SPVL for a calendar year. An interest recipient that chooses to file a return as provided in this section and to furnish a statement as provided in this section is subject to the requirements of this section.

(b) *Definitions*. The following definitions apply for purposes of section 6050AA and this section:

(1) *Applicable passenger vehicle (APV)*. The term *applicable passenger*

vehicle or APV has the meaning provided in § 1.163–16(b)(1).

(2) *Calendar year for which interest is received*—(i) *In general.* Except as provided in paragraph (b)(2)(ii) of this section, the *calendar year for which interest is received* is the later of the calendar year in which the interest is received or the calendar year in which the interest properly accrues.

(ii) *De minimis rule.* An interest recipient may treat interest received during the current calendar year that properly accrues by January 15 of the subsequent calendar year as interest received for the current calendar year. For example, if an interest recipient receives a monthly interest payment on December 31, Year 1, that includes interest accruing for the period December 5, Year 1, to January 5, Year 2, the interest recipient may treat the entire interest payment as received in Year 1. If a portion of the interest for which a payment received in a calendar year accrues after January 15 of the subsequent calendar year, an interest recipient must report as interest received for the current calendar year only the portion that properly accrues by the end of the current calendar year. For example, if an interest recipient receives a monthly payment that includes interest accruing for the period December 20, Year 1, through January 20, Year 2, the interest recipient may not report as interest received for Year 1 any interest accruing after December 31, Year 1. The interest recipient must report the interest accruing after December 31, Year 1, as received for calendar Year 2.

(3) *Interest recipient*—(i) *Trade or business requirement.* An *interest recipient* is a person that is engaged in a trade or business (whether or not the trade or business of lending money) and that, in the course of that trade or business, receives interest on an SPVL. For purposes of this paragraph (b)(3)(i), if a person holds an SPVL that was originated or acquired in the course of a trade or business, the interest on the SPVL is considered to be received in the course of that trade or business. The rules of this paragraph (b)(3)(i) are illustrated by the following examples:

(A) *Example 1: Financing entity*—(1) *Facts.* Car manufacturer finance subsidiary A lends money to individual B to enable B to purchase an applicable passenger vehicle. B makes a payment to A of interest on the SPVL.

(2) *Analysis.* Under the rules of this paragraph (b)(3), A is an interest recipient for purposes of section 6050AA and must file an information return reporting the interest received from B.

(B) *Example 2: Interest not in the course of the trade or business*—(1) *Facts.* C, a person engaged in the trade or business of being a physician, lends money to individual D to enable D to purchase an APV from car dealer A. D makes a payment to C of interest on the SPVL.

(2) *Analysis.* C is not an interest recipient for purposes of section 6050AA and this paragraph (b)(3) because C will not receive the interest in the course of the trade or business of being a physician. C does not need to file an information return reporting the interest received from D.

(C) *Example 3: Dealer direct lending*—(1) *Facts.* E, a corporation, operates a car dealership under the “buy here, pay here” model. E sells vehicles to retail customers and, as part of its ordinary course of business, extends financing directly to the purchasers. Customer F buys a vehicle from E and enters into a loan agreement with E for the amount necessary to buy the vehicle. F pays E \$1,200 of stated interest on the indebtedness during the calendar year.

(2) *Analysis.* Because E is engaged in the trade or business of selling automobiles and receives interest in the course of that trade or business, E is an interest recipient for purposes of section 6050AA and must file an information return reporting the interest received from F.

(ii) *Interest received on behalf of another person*—(A) *In general.* A person that, in the course of its trade or business, receives or collects interest on an SPVL on behalf of another person (for example, the lender of record) is the interest recipient (initial recipient) for purposes of this paragraph (b)(3) with respect to the SPVL. In this case, the reporting requirement of paragraph (a) of this section does not apply to the transfer of interest from the initial recipient to the person for which the initial recipient receives or collects the interest. For example, if financial institution A collects interest on behalf of financial institution B, A is the initial recipient of interest for the SPVL and is subject to the reporting requirements of section 6050AA. B is not required to report the interest received on the SPVL from A.

(B) *Exception.* Paragraph (b)(3)(ii)(A) of this section does not apply for any period for which—

(1) An initial recipient does not possess the information needed to comply with the reporting requirement of paragraph (a) of this section; and

(2) The person for which the interest is received or collected would receive the interest in the course of its trade or

business if the interest were paid directly to that person.

(C) *Application of exception.* If the exception provided by paragraph (b)(3)(ii)(B) of this section applies, the person for which the interest is received or collected is the interest recipient with respect to interest received or collected on the SPVL.

(D) *Presumption.* For purposes of this paragraph (b)(3)(ii), if interest is received or collected on behalf of a person other than an individual, that person is presumed to receive interest in the course of its trade or business.

(4) *Lender of record.* The *lender of record* is the person who, at the time the loan is originated, is named as the lender on the loan documents and whose right to receive payment from the payor of record is secured by a lien on the payor of record's APV. An intention by the lender of record to sell or otherwise transfer the loan to a third party subsequent to the close of the transaction does not affect the determination of who is the lender of record.

(5) *Payor of record.* The *payor of record* on an SPVL is the person specified on the books and records of the interest recipient as the principal borrower on the SPVL. If the books and records of the interest recipient do not indicate which borrower is the principal borrower, the interest recipient must designate a borrower as the principal borrower. The term *person* for purposes of this paragraph (b)(5) means any individual, decedent's estate, or trust that is not a grantor trust within the meaning of § 1.163–16(b)(9) (non-grantor trust).

(6) *Secretary.* The term *Secretary* has the meaning provided in section 7701(a)(11) of the Code.

(7) *Specified passenger vehicle loan (SPVL).* The term *specified passenger vehicle loan* or *SPVL* has the same meaning given by § 1.163–16(b)(15).

(c) *Reporting by foreign person.* An interest recipient that is not a United States person, as defined in section 7701(a)(30), must report interest received on an SPVL only if it receives the interest—

(1) At a location in the United States; or

(2) At a location outside the United States and—

(i) The interest recipient is a controlled foreign corporation, within the meaning of section 957(a) of the Code; or

(ii) 50 percent or more of the gross income of the interest recipient from all sources for the three-year period ending with the close of the taxable year preceding the receipt of interest (or for

that part of the period for which the person was in existence) was effectively connected with the conduct of a trade or business in the United States.

(d) *Reporting with respect to nonresident alien individual, foreign decedent's estate, or foreign non-grantor trust*—(1) *In general.* The reporting requirement of paragraph (a) of this section does not apply if the payor of record is a nonresident alien individual, a decedent's estate that is a foreign estate within the meaning of section 7701(a)(31)(A), or a non-grantor trust that is a foreign trust within the meaning of section 7701(a)(31)(B).

(2) *Nonresident alien individual, foreign decedent's estate, and foreign non-grantor trust.* For purposes of paragraph (d)(1) of this section, an interest recipient must apply the following documentation rules to determine whether a payor of record is a nonresident alien individual, foreign decedent's estate, or foreign non-grantor trust—

(i) If interest is paid outside the United States, the interest recipient must satisfy the documentary evidence standard provided in § 1.6049-5(c) with respect to the payor of record; and

(ii) If interest is paid within the United States, the interest recipient must secure from the payor of record an applicable Form W-8 (or a substitute form) that meets the validity and reliance requirements described in § 1.1441-1(e)(4).

(3) *Place of payment.* For purposes of paragraph (d)(2) of this section, the place of payment is the place where the payor of record completes the acts necessary to effect payment. An amount paid by transfer to an account maintained by an interest recipient in the United States or by mail to a United States address is considered to be paid within the United States.

(e) *Amount of interest received on SPVL for calendar year.* Whether an interest recipient receives \$600 or more of interest on an SPVL for a calendar year is determined on an SPVL-by-SPVL basis. An interest recipient need not aggregate the interest received on all of the SPVLs of a payor of record held by the interest recipient to determine whether the \$600 threshold is met. Therefore, an interest recipient need not report interest of less than \$600 received on an SPVL, even though it receives a total of \$600 or more of interest on all of the SPVLs of the payor of record for a calendar year.

(f) *Requirement to file return*—(1) *Form of return.* An interest recipient must file a return required by paragraph (a) of this section on the form specified by the Secretary for this purpose, with

Form 1096, *Annual Summary and Transmittal of U.S. Information Returns*. An interest recipient may use forms containing provisions substantially similar to those in the forms specified by the Secretary for this purpose if it complies with applicable revenue procedures relating to those forms. An interest recipient must file a separate return for each SPVL for which it receives \$600 or more of interest for a calendar year.

(2) *Information included on return.* An interest recipient must include on the form specified by the Secretary for this purpose—

(i) The name, address, and taxpayer identification number of the payor of record;

(ii) The name, address, and taxpayer identification number of the interest recipient;

(iii) The amount of interest received for the calendar year;

(iv) The amount of outstanding principal on the SPVL as of the beginning of the calendar year;

(v) The date of the origination of the SPVL;

(vi) The year, make, model, and vehicle identification number of the APV that secures the SPVL;

(vii) The date the SPVL was acquired; and

(viii) Any other information required by the form specified by the Secretary for this purpose or its instructions.

(3) *Time and place for filing return; cross-references to penalty and electronic filing requirements.* An interest recipient must file a return required by paragraph (a) of this section on or before February 28 (March 31 if filed electronically) of the year following the calendar year for which it receives the interest. An interest recipient must file the return required by paragraph (a) of this section with the IRS office designated in the instructions for the form. For provisions relating to the penalty provided for the failure to file a correct information return required by paragraph (a) of this section, see § 301.6721-1 of this chapter. See § 301.6724-1 of this chapter for the waiver of a penalty if the failure is due to reasonable cause and not due to willful neglect. See § 301.6011-2(b) of this chapter for requirement to submit the information returns required by this section electronically.

(g) *Requirement to furnish statement*—(1) *In general.* An interest recipient that must file a return under paragraph (a) of this section must furnish a statement to the payor of record.

(2) *Information included on statement.* An interest recipient must

include on the statement that it must furnish to the payor of record—

(i) The information required under paragraph (f)(2) of this section;

(ii) A legend that—

(A) Identifies the statement as important tax information that is being furnished to the IRS; and

(B) Notifies the payor of record that if the payor of record is required to file a return, a negligence penalty or other sanction may be imposed if the IRS determines that an underpayment of tax results because the payor of record overstated a deduction for this interest (if any) on the payor of record's return; and

(iii) A legend stating that the payor of record may be unable to deduct the full amount of SPVL interest reported on the statement; that limitations based on the payor of record's modified adjusted gross income may apply; and that the payor of record may deduct QPVL only to the extent the SPVL was incurred by, and the QPVL actually paid by, the payor of record.

(3) *Copy of form determined by the Secretary to payor of record.* An interest recipient will satisfy the requirement of paragraph (g)(2)(i) of this section by furnishing to a payor of record a copy of the form determined by the Secretary (or substitute statement that complies with applicable revenue procedures) containing all the information filed with the IRS and all the legends required by paragraph (f)(2) of this section.

(4) *Furnishing statement with other information returns.* An interest recipient may transmit the statement required by paragraph (g)(1) of this section to the payor of record with other information returns, as permitted by applicable revenue procedures.

(5) *Time and place for furnishing statement.* An interest recipient must furnish a statement required by paragraph (g)(1) of this section to the payor of record on or before January 31 of the year following the calendar year for which it receives the interest. The interest recipient will be considered to have furnished the statement to the payor of record if it mails the statement to the payor of record's last known address.

(h) *Applicability date.* This section applies to calendar years beginning after December 31, 2024, and before January 1, 2029.

PART 301—PROCEDURE AND ADMINISTRATION

■ **Par. 4.** The authority citation for part 301 continues to read in part as follows:

Authority: 26 U.S.C. 7805

* * * * *

■ **Par. 5.** Section 301.6011–2 is amended by revising paragraph (b)(1) to read as follows:

§ 301.6011–2 Required use of electronic form.

* * * * *

(b) * * *

(1) If the use of Form 1042–S, Form 1094 series, Form 1095–B, Form 1095–C, Form 1097–BTC, Form 1098, Form 1098–C, Form 1098–E, Form 1098–Q, Form 1098–T, a Form to report information required under section 6050AA, Form 1099 series, Form 3921, Form 3922, Form 5498 series, Form 8027, or Form W–2G is required by the applicable regulations or revenue procedures for the purpose of making an information return, the information required by the form must be submitted electronically, except as otherwise provided in paragraph (c) of this section. Returns filed electronically must be made in accordance with applicable revenue procedures, publications, forms, or instructions.

* * * * *

■ **Par. 6.** Section 301.6721–1 is amended by:

- 1. Revising paragraphs (h)(3)(xxvi) and (xxvii);
- 2. Adding paragraph (h)(3)(xxviii); and
- 3. Revising paragraph (j)(2).

The additions and revision read as follows:

§ 301.6721–1 Failure to file correct information returns.

* * * * *

(h) * * *

(3) * * *

(xxvi) Section 6050Y (relating to returns relating to certain life insurance contract transactions);

(xxvii) Section 6050Z (relating to reports relating to long-term care premium statements); or

(xxviii) Section 6050AA (relating to returns relating to QPVLII received in trade or business from individuals).

* * * * *

(j) * * *

(2) *Exceptions.*

(i) Paragraph (h)(2)(xii) of this section applies with respect to information returns required to be filed after September 17, 2024.

(ii) Paragraph (h)(2)(xxviii) of this section applies with respect to information returns required to be filed for taxable years beginning after December 31, 2024, and before January 1, 2029.

■ **Par. 7.** Section 301.6722–1 is amended by:

- 1. Revising paragraphs (e)(2)(xxxvii) and (xxxviii);
- 2. Adding paragraph (e)(2)(xxxix); and
- 3. Revising paragraph (g)(2).

The additions and revision read as follows:

§ 301.6722–1 Failure to furnish correct payee statements.

* * * * *

(e) * * *

(2) * * *

(xxxvii) Section 6226(a)(2) (regarding statements relating to alternative to payment of imputed underpayment by a partnership) or under any other provision of this title 26 that provides for the application of rules similar to section 6226(a)(2);

(xxxviii) Section 6050Z (relating to reports relating to long-term care premium statements); or

(xxxix) Section 6050AA (relating to returns relating to QPVLII received in trade or business from individuals).

* * * * *

(g) * * *

(2) *Exceptions.*

(i) Paragraph (e)(2)(xxxv) of this section applies with respect to payee statements required to be furnished after September 17, 2024.

(ii) Paragraph (e)(2)(xxxix) of this section applies with respect to payee statements required to be furnished for taxable years beginning after December 31, 2024, and before January 1, 2029.

Frank J. Bisignano,

Chief Executive Officer.

[FR Doc. 2025–24154 Filed 12–31–25; 8:45 am]

BILLING CODE 4831–GV–P

DEPARTMENT OF THE TREASURY

Internal Revenue Service

26 CFR Part 51

[REG–103430–24]

RIN 1545–BR16

Statutory Updates to Branded Prescription Drug Fee Regulations

AGENCY: Internal Revenue Service (IRS), Treasury.

ACTION: Notice of proposed rulemaking.

SUMMARY: This document proposes amendments to regulations regarding the annual fee imposed on covered entities engaged in the business of manufacturing or importing certain branded prescription drugs. In response to the replacement of the Coverage Gap Discount Program with the new Manufacturer Discount Program by the Inflation Reduction Act of 2022, the

proposed regulations would make updates regarding the discounts, rebates, and other price concessions used to determine branded prescription drug sales under Medicare Part D and would update for prior statutory changes. These proposed regulations would affect persons engaged in the business of manufacturing or importing certain branded prescription drugs.

DATES: Written or electronic comments and requests for a public hearing must be received by March 3, 2026. Requests for a public hearing must be submitted as prescribed in the “Comments and Requests for a Public Hearing” section.

ADDRESSES: Commenters are strongly encouraged to submit public comments electronically via the Federal eRulemaking Portal at <https://www.regulations.gov> (indicate IRS and REG–103430–24) by following the online instructions for submitting comments. Once submitted to the Federal eRulemaking Portal, comments cannot be edited or withdrawn. The Department of the Treasury (Treasury Department) and the IRS will publish for public availability any comments submitted to the IRS’s public docket. Send paper submissions to: CC:PA:01:PR (REG–103430–24), Room 5503, Internal Revenue Service, P.O. Box 7604, Ben Franklin Station, Washington, DC 20044. A plain language summary of the proposed regulations will be made available at <https://www.regulations.gov>.

FOR FURTHER INFORMATION CONTACT: Concerning the proposed regulations, contact Julia Barlow at (202) 317–6855 (not a toll-free number); concerning the submission of comments and requests to participate in the public hearing, contact the Publications and Regulations Section by phone at (202) 317–6901 (not a toll-free number) or by email at publichearings@irs.gov (preferred).

SUPPLEMENTARY INFORMATION:

Authority

This document contains proposed amendments to the Branded Prescription Drug Fee Regulations (26 CFR part 51).

The proposed regulations are issued under the express delegation of authority under section 9008(i) of the Patient Protection and Affordable Care Act, Public Law 111–148, 124 Stat. 119 (2010), as amended by section 1404 of the Health Care and Education Reconciliation Act of 2010, Public Law 111–152, 124 Stat. 1029 (2010). These acts are collectively referred to in this preamble as the “ACA.” All references in this preamble to “section 9008” are

references to section 9008 of the ACA. Section 9008(i) provides that the Secretary of the Treasury or the Secretary's delegate (Secretary) "shall publish guidance necessary to carry out the purposes of [section 9008]."

The proposed regulations are also issued under the express delegation of authority under section 7805(a) of the Internal Revenue Code (Code), which provides that the Secretary "shall prescribe all needful rules and regulations for the enforcement of [the Code], including all rules and regulations as may be necessary by reason of any alteration of law in relation to internal revenue."

Background

I. Overview

The branded prescription drug fee was enacted by section 9008. Section 9008 did not amend the Code but cross-references specific Code sections.

Under section 9008(a)(1), each covered entity engaged in the business of manufacturing or importing branded prescription drugs must pay an annual fee to the Secretary.

Section 9008(b) provides rules for determining the amount of the annual fee for each covered entity. Specifically, section 9008(b)(1) provides that the annual fee for each covered entity for calendar years 2019 and thereafter shall bear the same ratio to \$2.8 billion as (i) the covered entity's branded prescription drug sales taken into account during the preceding calendar year to (ii) the aggregate branded prescription drug sales of all covered entities taken into account during the same year.

Section 9008(d)(1) generally defines the term "covered entity" to mean any manufacturer or importer with gross receipts from branded prescription drug sales. Section 9008(e)(1) defines the term "branded prescription drug sales" to mean sales of branded prescription drugs to any specified government program or pursuant to coverage under such program. Section 9008(e)(2)(A) generally defines the term "branded prescription drug" to mean (i) any prescription drug the application for which was submitted under section 505(b) of the Federal Food, Drug, and Cosmetic Act (21 U.S.C. 355(b)), or (ii) any biological product the license for which was submitted under section 351(a) of the Public Health Service Act (42 U.S.C. 262(a)). Section 9008(e)(2)(B) defines the term "prescription drug" for purposes of section 9008(e)(2)(A)(i) to mean any drug which is subject to section 503(b) of the Federal Food,

Drug, and Cosmetic Act (21 U.S.C. 353(b)).

Section 9008(e)(4) defines the term "specified government programs" as the Medicare Part D program, the Medicare Part B program, the Medicaid program, any program under which branded prescription drugs are procured by the Department of Veterans Affairs (VA), any program under which branded prescription drugs are procured by the Department of Defense (DOD), and the TRICARE retail pharmacy program, which are collectively referred to in this preamble as the "Programs."

Section 9008(g) requires the Secretary of Health and Human Services (Secretary of HHS), the Secretary of Veterans Affairs, and the Secretary of Defense to report to the Secretary the total branded prescription drug sales for each covered entity with respect to each specified government program. Section 9008(g)(1) specifies the information that the Secretary of HHS shall report for the Medicare Part D program. Section 9008(g)(1)(A) specifies that the costs of prescription drug plans and Medicare Advantage prescription drug plans reported by the Secretary of HHS is reduced by "any per-unit rebate, discount, or other price concession provided by the covered entity." Section 9008(b)(3) requires the Secretary to use the data provided by the Programs to calculate the fee.

The Branded Prescription Drug Fee Regulations (TD 9684, 79 FR 43631 (July 28, 2014), as amended by TD 9823, 82 FR 34611 (July 26, 2017)), provide the method by which each covered entity's annual fee is calculated. The regulations also define terms and provide rules for the administration of the fee. *See* 26 CFR 51.1 through 51.11 and 51.6302.

Section 51.2 explains the terms used in 26 CFR part 51 for purposes of the fee imposed by section 9008 on branded prescription drugs. Section 51.2(b) defines the term "Agencies" to mean the Centers for Medicare & Medicaid Services of the Department of Health and Human Services (CMS), the VA, and the DOD. Section 51.2(i) defines "manufacturer or importer" as the person identified in the Labeler Code of the National Drug Code (NDC) for a branded prescription drug.

Section 51.4 sets forth the methodologies that the Agencies are required to use to calculate the drug sales amount for each specified government program. Section 51.4(b)(1) requires CMS to determine branded prescription drug sales under Medicare Part D by aggregating the ingredient cost reported in the "Ingredient Cost Paid" field on the Prescription Drug Event (PDE) records at the NDC level, reduced

by discounts, rebates, and other price concessions provided by the covered entity, for each sales year. Under § 51.2(m), the term "sales year" means the second calendar year preceding the fee year.

Section 51.4(b)(2) provides that for purposes of § 51.4(b)(1), "discounts, rebates, and other price concessions" means (A) any direct and indirect remuneration (DIR) (within the meaning of § 51.4(b)(2)(ii)), which includes any DIR reported on the PDE records at the point of sale and any DIR reported on a Detailed DIR Report (within the meaning of § 51.4(b)(2)(iii)); and (B) any coverage gap discount amount (within the meaning of § 51.4(b)(2)(iv)).

Section 51.4(b)(2)(iv) provides that for purposes of § 51.4(b)(2)(i)(B), the term "coverage gap discount amount" means a 50-percent manufactured-paid (sic) discount on certain drugs under the Coverage Gap Discount Program described in section 1860D-14A of the Social Security Act (SSA) (42 U.S.C. 1395w-114a). The Coverage Gap Discount Program described in section 1860D-14A of the SSA initially required a 50-percent manufacturer-paid discount on applicable drugs in certain instances. In section 53116(b) of the Bipartisan Budget Act of 2018 (BBA), Public Law 115-123, 132 Stat 64 (February 9, 2018), Congress expanded the discount to 70 percent for plan years after plan year 2018. *See* 42 U.S.C. 1395w-114a(g)(4)(A).

II. Inflation Reduction Act of 2022 Changes to Medicare Part D Discounts

Section 11201 of Public Law 117-169, 136 Stat. 1818 (August 16, 2022), commonly known as the Inflation Reduction Act of 2022 (IRA), redesigned the Medicare Part D benefit, including sunseting the Coverage Gap Discount Program described in section 1860D-14A of the SSA as of January 1, 2025. Section 11201(c)(1) of the IRA amended the SSA by adding section 1860D-14C (42 U.S.C. 1395w-114c) to establish the new Manufacturer Discount Program beginning January 1, 2025, which requires participating manufacturers to provide discounted prices for applicable drugs of the manufacturer that are dispensed to applicable beneficiaries who are in the initial and catastrophic coverage phases of the Part D benefit. Under section 1860D-43(a) of the SSA, in order for coverage to be available under Part D for covered Part D drugs of a manufacturer beginning January 1, 2025, the manufacturer must participate in the Manufacturer Discount Program by entering into and having in effect a Manufacturer Discount Program agreement under which the

manufacturer agrees to provide discounted prices for applicable drugs of the manufacturer that are dispensed to applicable beneficiaries.

Section 11201(c)(2) of the IRA amended section 1860D–14A of the SSA to sunset the Coverage Gap Discount Program for applicable drugs dispensed on or after January 1, 2025, but the provisions (including all responsibilities and duties) of the Coverage Gap Discount Program continue to apply with respect to applicable drugs dispensed before January 1, 2025.

Explanation of Provisions

To reflect statutory changes made by the BBA, the proposed regulations would update the percentage discount amount for the Coverage Gap Discount Program to reflect the statutory change from a 50 percent manufacturer-paid discount to a 70 percent manufacturer-paid discount (for plan years after plan year 2018). The proposed regulations would also correct “manufactured-paid” in the current § 51.4(b)(2)(i)(B) to “manufacturer-paid.” To reflect statutory changes made by the IRA, the proposed regulations would add references to the Manufacturer Discount Program to the rules regarding the discounts, rebates, and other price concessions that CMS uses to determine branded prescription drug sales under Medicare Part D, for purposes of the Branded Prescription Drug Fee.

The proposed regulations would not remove the Coverage Gap Discount Program from the rules regarding the discounts, rebates, and other price concessions because, due to the manner in which the fee is calculated, the discounts that the Coverage Gap Discount Program provides through December 31, 2024, may still be used to calculate the fee for sales that occurred while the Coverage Gap Discount Program was effective. Beginning in the 2027 fee year, it is expected that there will be no Coverage Gap Discount Program discounts to take into account.

The Treasury Department and the IRS are considering whether to include a sunset for using the Coverage Gap Discount Program in the final regulations. The Treasury Department and the IRS request comments about whether the final regulations should include a sunset for using the Coverage Gap Discount Program for applicable drugs dispensed on or after January 1, 2025.

Proposed Applicability Date

Because these regulations reflect statutory changes that took effect at the beginning of 2025, these regulations are proposed to apply to fees calculated

based on sales years beginning with calendar year 2025, which will also be sales years ending on or after the date these proposed regulations are filed in the **Federal Register**.

Special Analyses

I. Regulatory Planning and Review—Economic Analysis

Executive Orders 12866 and 13563 direct agencies to assess costs and benefits of available regulatory alternatives and, if regulation is necessary, to select regulatory approaches that maximize net benefits (including potential economic, environmental, public health and safety effects, distributive impacts, and equity). Executive Order 13563 emphasizes the importance of quantifying both costs and benefits, reducing costs, harmonizing rules, and promoting flexibility.

The proposed regulations have been designated by the Office of Management and Budget’s (OMB’s) Office of Information and Regulatory Affairs (OIRA) as subject to review under Executive Order 12866 pursuant to the Memorandum of Agreement (MOA, July 4, 2025) between the Treasury Department and the OMB regarding review of tax regulations. OIRA has determined that the proposed rulemaking is significant and subject to review under Executive Order 12866 and section 1(b) of the Memorandum of Agreement. Accordingly, the proposed regulations have been reviewed by OMB.

A. Need for Regulation

Section 9008 of the Patient Protection and Affordable Care Act, Public Law 111–148, 124 Stat. 119 (2010), as amended by section 1404 of the Health Care and Education Reconciliation Act of 2010, Public Law 111–152, 124 Stat. 1029 (2010) (ACA) imposes an annual fee on covered entities engaged in the business of manufacturing or importing branded prescription drugs. The amount of the annual fee is set by statute. For calendar years 2019 and thereafter, the amount of the annual fee is \$2.8 billion. See section 9008(b)(4). Each covered entity’s share of the annual fee is calculated by determining the ratio of the covered entity’s branded prescription drug sales taken into account during the preceding calendar year to the aggregate branded prescription drug sales of all covered entities taken into account during the same year. Under section 9008(e)(1), branded prescription drug sales are sales of branded prescription drugs to any specified government program or

pursuant to coverage under such program. Section 9008(g) requires the Secretary of Health and Human Services (Secretary of HHS), the Secretary of Veterans Affairs, and the Secretary of Defense to report to the Secretary the total branded prescription drug sales for each covered entity with respect to each specified government program.

Existing regulations in 26 CFR part 51 specify the method by which each covered entity’s share of the annual fee is calculated. Section 51.4(b)(1) specifies the method by which the Centers for Medicare & Medicaid Services of the Department of Health and Human Services (CMS) is required to determine branded prescription drug sales under Medicare Part D. Two subsequent statutes altered inputs that CMS uses to determine Medicare Part D sales for this purpose. First, the Bipartisan Budget Act of 2018 (BBA), Public Law 115–123, 132, Stat. 64 (February 9, 2018), increased the Coverage Gap Discount Program manufacturer discount rate from 50 percent to 70 percent for plan years after 2018. Second, the Inflation Reduction Act of 2022 (IRA), Public Law 117–169, 136 Stat. 1818 (August 16, 2022), sunsets the Coverage Gap Discount Program effective January 1, 2025, and establishes the Manufacturer Discount Program.

The proposed regulations update existing regulations so that they are consistent with the statute and with how the covered entities have been calculating their share of the annual fee since enactment of the BBA and the IRA. The proposed regulations reflect the BBA’s increase to a 70-percent manufacturer discount (as applicable) and add the IRA’s Manufacturer Discount Program discounts to the list of reductions CMS uses when computing branded prescription drug sales under Medicare Part D. Because fees are calculated using sales from prior years, Coverage Gap Discount Program discounts provided through December 31, 2024, may still enter fee computations for several sales years. Beginning in the 2027 fee year, no Coverage Gap Discount Program discounts are expected to be taken into account. The updates are necessary to align the regulations with statutory changes so that CMS-reported Medicare Part D sales accurately incorporate the discount programs in effect for the relevant sales years.

B. The Statute and the Proposed Regulations

The proposed regulations update the existing regulations regarding the discounts, rebates, and other price

concessions that CMS uses to determine branded prescription drug sales, to reflect changes made by the BBA and IRA and to reflect how covered entities are currently calculating their share of the fee. The proposed regulations add the Manufacturer Discount Program, which was established by the IRA, to the list of reductions that CMS uses to calculate branded prescription drug sales. The proposed regulations also update the percentage discount amount used for the Coverage Gap Discount Program to reflect the statutory change made by the BBA for plan years after plan year 2018.

C. Baseline

The Treasury Department and the IRS have assessed the benefits and costs of the proposed regulations relative to a no-action baseline reflecting anticipated Federal income tax-related behavior in the absence of these proposed regulations.

D. Affected Entities and Taxpayers

The Branded Prescription Drug Fee affects manufacturers and importers of branded prescription drugs with sales to specified government programs (Medicare Part D, Medicare Part B, Medicaid, Department of Veterans Affairs programs that procure branded prescription drugs, Department of Defense programs that procure branded prescription drugs, and TRICARE). Based on records from tax year 2024, the Treasury Department and the IRS estimate the fee impacts roughly 300 affected entities. The proposed regulations apply to how other Federal agencies compile and transmit data, not to new reporting requirements for these affected entities.

E. Economic Effects of the Proposed Regulations

The primary effect of the proposed regulations would be improved administrative alignment and clarity. Under the baseline, existing regulations would continue to reference only the Coverage Gap Discount Program and a 50-percent discount, which would not reflect post-2018 discount levels or the post-2024 Medicare Part D discount program. That mismatch would increase uncertainty about how agency data should be compiled after changes made by the IRA and BBA. The proposal clarifies which Medicare Part D discounts reduce branded prescription drug sales for fee computations—ensuring the regulations mirror the BBA and IRA changes. Because the rule clarifies information-collection procedures that already occur at other Federal agencies, Treasury and IRS

expect minimal impact on affected entity compliance costs since the covered entities are calculating fees according to the statute. Affected entities are expected to benefit from clearer rules that reduce policy uncertainty and the risk of disputes about discount treatment, but, in aggregate, Treasury and IRS expect these benefits to be small. The regulations will also improve administrative efficiency for CMS and the IRS through consistent data definitions across years. Minor one-time administrative costs incurred by CMS to reflect the updated Manufacturer Discount Program are already part of CMS's program implementation under the IRA and are not imposed by this regulation.

F. Alternatives Considered

The Treasury Department and the IRS considered the alternative option of taking no action to update the existing regulations in 26 CFR part 51 to reflect the changes made by the IRA and BBA. This alternative would leave uncertainty as to how CMS data will be reported to the IRS for purposes of calculating each covered entity's share of the Branded Prescription Drug Fee. Therefore, the approach to issue proposed regulations to update the existing regulations to align with changes made by the IRA and BBA was selected over the alternative option of taking no action.

II. Paperwork Reduction Act

This rulemaking does not contain a collection of information from the public, and therefore it is not required to be reviewed and approved by the Office of Management and Budget in accordance with the Paperwork Reduction Act of 1995 (44 U.S.C. 3507(d)). An agency may not conduct or sponsor, and a person is not required to respond to, a collection of information unless it displays a valid control number.

III. Regulatory Flexibility Act

It is hereby certified that these regulations will not have a significant economic impact on a substantial number of small entities. These regulations do not affect small entities because they merely clarify procedures that already occur at another Federal agency. Affected entities exclude the first \$5 million in sales and exclude 90 percent of sales that are over \$5 million and not more than \$125 million, which minimizes or completely eliminates any additional burden these proposed regulations might impose on small businesses. Entities engaged in pharmaceutical manufacturing or drug wholesaling with aggregate branded

drug sales more than \$5 million may benefit from clearer rules, but these impacts are not substantial. Entities with aggregate branded drug sales not more than \$5 million will not be impacted.

IV. Section 7805(f) of the Code

Pursuant to section 7805(f) of the Code, this notice of proposed rulemaking will be submitted to the Chief Counsel for the Office of Advocacy of the Small Business Administration for comment on its impact on small businesses.

V. Unfunded Mandates Reform Act

Section 202 of the Unfunded Mandates Reform Act of 1995 (UMRA) requires that agencies assess anticipated costs and benefits and take certain other actions before issuing a final rule that includes any Federal mandate that may result in expenditures in any one year by a State, local, or Tribal government, in the aggregate, or by the private sector, of \$100 million in 1995 dollars, updated annually for inflation. The final regulations do not include any Federal mandate that may result in expenditures by State, local, or Tribal governments, or by the private sector in excess of that threshold.

VI. Executive Order 13132: Federalism

Executive Order 13132 (Federalism) prohibits an agency from publishing any rule that has federalism implications if the rule either imposes substantial, direct compliance costs on State and local governments, and is not required by statute, or preempts State law, unless the agency meets the consultation and funding requirements of section 6 of the Executive order. These proposed regulations do not have federalism implications and do not impose substantial direct compliance costs on State and local governments or preempt State law within the meaning of the Executive order.

Comments and Requests for a Public Hearing

Before the proposed amendments to the regulations are adopted as final regulations, consideration will be given to comments that are submitted timely to the IRS as prescribed in the preamble under the **ADDRESSES** section. The Treasury Department and the IRS request comments on all aspects of the proposed regulations. All commenters are strongly encouraged to submit comments electronically. The Treasury Department and the IRS will publish for public availability any comment submitted electronically or on paper to

its public docket on <https://www.regulations.gov>.

A public hearing will be scheduled if requested in writing by any person who timely submits electronic or written comments. Requests for a public hearing are encouraged to be made electronically. If a public hearing is scheduled, a notice of the date and time for the public hearing will be published in the **Federal Register**. Announcement 2023–16, 2023–20 I.R.B. 854 (May 15, 2023), provides that public hearings will be conducted in person, although the IRS will continue to provide a telephonic option for individuals who wish to attend or testify at a hearing by telephone. Any telephonic hearing will be made accessible to people with disabilities.

Statement of Availability of IRS Documents

Announcement 2023–16 is published in the Internal Revenue Bulletin and is available from the Superintendent of Documents, U.S. Government Publishing Office, Washington, DC 20402, or by visiting the IRS website at <http://www.irs.gov>.

Drafting Information

The principal author of these regulations is Julia Barlow of the Office of the Associate Chief Counsel (Energy, Credit, and Excise Tax). However, other personnel from the Treasury Department and the IRS participated in its development.

List of Subjects in 26 CFR Part 51

Drugs, Reporting and recordkeeping requirements.

Proposed Amendment to the Regulations

Accordingly, the Treasury Department and the IRS propose to amend 26 CFR part 51 as follows:

PART 51—BRANDED PRESCRIPTION DRUG FEE

■ **Paragraph 1.** The authority citation for part 51 is amended by revising the general authority to read as follows:

Authority: 26 U.S.C. 7805(a); sec. 9008(i), Pub. L. 111–148, 124 Stat. 119.

* * * * *

■ **Par. 2.** Section 51.4 is amended by:

- 1. Removing the word “and” at the end of paragraph (b)(2)(i)(A);
- 2. Removing the period at the end of paragraph (b)(2)(i)(B);
- 3. Adding the language “; and” at the end of paragraph (b)(2)(i)(B);
- 4. Adding paragraph (b)(2)(i)(C);
- 5. In paragraph (b)(2)(iv), by removing the word “manufactured-paid” and

adding the word “manufacturer-paid” in its place, and adding the language “or 70-percent (as applicable)” after the language “50-percent”; and

■ **6. Adding paragraph (b)(2)(v).**

The additions read as follows:

§ 51.4 Information provided by the agencies.

* * * * *

(b) * * *

(2) * * *

(i) * * *

(C) Any manufacturer discount program discount (within the meaning of paragraph (b)(2)(v) of this section).

* * * * *

(v) *Manufacturer discount program discount.* For purposes of paragraph (b)(2)(i)(C) of this section, the term *manufacturer discount program discount* means a manufacturer-paid discount on certain drugs under the Manufacturer Discount Program described in section 1860D–14C of the Social Security Act.

* * * * *

■ **Par. 3.** Section 51.11 is amended by revising the section heading and adding paragraph (c) to read as follows:

§ 51.11 Applicability dates.

* * * * *

(c) Section 51.4(b)(2)(i)(C) and (b)(2)(v) apply for fees calculated based on sales years beginning on and after January 1, 2025.

Frank J. Bisignano,

Chief Executive Officer.

[FR Doc. 2025–24153 Filed 12–31–25; 8:45 am]

BILLING CODE 4831–GV–P

ENVIRONMENTAL PROTECTION AGENCY

40 CFR Part 52

[EPA–R08–OAR–2024–0550; FRL–13050–01–R8]

Air Plan Approval; CO₂ Revisions to Colorado Procedural Rules and Common Provisions Regulation

AGENCY: Environmental Protection Agency (EPA).

ACTION: Proposed rule.

SUMMARY: The Environmental Protection Agency (EPA) is proposing to approve revisions to the Colorado State Implementation Plan (SIP) that were submitted by the Colorado Department of Public Health and Environment (CDPHE) on May 20, 2022. CDPHE requested EPA approval of revisions to the Colorado’s Procedural Rules and Common Provisions Regulation. The

revised rules include non-substantive updates to rule language that are administrative in nature and were intended to provide for general cleanup and improved readability. The EPA is proposing approval of these SIP revisions because we have determined that they are in accordance with the requirements for SIP provisions under the Clean Air Act (CAA). In the “Rules and Regulations” section of this **Federal Register**, we are approving these SIP revisions as a direct final rule without a prior proposed rule. If we receive no adverse comment, we will not take further action on this proposed rule.

DATES: Written comments must be received on or before February 2, 2026.

ADDRESSES: Submit your comments, identified by Docket ID No. EPA–R08–OAR–2024–0550, to the Federal Rulemaking Portal: <https://www.regulations.gov>. Follow the online instructions for submitting comments. Once submitted, comments cannot be edited or removed from www.regulations.gov. The EPA may publish any comment received to its public docket. Do not submit electronically any information you consider to be Confidential Business Information (CBI) or other information whose disclosure is restricted by statute. Multimedia submissions (audio, video, etc.) must be accompanied by a written comment. The written comment is considered the official comment and should include discussion of all points you wish to make. The EPA will generally not consider comments or comment contents located outside of the primary submission (*i.e.*, on the web, cloud, or other file sharing system). For additional submission methods, the full EPA public comment policy, information about CBI or multimedia submissions, and general guidance on making effective comments, please visit <https://www.epa.gov/dockets/submitting-epa-dockets>.

Docket: All documents in the docket are listed in the <https://www.regulations.gov> index. Although listed in the index, some information is not publicly available, *e.g.*, CBI or other information whose disclosure is restricted by statute. Certain other material, such as copyrighted material, will be publicly available only in hard copy. Publicly available docket materials are available electronically in <https://www.regulations.gov>. Please email or call the person listed in the **FOR FURTHER INFORMATION CONTACT** section if you need to make alternative arrangements for access to the docket. **FOR FURTHER INFORMATION CONTACT:** Liz Ulrich, Air and Radiation Division,

EPA, Region 8, Mailcode 8ARD-IO, 1595 Wynkoop Street, Denver, Colorado 80202-1129, telephone number: (406) 457-5008, email address: ulrich.elizabeth@epa.gov.

SUPPLEMENTARY INFORMATION: This document proposes to approve revisions to the Colorado SIP that incorporate certain provisions of Colorado's Procedural Rules and Common Provisions Regulation. We have published a direct final rule approving those revisions in the Rules and Regulations section of this **Federal Register** because we view this as a noncontroversial action and anticipate no adverse comment. We have explained our reasons for this action in the preamble to the direct final rule.

If we receive no adverse comment, we will not take further action on this proposed rule. If we receive adverse comment, we will withdraw the direct final rule, and it will not take effect. We will address all public comments in any subsequent final rule based on this proposed rule.

We do not intend to institute a second comment period on this action. Any parties interested in commenting must do so at this time. For further information, please see the information provided in the **ADDRESSES** section of this document.

Dated: December 16, 2025.

Cyrus M. Western,

Regional Administrator, Region 8.

[FR Doc. 2025-24140 Filed 12-31-25; 8:45 am]

BILLING CODE 6560-50-P

ENVIRONMENTAL PROTECTION AGENCY

40 CFR Parts 52 and Part 81

[EPA-R03-OAR-2025-1872; FRL-12994-01-R3]

Proposed Revisions of the Nonattainment Designation for the 2008 and 2015 Ozone Standards and Clean Data Determinations for the 2008 and 2015 Ozone Standards: Cecil County, MD and New Castle County, DE

AGENCY: Environmental Protection Agency (EPA).

ACTION: Proposed rule.

SUMMARY: The Environmental Protection Agency (EPA) is proposing to approve two separate requests from Maryland and Delaware to revise the designation for the Philadelphia-Wilmington-Atlantic City, PA-NJ-MD-DE nonattainment area (hereafter referred to as the Philadelphia nonattainment area)

for the 2008 primary and secondary ozone national ambient air quality standards (NAAQS) and the 2015 primary and secondary ozone NAAQS. Due to the concurrent requests from Maryland and Delaware, the EPA is proposing to revise the existing Philadelphia nonattainment area boundary into three distinct nonattainment areas that together cover the identical geographic area of the existing area. The EPA is also proposing to issue clean data determinations (CDDs) for the revised Maryland and Delaware nonattainment areas for both the 2008 and 2015 ozone NAAQS. The EPA is taking this action pursuant to Clean Air Act (CAA) sections 107, 110, 172, and 182.

DATES: Written comments must be received on or before February 2, 2026.

ADDRESSES: Submit your comments, identified by Docket ID No. EPA-R03-OAR-2025-1872 at www.regulations.gov, or via email to gordon.mike@epa.gov. For comments submitted at Regulations.gov, follow the online instructions for submitting comments. Once submitted, comments cannot be edited or removed from Regulations.gov. For either manner of submission, the EPA may publish any comment received to its public docket. Do not submit electronically any information you consider to be confidential business information (CBI) or other information whose disclosure is restricted by statute. Multimedia submissions (audio, video, etc.) must be accompanied by a written comment. The written comment is considered the official comment and should include discussion of all points you wish to make. The EPA will generally not consider comments or comment contents located outside of the primary submission (*i.e.*, on the web, cloud, or other file sharing system). For additional submission methods, please contact the person identified in the **FOR FURTHER INFORMATION CONTACT** section. For the full EPA public comment policy, information about CBI or multimedia submissions, and general guidance on making effective comments, please visit www.epa.gov/dockets/commenting-epa-dockets.

FOR FURTHER INFORMATION CONTACT: Sarah McCabe, Planning & Implementation Branch (3AD30), Air & Radiation Division, U.S. Environmental Protection Agency, Region III, 1600 John F. Kennedy Boulevard, Philadelphia, Pennsylvania 19103. The telephone number is (215) 814-5786. Ms. McCabe can also be reached via electronic mail at mccabe.sarah@epa.gov.

SUPPLEMENTARY INFORMATION: On February 13, 2025, Maryland submitted a request to revise the Philadelphia nonattainment area into two separate nonattainment areas, covering the identical geographic area of the existing Philadelphia nonattainment area, and creating a smaller stand-alone nonattainment area for Cecil County, MD and a larger nonattainment area consisting of the remainder of the counties in the existing Philadelphia nonattainment area. On August 15, 2025, Delaware also submitted a request to revise the boundaries for the existing Philadelphia nonattainment area and create a stand-alone nonattainment area for New Castle County, DE. However, considering both requests, the EPA is proposing to act on these separate requests in the same notice to streamline the changes to the Philadelphia nonattainment area boundaries. Thus, the EPA is proposing to split the identical geographic area of the existing Philadelphia nonattainment area into three nonattainment areas: the Cecil County, MD nonattainment area, the New Castle County, DE nonattainment area, and the revised Philadelphia-Atlantic City, PA-NJ nonattainment area. These proposed revised designations are supported by an analysis of air quality data, emissions and emissions-related data, meteorology, geography/topography, and jurisdictional boundaries. If finalized, all areas would retain their current designation statuses and classifications for each respective ozone NAAQS. Additionally, if the revised designations and CDDs are finalized, the proposed CDDs would suspend the obligations of Maryland and Delaware to submit certain attainment planning requirements for their respective nonattainment areas for as long as each area continues to attain the 2008 and 2015 ozone NAAQS. Nonetheless, the EPA views each state's request as separable redesignation requests and may take separate final action on each request and adjust the area boundaries accordingly.

I. Background

Under section 109 of the CAA, the EPA has established primary and secondary NAAQS for certain air pollutants (referred to as "criteria pollutants") and conducts periodic reviews of the NAAQS to determine whether they should be revised or whether new NAAQS should be established. The primary NAAQS represent ambient air quality standards which the EPA has determined are necessary to protect the public health with an adequate margin of safety. The

secondary NAAQS represent ambient air quality standards which the EPA has determined are requisite to protect the public welfare from any known or anticipated adverse effects associated with the presence of such air pollutant in the ambient air.

Ground-level ozone is one such NAAQS. Ozone forms from complex chemical reactions in ambient air between nitrogen oxides (NO_x) and volatile organic compounds (VOCs). Cars, trucks, buses, engines, industries, power plants and products such as solvents and paints are among the major manmade sources of ozone-forming emissions. Exposure to ozone can harm the respiratory system, aggravate asthma and other lung diseases, and is linked to premature death from respiratory causes.

Following promulgation of a new or revised NAAQS, the EPA is required by section 107(d)(1) of the CAA to designate areas throughout the United States as attainment, nonattainment, or unclassifiable for the NAAQS.

On March 27, 2008 (73 FR 16436), the EPA revised the 8-hour ozone NAAQS by lowering the level of the primary and secondary standards from 0.08 parts per million (ppm) to 0.075 ppm (75 parts per billion (ppb)) (40 CFR 50.15). The standards are based on the annual 4th highest daily maximum 8-hour average ozone concentration, averaged over three consecutive years.¹ This average is referred to as the design value for each 3-year period.² Only ozone measurement data collected in accordance with the quality assurance (QA) requirements using approved Federal Reference Method (FRM) or Federal Equivalent Method (FEM) monitors are used for NAAQS compliance determinations.³ The EPA uses FRM/FEM measurement data residing in the EPA's Air Quality System (AQS) database to calculate the ozone design values. On May 21, 2012 (77 FR 30088), the EPA designated the Philadelphia nonattainment area as nonattainment for the 2008 ozone NAAQS, based on air quality data from the 2008–2010 monitoring period that showed a design value of 83 ppb.⁴ Cecil

County, MD and New Castle County, DE were included in the Philadelphia nonattainment area based on air quality data from the 2008–2010 monitoring period that showed design values of 80 ppb and 76 ppb for each county, respectively.

At the time of designation, the Philadelphia nonattainment area was initially classified as Marginal with an attainment date of July 20, 2015, for the 2008 ozone NAAQS. On May 4, 2016, the EPA determined that the area qualified for a one-year attainment date extension to July 20, 2016 (81 FR 26697).

On November 2, 2017, the EPA determined that the Philadelphia nonattainment area had attained the standard by its extended attainment date of July 20, 2016, effective December 4, 2017 (82 FR 50814). This determination was based on complete, certified, and quality assured ambient air quality monitoring data for the Philadelphia nonattainment area for the 2013–2015 monitoring period. The determination of attainment of the 2008 ozone NAAQS is not equivalent to a redesignation to attainment or a CDD; the states in the Philadelphia nonattainment area must still meet the statutory requirements for redesignation in order to be redesignated to attainment.

On October 26, 2015, the EPA further revised the 8-hour ozone NAAQS by lowering the level of the primary and secondary standards from 75 ppb to 70 ppb (40 CFR 50.19). Effective August 3, 2018, the EPA designated 52 areas throughout the country as nonattainment for the 2015 ozone NAAQS, including the Philadelphia nonattainment area, which was initially classified as a Marginal nonattainment area based on certified air quality monitoring data from calendar years 2014 to 2016 (83 FR 25776, June 4, 2018). The design value for the Philadelphia nonattainment area for the 2014–2016 monitoring period was 77 ppb. Cecil County, MD and New Castle County, DE were included in the Philadelphia nonattainment area based on air quality data from the 2014–2016 monitoring period that showed design values of 74 ppb for each county. As established by the EPA's March 2018 "Classifications Rule", the attainment date for Marginal nonattainment areas as three years from the effective date of

the final designations.⁵ Thus, the attainment date for the Philadelphia nonattainment area for the 2015 ozone NAAQS was August 3, 2021.

Effective November 7, 2022, the EPA determined that the Philadelphia nonattainment area failed to attain by the Marginal area attainment date and the area was reclassified by operation of law to Moderate.⁶ This finding was based on certified air quality monitoring data from calendar years 2018 to 2020. The design value for the Philadelphia nonattainment area for the 2018–2020 monitoring period was 74 ppb. For that same period, the design value for Cecil County, MD was 68 ppb, and the design value for New Castle County, DE was 65 ppb. As established by the March 2018 "Classifications Rule", the Moderate area attainment date for the 2015 ozone NAAQS was August 3, 2024, six years from the effective date of designation.

On July 30, 2024 (89 FR 61025), the EPA granted a request from the Commonwealth of Pennsylvania (Pennsylvania) and the States of New Jersey, Maryland, and Delaware to voluntarily reclassify the Philadelphia nonattainment area from Moderate to Serious for the 2015 ozone NAAQS under CAA section 181(b)(3). The attainment date for 2015 ozone NAAQS Serious areas is August 3, 2027, nine years from the effective date of designation.⁷ Accordingly, each state in the Philadelphia nonattainment area must provide a Serious nonattainment plan to the EPA by January 1, 2026, demonstrating how the area will come into attainment with the standard by the attainment date.⁸

II. Summary of Maryland's Redesignation Request and EPA Analysis

On February 13, 2025, Governor Wes Moore and the Maryland Department of the Environment (MDE) submitted a request and accompanying five-factor analysis for the EPA to revise the boundary of the Philadelphia nonattainment area for the 2008 ozone NAAQS and 2015 ozone NAAQS.⁹ Maryland requested, under CAA section 107(d)(3)(D), to revise the boundary for the existing Philadelphia nonattainment area by splitting it into two distinct nonattainment areas for the 2008 ozone NAAQS and 2015 ozone NAAQS: a

⁵ See 40 CFR 51.1303(a) and 83 FR 10376 (March 9, 2018).

⁶ 87 FR 60897 (October 7, 2022).

⁷ March 2018 Classifications Rule (n 5).

⁸ See 40 CFR 51.1402(b)(1), 40 CFR 51.1400, and 90 FR 5651 (January 17, 2025).

⁹ Maryland's submittal can be found in the docket of this rulemaking using Docket ID No. EPA–R03–OAR–2025–1872.

¹ See 40 CFR 50.15(b) and 50.19(b).

² The specific methodology for calculating the ozone design values, including computational formulas and data completeness requirements, is described in 40 CFR part 50, appendix U.

³ The QA requirements for ozone monitoring data are specified in 40 CFR part 58, appendix A. The performance test requirements for candidate FEMs are provided in 40 CFR part 53, subpart B.

⁴ The Philadelphia nonattainment area consists of the following counties: New Castle County in Delaware; Cecil County in Maryland; Atlantic County, Burlington County, Camden County, Cape May County, Cumberland County, Gloucester

County, Mercer County, Ocean County, and Salem County in New Jersey; and Bucks County, Chester County, Delaware County, Montgomery County, and Philadelphia County in Pennsylvania. See 40 CFR 81.308, 81.321, 81.331, and 81.339.

Southern Philadelphia nonattainment area encompassing all of Cecil County, MD and a Central Philadelphia nonattainment area encompassing the existing nonattainment area counties in Delaware, New Jersey, and Pennsylvania. As discussed in section IV of this proposal, due to Delaware's similar concurrent proposal, the EPA is proposing to revise the Philadelphia nonattainment area into three distinct nonattainment areas.

There are 20 FRM/FEM ozone monitors throughout the existing Philadelphia nonattainment area. The data from these monitors demonstrate a decrease in ozone levels in the Philadelphia nonattainment area from 2014 to 2024. The design values from the Fair Hill monitor in Cecil County, MD have remained below the 2015 NAAQS since the 2018–2020 monitoring period.¹⁰

The EPA is using the technical information contained in Maryland's February 13, 2025 submittal and the most recent complete, quality-assured, and certified air quality data for the 2022–2024 monitoring period to support the record for this proposed rulemaking.

III. Summary of Delaware's Redesignation Request and EPA Analysis

On August 15, 2025, Governor Matt Meyer and the Delaware Department of Natural Resources and Environmental Control (DNREC) submitted a request and accompanying five-factor analysis for the EPA to revise the boundary of the Philadelphia nonattainment area for the 2008 ozone NAAQS and 2015 ozone NAAQS.¹¹ Delaware requested, under CAA section 107(d)(3)(D), to revise the boundary for the existing Philadelphia nonattainment area for the 2008 ozone NAAQS and the 2015 ozone NAAQS to create a stand-alone nonattainment area for New Castle County, Delaware.

There are 20 ozone monitors throughout the existing Philadelphia nonattainment area. The data from these monitors demonstrate a decrease in ozone levels in the Philadelphia nonattainment area from 2014 to 2024. The design values from the four monitors in New Castle County, DE have remained below the 2015 NAAQS since the 2017–2019 monitoring period.¹²

The EPA is using the technical information contained in Delaware's

August 15, 2025 submittal, the EPA's supplemental analyses, and the most recent complete, quality-assured, and certified air quality data for the 2022–2024 monitoring period to support the record for this proposed rulemaking.

IV. Proposed Actions

In this rulemaking, the EPA is proposing to take six actions. In two separate actions, under the authority of CAA section 107(d)(3)(D), the EPA is proposing to approve Maryland and Delaware's separate requested revisions to the Philadelphia nonattainment area. To take both requests into consideration, the EPA is proposing to revise the original Philadelphia-Wilmington-Atlantic City, PA-NJ-MD-DE nonattainment area for the 2008 ozone NAAQS and 2015 ozone NAAQS into three separate nonattainment areas that together cover the identical geographic area of the original nonattainment area. Second, pursuant to regulations at 40 CFR 51.1118 and 51.1318, the EPA is proposing to issue four CDDs for the proposed Cecil County, MD nonattainment area and proposed New Castle County, DE nonattainment area for the 2008 and 2015 ozone NAAQS.

Maryland's redesignation request is separable from Delaware's redesignation request. Each redesignation request is also separable from its associated CDDs, such that the EPA may take final action on the redesignation request separate from the associated CDDs, so long as action on the redesignation request precedes that area's CDDs. A CDD for the 2015 ozone NAAQS is separable from a CDD for the 2008 ozone NAAQS. The proposed Cecil County, MD nonattainment area CDDs are also separable from the proposed New Castle County, DE nonattainment area CDDs. Thus, final action on the CDDs for the Cecil County, MD nonattainment area will not impact final action on the CDDs for the New Castle County, DE nonattainment area. The proposed revisions to the Philadelphia nonattainment area boundary for the 2008 and 2015 ozone NAAQS does not affect the boundary of the Philadelphia-Wilmington, PA-NJ-DE maintenance area for the 2006 24-hour fine particulate matter NAAQS.

A. Revisions to the Philadelphia Nonattainment Area Boundary

In determining whether to approve or deny a state's request for a revision to the designation of an area under CAA section 107(d)(3)(D), the EPA considers the same factors when the EPA initiates a revision to a designation of an area on its own motion under CAA section

107(d)(3)(A). These, CAA section 107(d)(3)(A), factors include “air quality data, planning and control considerations, or any other air quality-related considerations the Administrator deems appropriate.” Using CAA section 107(d)(3)(A) as a framework, the EPA considers 5 factors when issuing initial area designations and when evaluating requests under CAA section 107(d)(3)(D): air quality data, emissions and emissions-related data, meteorology, geography/topography, and jurisdictional boundaries.¹³

If the EPA finalizes this rulemaking as proposed, the current Philadelphia nonattainment area for the 2008 ozone NAAQS and the 2015 ozone NAAQS would be split into three distinct nonattainment areas that together cover the identical geographic area of the current area. One of the proposed separate areas, to be called the “Cecil County, MD Nonattainment Area,” would consist of Cecil County, MD. The other proposed separate area, to be called the “New Castle County, DE Nonattainment Area,” would consist of New Castle County, DE. The revised Philadelphia nonattainment area would consist of the remaining existing nonattainment area counties in New Jersey and Pennsylvania, and be called the “Philadelphia-Atlantic City, PA–NJ” nonattainment area.¹⁴ All areas would continue to be designated nonattainment and classified as Marginal for the 2008 ozone NAAQS and classified as Serious for the 2015 ozone NAAQS.

Section 107(d)(1)(A)(i) of the CAA defines “nonattainment” as “any area that does not meet (or that contributes to ambient air quality in a nearby area that does not meet)” the NAAQS. Therefore, consistent with the statute the EPA will not redraw the boundaries of nonattainment areas where one portion of the area contributes to the nonattainment of another portion of the area.

¹³ The March 28, 2000, memorandum entitled “Boundary Guidance on Air Quality Designations for the 8-Hour Ozone National Ambient Air Quality Standards,” the December 4, 2008, memorandum entitled “Area Designations for the 2008 Revised Ozone National Ambient Air Quality Standards,” and the February 25, 2016, memorandum entitled “Area Designations for the 2015 Ozone National Ambient Air Quality Standards” can be found in the docket of this rulemaking using Docket ID No. EPA–R03–OAR–2025–1872.

¹⁴ If, for example, the EPA takes final action on Maryland's redesignation request separate from Delaware's redesignation request, the EPA proposes that it would first create two separate nonattainment areas consisting of the “Cecil County, MD nonattainment area” and the “Philadelphia-Atlantic City, PA–NJ–DE nonattainment area.”

¹⁰ See Table 1 of the EPA's Technical Support Document (TSD) at page 9.

¹¹ Delaware's submittal can be found in the docket of this rulemaking using Docket ID No. EPA–R03–OAR–2025–1872.

¹² See Table 7 of EPA's TSD at page 19 for this rulemaking.

1. Proposed Cecil County, MD Nonattainment Area for the 2008 and 2015 Ozone NAAQS

Based on a consideration of the information submitted by Maryland and other available information discussed in the EPA's TSD included in the docket for this rulemaking, the EPA is proposing to find that the air quality data, emissions and emissions-related data, meteorology, geography/topography, jurisdictional boundaries, other air quality related considerations, as well as planning and control considerations, support the state's request to revise the Philadelphia nonattainment area boundary.

Maryland's February 13, 2025, submittal requested that the EPA split the Philadelphia nonattainment area for the 2008 ozone NAAQS and 2015 ozone NAAQS and create a stand-alone nonattainment area for Cecil County, MD. In this rulemaking, the EPA is proposing to revise the existing nonattainment area boundary into three separate nonattainment areas, acknowledging the differences in the factors contributing to ozone levels in the separate areas, and thus providing Maryland with additional flexibility in meeting the CAA's nonattainment area planning and emissions control requirements. This includes the ability to account for differences in air quality in the separate areas in the event that one of the new, separate areas attains the ozone standards faster than the other.

The EPA proposes in this rulemaking that the available information demonstrates that the proposed new Cecil County, MD nonattainment area does not contribute to a violation of the 2015 ozone NAAQS in the proposed Philadelphia nonattainment area or the proposed New Castle County, DE nonattainment area (there is no violation in this area), and thus it is appropriate that the three areas be considered separate for implementation and planning purposes. An analysis of the five recommended factors and a weight-of-evidence approach supports this conclusion. The air quality data in Cecil County, MD show that there have been no violations of the 2015 ozone standard since 2020. An analysis of emissions data, considering meteorological and geographical/topographical factors, support the conclusion that the emissions from this area are not contributing to the violations in the proposed Philadelphia nonattainment area. Additionally, to take jurisdictional boundaries into consideration, the proposed Cecil County, MD nonattainment area follows

the county boundary. A detailed analysis supporting this demonstration can be found in the TSD contained in the docket for this rulemaking.

Because this rulemaking also proposes to find that the proposed Cecil County, MD nonattainment area is attaining the 2015 ozone NAAQS, it is not necessary to consider whether the proposed Philadelphia-Atlantic City, PA-NJ nonattainment area or the proposed New Castle County, DE nonattainment area contributes to a violation of the 2015 ozone NAAQS in the proposed Cecil County, MD nonattainment area, as no such violation exists. Because the 2015 ozone NAAQS retains the same general form and averaging time as the 2008 ozone NAAQS, but is set at a more protective level, the EPA's analysis for the 2015 ozone NAAQS suffices as a demonstration for an identical nonattainment area boundary revision for the less stringent 2008 ozone NAAQS.

2. Proposed New Castle County, DE Nonattainment Area for the 2008 and 2015 Ozone NAAQS

Based on a consideration of the information submitted by Delaware and other available information discussed in the EPA's TSD included in the docket for this rulemaking, the EPA is proposing to find that the air quality data, emissions and emissions-related data, meteorology, geography/topography, and jurisdictional boundaries, as well as planning and control considerations, support the state's request to revise the Philadelphia nonattainment area boundary.

Delaware's August 15, 2025, submittal requested that the EPA revise the boundary for the existing Philadelphia nonattainment area for the 2008 ozone NAAQS and the 2015 ozone NAAQS and create a stand-alone nonattainment area for New Castle County, DE. To this end, the EPA proposes to revise the existing nonattainment area boundary into three separate nonattainment areas, acknowledging the differences in the factors contributing to ozone levels in the separate areas, thus providing Delaware with additional flexibility in meeting the CAA's nonattainment area planning and emissions control requirements. This includes the ability to account for differences in air quality in the separate areas in the event that one of the new, separate areas attains the ozone standards faster than the other.

The EPA proposes in this document that the available information demonstrates that the proposed New Castle County, DE nonattainment area

does not contribute to a violation of the 2015 ozone NAAQS in the proposed Philadelphia nonattainment area or the proposed Cecil County MD, nonattainment area (there is no violation in this area), and thus it is appropriate that the three areas be considered separate for implementation and planning purposes. An analysis of the five recommended factors and a weight-of-evidence approach supports this conclusion. The air quality data in New Castle County, DE show that there have been no violations of the 2015 ozone standard since 2019. An analysis of emissions data, considering meteorological and geographical/topographical factors, support the conclusion that the emissions from this area are not contributing to the violations in the proposed Philadelphia nonattainment area. The EPA supplemented Delaware's meteorological data by analyzing monitors that violated the standard in 2023 and 2024 using HYSPLIT (HYbrid Single-Particle Lagrangian Integrated Trajectory) modeling and TROPOMI (Tropospheric Monitoring Instrument) satellite images. Additionally, to take jurisdictional boundaries into consideration, the proposed New Castle County, DE nonattainment area follows the county boundary. A detailed analysis supporting this demonstration can be found in the TSD contained in the docket for this rulemaking.

Because this rulemaking also proposes to find that the proposed New Castle County, DE nonattainment area is attaining the 2015 ozone NAAQS, it is not necessary to consider whether the proposed Philadelphia-Atlantic City, PA-NJ nonattainment area or the proposed Cecil County, MD nonattainment area contributes to a violation of the 2015 ozone NAAQS in the proposed New Castle County, DE nonattainment area, as no such violation exists. Because the 2015 ozone NAAQS retains the same general form and averaging time as the 2008 ozone NAAQS, but is set at a more protective level, the EPA's analysis for the 2015 ozone NAAQS suffices as a demonstration for an identical nonattainment area boundary revision for the less stringent 2008 ozone NAAQS.

B. Clean Data Determinations

An area is attaining the 2015 ozone NAAQS if it meets the 2015 ozone NAAQS, as determined in accordance with 40 CFR 50.19 and appendix U of part 50, based on three complete, consecutive calendar years of quality-assured air quality data for all monitoring sites in the area. To attain

the 2015 ozone NAAQS, the three-year average of the annual fourth-highest daily maximum 8-hour average ozone concentrations (ozone design values) at each monitor must not exceed 70 ppb. The air quality data must be collected and quality-assured in accordance with 40 CFR part 58 and recorded in the EPA's AQS. Ambient air quality monitoring data for the three-year period must also meet data completeness requirements. An ozone design value is valid if daily maximum 8-hour average concentrations are available for at least 90% of the days within the ozone monitoring seasons,¹⁵ on average, for the three-year period,

with a minimum data completeness of 75% during the ozone monitoring season of any year during the three-year period. *See* section 4 of appendix U to 40 CFR part 50.

1. Clean Data Determinations for the Cecil County, MD Nonattainment Area for the 2008 and 2015 Ozone NAAQS

In accordance with 40 CFR 51.1118 and 51.1318, the EPA proposes to determine that the proposed Cecil County, MD nonattainment area is attaining the 2015 ozone NAAQS. Because the 2015 ozone NAAQS retains the same general form and averaging time as the 2008 ozone NAAQS, but is set at a more protective level, the EPA's

analysis for the 2015 ozone NAAQS CDD suffices as a CDD analysis for the less stringent 2008 ozone NAAQS. This determination is based upon two three-year periods of complete, quality-assured and certified data for the 2021–2023 and 2022–2024 monitoring periods. The Fair Hill monitor with site ID 24–015–0003 is the only FRM ozone monitor within the proposed separate Cecil County, MD nonattainment area; the annual fourth-highest 8-hour ozone concentrations and the three-year average of these concentrations (monitoring site ozone design values) for this monitoring site are summarized in Table 1 in this document.

TABLE 1—ANNUAL 4TH HIGHEST DAILY MAXIMUM 8-HOUR OZONE CONCENTRATIONS AND THREE-YEAR AVERAGE OF THE 4TH HIGHEST DAILY MAXIMUM 8-HOUR OZONE CONCENTRATIONS FOR THE PROPOSED CECIL COUNTY, MD NON-ATTAINMENT AREA

County, State	AQS Site ID	Site name	2021 4th high (ppb)	2022 4th high (ppb)	2023 4th high (ppb)	2024 4th high (ppb)	2021–2023 DV (ppb)	2022–2024 DV (ppb)
Cecil, MD	240150003	Fair Hill	70	63	70	70	67	67

The most recent three-year ozone design value for the proposed Cecil County, MD nonattainment area is 67 ppb, which meets the 2015 ozone NAAQS. Therefore, in this rulemaking, the EPA proposes to determine that the proposed separate Cecil County, MD nonattainment area is attaining the 2008 and 2015 ozone NAAQS.

The EPA will not take final action to determine that the proposed separate Cecil County, MD nonattainment area is attaining the 2008 or 2015 ozone NAAQS if the design value of a monitoring site in the area exceeds the 2008 or 2015 ozone NAAQS respectively after proposal but prior to final approval of the CDD. Additionally, if after proposal but prior to final approval, the proposed separate Cecil County, MD nonattainment area is attaining the 2008 ozone NAAQS but not the 2015 ozone NAAQS, the EPA may finalize a CDD for only the 2008 standard and not the 2015 standard. The EPA will not finalize any CDD for Cecil County unless and until the EPA takes final action on the proposed revision splitting Cecil County, MD nonattainment area from the Philadelphia nonattainment area.

Should this rulemaking be finalized, the requirements for MDE to submit attainment demonstrations, and associated reasonably available control measures (RACM), reasonable further progress (RFP) plans, contingency measures, and any other planning requirements related to attainment of the 2008 and 2015 ozone NAAQS for the proposed Cecil County, MD nonattainment area, would be suspended until the EPA rescinds the CDD due to the area no longer attaining the 2015 ozone NAAQS. This rulemaking does not constitute a redesignation of the area to attainment of the 2008 or 2015 ozone NAAQS under section 107(d)(3)(E) of the CAA, nor does it constitute approval of a maintenance plan for the area as required under section 175A of the CAA, nor does it find that the area has met all other requirements for redesignation. The proposed Cecil County, MD nonattainment area will remain designated nonattainment for the 2008 and 2015 ozone NAAQS until such time as the EPA determines that the area meets CAA requirements for redesignation to attainment and takes a separate action to redesignate the area.

2. Clean Data Determinations for the New Castle County, DE Nonattainment Area for the 2008 and 2015 Ozone NAAQS

In accordance with 40 CFR 51.1118 and 51.1318, the EPA proposes to determine that the proposed New Castle County, DE nonattainment area is attaining the 2008 and 2015 ozone NAAQS. Because the 2015 ozone NAAQS retains the same general form and averaging time as the 2008 ozone NAAQS, but is set at a more protective level, the EPA's analysis for the 2015 ozone NAAQS CDD suffices as a CDD analysis for the less stringent 2008 ozone NAAQS. This determination is based upon two three-year periods of complete, quality-assured and certified data for the 2021–2023 and 2022–2024 monitoring periods. There are four FRM/FEM monitors within the proposed separate New Castle County, DE nonattainment area; the annual fourth-highest 8-hour ozone concentrations and the three-year average of these concentrations (monitoring site ozone design values) for these monitoring sites are summarized in Table 2 in this document.

¹⁵ Per 40 CFR 51.1300(j), the ozone season is varied by state as defined in 40 CFR part 58

appendix D, section 4.1(i). The ozone season for

Maryland and Delaware runs from March 1 to October 31.

TABLE 2—ANNUAL 4TH HIGHEST DAILY MAXIMUM 8-HOUR OZONE CONCENTRATIONS AND THREE-YEAR AVERAGE OF THE 4TH HIGHEST DAILY MAXIMUM 8-HOUR OZONE CONCENTRATIONS FOR THE PROPOSED NEW CASTLE COUNTY, DE NONATTAINMENT AREA

County, State	AQS Site ID	Site name	2021 4th high (ppb)	2022 4th high (ppb)	2023 4th high (ppb)	2024 4th high (ppb)	2021–2023 DV (ppb)	2022–2024 DV (ppb)
New Castle, DE	100031007	Lums Pond	63	64	72	66	66	67
	100031010	BCSP	65	64	70	63	66	65
	100031013	Bellevue	64	65	69	68	66	67
	100032004	MLK	66	65	69	70	66	68

Where several monitors are located in a county (or a designated nonattainment area or maintenance area), the design value for the county or area is determined by the monitor with the highest level. The highest most recent three-year ozone design value for the proposed New Castle County, DE nonattainment area is 68 ppb, which meets the 2015 ozone NAAQS.

Therefore, in this rulemaking, the EPA proposes to determine that the proposed separate New Castle County, DE nonattainment area is attaining the 2008 and 2015 ozone NAAQS.

The EPA will not take final action to determine that the proposed separate New Castle County, DE nonattainment area is attaining the 2008 or 2015 ozone NAAQS if the design value of a monitoring site in the area exceeds the 2008 or 2015 ozone NAAQS respectively after proposal but prior to final approval of the CDDs. Additionally, if after proposal but prior to final approval, the proposed separate New Castle County, DE nonattainment area is attaining the 2008 ozone NAAQS but not the 2015 ozone NAAQS, the EPA may finalize a CDD for only the 2008 standard and not the 2015 standard. The EPA will not finalize any CDD for New Castle County unless and until the EPA takes final action on the proposed revision splitting New Castle County, DE nonattainment area from the Philadelphia nonattainment area.

Should this rulemaking be finalized, the requirements for DNREC to submit attainment demonstrations, and associated RACM, RFP plans, contingency measures, and any other planning requirements related to attainment of the 2008 and 2015 ozone NAAQS for the proposed New Castle County, DE nonattainment area, would be suspended until the EPA rescinds the CDD due to the area no longer attaining the 2015 ozone NAAQS. This rulemaking does not constitute a redesignation of the area to attainment of the 2008 or 2015 ozone NAAQS under section 107(d)(3)(E) of the CAA, nor does it constitute approval of a maintenance plan for the area as required under section 175A of the

CAA, nor does it find that the area has met all other requirements for redesignation. The proposed New Castle County, DE nonattainment area will remain designated nonattainment for the 2008 and 2015 ozone NAAQS until such time as the EPA determines that the area meets CAA requirements for redesignation to attainment and takes a separate action to redesignate the area.

C. Summary

This rulemaking proposes to revise the boundary of an existing ozone nonattainment area by splitting it into three separate nonattainment areas that together cover the identical geographic area of the original nonattainment area and proposes to make a determination of attainment of the 2008 and 2015 ozone NAAQS based on air quality data for two of those proposed areas—the Cecil County, MD nonattainment area and the New Castle County, DE nonattainment area. If the EPA finalizes the boundary revision for the Cecil County, MD nonattainment area, and the CDDs for that proposed revised area, then, the EPA will suspend requirements to submit certain plan requirements to attain the 2008 and 2015 ozone NAAQS, so long as the area continues to attain the standard. Similarly, if the EPA finalizes the boundary revision for the New Castle County, DE nonattainment area, and the CDDs for that proposed revised area, then, EPA will suspend requirements to submit certain plan requirements to attain the 2008 and 2015 ozone NAAQS, so long as the area continues to attain the standard. These actions do not impose additional requirements.

V. Statutory and Executive Order Reviews

This rulemaking proposes to revise the boundary of an existing ozone nonattainment area by splitting it into three separate nonattainment areas that together cover the identical geographic area of the original nonattainment area. It also proposes to make CDDs for the two new areas in Cecil County, MD and New Castle County, DE resulting from the proposed revisions, which if

finalized would suspend the requirement to submit certain attainment plan requirements for the 2008 and 2015 ozone NAAQS. This proposed rulemaking action does not impose additional requirements. For that reason, this action:

- Is not a significant regulatory action subject to review by the Office of Management and Budget under Executive Order 12866 (58 FR 51735, October 4, 1993);
- Is not subject to Executive Order 14192 (90 FR 9065, February 6, 2025) because it is not a significant regulatory action under Executive Order 12866;
- Does not impose an information collection burden under the provisions of the Paperwork Reduction Act (44 U.S.C. 3501 *et seq.*);
- Is certified as not having a significant economic impact on a substantial number of small entities under the Regulatory Flexibility Act (5 U.S.C. 601 *et seq.*);
- Does not contain any unfunded mandate or significantly or uniquely affect small governments, as described in the Unfunded Mandates Reform Act of 1995 (Pub. L. 104–4);
- Does not have federalism implications as specified in Executive Order 13132 (64 FR 43255, August 10, 1999);
- Is not subject to Executive Order 13045 (62 FR 19885, April 23, 1997) because it is not a significant regulatory action under Executive Order 12866;
- Is not a significant regulatory action subject to Executive Order 13211 (66 FR 28355, May 22, 2001); and
- Is not subject to requirements of section 12(d) of the National Technology Transfer and Advancement Act of 1995 (15 U.S.C. 272 note) because application of those requirements would be inconsistent with the CAA.

In addition, this rulemaking action is not approved to apply on any Indian reservation land or in any other area where the EPA or an Indian Tribe has demonstrated that a Tribe has jurisdiction. In those areas of Indian country, the rule does not have Tribal implications and will not impose substantial direct costs on Tribal

governments or preempt Tribal law as specified by Executive Order 13175 (65 FR 67249, November 9, 2000).

List of Subjects

40 CFR Part 52

Environmental protection, Air pollution control, Incorporation by reference, Intergovernmental relations, Nitrogen dioxide, Ozone, Volatile organic compounds.

40 CFR Part 81

Environmental protection, Air pollution control, Designations, Intergovernmental relations, Redesignation, Reporting and recordkeeping requirements, Nitrogen dioxide, Ozone, Volatile organic compounds.

Amy Van Blarcom-Lackey,

Regional Administrator, Region III.

[FR Doc. 2025-24200 Filed 12-31-25; 8:45 am]

BILLING CODE 6560-50-P

FEDERAL COMMUNICATIONS COMMISSION

47 CFR Part 64

[CG Docket Nos. 03-123, 08-15; FCC 25-79; FR ID 324556]

Analog Telecommunications Relay Service Modernization

AGENCY: Federal Communications Commission.

ACTION: Proposed rule.

SUMMARY: In this document, the Federal Communications Commission (Commission) proposes to modernize its telecommunications relay services (TRS) rules and seeks comment on phasing out the mandatory status of traditional TTY-based relay services (TTY Relay) under state TRS programs; recognizing additional forms of internet-based TRS, such as internet Protocol Speech-to-Speech (IP STS) and real-time text (RTT)-based relay as compensable forms of TRS; establishing a temporary, national certification process for analog relay providers and user registration and verification requirements; and updating or eliminating obsolete rules to all forms of TRS. Through these proposals, the Commission aims to align TRS with today's communications landscape, better serve the needs of relay users, ensure the continued availability of TRS through the transition from legacy communications network, to modern, IP-based networks, and continue to protect the integrity of the TRS program through the prevention of waste, fraud, and abuse.

DATES: Comments are due on or before February 2, 2026. Reply comments are due on or before March 3, 2026.

ADDRESSES: Pursuant to §§ 1.415 and 1.419 of the Commission's rules, 47 CFR 1.415, 1.419, interested parties may file comments and reply comments. Comments may be filed using ECFS. You may submit comments, identified by CG Docket No. 03-123, by the following method:

- **Electronic Filers.** Comments may be filed electronically using the internet by accessing the ECFS: <https://www.fcc.gov/ecfs>.

- **Paper Filers.** Parties who choose to file by paper must file an original and one copy of each filing.

- Filings can be sent by hand or messenger delivery, by commercial courier, or by the U.S. Postal Service. All filings must be addressed to the Secretary, Federal Communications Commission.

- Hand-delivered or messenger-delivered paper filings for the Commission's Secretary are accepted between 8:00 a.m. and 4:00 p.m. by the FCC's mailing contractor at 9050 Junction Drive, Annapolis Junction, MD 20701. All hand deliveries must be held together with rubber bands or fasteners. Any envelopes and boxes must be disposed of before entering the building.

- Commercial courier deliveries (any deliveries not by the U.S. Postal Service) must be sent to 9050 Junction Drive, Annapolis Junction, MD 20701. Filings sent by U.S. Postal Service First-Class Mail, Priority Mail, and Priority Mail Express must be sent to 45 L Street NE, Washington, DC 20554.

- **People with Disabilities.** To request materials in accessible formats for people with disabilities (Braille, large print, electronic files, audio format), send an email to fcc504@fcc.gov or call the Consumer and Governmental Affairs Bureau at (202) 418-0530.

FOR FURTHER INFORMATION CONTACT: Joshua Mendelsohn, Disability Rights Office, Consumer and Governmental Affairs Bureau, at 202-559-7304, or Joshua.Mendelsohn@fcc.gov.

SUPPLEMENTARY INFORMATION: This is a summary of the Commission's Notice of Proposed Rulemaking (NPRM), in CG Docket Nos. 03-123 and 08-15, FCC 25-79, adopted on November 20, 2025, and released on November 21, 2025. The full text of this document can be accessed electronically via the Commission's Electronic Document Management System website at <https://docs.fcc.gov/public/attachments/FCC-25-79A1.pdf>, or via the Commission's Electronic Comment Filing System

(ECFS) website at <https://www.fcc.gov/ecfs>.

Ex Parte Rules. This proceeding shall be treated as a permit-but-disclose proceeding in accordance with the Commission's *ex parte* rules. 47 CFR 1.1200 *et seq.* Persons making *ex parte* presentations must file a copy of any written presentation or a memorandum summarizing any oral presentation within two business days after the presentation (unless a different deadline applicable to the Sunshine period applies). Persons making oral *ex parte* presentations are reminded that memoranda summarizing the presentation must (1) list all persons attending or otherwise participating in the meeting at which the *ex parte* presentation was made, and (2) summarize all data presented and arguments made during the presentation. If the presentation consisted in whole or in part of the presentation of data or arguments already reflected in the presenter's written comments, memoranda, or other filings in the proceeding, the presenter may provide citations to such data or arguments in his or her prior comments, memoranda, or other filings (specifying the relevant page and/or paragraph numbers where such data or arguments can be found) in lieu of summarizing them in the memorandum. Documents shown or given to Commission staff during *ex parte* meetings are deemed to be written *ex parte* presentations and must be filed consistent with § 1.1206(b) of the Commission's rules. In proceedings governed by § 1.49(f) of the Commission's rules or for which the Commission has made available a method of electronic filing, written *ex parte* presentations and memoranda summarizing oral *ex parte* presentations, and all attachments thereto, must be filed through the electronic comment filing system available for that proceeding, and must be filed in their native format (e.g., .doc, .xml, .ppt, searchable .pdf). Participants in this proceeding should familiarize themselves with the Commission's *ex parte* rules.

Providing Accountability Through Transparency Act. The Providing Accountability Through Transparency Act, Public Law 118-9, requires each agency, in providing notice of a rulemaking, to post online a brief plain-language summary of the proposed rule. The required summary of the *Notice* is available at <https://www.fcc.gov/proposed-rulemakings>.

Paperwork Reduction Act. The NPRM may contain proposed new or modified information collection requirements. The Commission, as part of its

continuing effort to reduce paperwork burdens, invites the general public and the Office of Management and Budget (OMB) to comment on the information collection requirements contained in the *NPRM*, as required by the Paperwork Reduction Act of 1995, Public Law 104–13. In addition, pursuant to the Small Business Paperwork Relief Act of 2002, Public Law 107–198, *see* 44 U.S.C. 3506(c)(4), the Commission seeks specific comment on how it might further reduce the information collection burden for small business concerns with fewer than 25 employees.

Synopsis

1. Title IV of the Americans with Disabilities Act of 1990 (ADA), which added section 225 to the Communications Act of 1934, as amended (the Act), directs the Commission to ensure that TRS are available, to the extent possible and in the most efficient manner, to individuals with hearing or speech disabilities in the United States.

2. The Act requires common carriers provide TRS throughout the areas in which they offer service. The Act directs the Commission to adopt, administer, and enforce regulations governing the provision of interstate and intrastate TRS. Section 225 of the Act also authorizes, but does not require, states to establish their own TRS programs, subject to Commission approval and certification. In states with certified TRS programs, carriers may fulfill their obligation to provide intrastate TRS by participating in the state program. If a state does not have a Commission-certified TRS program, the provision of intrastate TRS in that state falls under the direct supervision of the Commission. All 50 states, the District of Columbia, and several U.S. territories have FCC-approved TRS programs. The analog TRS providers provide the relay services for intrastate, interstate, and international calls. They seek reimbursement for intrastate analog TRS calls from the relevant state program and seek reimbursement for interstate and international calls from the Interstate TRS Fund. Currently, the Commission recognizes six forms of TRS, three analog services and three internet-based services. The three analog forms of TRS are TTY Relay, Speech-to-Speech relay service (STS), and Captioned Telephone Service (CTS).

3. Section 225 of the Act provides that, generally, costs attributed to interstate TRS are to be recovered from all subscribers for every interstate service, while costs for intrastate TRS are recovered from the intrastate

jurisdiction. Each state is responsible for determining how to fund the provision of intrastate TRS through the state's TRS program. The interstate costs of analog TRS are recovered through the FCC-administered TRS Fund, and the Commission is responsible for determining how providers of interstate TRS shall be compensated. Since 2007, compensation rates for interstate calls using analog services have been determined by applying the Multi-State Average Rate Structure (MARS) methodology, which does not require a calculation of costs or demand for these specific services.

4. As communications technologies continue to evolve, the TRS landscape is undergoing significant transformations, necessitating a re-evaluation of current rules to ensure continued functional equivalence and efficiency. These developments include a decline in the use of analog relay services, the emergence of advanced internet-based solutions, and the integration of accessible communications functionalities into smart devices.

5. In August 2024, National Association for State Relay Administration (NASRA) members, Gallaudet University, and TDIforAccess (TDI) submitted to the Commission a White Paper asserting that the decline in usage of analog TRS, coupled with the accelerating transition from traditional analog to IP-based networks, makes it urgent for federal and state policymakers to proactively adapt TRS obligations and programs to reflect the evolution to IP-based networks.

TTY Relay

6. Under section 225 of the Act, states are permitted, but not required, to establish their own TRS programs. The provision of interstate relay services offered through state TRS programs is supported by the Interstate TRS Fund. State TRS programs must offer TTY Relay and STS.

7. TTY is widely acknowledged to be an outdated technology. Over time, the use of TTY Relay has declined greatly, reflecting a shift towards internet-based TRS solutions. Annual intrastate usage of TTY Relay totals less than 2 million minutes with many jurisdictions reporting less than 1,000 minutes in 2024. As communication networks modernize and usage declines, state relay programs are seeking guidance from the Commission regarding the appropriate steps and processes for phasing out TTY Relay.

8. Given the ongoing technology transition to IP-based networks, and the obsolescence of TTY Relay, the

Commission seek comment on terminating the mandatory status of TTY Relay for state-based TRS programs. The Commission believes this would allow states to adapt their programs to local needs and technological realities, rather than being burdened by the costs and administrative complexities of maintaining a service with greatly diminished demand. What are the administrative and financial implications for state programs if TTY Relay is no longer mandatory? How would terminating the mandatory status of TTY Relay impact state programs' ability to continue supporting other essential relay services?

9. The Commission believes that terminating the mandatory status of TTY Relay is consistent with the Commission's statutory obligations under section 225 of the Act. The Commission seeks comment on this belief. As discussed below, the Commission believes a number of alternative services will be available to ensure that functionally equivalent communication is available to the remaining users of TTY Relay, in those states that choose to terminate the availability of this service through the state TRS program. For example, IP Relay has long been available to any user with broadband access. In addition, the Commission encourages state programs to offer RTT-based relay service in place of TTY Relay, to the extent that governing state legislation permits support for such a service through the state TRS program. The Commission also seeks comment on whether to provide TRS Fund support for a nationwide RTT-based relay service. Further, as a transitional step, to ensure that text-based relay service continues to be available to any user that does not yet have access to an IP-based alternative, the Commission seeks comment on whether to authorize the temporary certification of a national provider of TTY Relay, which would be available in any state where TTY Relay is no longer available through a state TRS program.

10. The Commission also seeks comment on whether ending the mandate that state TRS programs support TTY Relay, but temporarily certifying a national provider, will help the Commission achieve its statutory goals by ensuring that TRS are available "in the most efficient manner." Does allowing state TRS programs to discontinue TTY relay relieve analog TRS providers from incurring unnecessary costs? Will it allow analog TRS providers the ability to reallocate funds and other resources to more

efficient technology? Will intrastate or interstate TRS Fund contributors experience any cost savings? What are the costs and benefits to state TRS programs discontinuing TTY Relay? What would be the costs and benefits to continue requiring state TRS program to support TTY Relay? The Commission also seeks comment on whether ending the mandate to support TTY Relay will further the Act's directive that TRS regulations encourage the use of existing technology and do not discourage or impair the development of improved technology. Will these actions help transition TTY Relay providers and their remaining users from entirely text-based relay over the public switched telephone network (PSTN) to multimedia offerings that make full use of the internet's capabilities to leverage new technologies to meet user needs? Are there other approaches the Commission should consider to ensure a smooth transition from TTY Relay to IP-based alternatives?

11. The Commission seeks comment on whether terminating the mandatory status of TTY Relay is consistent with the obligation of common carriers under section 225(c) of the Act to provide telecommunications relay services "in compliance with the [Commission's] regulations" throughout the area in which they offer service. Under section 225 of the Act, the Commission has the same oversight and authority with respect to ensuring the availability and provision of both intrastate and interstate TRS. Pursuant to this authority, the Commission is directed to set the requirements for ensuring the provision of TRS and for certifying state programs. Further, the Commission determined that TRS were not limited to TTY Relay, and set guidelines for whether a particular type of TRS must be included within a state TRS program. The Commission believes a common carrier remains compliant with its obligation to offer TRS so long as its interstate TRS offerings align both with the Commission's TRS rules and, where applicable, a state TRS program certified under the Commission's rules. The Commission believes section 225 of the Act does not mandate a particular form of TRS be provided and affords the Commission the ability to re-align its rules around changes in technology, including the ability to wind down forms of TRS that are technologically obsolete. The Commission seeks comment on this belief.

12. Although TTY Relay usage is diminishing, some people with speech or hearing disabilities still rely on TTY devices. Such individuals should not be left without an effective means of

telephone communication. The Commission seeks comment on how TTY Relay users can be most effectively and efficiently transitioned to productive alternatives.

13. To better understand the transitioning landscape, the Commission seeks comment on the total number of users of TTY Relay, including users of voice carryover and hearing carryover (in particular states or in the nation as a whole), as well as any available data on user location, availability of reliable broadband internet access, and the extent to which TTY Relay users are utilizing wired or mobile wireless devices to connect. The Commission also solicits any available data on TTY Relay user demographic information, such as age and income, to further the Commission's understanding of the users being impacted by this transition. The Commission also seeks comment on the extent to which TTY services are provided without support from state or federal programs for direct communication with TTY users. Would terminating the mandatory status of TTY Relay affect the ability to provide the service on a privately funded basis?

14. The Commission also seeks comment on the prevalence of state equipment distribution programs (EDPs) or assistive technology (AT) programs for people with disabilities. How many states currently have EDPs? AT programs? What equipment is provided under these programs? How is eligibility for those programs determined? How many programs have adopted income limits, fiscal caps, or have any other restrictions on access? To what extent are those programs connected to state TRS programs? Would changes to the services state TRS programs are required to provide have an effect on the programs?

15. The Commission seeks comment on the extent to which IP Relay can serve as a comprehensive alternative for current TTY Relay users and what, if any, additional steps the Commission should take to facilitate this transition. Does the requirement for users to have an IP-enabled device and broadband internet access service present a barrier to its use by some current TTY Relay users? Are IP Relay providers ensuring direct communications between IP Relay users? What types of barriers are TTY Relay users most likely to experience? Are there steps the Commission could take to mitigate such barriers?

16. RTT communications are able to be converted to be read on TTY devices and messages sent via TTY devices can be read on devices supporting RTT. Given the availability of RTT on mobile

devices and the suitability of RTT for transmitting text on IP networks, the Commission believes that many TTY Relay users are currently using RTT, rather than a TTY device, to initiate or answer TTY Relay calls. If an individual initiates such a call using RTT to dial 711, the call may be converted to the TTY format for communication with a CA. Where an end-to-end RTT link is possible, a conversion to the TTY format is technically unnecessary and likely to provide a less reliable text-based communication channel to the TTY Relay user. The Commission seeks comment on the extent to which such conversion is occurring, and why. For example, are there network concerns where the conversion to the TTY-based format is outside the control of the TTY Relay providers who would accept RTT communications if the format was retained when the call reached their call center? Are there economic concerns that hinder state programs from supporting or TTY Relay providers from installing the capability to handle RTT calls in TTY Relay call centers? Or are there legal considerations, *e.g.*, a concern that if the link between user and CA is IP from end to end, the call might not qualify for financial support by the state TRS program or the TRS Fund? Are there other technological or administrative concerns that are inhibiting the transition to end-to-end RTT?

17. The Commission believes that nothing in the Act restricts state programs from offering intrastate, RTT-based relay service. Indeed, section 225 of the Act expressly authorizes states to establish programs for the provision of intrastate TRS, subject only to Commission approval. The only conditions required for such approval are that the program (1) makes intrastate TRS available to eligible individuals in accordance with the Commission's regulations, and (2) provides adequate procedures and remedies for enforcing the program's requirements. In light of this explicit statutory authorization, the Commission has previously determined that states are not precluded from funding and administering VRS, IP Relay, or IP CTS, should they choose to do so. The Commission seeks comment on this belief and analysis.

18. The Commission also seeks comment on whether a RTT-based relay service would provide a useful alternative to TTY Relay. The Commission assumes that such a service would operate similarly to TTY Relay, in that the CA would voice the TRS user's typed text to a hearing party and type the hearing party's speech back to the TRS user. In addition, the

Commission assumes that, at least initially, a user would initiate a RTT-based relay call in the same way as TTY Relay—by dialing 711 to connect with a CA. The main difference would be that the link between the texting user and the CA would be carried entirely as an IP format, using the RTT protocol. Are these assumptions correct or are there more efficient RTT-based relay service implementations currently operating?

19. Should the Commission amend its rules to expressly authorize compensation from the TRS Fund for the interstate use of RTT-based relay service? What are the costs and benefits of making an RTT-based relay service available as a replacement for TTY Relay? Would the availability of an RTT-based relay service be more beneficial than IP Relay for some current TTY Relay users—and if so, in what specific ways? For example, would it be easier for TTY Relay users to transition to an RTT-based service than to IP Relay, and if so, in what respects? How would the two types of services compare in their handling of emergency 911 calls? Would there be significant cost differences between IP Relay and RTT-based relay service?

20. The Commission also seeks comment on whether an RTT-based relay service could be modified to enable callers to initiate a TRS call without dialing 711, allowing the user to make and receive direct dialed calls. How could such call initiation methods be implemented, and how would their introduction affect the cost-benefit comparison with IP Relay? Further, how does the availability of text-to-speech software on RTT calls affect the need to connect to a CA and utilize relay? Is ASR technology similarly available for RTT calls? Where a consumer can place an end-to-end RTT call does the ability to communicate via text, voice, text-to-speech software, and ASR alleviate the need to involve a CA to relay the call?

21. Would all state TRS programs be able and willing to support RTT-based relay service for intrastate communications? Are there obstacles that would prevent state programs from supporting RTT-based relay? If some states are not able to support RTT-based relay, should the Commission establish a nationwide form of RTT-based relay service that would be solely supported by the Interstate TRS Fund, and available in any state that does not maintain a TRS program offering such a service? Or is the availability of IP Relay—as well as the availability of text-to-speech software on smartphones or other devices—sufficient to ensure access to text-to-voice communication, so that the Commission does not need

to establish new forms of text-based relay service to ensure functionally equivalent access to the voice communication services?

22. While RTT has largely replaced TTY on wireless networks, its utility as a direct substitute for TTYs on wireline voice networks is currently limited as it is not natively available on wireline devices. The Commission has previously acknowledged the importance of continued exploration into wireline RTT as an alternative to TTY technology to achieve a universal, integrated text solution for voice services. The Commission seeks comment on furthering the availability of RTT across IP networks, services, and equipment. Should the Commission extend the TTY support exemption, which allows voice communications services provided over wireless IP facilities and equipment to support RTT, in lieu of continuing to provide TTY connectivity and TTY signal compatibility, to include interconnected and non-interconnected VoIP services provided over wired IP facilities and equipment, if such services and equipment support RTT? How else should the Commission encourage wireline providers to support RTT? The Commission also solicits comments on the necessary technical guidance and cost expectations for wireline RTT implementation.

23. What would be an appropriate timeline to transition from TTY to RTT given the current state of RTT deployment? What additional steps, if any, would assist in replacing TTY with RTT? Are providers encountering difficulty working with telecommunications carriers to deploy RTT? Are there additional actions the Commission should take to encourage the development and deployment of RTT?

24. Direct Video Calling (DVC) is video conferencing that allows conversations to occur between two callers using American Sign Language (ASL), without the need for translation services. DVC services are provided to customer call centers as a direct ASL-to-ASL communication alternative to direct text-based communications such as TTY-to-TTY calls, and also can be used as an alternative to relay service. The Commission seeks comment on the extent to which DVC can serve as a direct communication alternative to TTY-to-TTY communications when the parties at both ends of the call use ASL—and what, if any, additional steps the Commission should take to facilitate this transition. Does the requirement for users to have an IP-enabled device and broadband internet access service

present a barrier to its use by some current TTY users? What types of barriers are TTY users most likely to experience? Are there steps the Commission could take to mitigate such barriers? Is the adoption of DVC widespread among businesses? Government entities? Should the Commission take additional actions to encourage the use of DVC?

25. Some state TRS programs or related state agencies have begun supporting Communication Facilitator services to provide communication access for individuals who are deafblind. During a video call, a Communication Facilitator copies sign language from the other video caller and provides visual information to the individual who is deafblind through in-person close-vision, tactile sign language, tracking, or another communication method. The Commission seek comments on the extent to which Communication Facilitator services can serve as an alternative to TTY Relay or direct TTY-to-TTY communications for individuals who are deafblind using braille devices and what, if any, additional steps the Commission should take to facilitate this transition. Are Communication Facilitator services only used with video communications requiring the users to have an IP-enabled device and broadband internet access service? If so, does this requirement present a barrier for TTY users who use braille? What types of barriers are TTY users using braille most likely to experience? Are there steps the Commission could take to mitigate such barriers? How many states currently offer Communication Facilitator services? What are the costs and benefits to offering such services? What steps have states taken to identify and provide outreach to individuals who are deafblind about such services? How many hours per day and days per week are these services available from states that offer them?

26. To ensure that TTY Relay is used appropriately and efficiently, and to safeguard the TRS Fund from waste, fraud, and abuse, the Commission seeks comment below on applying user eligibility, registration, verification, and call detail records requirements to all forms of TRS—measures that have proven effective in safeguarding other TRS programs. The Commission seeks comment on the specific processes for TTY Relay user registration and verification, including the type of documentation or assessment required to confirm eligibility and how to balance ease of access for legitimate users with robust protections against misuse. Are providers able to verify the

identity of TTY Relay users at the beginning of calls? Would user registration requirements unduly burden state TRS programs in their support and oversight of intrastate TRS?

Captioned Telephone Service

27. As the telecommunications infrastructure continues its transition from analog systems to IP-based networks, the usage of analog CTS has steadily declined. Analog CTS services are administered at the state level, with states typically contracting with a single provider. While most state TRS programs support CTS, the Commission does not mandate support for CTS. In the absence of a mandate, many states have chosen to wind down and discontinue their analog CTS services, in response to declining demand. As other state TRS programs consider whether to continue supporting CTS, the Commission believes it is beneficial to provide oversight and guidance to ensure users are able to successfully transition to alternative solutions.

28. One prominent alternative to analog CTS is IP CTS. IP CTS is administered by the Commission and supports multiple national providers. Technological advancements have significantly modernized IP CTS, particularly through the integration of ASR technology. The viability of IP CTS as a direct alternative to analog CTS has been demonstrated in practice, underscoring its effectiveness as a modern solution.

29. As the telecommunications landscape continues to evolve, smart devices and applications are increasingly incorporating ASR functionalities. The Commission seeks comment on the extent to which ASR functionalities on smart devices are comparable in quality and speed of captions currently offered through Fund-supported IP CTS providers and whether such services present a viable and efficient alternative for users transitioning from analog CTS. Does the direct availability of captions with ASR on smart devices and applications for use by hearing individuals to communicate using voice communication services suggest a separate relay service is unnecessary? Are current users of analog CTS likely to own smart devices? Does every smart device on the market support this technology? Are older smart devices used by consumers capable of supporting ASR captioning? Are all smart devices capable of offering consumers ASR captions on both voice and video calls? What are the costs for consumers to obtain such equipment? How difficult or easy is it for end users

to use ASR on smart devices? Are seniors who age into hearing loss likely to be able to use the smart device with ASR and does that ability change as someone ages into their 80s and 90s? Do smart device and application providers who offer ASR captioning permit users to restrict access to the captioning to protect their privacy? Is customer or technical support available for users experiencing problems receiving captions? Do smart device and application providers track the availability and performance of the captions?

30. Should the Commission take any steps to ensure that such communications service providers and equipment manufacturers are providing access to captions under separate statutory authority granted to the Commission, such as the Commission's authority to ensure telecommunications services and advanced communications services are accessible to and usable by individuals with disabilities? Are obligations or performance objectives for ensuring such ASR captions are accessible to and usable by people with disabilities necessary? Are relevant TRS minimum standards (*e.g.*, outage reporting requirements specific to ASR, redundancy requirements, annual reports attesting to the current IP CTS minimum standards, annual complaint reports specific to the captioning solutions being offered on the smart devices, *etc.*) reasonable standards to impose for ensuring native captions are accessible and usable? If such standards are needed, should the communications service provider or the equipment manufacturer be subject to the new standards? Does any separate statutory authority give the Commission jurisdiction to impose on communications service providers and equipment manufacturers the minimum standards it imposes on authorized TRS service providers?

31. The transition to IP-based services, including IP CTS and technologies using ASR, requires internet access and IP-based specialized equipment which may not be universally available. To help transition these users the Commission solicits comments on the feasibility of and burden to state relay programs, telecommunications carriers, and VoIP providers offering appropriate devices to users who wish to transition from CTS to an alternate service but may require new equipment due to network changes or device obsolescence. Are there lessons state programs that have discontinued analog CTS support have learned that may be useful to the

Commission and users during the transition to an alternate service?

32. To ensure that CTS is used appropriately and efficiently, and to safeguard the TRS Fund from waste, fraud, and abuse, the Commission seeks comment below on applying user eligibility, registration, verification and call detail records requirements to all forms of TRS. The Commission seeks comment on the specific processes for CTS user registration and verification, including the type of documentation or assessment required to confirm eligibility and how to balance ease of access for legitimate users with robust protections against misuse.

Speech-to-Speech Relay Service

33. In authorizing the provision of STS in March 2000, the Commission determined that all certified state TRS programs must offer STS. STS demand is consistent, with annual usage less than 400,000 minutes. However, unlike TTY Relay and CTS, STS usage has not declined substantially over time. The emergence of IP-based solutions has offered new avenues for people with speech disabilities to access communications services.

34. In 2011, a non-profit organization asked the Commission to open a proceeding on modernizing STS to incorporate IP video technologies. With video-assisted STS, the CA would watch the user's face and any available seen body parts or indicators to add meaning that is translatable by the CA into clear speech that can be voiced to the person called. This concept, referred to as video-assisted Speech-to-Speech (VA-STS), was noted in the Commission's *2013 IP STS Order*, published at 78 FR 49693, August 15, 2013, which recognized that it was already being offered in several states. The Commission continues to believe that such an internet-based, video-assisted form of STS holds significant potential to enhance functional equivalence for individuals with severe speech disabilities. The Commission seeks comment on this belief.

35. Recognizing the significant technological advancements since the *2013 IP STS Order*, the Commission proposes to authorize IP STS as a compensable form of TRS. This proposal includes video-assisted STS as an integrated or add-on component to IP STS, rather than a standalone service. The Commission believes the service would likely be app or web-based to distinguish it from analog STS, which already permits users to make calls from interconnected VoIP services using internet-enabled devices. This approach aims to leverage the benefits of IP

technology, such as enhanced call privacy, improved real-time quality and efficiency, and greater service reliability, which are increasingly realized through automation and over-the-top apps. The Commission seeks comment on this proposal.

36. The Commission also seeks comment on whether authorizing such a service, with its inherent flexibility and potential for a wider range of communication modes, will significantly advance the statutory goal of functional equivalence for individuals with speech disabilities. How would this structure best integrate with existing TRS frameworks? Should IP STS providers be directly certified by the Commission and compensated entirely through the Interstate TRS Fund similar to other IP-based forms of TRS? Should IP STS calls directly connect to a call center allowing users to make and receive direct dialed calls? Are state TRS programs currently supporting and compensating a form of STS similar to this IP STS proposal? Are they supporting and compensating video-assisted STS? If so, do STS providers submit compensation claims for interstate STS minutes for IP STS or video-assisted STS? What are the specific benefits or challenges of positioning video-assisted STS as an add-on rather than a separate service or as part of the cost of providing IP STS? Should IP STS include or support the option for users to access and use ASR engines for non-standard or atypical speech? Is such technology already being made available in smart devices and applications for use within voice communication services, independent of TRS support?

37. To ensure efficient allocation of resources and effective program development, the Commission seeks comment on effective methodologies for assessing the potential demand for new IP STS and video-assisted STS offerings. How can the Commission best identify and reach the segments of the community of people with speech disabilities who would benefit from these services? What data collection mechanisms or surveys would provide reliable estimates of demand and user preferences for IP STS and its features? In considering the potential demand should the Commission distinguish between individuals likely to use the service and individuals who could use the service but may prefer to sign or text first?

38. The Commission does not propose to alter the mandatory status of the analog version of STS at this time. STS remains a mandatory service that all states with a certified state TRS program

must offer. Currently, STS is provided only through state-certified relay service programs and has no internet-based, FCC-certified equivalent. This means that users of STS presently have limited alternatives to transition to if their state were to terminate the provision of analog STS. However, the Commission may revisit the mandatory status of analog STS and its provision at such time as IP STS or other suitable IP-based solutions are sufficiently developed and widely available, and the Commission can offer a seamless transition for users from analog STS to IP-based alternatives. Are state programs able to maintain STS as a mandatory service if the Commission moves forward with the proposal to terminate the mandatory status of TTY Relay? Are there challenges associated with maintaining the mandatory status of STS but not TTY Relay?

39. To ensure the quality and accountability of IP STS, the Commission proposes that certification requirements for IP STS providers should be comparable to those established for other internet-based TRS services, such as VRS, IP Relay, and IP CTS. Specifically, applicants would be required to submit detailed plans for service provision, explanations of how they will comply with all relevant technical and operational standards, and descriptions of mechanisms for preventing misuse. The Commission seeks comment on whether additional certification requirements should be established for IP STS providers. Should any particular technical capabilities be prerequisites for certification? Which existing certification requirements, if any, should not be applicable to IP STS?

40. The introduction of IP STS necessitates a reevaluation and refinement of existing mandatory minimum standards for STS to ensure they remain relevant and effective. Current STS rules address aspects such as CA competency and adherence to confidentiality, but some provisions, like those relating to only TTY Relay or VRS, would not be applicable. Should any of the existing mandatory minimum standards not be applied to the provision of IP STS? The Commission requests that commenters who identify such rules, explain the incompatibility and propose changes to the rule to appropriately limit the scope of the rule. Are there other standards unique to the provision of IP STS that the Commission should consider adding?

41. STS CAs require specialized training to understand and repeat the words of individuals with diverse speech patterns. To enhance the quality and efficiency of STS, providers

currently allow STS users to set up and utilize profiles or preferences to facilitate call connections. The Commission seeks comment on the feasibility and benefits of implementing caller profiles for IP STS, including the types of information that would be necessary for effective routing, and the safeguards required to protect user privacy and prevent any misuse of user information. Should users be able to identify preferences related to the user's unique speech characteristics? Would providing such preferences enable a user with a particular speech disability to have their calls routed to CAs or ASR engines specifically trained to understand that type of speech? The Commission also seeks comment on how specialized CAs and ASR engine training for IP STS, particularly for handling atypical speech patterns or utilizing new technologies, should be defined and supported.

42. The Commission currently requires STS providers to offer the user the option of having their voice muted so that the other party to the call would only hear the STS CA re-voicing the call, and not also the voice of the STS user. This feature serves to minimize disruption to the conversational flow and potentially enhance the privacy and comfort of the STS user. Should the Commission similarly require IP STS providers to offer a muting option to users, allowing them to control whether their own voice is transmitted to the called party? The Commission seeks comment on providers' experience with the muting feature in analog STS, as well as any technical issues regarding its implementation in an IP environment, its impact on call flow and functional equivalence, and any other benefits or challenges it may present for IP STS users.

43. To ensure that IP STS are used appropriately and efficiently, and to safeguard the TRS Fund from waste, fraud, and abuse, the Commission proposes to apply user eligibility, registration, and verification requirements similar to those already in place for IP Relay, VRS, and IP CTS. This would include requiring users to register with a certified provider and undergo a verification process to confirm their identity and location, as well as to certify eligibility as individuals with speech disabilities who require the service for functionally equivalent communication. The Commission seeks comment on the specific processes for IP STS user registration and verification, including the type of documentation or assessment required to confirm eligibility and how to balance ease of

access for legitimate users with robust protections against misuse.

44. The Commission believes IP STS providers should be subject to the same data submission requirements applicable to all TRS providers, which are designed to ensure effective oversight, fund administration, and accountability, and to enable the determination of a TRS Fund budget for each service, as well as the determination of provider compensation rates. Later in the *NPRM*, the Commission seeks comment on whether any modifications to the Commission's call data requirements are needed to ensure collection of appropriate data for this service and avoid unnecessary data collection.

45. A perceived challenge for STS has been the low awareness and resulting flat usage among its potential user base. Due to concerns that potential STS users were not aware of the service's availability, the Commission in 2007 added a specific per-minute amount of \$1.131 to the STS compensation rate, specifically for outreach purposes. This additional funding was intended to promote STS to potential users and required providers to file annual reports detailing their specific outreach efforts attributable to this support.

46. Despite the TRS Fund support for outreach by providers, STS usage remains flat and low in comparison to the number of people with speech disabilities. The availability of IP STS and the possibility of nationwide video-assisted STS may present a new opportunity to inform the public and potential users about the availability of these services. What steps should the Commission take to ensure effective outreach concerning IP STS and video-assisted STS? The Commission seeks comment and data, especially from STS providers and state TRS programs, on the effectiveness over the last 25 years of outreach to potential STS users. How many individuals are using STS? What methods have providers used to market the service or provide outreach to potential users? Are there places, resources, or communities that are or could be targeted to reach people with speech disabilities who would benefit from learning about STS? To what extent have state TRS programs or STS providers conducted outreach to those places? Have STS providers developed outreach plans for STS? If not, why not? If so, the Commission requests information about the details of those plans, and comments on their strengths and weaknesses. Do providers work with organizations for people with speech disabilities to conduct outreach?

How broad is the reach of those organizations?

47. If the Commission continues to provide an outreach additive or other additional outreach support and resources for STS, how should the Commission measure the effectiveness of such outreach efforts? Should the Commission consider such an additive for IP STS? Alternatively, is the low adoption rate for STS services not indicative of a lack of outreach and awareness, but rather a preference amongst individuals with speech disabilities for text or sign language communications through other forms of TRS and advance communication services? Do some individuals with speech disabilities prefer alternative services such as online messaging and chat tools or the use of other assistive technology, such as augmentative and alternative communication (AAC) devices? Do individuals with speech disabilities who are fluent in sign language prefer to use VRS or other video-based forms of communication? If STS usage is a matter of preference rather than outreach should the Commission discontinue the outreach additive? What are the potential costs and benefits to discontinuing the additive?

Transitioning Analog Relay Users to Alternatives

48. There may be some analog TRS users who, for various reasons, cannot successfully transition to IP-based telephony solutions without additional assistance. The Commission seeks comment on the number of such individuals, the reasons they are unable to transition, and what means are available to ensure that such individuals remain able to communicate after the retirement of the copper facilities serving them. For example, are subsidies available at the state or federal level to ensure that analog TRS users who cannot otherwise afford to subscribe to internet access service are able to transition to a VoIP line or other IP-based communications channel?

49. In a similar vein, the Commission solicits comments on whether there are specific roles that state relay programs and communication service providers should fulfill to assist users who wish to transition to an alternate TRS service (e.g., IP CTS, IP Relay, or RTT-based relay service) but may require new communication services or equipment due to network changes or device obsolescence. How can consumers be informed of prerequisite service or equipment changes and how to obtain them? What options are available for coordination among interested parties

for ensuring that analog TRS users who need it receive additional assistance? Are services obtained through universal service programs and equipment obtained through equipment distribution programs sufficiently compatible for the equipment to be used with the relevant services? Can those services and equipment be used with TRS and TRS equipment?

50. The Commission also seeks comment on the availability and feasibility of peripheral devices and specialized customer premises equipment that support captioned phone service or RTT and could be utilized for calls with VoIP services. Are VoIP services and RTT usable on the same device (e.g. smartphone, tablet, or laptop) by people with disabilities? Are there devices that support RTT and are able to connect to VoIP service devices, particularly VoIP devices without a screen for viewing text? What are the costs for developing such equipment? What are the costs to consumers to obtain such equipment? The Commission also seeks comment on how incurring these transitional costs would compare to the long-term savings associated with retiring obsolete hardware and software linked to analog networks, and whether the cost of these efforts should be compensable from the TRS Fund.

51. Beyond the technological alternatives, the Commission recognizes the benefit of a structured transition process to ensure that all individuals with hearing and speech disabilities maintain access to relay services as analog telecommunications networks transition to IP-based services. To ensure that no analog relay user is left without usable TRS during this network evolution, the Commission seeks comment on developing outreach and transition plans for affected users in coordination with state TRS relay programs, analog TRS providers, and communication service providers. Are state TRS programs able to coordinate with the Commission on such an initiative? Are state TRS programs better positioned to lead on plan development and outreach? If so, how should the Commission support such outreach and plan development? To what extent have state TRS programs and analog relay service providers begun to establish such plans? What is an appropriate timeline for the development and implementation of such plans and outreach? What role can and should communication service providers, whose users rely on analog TRS, perform in the outreach and transition process? Are there other state programs, such as telecommunications equipment

distribution programs, or state agencies, separate from TRS programs that the Commission should coordinate with? Should the Commission coordinate with relevant agencies independently or in connection with membership associations, such as NASRA and the Telecommunications Equipment Distribution Program Association (TEDPA)? Should the Commission coordinate with trade associations whose members include communication services providers? If a state is considering discontinuing its state TRS program, what role should the Commission fulfill in that transition?

52. The Commission also seeks comment on any barriers to coordination. To what extent are analog TRS providers limited in the information they are able to share with state TRS programs and the Commission for conducting outreach, while continuing to protect the privacy of customer information? What steps can the Commission take to allow state TRS programs access to more detailed information about individual analog TRS users? If necessary, how could the Commission ensure that such consumers are notified about the potential sharing with and use of personally identifiable information by state TRS programs? Could analog TRS providers provide this notification? Could communication service providers provide this notification? If notification can be provided, should the Commission permit consumers to opt-out of sharing such information? How should the Commission ensure such notifications are accessible?

Other Analog Relay Issues

53. Where a form of TRS is not offered in state TRS programs, the Commission may adopt reasonable measures to ensure equitably distributed contributions from all interstate and intrastate service providers subject to the Commission's authority under sections 225 and 715 of the Act. However, states are not precluded from funding and administering any form of intrastate TRS, including internet-based TRS. As users of TTY Relay, CTS, and STS transition to internet-based options, the Commission seeks comment on the extent to which States plan to continue supporting any forms of TRS, once the telephone network has fully transitioned from analog to IP technology. For example, assuming that the Commission affirms the eligibility of RTT-based relay service and IP STS for TRS Fund compensation, are states likely to support those forms of TRS? How does the broader ongoing transition towards an all-IP

communication network impact state decision making? For states that pursue the provision of internet-based forms of TRS, how should the Commission ensure the appropriate separation of costs?

54. Some states, leveraging their intrastate TRS funds, have expanded their offerings beyond analog TRS services to address the evolving communication needs of their residents. Many states operate telecommunications equipment programs, often supported by their intrastate TRS funds. Beyond these, states have pursued other specialized services and initiatives funded from their intrastate TRS funds. Missouri, for instance, added Relay Conference Captioning (RCC) service, a real-time captioning solution designed specifically for conference calls and group meetings, which it funds from its intrastate Relay Missouri Fund. Although the Commission does not mandate them, it has encouraged states to offer non-shared language TRS, noting that states can permissibly exceed federal mandatory minimum standards to meet the unique needs of their diverse populations. Two states, Maryland and Oregon, operate Communication Facilitator (CF) services, funded from their intrastate Relay Fund, which provide equal access to telecommunications to residents who are deafblind via in-person skilled signers so that these people who are deafblind can participate in video conversations.

55. These additional programs highlight how states utilize their intrastate TRS funds for equipment distribution programs and specialized services to address specific community needs. The Commission seeks comment on whether there are other types of programs or communication services, beyond those already identified, that states are considering or funding through their intrastate TRS programs to support their residents with hearing and speech disabilities. If states do not end up supporting the internet-based forms of TRS, what is the optimal role for state relay programs and their intrastate TRS funds? The Commission also invites comments on how the Commission can support state-specific initiatives and ensure a cohesive, efficient nationwide TRS framework as technology and user needs continue to evolve.

56. To ensure the continued availability of TRS to those users who may still be served by analog telephone facilities, the Commission seeks comment on whether to establish a temporary national certification process for providers of TTY Relay and STS.

Should a national certification process for TTY Relay and STS providers mirror the federal certification framework already in place for internet-based forms of TRS? The Commission believes such an approach would help ensure that the diminishing number of users still served by copper facilities are not left without recourse if the state chooses to discontinue the provision of TTY Relay or terminates its TRS program before all users in the state have access to internet-based forms of TRS. The Commission seeks comment on that belief. Are there other approaches the Commission should consider to ensure continued access to TRS services during network transitions? Should the Commission establish a sunset for the national certification process? What factors should the Commission consider in establishing a sunset? Should it be date specific or should the Commission rely on specific events occurring, such as no TTY Relay use over a one-year period? If the sunset should be dependent on specific events occurring, what events should the Commission consider?

57. Under this approach, grant of certification would allow the certified provider to provide TRS in any state that ends its provision of TTY Relay or discontinues its TRS program. If more than one application for certification is received, the Commission seeks comment on whether the Commission should grant a national certification to a single applicant or multiple applicants. If the Commission grants a certification to only one entity, what factors should the Commission consider in granting that certification? What weight should it assign the various factors? How should service continuity be ensured in states where current contracts expire or are terminated, and what coordination mechanisms would be necessary between state agencies and the national provider(s)? Alternatively, should the Commission manage the underlying 8XX telephone number associated with 711 in each state? What steps would the Commission need to take to be able to obtain, hold, and assign the relevant, underlying 8XX telephone number(s) for TTY Relay within a state? If the Commission approved multiple national providers, would the Commission be able to maintain the 711 calling structures? Could consumers be afforded the opportunity to choose a provider when dialing 711? What are the costs and benefits of establishing national certification for TTY Relay? For STS? Would adopting such a national certification process allow the

Commission to lift the mandatory status for STS, allowing states to transition away from analog forms of TRS without surrendering the certification for their entire TRS program?

58. The Commission also seeks comment on whether to require any nationally certified analog relay provider(s) to provide CTS in addition to TTY Relay and STS. Would requiring the provision of all three forms of analog relay service better ensure that intrastate and interstate TRS are available nationwide to the extent possible, and in the most efficient manner?

59. The Commission proposes that the nationally certified relay provider(s) be compensated from the Interstate TRS Fund, where it is providing service in a state that has discontinued its TRS program or does not support the provided forms of TRS. This approach aligns with the established funding mechanism for IP Relay, VRS, and IP CTS, which are entirely supported through TRS Fund contributions based on interstate and intrastate revenue. The Commission seeks comment on this proposal. The Commission also invites comment on how the jurisdictional separation of costs between intrastate and interstate funds would work in practice, where the TRS Fund would reimburse the nationally certified provider for both its intrastate and interstate minutes of TRS, and state-contracted providers for only their intrastate minutes. Would such a change unduly burden the calculation of the relevant contribution factor? The Commission also seeks comment on the potential costs and benefits of such a funding model on both the TRS Fund and state-administered funds.

60. While internet-based TRS users are subject to various registration and verification requirements, analog TRS, such as TTY Relay, CTS, and STS, currently lack comparable mandated user registration and centralized verification processes. To further strengthen the integrity and oversight of the entire TRS program and build upon the recognized benefits of a user registration database, the Commission proposes to extend comprehensive user registration and verification requirements to all forms of TRS, including these analog services and any future internet-based forms of TRS. This expansion is crucial to ensuring that all services supported by the TRS Fund operate with enhanced accountability and to combat waste, fraud, and abuse program-wide. Such a measure would allow the Commission to gather complete and accurate data on service demand and utilization across the entire TRS landscape. The Commission seeks

comprehensive comment on the feasibility, costs, and benefits of extending user registration and verification requirements to all forms of TRS. Commenters should detail any unique technical or operational challenges for specific services (*e.g.*, TTY Relay, STS, CTS, or IP Relay, or proposed IP STS and RTT-based relay service), and identify the specific types of data that would be most relevant and least burdensome for the providers to collect and submit. The Commission also seeks comment on the burdens this would impose on users of each service and the providers of each service? Have registration requirements impeded user access or caused any users not to sign up? What privacy concerns arise with collecting such data and what methods are available to mitigate such concerns? The Commission also solicits input on how current user registration data elements might apply or need modification for these services, and the timeframe for implementation.

61. In the alternative, the Commission seek comment on codifying and extending the current IP Relay registration requirements to analog TRS and the proposed services of IP STS and RTT-based relay service. Specifically, the Commission seeks comment on codifying a “reasonable means of verifying” and “consumer education and outreach efforts” requirements into the Commission’s general TRS user registration and verification rules. This would explicitly require providers to implement a reasonable and not unduly burdensome means of verifying user registration and eligibility, alongside consumer education and outreach efforts on the importance of accurate registration. The Commission seeks comment on the appropriateness, feasibility, and potential impact of codifying these specific requirements, including the costs and benefits of applying them uniformly IP Relay, TTY Relay, STS, CTS, and the proposed IP STS and RTT-based relay service.

62. The Commission also seeks comment and supporting data on the various ways individuals currently sign up for service, such as through an in-person representative, a remote conversation with a CA, or a purely electronic application with no human interaction. Should the Commission codify one or more of these proven methods, conducting in-person or on-camera ID checks, as a safe harbor for identification verification? The Commission invites commenters to provide specific data on the efficacy, costs, and benefits associated with different sign-up and verification methods, including the rate of

successful verification and user experience. The Commission also invites comments on the safe harbor method for identification verification and whether another method would be more effective as a safe harbor.

63. TRS providers seeking compensation from the TRS Fund must submit Call Detail Records (CDRs) to the TRS Fund administrator for each call for which compensation is sought. The data submission requirements are designed to ensure effective oversight, fund administration, and accountability, and to help enable the determination of a TRS Fund budget for each service, as well as the determination of provider compensation rates.

64. To further enhance the integrity and ensure consistent oversight across the entire TRS program, the Commission proposes that all TRS providers, including those offering traditional analog services as well as any future forms of TRS, such as IP STS and RTT-based relay service, submit comprehensive CDRs to the TRS Fund administrator for intrastate and interstate TRS calls and minutes, whether or not providers are currently compensated for those minutes from the TRS Fund. This measure would strengthen the Commission’s ability to combat waste, fraud, and abuse, ensuring that all services supported by the TRS Fund operate with enhanced accountability. The Commission seeks comment on the feasibility, costs, and benefits of clarifying that all TRS providers must meet these CDR requirements, detailing any unique technical or operational challenges for specific services that receive compensation from state TRS programs. Commenters should address the specific types of data that would be most relevant and least burdensome for analog services to collect and submit, how the current CDR data elements (*e.g.*, minutes of use, unique identifiers, speed of answer) might apply or need modification for these services, and the timeframe for implementation.

65. To help the Commission evaluate the efficacy and appropriateness of our existing regulatory frameworks, the Commission also seeks comment on whether any of the current CDR requirements can be modified or eliminated to reduce administrative burden on providers and the TRS Fund administrator, without compromising program integrity or the Commission’s oversight capabilities. Commenters should identify specific CDR elements that they believe are redundant, obsolete, or impose an unduly burdensome collection effort, and propose alternative data points or

methodologies that could achieve the same regulatory objectives more efficiently. Are some categories of call data inapplicable or unnecessary for certain types of TRS? Are there additional categories of call data that should be collected for certain types of TRS? The Commission also seeks comment on whether the current granularity of detail required for specific call types, such as integrated VRS in video conferences, is appropriate, or if a more streamlined approach could be adopted.

Updating or Deleting Obsolete or Unnecessary Rules

66. As part of the Commission's effort to modernize the TRS program, the Commission proposes to update the TRS rules by deleting or modifying regulations that are obsolete or otherwise burdensome and unnecessary. The Commission seeks comment on these proposals and the questions, beliefs, and assumptions stated below.

67. Section 64.604(a)(1)(i) of the Commission's rules places a requirement on TRS providers to ensure "all CAs be sufficiently trained to effectively meet the specialized communications needs of individuals with hearing and speech disabilities." To meet this requirement, many TRS providers maintain their own dedicated CA training programs. While provider maintained training programs are a useful and effective mechanism for ensuring CAs are sufficiently trained, the Commission believes there are other ways TRS providers can ensure their CAs effectively meet the specialized communications needs of people with hearing and speech disabilities. For example, providers may be able to establish that their CAs meet this requirement through evidence of third-party certifications and degrees, independent courses, and other life experience that demonstrate a CA has the required competencies to effectively meet the needs of TRS users.

Accordingly, the Commission proposes to delete the phrase "be sufficiently trained to," giving providers more flexibility to ensure CAs effectively meet the specialized communications needs of individuals with hearing and speech disabilities. The Commission seeks comment on this proposal and belief.

68. Section 64.604(a)(1)(vi) of the Commission's rules requires TRS providers to "make best efforts to accommodate a TRS user's requested CA gender when a call is initiated and, if a transfer occurs, at the time the call is transferred to another CA." The Commission proposes to delete this

rule. The Commission encourages TRS providers to accommodate such requests, as fulfilling such requests may provide a more natural call experience and reduce the number of abandoned TRS calls. However, "best efforts" obligations are inherently difficult to enforce. Further, the Commission believes TRS providers have a built-in financial incentive to attempt to fulfill user preferences to avoid that user changing to another provider or from the user disconnecting and reconnecting to attempt to find a CA with specific attributes.

69. Section 64.604(a)(3)(iii) of the Commission's rules allows TRS providers to decline to complete a call because credit authorization is denied. The Commission proposes to delete this rule, as the Commission does not believe credit authorization is currently an issue for TRS calls. In the last five years, have TRS providers ever declined to complete a call because credit authorization is denied? If so, what is the frequency of such occurrences? What is the cost to a provider to complete a call where credit authorization is denied?

70. Section 64.604(a)(3)(iv) of the Commission's rules requires analog TRS (TTY Relay, STS, and CTS) to be capable of handling pay-per-call calls. The Commission proposes to delete this rule. The Commission believes the use of pay-per-call (900) calls is no longer sufficiently prevalent in the United States to warrant an explicit rule requiring TRS providers to support that type of call. The Commission also notes that, with or without a specific pay-per-call provision, TRS providers remain subject to the general requirement that they "be capable of handling any type of call normally provided by telecommunications carriers unless the Commission determines that it is not technologically feasible to do so." Is it still technologically feasible to complete 900 number calls using analog TRS? What are the costs and benefits of retaining a specific requirement, given that the general types-of-call provision would still require pay-per-call calls to be handled if "normally provided" and technologically feasible?

71. Section 64.604(a)(3)(v) of the Commission's rules requires TRS providers to provide specific types of TRS calls, such as text-to-voice and voice-to-text, one-line voice carry over (VCO), two-line VCO, VCO-to-TTY, and VCO-to-VCO, one-line hearing carry over (HCO), two-line HCO, HCO-to-TTY, and HCO-to-HCO. The rule also exempts internet-based TRS providers from some of these requirements. The Commission seeks comment on whether

updates to this provision are needed. Are there types of TRS calls or functionality that should be added to or deleted from the list?

72. Section 64.604(b)(2)(ii)(E) of the Commission's rules requires a local exchange carrier (LEC), "upon request," to "provide the call attempt rates and the rates of calls blocked between the LEC and the TRS facility to relay administrators and TRS providers." The Commission proposes to delete this requirement. When the Commission adopted this requirement it also required TRS relay centers to be designed to a P.01 standard, a network design standard used to ensure that no more than one percent of calls at the busiest hour of the day are unable to be delivered to the relay network due to inadequate facilities. In combination with the speed of answer requirement, the Commission could ensure that placing a call using TTY Relay was functionally equivalent to hearing user placing a voice call. The Commission believes that in meeting these network design standards and measuring a TRS's providers speed of answer, it is no longer necessary to maintain an explicit rule for a LEC that serves the TRS center to provide call attempt rates and the rates of blocked calls between the LEC and the relay center upon the request of relay administrators and TRS providers. The Commission seeks comment on this belief.

73. Section 64.604(b)(4)(i) of the Commission's rules incorporates the statutory requirement that relay services must "operate every day, 24 hours a day." However, the rule exempts relay services (other than VRS) from this requirement, if they "are not mandated by this Commission." As a result, TTY Relay and STS, as "mandatory" services, are required to operate 24/7, as is VRS, while other "non-mandatory" services—IP Relay, IP CTS, and analog CTS—are exempt from this requirement. While such differential application of the 24/7 requirement may have been justified on an interim basis, when the exempt services were still in the experimental stage, the Commission does not believe that the exemption reflects the current operating practices of the providers of non-mandated relay service. Further, the Commission does not believe that the exemption aligns with users' current expectations regarding these relay services. Therefore, the Commission proposes to delete this language and require all forms of TRS to operate every day, 24 hours a day. Adopting this change would bring this rule into alignment with the statutory requirement that TRS operate every day for 24 hours per day.

Are there any current forms of TRS, or variants thereof, for which 24/7 operation would be economically burdensome without increased TRS Fund support? What would be the costs and benefits of continuing to exempt such services?

74. Section 64.604(b)(5) of the Commission's rules states that "[n]o regulation set forth in this subpart is intended to discourage or impair the development of improved technology that fosters the availability of telecommunications to person with disabilities." In addition, § 64.604(b)(5) of the Commission's rules explicitly permits TRS facilities to "use SS7 technology or any other type of similar technology to enhance the functional equivalency and quality of TRS" and provides that facilities that use SS7 technology are subject to the Calling Party Telephone Number rules. The Commission proposes to delete this provision in its entirety. The statement that the TRS regulations "are not intended to discourage or impair the development of improved technology" refers to the statutory directive to the Commission to "ensure that regulations prescribed to implement this section encourage, consistent with section 157(a) of this title, the use of existing technology and do not discourage or impair the development of improved technology." This statutory directive applies regardless of any disclaimer in the Commission's rules. Thus, it appears that the disclaimer in the Commission's rules serves no purpose. As for the statements regarding SS7 technology, they too appear to be mere surplusage. Without this language, the Commission believes such technology would still be permitted for use and that the Calling Telephone Number rules would continue to apply where SS7 is used. As such, retention of this provision appears unnecessary.

Closing CG Docket No. 08–15

75. The Commission seeks comment on closing CG Docket No. 08–15, Speech-to-Speech and Internet Protocol (IP) Speech-to-Speech Telecommunications Relay Services. This docket has been inactive for at least a decade. Furthermore, the Commission conducted proceedings in this docket in parallel with CG Docket No. 03–123. In seeking to develop a fresh record on STS, IP STS, and video-assisted STS, the Commission does not see a need to maintain a separate duplicative record, and the Commission believes closing the docket eliminates a duplicative filing requirement that unnecessarily burden commenters. The Commission seeks comment on this belief. The only

comments that should be filed in CG Docket No. 08–15 should be those comments raising concerns with closing CG Docket No. 08–15. Comments on all other matters in this proceeding should be filed in CG Docket No. 03–123.

Initial Regulatory Flexibility Analysis

76. As required by the Regulatory Flexibility Act of 1980, as amended (RFA), the Commission has prepared this Initial Regulatory Flexibility Analysis (IRFA) of the policies and rules proposed in the *NPRM* assessing the possible significant economic impact on a substantial number of small entities. The Commission requests written public comments on this IRFA. Comments must be identified as responses to the IRFA and must be filed by the deadlines for comments specified in the item.

77. *Need for, and Objectives of, the Proposed Rules.* In the *NPRM*, the Commission proposes to phase out mandatory support for TTY Relay, permit state TRS programs more flexibility to manage their programs, facilitate the transition from outdated analog forms of TRS to internet-based forms of TRS and other accessible forms of modern communications, streamline eligibility, registration, verification, and data collection requirements, and update or delete obsolete rules. As communications technologies have evolved, analog TRS have seen declining or minimal usage. The Commission proposes these changes to align TRS with modern communications landscape and improve access and service for users of relay service in order to meet its statutory obligation to ensure that TRS are available, "to the extent possible and in the most efficient manner," to individuals with hearing or speech disabilities in the United States. The Commission also seeks to ensure that all forms of TRS are used appropriately and efficiently, and to safeguard the TRS Fund from waste, fraud, and abuse.

78. *Legal Basis.* The proposed action is authorized pursuant to sections 1, 2, 4(i), (4)(j), and 225 of the Act.

79. *Description and Estimate of the Number of Small Entities Impacted.* The rules proposed in the *NPRM* will apply to small entities in the All Other Telecommunications industries. The Commission estimates that the majority of "All Other Telecommunications" firms can be considered small.

80. *Description of Projected Reporting, Recordkeeping, and Other Compliance Requirements.* The changes proposed in the *NPRM*, if adopted, could impose new or modified reporting, recordkeeping, or other compliance obligations on certain small

entities that provide TTY Relay, STS, CTS, or seek to provide IP STS or RTT-based relay service. The Commission proposes to make clear the applicability of its call data collection requirements to all forms of TRS to help the TRS Fund administrator verify the validity of submitted minutes of use and seeks comments on any modifications to the call data requirements to ensure collection of appropriate data for each service and avoid unnecessarily burdening small entities. The Commission also seeks comment on streamlining and unifying the applicability of user eligibility, registration, and verification rules to safeguard the TRS program. This could include the collection and verification of user identity and location information, as well as, eligibility certifications. The Commission seeks comment on the specific process that should be utilized for each form of TRS, including the type of documentation or assessment required to confirm eligibility, and how to balance ease of access for legitimate users with robust protections against misuse. The information the Commission receives in comments will help the Commission identify and evaluate relevant compliance matters, costs, and other burdens for small entities that may result from the proposals and inquiries made in the *NPRM*.

81. *Significant Alternatives Considered That Minimize the Significant Economic Impact on Small Entities.* The proposed changes to the Commission's TRS rules are designed to align the Commission's TRS program and state TRS programs with modern communications services and better serve the needs of relay users. The Commission seeks to alleviate the burden to state TRS programs and analog TRS providers to continue to support and maintain outdated forms of TRS that are becoming more difficult to provide and support over IP-based communication networks. To facilitate this process, while minimizing the economic impact to small entities, the Commission inquiries on an appropriate process for transitioning analog TRS users, plans and timelines for changes to state TRS program, maintaining support for analog forms of TRS during the transition period, introducing comparable, modern forms of TRS, and aligning and right sizing requirements for registering and verifying TRS users and collecting call detail records. The item also inquiries about reducing burdens through updating or deleting obsolete or unnecessarily burdensome rules.

82. The *NPRM*, seeks comment from all interested parties, particularly those of small business entities. Small entities are encouraged to bring to the Commission's attention any specific concerns they may have with the proposals outlined in document FCC 25–79 and outline any suggested alternatives. The Commission expects to consider the economic impact on small entities, as identified in comments filed in response to document FCC 25–79, in reaching its final conclusions and taking action in this proceeding.

83. *Federal Rules that May Duplicate, Overlap, or Conflict with the Proposed Rules.* None.

List of Subjects in 47 CFR Part 64

Communications, Communications common carriers, Communications equipment, Individuals with disabilities, Telecommunications. Federal Communications Commission.

Marlene Dortch,
Secretary, Office of the Secretary.

Proposed Rules

For the reasons discussed in the preamble, the Federal Communications

Commission proposes to amend 47 CFR part 64 as follows:

**PART 64—MISCELLANEOUS RULES
RELATING TO COMMON CARRIERS**

■ 1. The authority for part 64 continues to read as follows:

Authority: 47 U.S.C. 151, 152, 154, 201, 202, 217, 218, 220, 222, 225, 226, 227, 227b, 228, 251(a), 251(e), 254(k), 255, 262, 276, 403(b)(2)(B), (c), 616, 620, 716, 1401–1473, unless otherwise noted; Pub. L. 115–141, Div. P, sec. 503, 132 Stat. 348, 1091; Pub. L. 117–338, 136 Stat. 6156.

■ 2. Amend § 64.604 by:

- a. Revising paragraph (a)(1)(i);
- b. Removing and reserving paragraphs (a)(1)(vi), (a)(3)(iii) and (iv), and (b)(2)(ii)(E);
- c. Revising paragraph (b)(4)(i); and
- d. Removing and reserving paragraph (b)(5).

The revisions read as follows:

§ 64.604 Mandatory minimum standards.

* * * * *

(a) * * *

(1) * * *

(i) TRS providers are responsible for requiring that all CAs effectively meet

the specialized communications needs of individuals with hearing and speech disabilities.

* * * * *

(vi) [Reserved]

* * * * *

(3) * * *

(iii) [Reserved]

(iv) [Reserved]

* * * * *

(b) * * *

(2) * * *

(ii) * * *

(E) [Reserved]

* * * * *

(4) * * *

(i) TRS shall operate every day, 24 hours a day.

* * * * *

(5) [Reserved]

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[FR Doc. 2025–24210 Filed 12–31–25; 8:45 am]

BILLING CODE 6712–01–P

Notices

Federal Register

Vol. 91, No. 1

Friday, January 2, 2026

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

International Trade Administration

Antidumping or Countervailing Duty Order, Finding, or Suspended Investigation; Advance Notification of Sunset Review

AGENCY: Enforcement and Compliance, International Trade Administration, Department of Commerce.

Background

Every five years, pursuant to the Tariff Act of 1930, as amended (the Act), the U.S. Department of Commerce (Commerce) and the U.S. International Trade Commission automatically initiate and conduct reviews to determine whether revocation of an antidumping duty or countervailing duty order or termination of an investigation suspended under section 704 or 734 of the Act would be likely to lead to continuation or recurrence of dumping or a countervailable subsidy (as the case may be) and of material injury.

Upcoming Sunset Reviews for February 2026

Pursuant to section 751(c) of the Act, the following Sunset Reviews are scheduled for initiation in February

2026 and will appear in that month's *Notice of Initiation of Five-Year Sunset Reviews* (Sunset Review).

	Department contact
Antidumping Duty Proceedings	
Preserved Mushrooms from Chile, A-337-804 (5th Review)	Walter Ankner, (202) 482-8374.
Corrosion Inhibitors from China, A-570-122 (1st Review)	Mary Kolberg, (202) 482-1785.
Crepe Paper from China, A-570-895 (4th Review)	Thomas Martin, (202) 482-3938.
Diffluoromethane (R-32) from China, A-570-121 (1st Review)	Thomas Martin, (202) 482-3938.
Hand Trucks from China, A-570-891 (4th Review)	Walter Ankner, (202) 482-8374.
Large Vertical Shaft Engines from China, A-570-119 (1st Review)	Walter Ankner, (202) 482-8374.
Preserved Mushrooms from China, A-570-851 (5th Review)	Walter Ankner, (202) 482-8374.
Preserved Mushrooms from India, A-533-813 (5th Review)	Walter Ankner, (202) 482-8374.
Preserved Mushrooms from Indonesia, A-560-802 (5th Review)	Walter Ankner, (202) 482-8374.
Countervailing Duty Proceedings	
Corrosion Inhibitors from China, C-570-123 (1st Review)	Mary Kolberg, (202) 482-1785.
Large Vertical Shaft Engines from China, C-570-120 (1st Review)	Mary Kolberg, (202) 482-1785.

Suspended Investigations

No Sunset Review of suspended investigations is scheduled for initiation in February 2026.

Commerce's procedures for the conduct of Sunset Reviews are set forth in 19 CFR 351.218. The *Notice of Initiation of Five-Year (Sunset) Review* provides further information regarding what is required of all parties to participate in Sunset Reviews.

Pursuant to 19 CFR 351.103(c), Commerce will maintain and make available a service list for these proceedings. To facilitate the timely preparation of the service lists, it is requested that those seeking recognition as interested parties to a proceeding contact Commerce in writing within 10 days of the publication of the Notice of Initiation.

Note that if Commerce receives a Notice of Intent to Participate from a member of the domestic industry within 15 days of the date of initiation, the review will continue.

Thereafter, any interested party wishing to participate in the Sunset Review must provide substantive comments in response to the notice of initiation no later than 30 days after the date of initiation. Note that Commerce has amended certain of its requirements pertaining to the service of documents in 19 CFR 351.303(f).¹ An electronically-filed document must be received successfully in its entirety via Commerce's online e-filing and document management system,

¹ See *Administrative Protective Order, Service, and Other Procedures in Antidumping and Countervailing Duty Proceedings; Final Rule*, 88 FR 67069 (September 29, 2023).

Antidumping and Countervailing Duty Electronic Service System (ACCESS) by 5:00 p.m. Eastern Time on the day on which it is due. For further information on procedures for filing information with Commerce through ACCESS, refer to User Guide found at <https://access.trade.gov/login.aspx>.

In prior proceedings we have encouraged interested parties to provide an executive summary of their comments, including footnotes. In these sunset reviews, we request that interested parties provide, at the beginning of their comments, an executive summary for each issue raised in their comments. Further, we request that interested parties limit their public executive summary of each issue to no more than 450 words, not including citations. We intend to use the public executive summaries as the basis of the

comment summaries included in the decision memorandum that will accompany the notice to be published in the **Federal Register**. Finally, we request that interested parties include footnotes for relevant citations in the public executive summary of each issue.

Notification to Interested Parties

This notice is not required by statute but is published as a service to the international trading community.

Dated: December 19, 2025.

Scot Fullerton,

Acting Deputy Assistant Secretary for Antidumping and Countervailing Duty Operations.

[FR Doc. 2025–24161 Filed 12–31–25; 8:45 am]

BILLING CODE 3510–DS–P

DEPARTMENT OF COMMERCE

International Trade Administration

Antidumping or Countervailing Duty Order, Finding, or Suspended Investigation; Opportunity To Request Administrative Review and Join Annual Inquiry Service List

AGENCY: Enforcement and Compliance, International Trade Administration, Department of Commerce.

FOR FURTHER INFORMATION CONTACT:

Brenda E. Brown, AD/CVD Operations, Customs Liaison Unit, Enforcement and Compliance, International Trade Administration, U.S. Department of Commerce, 1401 Constitution Avenue NW, Washington, DC 20230, telephone: (202) 482–4735.

Background

Each year during the anniversary month of the publication of an antidumping duty (AD) or countervailing duty (CVD) order, finding, or suspended investigation, an interested party, as defined in section 771(9) of the Tariff Act of 1930, as amended (the Act), may request, in accordance with 19 CFR 351.213, that the U.S. Department of Commerce (Commerce) conduct an administrative review of that AD or CVD order, finding, or suspended investigation.

All deadlines for the submission of comments or actions by Commerce discussed below refer to the number of calendar days from the applicable starting date.

Respondent Selection

In the event Commerce limits the number of respondents for individual examination for administrative reviews initiated pursuant to requests made for the orders identified below, Commerce

intends to select respondents based on U.S. Customs and Border Protection (CBP) data for U.S. imports during the period of review (POR). We intend to release the CBP data under administrative protective order (APO) to all parties having an APO within five days of publication of the initiation notice and to make our decision regarding respondent selection within 35 days of publication of the initiation **Federal Register** notice. Therefore, we encourage all parties interested in commenting on respondent selection to submit their APO applications on the date of publication of the initiation notice, or as soon thereafter as possible. Commerce invites comments regarding the CBP data and respondent selection within five days of placement of the CBP data on the record of the review.

In the event Commerce decides it is necessary to limit individual examination of respondents and conduct respondent selection under section 777A(c)(2) of the Act:

1. In general, Commerce finds that determinations concerning whether particular companies should be “collapsed” (*i.e.*, treated as a single entity for purposes of calculating AD rates) require a substantial amount of detailed information and analysis, which often require follow-up questions and analysis. Accordingly, Commerce will not conduct collapsing analyses at the respondent selection phase of a review and will not collapse companies at the respondent selection phase unless there has been a determination to collapse certain companies in a previous segment of this AD proceeding (*i.e.*, investigation, administrative review, new shipper review, or changed circumstances review).

2. For any company subject to a review, if Commerce determined, or continued to treat, that company as collapsed with others, Commerce will assume that such companies continue to operate in the same manner and will collapse them for respondent selection purposes. Otherwise, Commerce will not collapse companies for purposes of respondent selection.

3. Parties are requested to: (a) identify which companies subject to review previously were collapsed; and (b) provide a citation to the proceeding in which they were collapsed.

4. Further, if companies are requested to complete a Quantity and Value Questionnaire for purposes of respondent selection, in general, each company must report volume and value data separately for itself. Parties should not include data for any other party, even if they believe they should be treated as a single entity with that other

party. If a company was collapsed with another company or companies in the most recently completed segment of a proceeding where Commerce considered collapsing that entity, complete quantity and value data for that collapsed entity must be submitted.

Deadline for Withdrawal of Request for Administrative Review

Pursuant to 19 CFR 351.213(d)(1), a party that requests a review may withdraw that request within 90 days of the date of publication of the notice of initiation of the requested review. The regulation provides that Commerce may extend this time if it is reasonable to do so. Determinations by Commerce to extend the 90-day deadline will be made on a case-by-case basis.

Deadline for Particular Market Situation Allegation

Section 504 of the Trade Preferences Extension Act of 2015 amended the Act by adding the concept of particular market situation (PMS) for purposes of constructed value under section 773(e) of the Act.¹ Section 773(e) of the Act states that “if a particular market situation exists such that the cost of materials and fabrication or other processing of any kind does not accurately reflect the cost of production in the ordinary course of trade, the administering authority may use another calculation methodology under this subtitle or any other calculation methodology.” When an interested party submits a PMS allegation, pursuant to section 773(e) of the Act, Commerce will respond to such a submission consistent with 19 CFR 351.301(c)(2)(v). If Commerce finds that a PMS exists under section 773(e) of the Act, then it will modify its dumping calculations appropriately.

Neither section 773(e) of the Act nor 19 CFR 351.301(c)(2)(v) set a deadline for the submission of PMS allegations and supporting factual information. However, in order to administer section 773(e) of the Act, Commerce must receive PMS allegations and supporting factual information with enough time to consider the submission. Thus, should an interested party wish to submit a PMS allegation and supporting new factual information pursuant to section 773(e) of the Act, it must do so no later than 20 days after submission of initial Section D responses.

¹ See Trade Preferences Extension Act of 2015, Public Law 114–27, 129 Stat. 362 (2015).

Opportunity To Request a Review: Not later than the last day of January 2026,² interested parties may request an

administrative review of the following orders, findings, or suspended

investigations, with anniversary dates in January for the following periods:

	Period
Antidumping Duty Proceedings	
BELARUS: Carbon and Alloy Steel Wire Rod, A-822-806	1/1/25-12/31/25
BRAZIL: Prestressed Concrete Steel Wire Strand, A-351-837	1/1/25-12/31/25
CANADA: Softwood Lumber, A-122-857	1/1/25-12/31/25
FRANCE: Certain Preserved Mushrooms, A-427-833	1/1/25-12/31/25
GERMANY:	
Forged Steel Fluid End Blocks, A-428-847	1/1/25-12/31/25
Melamine, A-428-852	9/24/24-12/31/25
INDIA:	
Prestressed Concrete Steel Wire Strand, A-533-828	1/1/25-12/31/25
Polyester Textured Yarn, A-533-885	1/1/25-12/31/25
ITALY: Forged Steel Fluid End Blocks, A-475-840	1/1/25-12/31/25
JAPAN: Melamine, A-588-882	9/24/24-12/31/25
MEXICO: Prestressed Concrete Steel Wire Strand, A-201-831	1/1/25-12/31/25
REPUBLIC OF KOREA: Prestressed Concrete Steel Wire Strand, A-580-852	1/1/25-12/31/25
RUSSIA: Carbon and Alloy Steel Wire Rod, A-821-824	1/1/25-12/31/25
SOUTH AFRICA: Ferrovandium, A-791-815	1/1/25-12/31/25
THAILAND: Prestressed Concrete Steel Wire Strand, A-549-820	1/1/25-12/31/25
THE NETHERLANDS: Melamine, A-421-817	9/24/24-12/31/25
THE PEOPLE'S REPUBLIC OF CHINA:	
Calcium Hypochlorite, A-570-008	1/1/25-12/31/25
Carbon and Certain Alloy Steel Wire Rod, A-570-012	1/1/25-12/31/25
Crepe Paper Products, A-570-895	1/1/25-12/31/25
Ferrovandium, A-570-873	1/1/25-12/31/25
Folding Gift Boxes, A-570-866	1/1/25-12/31/25
Certain Hardwood Plywood Products, A-570-051	1/1/25-12/31/25
Polyester Textured Yarn, A-570-097	1/1/25-12/31/25
Potassium Permanganate, A-570-001	1/1/25-12/31/25
Wooden Bedroom Furniture, A-570-890	1/1/25-12/31/25
TRINIDAD AND TOBAGO: Melamine, A-274-810	9/24/24-12/31/25
UNITED ARAB EMIRATES: Carbon and Alloy Steel Wire Rod, A-520-808	1/1/25-12/31/25
Countervailing Duty Proceedings	
ARGENTINA: Biodiesel, C-357-821	1/1/25-12/31/25
CANADA: Softwood Lumber, C-122-858	1/1/25-12/31/25
GERMANY:	
Forged Steel Fluid End Blocks, C-428-848	1/1/25-12/31/25
Melamine, C-428-853	7/22/24-12/31/25
INDIA:	
Polyester Textured Yarn, C-533-886	1/1/25-12/31/25
Forged Steel Fluid End Blocks, C-533-894	1/1/25-12/31/25
INDONESIA: Biodiesel, C-560-831	1/1/25-12/31/25
ITALY: Forged Steel Fluid End Blocks, C-475-841	1/1/25-12/31/25
QATAR: Melamine, C-518-002	7/22/24-12/31/25
THE PEOPLE'S REPUBLIC OF CHINA:	
Calcium Hypochlorite, C-570-009	1/1/25-12/31/25
Carbon and Certain Alloy Steel Wire Rod, C-570-013	1/1/25-12/31/25
Circular Welded Carbon Quality Steel Line Pipe, C-570-936	1/1/25-12/31/25
Forged Steel Fluid End Blocks, C-570-116	1/1/25-12/31/25
Certain Hardwood Plywood Products, C-570-052	1/1/25-12/31/25
Oil Country Tubular Goods, C-570-944	1/1/25-12/31/25
Polyester Textured Yarn, C-570-098	1/1/25-12/31/25
Certain Tool Chests and Cabinets, C-570-057	1/1/25-12/31/25
TRINIDAD AND TOBAGO: Melamine, C-274-811	7/24/24-12/31/25

Suspension Agreements

None.

In accordance with 19 CFR 351.213(b), an interested party as defined by section 771(9) of the Act may request in writing that Commerce conduct an administrative review. For

both AD and CVD reviews, the interested party must specify the individual producers or exporters covered by an AD finding or an AD or CVD order or suspension agreement for which it is requesting a review. In addition, a domestic interested party or an interested party described in section

771(9)(B) of the Act must state why it desires Commerce to review those particular producers or exporters. If the interested party intends for Commerce to review sales of merchandise by an exporter (or a producer if that producer also exports merchandise from other suppliers) which was produced in more

² Or the next business day, if the deadline falls on a weekend, Federal holiday or any other day when Commerce is closed.

than one country of origin and each country of origin is subject to a separate order, then the interested party must state specifically, on an order-by-order basis, which exporter(s) the request is intended to cover.

Note that, for any party Commerce was unable to locate in prior segments, Commerce will not accept a request for an administrative review of that party absent new information as to the party's location. Moreover, if the interested party who files a request for review is unable to locate the producer or exporter for which it requested the review, the interested party must provide an explanation of the attempts it made to locate the producer or exporter at the same time it files its request for review, in order for Commerce to determine if the interested party's attempts were reasonable, pursuant to 19 CFR 351.303(f)(3)(ii).

As explained in *Antidumping and Countervailing Duty Proceedings: Assessment of Antidumping Duties*, 68 FR 23954 (June 6, 2003), and *Non-Market Economy Antidumping Proceedings: Assessment of Antidumping Duties*, 76 FR 65694 (October 24, 2011), Commerce clarified its practice with respect to the collection of final antidumping duties on imports of merchandise where intermediate firms are involved. The public should be aware of this clarification in determining whether to request an administrative review of merchandise subject to AD findings and orders.³

Commerce no longer considers the non-market economy (NME) entity as an exporter conditionally subject to an AD administrative review.⁴ Accordingly, the NME entity will not be under review unless Commerce specifically receives a request for, or self-initiates, a review of the NME entity.⁵ In administrative reviews of AD orders on merchandise from NME countries where a review of the NME entity has not been initiated, but where an individual exporter for which a review was initiated does not qualify for a separate rate, Commerce will issue a final decision indicating that the company in question is part of

the NME entity. However, in that situation, because no review of the NME entity was conducted, the NME entity's entries were not subject to the review and the rate for the NME entity is not subject to change as a result of that review (although the rate for the individual exporter may change as a function of the finding that the exporter is part of the NME entity). Following initiation of an AD administrative review when there is no review requested of the NME entity, Commerce will instruct CBP to liquidate entries for all exporters not named in the initiation notice, including those that were suspended at the NME entity rate.

All requests must be filed electronically in Enforcement and Compliance's Antidumping and Countervailing Duty Centralized Electronic Service System (ACCESS) on Enforcement and Compliance's ACCESS website at <https://access.trade.gov>.⁶ Further, in accordance with 19 CFR 351.303(f)(1)(i), a copy of each request must be served on the petitioner and each exporter or producer specified in the request. Note that Commerce has amended certain of its requirements pertaining to the service of documents in 19 CFR 351.303(f).⁷

Commerce will publish in the **Federal Register** a notice of "Initiation of Administrative Review of Antidumping or Countervailing Duty Order, Finding, or Suspended Investigation" for requests received by the last day of January 2026. If Commerce does not receive, by the last day of January 2026, a request for review of entries covered by an order, finding, or suspended investigation listed in this notice and for the period identified above, Commerce will instruct CBP to assess antidumping or countervailing duties on those entries at a rate equal to the cash deposit of estimated antidumping or countervailing duties required on those entries at the time of entry, or withdrawal from warehouse, for consumption and to continue to collect the cash deposit previously ordered.

For the first administrative review of any order, there will be no assessment of antidumping or countervailing duties on entries of subject merchandise entered, or withdrawn from warehouse, for consumption during the relevant provisional-measures "gap" period of

the order, if such a gap period is applicable to the period of review.

Establishment of and Updates to the Annual Inquiry Service List

On September 20, 2021, Commerce published the final rule titled "*Regulations to Improve Administration and Enforcement of Antidumping and Countervailing Duty Laws*" in the **Federal Register**.⁸ On September 27, 2021, Commerce also published the notice entitled "*Scope Ruling Application; Annual Inquiry Service List; and Informational Sessions*" in the **Federal Register**.⁹ The *Final Rule* and *Procedural Guidance* provide that Commerce will maintain an annual inquiry service list for each order or suspended investigation, and any interested party submitting a scope ruling application or request for circumvention inquiry shall serve a copy of the application or request on the persons on the annual inquiry service list for that order, as well as any companion order covering the same merchandise from the same country of origin.¹⁰

In accordance with the *Procedural Guidance*, for orders published in the **Federal Register** before November 4, 2021, Commerce created an annual inquiry service list segment for each order and suspended investigation. Interested parties who wished to be added to the annual inquiry service list for an order submitted an entry of appearance to the annual inquiry service list segment for the order in ACCESS and, on November 4, 2021, Commerce finalized the initial annual inquiry service lists for each order and suspended investigation. Each annual inquiry service list has been saved as a public service list in ACCESS, under each case number, and under a specific segment type called "AISL-Annual Inquiry Service List."¹¹

As mentioned in the *Procedural Guidance*, beginning in January 2022,

⁸ See *Regulations to Improve Administration and Enforcement of Antidumping and Countervailing Duty Laws*, 86 FR 52300 (September 20, 2021) (*Final Rule*).

⁹ See *Scope Ruling Application; Annual Inquiry Service List; and Informational Sessions*, 86 FR 53205 (September 27, 2021) (*Procedural Guidance*).

¹⁰ *Id.*

¹¹ This segment has been combined with the ACCESS Segment Specific Information (SSI) field which will display the month in which the notice of the order or suspended investigation was published in the **Federal Register**, also known as the anniversary month. For example, for an order under case number A-000-000 that was published in the **Federal Register** in January, the relevant segment and SSI combination will appear in ACCESS as "AISL-January Anniversary." Note that there will be only one annual inquiry service list segment per case number, and the anniversary month will be pre-populated in ACCESS.

³ See Enforcement and Compliance's website at <https://www.trade.gov/us-antidumping-and-countervailing-duties>.

⁴ See *Antidumping Proceedings: Announcement of Change in Department Practice for Respondent Selection in Antidumping Duty Proceedings and Conditional Review of the Nonmarket Economy Entity in NME Antidumping Duty Proceedings*, 78 FR 65963 (November 4, 2013).

⁵ In accordance with 19 CFR 351.213(b)(1), parties should specify that they are requesting a review of entries from exporters comprising the entity, and to the extent possible, include the names of such exporters in their request.

⁶ See *Antidumping and Countervailing Duty Proceedings: Electronic Filing Procedures; Administrative Protective Order Procedures*, 76 FR 39263 (July 6, 2011).

⁷ See *Administrative Protective Order, Service, and Other Procedures in Antidumping and Countervailing Duty Proceedings; Final Rule*, 88 FR 67069 (September 29, 2023).

Commerce will update these annual inquiry service lists on an annual basis when the *Opportunity Notice* for the anniversary month of the order or suspended investigation is published in the **Federal Register**.¹² Accordingly, Commerce will update the annual inquiry service lists for the above-listed AD and CVD proceedings. All interested parties wishing to appear on the updated annual inquiry service list must take one of the two following actions: (1) new interested parties who did not previously submit an entry of appearance must submit a new entry of appearance at this time; (2) interested parties who were included in the preceding annual inquiry service list must submit an amended entry of appearance to be included in the next year's annual inquiry service list. For these interested parties, Commerce will change the entry of appearance status from "Active" to "Needs Amendment" for the annual inquiry service lists corresponding to the above-listed proceedings. This will allow those interested parties to make any necessary amendments and resubmit their entries of appearance. If no amendments need to be made, the interested party should indicate in the area on the ACCESS form requesting an explanation for the amendment that it is resubmitting its entry of appearance for inclusion in the annual inquiry service list for the following year. As mentioned in the *Final Rule*,¹³ once the petitioners and foreign governments have submitted an entry of appearance for the first time, they will automatically be added to the updated annual inquiry service list each year.

Interested parties have 30 days after the date of this notice to submit new or amended entries of appearance. Commerce will then finalize the annual inquiry service lists five business days thereafter. For ease of administration, please note that Commerce requests that law firms with more than one attorney representing interested parties in a proceeding designate a lead attorney to be included on the annual inquiry service list.

Commerce may update an annual inquiry service list at any time as needed based on interested parties' amendments to their entries of appearance to remove or otherwise modify their list of members and representatives, or to update contact information. Any changes or announcements pertaining to these procedures will be posted to the

ACCESS website at <https://access.trade.gov>.

Special Instructions for Petitioners and Foreign Governments

In the *Final Rule*, Commerce stated that, "after an initial request and placement on the annual inquiry service list, both petitioners and foreign governments will automatically be placed on the annual inquiry service list in the years that follow."¹⁴ Accordingly, as stated above and pursuant to 19 CFR 351.225(n)(3), the petitioners and foreign governments will not need to resubmit their entries of appearance each year to continue to be included on the annual inquiry service list. However, the petitioners and foreign governments are responsible for making amendments to their entries of appearance during the annual update to the annual inquiry service list in accordance with the procedures described above.

Notification to Interested Parties

This notice is not required by statute but is published as a service to the international trading community.

Dated: December 19, 2025.

Scot Fullerton,

Acting Deputy Assistant Secretary for Antidumping and Countervailing Duty Operations.

[FR Doc. 2025–24162 Filed 12–31–25; 8:45 am]

BILLING CODE 3510–DS–P

DEPARTMENT OF COMMERCE

International Trade Administration

[A–580–874]

Certain Steel Nails From the Republic of Korea: Preliminary Results, Preliminary Intent To Rescind, in Part, and Partial Rescission of Antidumping Duty Administrative Review; 2023–2024

AGENCY: Enforcement and Compliance, International Trade Administration, Department of Commerce.

SUMMARY: The U.S. Department of Commerce (Commerce) preliminarily finds that sales of certain steel nails (nails) from the Republic of Korea (Korea) were made at less than normal value (NV) during the period of review (POR) July 1, 2023, through June 30, 2024. Moreover, Commerce is rescinding the review, in part, with respect to certain companies which had no entries of subject merchandise during the POR. We invite interested

parties to comment on these preliminary results.

DATES: Applicable January 2, 2026.

FOR FURTHER INFORMATION CONTACT: Allison Hollander or Ian Riggs, AD/CVD Operations, Office IX, Enforcement and Compliance, International Trade Administration, U.S. Department of Commerce, 1401 Constitution Avenue NW, Washington, DC 20230; telephone: (202) 482–2805 or (202) 482–3810, respectively.

SUPPLEMENTARY INFORMATION:

Background

On July 13, 2015, Commerce published the antidumping duty order on nails from the Korea in the **Federal Register**.¹ On August 14, 2024, based on timely requests for review, we initiated an administrative review of the *Order* covering 126 companies, in accordance with section 751(a) of the Tariff Act of 1930, as amended (the Act).² On December 9, 2024, Commerce tolled certain deadlines in this administrative proceeding by 90 days.³ On June 12, 2025, Commerce extended the deadline for the preliminary results of this administrative review to October 10, 2025.⁴

Due to the lapse in appropriations and Federal Government shutdown, on November 14, 2025, Commerce tolled all deadlines in this administrative proceeding by 47 days.⁵ On November 24, 2025, we extended the preliminary results of this review to no later than December 8, 2025.⁶ Finally, due to a backlog of documents that were electronically filed via Enforcement and Compliance's Antidumping and Countervailing Duty Centralized Electronic Service System (ACCESS) during the Federal Government shutdown on November 24, 2025, Commerce tolled all deadlines in

¹ See *Certain Steel Nails from the Republic of Korea, Malaysia, the Sultanate of Oman, Taiwan, and the Socialist Republic of Vietnam: Antidumping Duty Orders*, 80 FR 39994 (July 13, 2015) (*Order*).

² See *Initiation of Antidumping and Countervailing Duty Administrative Reviews*, 89 FR 66035 (August 14, 2024); see also *Initiation of Antidumping and Countervailing Duty Administrative Reviews*, 89 FR 77079 (September 20, 2024) (*Initiation Correction*).

³ See Memorandum, "Tolling of Deadlines for Antidumping and Countervailing Duty Proceedings," dated December 9, 2024.

⁴ See Memorandum, "Extension of Deadline for Preliminary Results of 2023–2024 Antidumping Duty Administrative Review," dated June 12, 2025.

⁵ See Memorandum, "Deadlines Affected by the Shutdown of the Federal Government," dated November 14, 2025.

⁶ See Memorandum, "Extension of Deadline for Preliminary Results of 2023–2024 Antidumping Duty Administrative Review," dated November 24, 2025.

¹² See *Procedural Guidance*, 86 FR at 53206.

¹³ See *Final Rule*, 86 FR at 52335.

¹⁴ *Id.*

administrative proceedings by an additional 21 days.⁷ Accordingly, the deadline for these preliminary results is now December 29, 2025. For a complete description of the events that followed the initiation of this review, *see* the Preliminary Decision Memorandum.⁸

Scope of the Order

The products subject to the *Order* are certain steel nails (steel nails) from the Republic of Korea (Korea). For a full description of the scope of the *Order*, *see* the Preliminary Decision Memorandum.

Partial Rescission of Administrative Review

Pursuant to 19 CFR 351.213(d)(3), Commerce will rescind an administrative review when there are no reviewable entries of subject merchandise during the POR for which liquidation is suspended.⁹ Normally, upon completion of an administrative review, the suspended entries are liquidated at the antidumping duty assessment rate calculated for the review period.¹⁰ Therefore, for an administrative review to be conducted, there must be a suspended entry that Commerce can instruct CBP to liquidate at the antidumping duty assessment rate calculated for the POR.¹¹

On February 5, 2025, 119 companies listed in Appendix III because there were no suspended entries of subject merchandise produced or exported by these companies during the POR and we invited interested parties to comment.¹² We received no comments on the Intent to Rescind Memorandum. Accordingly, Commerce is rescinding this review with respect to the companies listed in Appendix III, in accordance with 19 CFR 351.213(d)(3).

Methodology

Commerce is conducting this review in accordance with section 751(a) of the

Act. We calculated export price in accordance with section 772 of the Act. We calculated NV in accordance with section 773 of the Act. For a full description of the methodology underlying these preliminary results, *see* the Preliminary Decision Memorandum. A list of topics discussed in the Preliminary Decision Memorandum is attached as Appendix I to this notice.

Rate for Companies Not Selected for Individual Examination

The statute and Commerce's regulations do not address the rate to be determined for companies not selected for individual examination when Commerce limits its examination in an administrative review pursuant to section 777A(c)(2) of the Act. Generally, Commerce looks to section 735(c)(5) of the Act, which provides instructions for calculating the all-others rate in a market economy less-than-fair-value (LTFV) investigation, for guidance when calculating the rate for companies which were not selected for individual examination in an administrative review. Under section 735(c)(5)(A) of the Act, the all-others rate is normally "an amount equal to the weighted average of the estimated weighted average dumping margins established for exporters and producers individually investigated, excluding any zero or *de minimis* margins, and any margins determined entirely {on the basis of facts available}."

Consistent with section 735(c)(5)(A) of the Act, we preliminarily calculated the weighted-average dumping margin for the non-selected companies using the calculated rates of Je-il Co., Ltd. (Je-il) and Korea Wire Co., Ltd. (KOWIRE), which are not zero, *de minimis*, or based entirely on facts otherwise available.¹³

Preliminary Results of Review

As a result of this review, we preliminarily determine that the following estimated weighted-average dumping margins exist for the period July 1, 2023, through June 30, 2024:

Producer/exporter	Weighted-average dumping margin (percent)
Je-il Co., Ltd	1.64
Korea Wire Co., Ltd	0.61
Review-Specific Rate for Non-Selected Companies ¹⁴	1.08

¹³ See Memorandum, "Calculation of the Review-Specific Average Rate for the Preliminary Results," dated concurrently with the Preliminary Decision Memorandum.

Disclosure

Commerce intends to disclose to interested parties the calculations performed for these preliminary results within five days of any public announcement or, if there is no public announcement, within five days of the date of publication of this notice in the **Federal Register**, in accordance with 19 CFR 351.224(b).

Public Comment

Case briefs or other written comments may be submitted to the Assistant Secretary for Enforcement and Compliance. Pursuant to 19 CFR 351.309(c)(1)(ii), we have modified the deadline for interested parties to submit case briefs to Commerce to no later than 21 days after the date of the publication of this notice.¹⁵ Rebuttal briefs, limited to issues raised in the case briefs, may be filed no later than five days after the date for filing case briefs.¹⁶ Interested parties who submit case or rebuttal briefs in this proceeding must submit: (1) a table of contents listing each issue; and (2) a table of authorities.¹⁷ All briefs must be filed electronically using ACCESS. An electronically filed document must be received successfully in its entirety in ACCESS by 5:00 p.m. Eastern Time on the established deadline.

As provided under 19 CFR 351.309(c)(2)(iii) and (d)(2)(iii), we request that interested parties provide at the beginning of their briefs a public, executive summary for each issue raised in their briefs.¹⁸ Further, we request that interested parties limit their executive summary of each issue to no more than 450 words, not including citations. We intend to use the executive summaries as the basis of the comment summaries included in the issues and decision memorandum that will accompany the final results in this administrative review. We request that interested parties include footnotes for relevant citations in the executive summary of each issue. Note that Commerce has amended certain of its requirements pertaining to the service of documents in 19 CFR 351.303(f).¹⁹

¹⁴ The exporters/producers not selected for individual examination are listed in Appendix II.

¹⁵ See 19 CFR 351.309.

¹⁶ See 19 CFR 351.309(d)(1); *see also* Administrative Protective Order, Service, and Other Procedures in Antidumping and Countervailing Duty Proceedings, 88 FR 67069, 67077 (September 29, 2023) (APO and Service Final Rule).

¹⁷ See 19 CFR 351.309(c)(2) and (d)(2).

¹⁸ We use the term "issue" here to describe an argument that Commerce would normally address in a comment of the Issues and Decision Memorandum.

¹⁹ See APO and Service Final Rule.

⁷ See Memorandum, "Tolling of all Case Deadlines," dated November 24, 2025.

⁸ See Memorandum, "Decision Memorandum for the Preliminary Results of the 2023–2024 Administrative Review of the Antidumping Duty Order on Certain Steel Nails from the Republic of Korea," dated concurrently with, and hereby adopted by, this notice (Preliminary Decision Memorandum).

⁹ See, e.g., *Diocetyl Terephthalate from the Republic of Korea: Rescission of Antidumping Administrative Review; 2021–2022*, 88 FR 24758 (April 24, 2023); *see also* *Certain Carbon and Alloy Steel Cut-to-Length Plate from the Federal Republic of Germany: Rescission of Antidumping Administrative Review; 2020–2021*, 88 FR 4157 (January 24, 2023).

¹⁰ See 19 CFR 351.212(b)(1).

¹¹ See 19 CFR 351.213(d)(3).

¹² See Memorandum, "Notice of Intent to Rescind Review, in Part," dated February 5, 2025 (Intent to Rescind Memorandum).

Pursuant to 19 CFR 351.310(c), interested parties who wish to request a hearing must submit a written request to the Assistant Secretary for Enforcement and Compliance, filed electronically via ACCESS by 5:00 p.m. Eastern Time within 30 days after the date of publication of this notice. Requests should contain: (1) the party's name, address, and telephone number; (2) the number of participants; and (3) a list of issues to be discussed. Oral presentations at the hearing will be limited to issues raised in the briefs. If a request for a hearing is made, Commerce will inform parties of the scheduled date and time for the hearing.²⁰

Assessment Rates

Upon issuing the final results, Commerce shall determine, and U.S. Customs and Border Protection (CBP) shall assess, antidumping duties on all appropriate entries. Pursuant to 19 CFR 351.212(b)(1), because both respondents reported the entered value for their U.S. sales, we calculated importer-specific *ad valorem* duty assessment rates based on the ratio of the total amount of dumping calculated for the examined sales to the total entered value of those sales. Where either the respondent's weighted-average dumping margin is zero or *de minimis* within the meaning of 19 CFR 351.106(c)(1), or an importer-specific rate is zero or *de minimis*, we will instruct CBP to liquidate the appropriate entries without regard to antidumping duties.

Commerce's "automatic assessment" will apply to entries of subject merchandise during the POR produced by Je-il or KOWIRE for which these companies did not know that the merchandise they sold to an intermediary (e.g., a reseller, trading company, or exporter) was destined for the United States. In such instances, we will instruct CBP to liquidate unreviewed entries at the all-others rate if there is no rate for the intermediate company(ies) involved in the transaction.²¹

For the companies which were not selected for individual review, we intend to assign an assessment rate based on the review-specific rate, calculated as noted in the "Rate for Companies Not Selected for Individual Examination" section, above. The final results of this review shall be the basis for the assessment of antidumping duties on entries of merchandise

covered by this review and for future deposits of estimated duties, where applicable.

For the companies listed in Appendix III for which we are rescinding this review, we will instruct CBP to assess antidumping duties on all appropriate entries at a rate equal to the cash deposit of estimated antidumping duties required at the time of entry, or withdrawal from warehouse, in accordance with 19 CFR 351.212(c)(1)(i). Commerce intends to issue these rescission instructions to CBP no earlier than 35 days after the date of publication of this notice in the **Federal Register**.

For Je-il, KOWIRE, and the non-selected companies, Commerce intends to issue assessment instructions to CBP no earlier than 35 days after the date of publication of the final results of this review in the **Federal Register**. If a timely summons is filed at the U.S. Court of International Trade, the assessment instructions will direct CBP not to liquidate relevant entries until the time for parties to file a request for a statutory injunction has expired (i.e., within 90 days of publication).

Cash Deposit Requirements

The following deposit requirements will be effective for all shipments of the subject merchandise entered, or withdrawn from warehouse, for consumption on or after the publication date of the final results of this administrative review, as provided by section 751(a)(2)(C) of the Act: (1) the cash deposit rate for the companies listed above will be equal to the weighted average dumping margin established in the final results of this review, except if the rate is less than 0.50 percent and therefore, *de minimis* within the meaning of 19 CFR 351.106(c)(1), in which case the cash deposit rate will be zero; (2) for previously investigated or reviewed companies not covered in this review, the cash deposit rate will continue to be the company-specific cash deposit rate published for the most recently completed segment of this proceeding in which the company participated; (3) if the exporter is not a firm covered in this review, or the LTFV investigation, but the producer is, then the cash deposit rate will be the rate established for the most recently completed segment for the producer of the merchandise; and (4) the cash deposit rate for all other producers or exporters will continue to be 11.80 percent, the all-others rate established in the LTFV investigation.²² These deposit requirements, when

imposed, shall remain in effect until further notice.

Final Results of Review

Unless otherwise extended, Commerce intends to issue the final results of this administrative review, including the results of its analysis of the issues raised in any written briefs, no later than 120 days after the date of publication of this notice in the **Federal Register**, pursuant to section 751(a)(3)(A) of the Act and 19 CFR 351.213(h)(1).

Notification to Importers

This notice serves as a preliminary reminder to importers of their responsibility under 19 CFR 351.402(f) to file a certificate regarding the reimbursement of antidumping duties prior to liquidation of the relevant entries during this review period. Failure to comply with this requirement could result in Commerce's presumption that reimbursement of antidumping duties occurred and the subsequent assessment of doubled antidumping duties.

Notification to Interested Parties

We are issuing and publishing these results in accordance with sections 751(a)(1) and 777(i)(1) of the Act, 19 CFR 351.213(h), and 19 CFR 351.221(b)(4).

Dated: December 29, 2025.

Christopher Abbott,

Deputy Assistant Secretary for Policy and Negotiations, performing the non-exclusive functions and duties of the Assistant Secretary for Enforcement and Compliance.

Appendix I

List of Topics Discussed in the Preliminary Decision Memorandum

- I. Summary
- II. Background
- III. Scope of the Order
- IV. Discussion of the Methodology
- V. Recommendation

Appendix II

Companies Not Selected for Individual Examination

1. Koram Inc.
2. Daejin Steel Company
3. Hanmi Staple Co., Ltd.
4. Nailtech Co., Ltd.
5. Peace Industries Ltd. Korea

Appendix III

Companies for Which Commerce Is Rescinding the Review

1. Agl Co., Ltd.
2. Americana Express (Shandong) Co., Ltd.
3. Ansing Fasteners Co. Ltd.
4. Beijing Catic Industry Limited.
5. Beijing Jinheung Co., Ltd.
6. Big Mind Group Co., Ltd.

²⁰ See 19 CFR 351.310(d).

²¹ For a full discussion of this practice, see *Antidumping and Countervailing Duty Proceedings: Assessment of Antidumping Duties*, 68 FR 23954 (May 6, 2003).

²² See Order.

7. Changzhou Kya Trading Co., Ltd.
8. China Staple Enterprise Tianjin Co. Ltd.
9. CMT Co. Ltd.
10. D&F Material Products Ltd.
11. De Well Group Korea Co., Ltd.
12. Dezhou Hualude Hardware Products Co. Ltd.
13. DLF Industry Co., Limited.
14. Dong Yang Chemical Co. Ltd.
15. Doublemoon Hardware Company Ltd.
16. DT China (Shanghai) Ltd.
17. Duo-Fast Korea Company Limited; Jinheung Steel Corporation; and Jinsco International Corp.²³
18. Dugwoo Co. Ltd.
19. Ejen Brothers Limited.
20. England Rich Group (China) Ltd.
21. Ever Leading International Inc.
22. Fastgrow International Co., Inc.
23. Glovis America, Inc.
24. GWP Industries (Tianjin) Co., Ltd.
25. Haas Automation Inc.
26. Han Express Co., Ltd.
27. Handuk Industrial Co., Ltd.
28. Hanwoo Industrial Co. Ltd.
29. Hebei Cangzhou New Century Foreign Trade Co., Ltd.
30. Hebei Longshengyuan Trade Co Ltd.
31. Hebei Minmetals Co., Ltd.
32. Hebei Shinyee Trade Co. Ltd.
33. Hengtuo Metal Products Company Limited.
34. Home Value Co., Ltd.
35. Hongyi (Hk) Hardware Products Co., Limited.
36. Hongyi (Hk) Industrial Co., Limited.
37. Huanghua RC Business Co., Ltd.
38. Huanghua Yingjin Hardware Products Co., Ltd.
39. HWA Shin Bolt Ind. Co. Ltd.
40. Inmax Industries Sdn. Bhd.
41. JCD Group Co., Limited.
42. Jining Jufu International Trade Co.
43. Joo Sung Sea & Air Co., Ltd.
44. Jushiqiangsen (Tianjin) International Trade Co., Ltd.
45. Kabool Fasteners Co. Ltd.
46. KB Steel
47. Kerry-Apex (Thailand) Co., Ltd.
48. KPF Co., Ltd.
49. Kuehne & Nagel Ltd.
50. Linyi Double-Moon Hardware Products Co., Ltd.
51. Linyi Flyingarrow Imp. & Exp. Co., Ltd.
52. Linyi Jianchengde Metal Hardware Co.
53. Linyi Yitong Chain Co., Ltd.
54. Manho Rope and Wire Ltd.
55. Max Co., Ltd.
56. Mingguang Ruifeng Hardware Products Co., Ltd.
57. Nanjing Senqiao Trading Co., Ltd.
58. Needslink, Inc.
59. Ocean King International Industries Limited.

60. Paslode Fasteners (Shanghai) Co., Ltd.
61. Peace Korea Co., Ltd.
62. Qingdao Ant Hardware Manufacturing Co., Ltd.
63. Qingdao Best World Industry-Trading Co., Ltd.
64. Qingdao Cheshire Trading Co., Ltd.
65. Qingdao Hongyuan Nail Industry Co., Ltd.
66. Qingdao JCD Machinery Co., Ltd.
67. Qingdao Jiawei Industry Co., Limited.
68. Qingdao Jisco Co., Ltd.
69. Qingdao Master Metal Products Co., Ltd.
70. Qingdao Meijialucky Industry and Co.
71. Qingdao Mst Industry and Commerce Co., Ltd.
72. Qingdao Ruitai Trade Co., Ltd.
73. Qingdao Shantron Int'l Trade Co., Ltd.
74. Qingdao Shenghengtong Metal Products Co., Ltd.
75. Qingdao Sunrise Metal Products Co., Ltd.
76. Qingdao Tian Heng Xiang Metal Products Co., Ltd.
77. Qingdao Top Metal Industrial Co., Ltd.
78. Rewon Systems, Inc.
79. Rise Time Industrial Ltd.
80. Salt International Co. Ltd.
81. Shandong Dominant Source Group Co., Ltd.
82. Shandong Guomei Industry Co., Ltd.
83. Shanghai Curvet Hardware Products Co., Ltd.
84. Shanghai Goldenbridge International Co., Ltd.
85. Shanghai Pinnacle International Trading Co., Ltd.
86. Shanghai Zoonlion Industrial Co., Ltd.
87. Shanxi Pioneer Hardware Industrial Co., Ltd.
88. Shanxi Sanhesheng Trade Co., Ltd.
89. Shaoxing Bohui Import & Export Co., Ltd.
90. Shijiazhuang Tops Hardware Manufacturing Co., Ltd.
91. Shijiazhuang Yajiada Metal Products Co., Ltd.
92. Shin Jung TMS Corporation Ltd.
93. Shinheung Industry Co.
94. SSS Hardware International Trading Co., Ltd.
95. Storeit Services LLP.
96. Tangshan Jason Metal Materials Co., Ltd.
97. Test Rite International Co., Ltd.
98. The Inno Steel Industry Company.
99. Tianjin Bluekin Industries Limited.
100. Tianjin Coways Metal Products Co., Ltd.
101. Tianjin Hweschun Fasteners Manufacturing Co. Ltd.
102. Tianjin Jinchi Metal Products Co., Ltd.
103. Tianjin Jinghai County Hongli Industry and Business Co., Ltd.
104. Tianjin Jinzhuang New Material Sci Co., Ltd.
105. Tianjin Lianda Group Co., Ltd.
106. Tianjin Zhonglian Metals Ware Co., Ltd.
107. Tianjin Zhonglian Times Technology Co., Ltd.
108. Un Global Company Limited.
109. Unicorn (Tianjin) Fasteners Co., Ltd.
110. United Company for Metal Products.
111. W&K Corporation Limited.
112. Weifang Wenhe Pneumatic Tools Co., Ltd.
113. Wuhan Zhanpengmetals Co., Ltd.
114. WWL India Private Ltd.
115. Xian Metals And Minerals Import And Export Co., Ltd.

116. Youngwoo Fasteners Co., Ltd.
117. Youone Fastening Systems
118. Zhangjiagang Lianfeng Metals Products Co., Ltd.
119. Zhaoqing Harvest Nails Co., Ltd.

[FR Doc. 2025–24215 Filed 12–31–25; 8:45 am]

BILLING CODE 3510–DS–P

DEPARTMENT OF COMMERCE

International Trade Administration

[A–580–876]

Welded Line Pipe From the Republic of Korea: Final Results of Antidumping Duty Administrative Review; 2022–2023

AGENCY: Enforcement and Compliance, International Trade Administration, Department of Commerce.

SUMMARY: The U.S. Department of Commerce (Commerce) determines that producers and exporters subject to this administrative review did not make sales of subject merchandise at less than normal value during the period of review (POR), December 1, 2022, through November 30, 2023.

DATES: Applicable January 2, 2026.

FOR FURTHER INFORMATION CONTACT: Grant Fuller, AD/CVD Operations, Office IX, Enforcement and Compliance, International Trade Administration, U.S. Department of Commerce, 1401 Constitution Avenue NW, Washington, DC 20230; telephone: (202) 482–6228.

SUPPLEMENTARY INFORMATION:

Background

On April 23, 2025, Commerce published the *Preliminary Results* and invited interested parties to comment.¹

On July 22, 2025, we issued the Post-Preliminary Analysis in this administrative review.² On August 14, 2025, Commerce extended the deadline for the final results to September 11, 2025,³ and on September 9, 2025, Commerce again extended the deadline for the final results to October 17, 2025.⁴

Due to the lapse in appropriations and Federal Government shutdown, on November 14, 2025, Commerce tolled

¹ See *Welded Line Pipe from the Republic of Korea: Preliminary Results of Antidumping Duty Administrative Review; 2022–2023*, 90 FR 17038 (April 23, 2025) (*Preliminary Results*), and accompanying Preliminary Decision Memorandum.

² See Memorandum, “Post-Preliminary Analysis for the 2022–2023 Antidumping Duty Administrative Review of Welded Line Pipe from the Republic of Korea,” dated July 22, 2025.

³ See Memorandum, “Extension of Deadline for Final Results of 2022–2023 Antidumping Duty Administrative Review,” dated August 14, 2025.

⁴ See Memorandum, “Extension of Deadline for Final Results of 2022–2023 Antidumping Duty Administrative Review,” dated September 9, 2025.

²³ These companies are part of a collapsed entity that Commerce excluded from the *Order*. See *Certain Steel Nails from the Republic of Korea, Malaysia, the Sultanate of Oman, Taiwan, and the Socialist Republic of Vietnam: Antidumping Duty Orders*, 80 FR 39994, 39996 (July 13, 2015). Therefore, this review only covered this entity for subject merchandise produced in Korea where the entity acted as either the manufacturer or exporter, but not both. See also *Initiation of Antidumping and Countervailing Duty Administrative Reviews*, 89 FR 77079 (September 20, 2024).

all deadlines in administrative proceedings by 47 days.⁵ Additionally, due to a backlog of documents that were electronically filed via Enforcement and Compliance's Antidumping and Countervailing Duty Centralized Electronic Service System (ACCESS) during the Federal Government shutdown, on November 24, 2025, Commerce tolled all deadlines in administrative proceedings by an additional 21 days.⁶ Accordingly, the deadline for these final results is now December 29, 2025.⁷ For a complete description of the events that occurred since the *Preliminary Results*, see the Issues and Decision Memorandum.⁸

Scope of the Order⁹

The merchandise subject to the *Order* is welded line pipe. For a complete description of the scope of the *Order*, see the Issues and Decision Memorandum.

Analysis of Comments Received

All issues raised in the case and rebuttal briefs are listed in the appendix to this notice and addressed in the Issues and Decision Memorandum. The Issues and Decision Memorandum is a public document and is on file electronically via Enforcement and Compliance's Antidumping and Countervailing Duty Centralized Electronic Service System (ACCESS). ACCESS is available to registered users at <https://access.trade.gov>. In addition, a complete version of the Issues and Decision Memorandum can be accessed directly at <https://access.trade.gov/public/FRNoticesListLayout.aspx>.

Changes Since the Preliminary Results

Based on a review of the record and comments received from interested parties regarding our *Preliminary Results*, we made certain changes to our

calculations for SeAH and Hyundai Pipe; however, these changes did not result in revised margins for SeAH or Hyundai Pipe. For a detailed discussion of these changes, see the Issues and Decision Memorandum.

Final Results of the Review

As a result of this review, we determine the following estimated weighted-average dumping margin for the period December 1, 2022, through November 30, 2023:

Producer or exporter	Weighted-average dumping margin (percent)
Husteel Co., Ltd	0.00
Hyundai Steel Pipe Co., Ltd	0.00
NEXTEEL Co., Ltd	0.00
SeAH Steel Corporation	0.00

Disclosure

We intend to disclose the calculations performed for SeAH and Hyundai Pipe in connection with these final results of review to interested parties within five days after public announcement of the final results or, if there is no public announcement, within five days of the date of publication of this notice in the **Federal Register**, in accordance with 19 CFR 351.224(b).

Assessment Rates

Pursuant to section 751(a)(2)(C) of the Tariff Act of 1930, as amended (the Act), and 19 CFR 351.212(b)(1), Commerce has determined, and U.S. Customs and Border Protection (CBP) shall assess, antidumping duties on all appropriate entries of subject merchandise in accordance with the final results of this review.

Pursuant to 19 CFR 351.212(b)(1), SeAH did not report the actual entered value for all of its U.S. sales; in such instances, we calculated importer-specific per-unit duty assessment rates by aggregating the total amount of antidumping duties calculated for the examined sales and dividing this amount by the total quantity of those sales. For Hyundai Pipe, we calculated importer-specific *ad valorem* duty assessment rates based on the ratio of the total amount of dumping calculated for each importer's examined sales to the total entered value of these sales. Where either the respondent's weighted-average dumping margin is zero or *de minimis* within the meaning of 19 CFR 351.106(c)(1), or an importer-specific assessment rate is zero or *de minimis*, we will instruct CBP to liquidate the appropriate entries without regard to antidumping duties.

The final results of this review shall be the basis for the assessment of antidumping duties on entries of merchandise covered by the final results of this review and for the future deposits of estimated duties where applicable.¹⁰

Commerce's "automatic assessment" practice will apply to entries of subject merchandise during the POR produced by SeAH and Hyundai Pipe for which they did not know that the merchandise they sold to the intermediary (e.g., a reseller, trading company, or exporter) was destined for the United States. In such instances, we will instruct CBP to liquidate unreviewed entries at the all-others rate if there is no rate for the intermediate company(ies) involved in the transaction.

Commerce intends to issue assessment instructions to CBP no earlier than 35 days after the date of publication of the final results of this review in the **Federal Register**. If a timely summons is filed at the U.S. Court of International Trade, the assessment instructions will direct CBP not to liquidate relevant entries until the time for parties to file a request for a statutory injunction has expired (i.e., within 90 days of publication).

Cash Deposit Requirements

The following cash deposit requirements will be effective for all shipments of the subject merchandise entered, or withdrawn from warehouse, for consumption on or after the publication date of the final results of this administrative review, as provided by section 751(a)(2)(C) of the Act: (1) the cash deposit rate for the companies listed above will be zero; (2) for previously investigated or reviewed companies not listed above, the cash deposit rate will continue to be the company-specific rate published for the most recently completed segment of this proceeding in which the company participated; (3) if the exporter is not a firm covered in this review, or the original less-than-fair-value (LTFV) investigation, but the manufacturer is, the cash deposit rate will be the cash deposit rate established for the most recently completed segment for the producer of the subject merchandise; and (4) the cash deposit rate for all other producers or exporters will continue to be 4.38 percent, the all-others rate established in the LTFV investigation.¹¹ These deposit requirements, when imposed, shall remain in effect until further notice.

⁵ See Memorandum, "Tolling of all Case Deadlines," dated November 24, 2025.

⁶ See Memorandum, "Tolling of Deadlines for Antidumping and Countervailing Duty Proceedings," dated December 9, 2024.

⁷ Because the tolled deadline for these final results falls on a holiday (i.e., December 24, 2025), the deadline became the next business day (i.e., December 29, 2025). See *Notice of Clarification: Application of "Next Business Day" Rule for Administrative Determination Deadlines Pursuant to the Tariff Act of 1930, As Amended*, 70 FR 24533 (May 10, 2005).

⁸ See Memorandum, "Issues and Decision Memorandum for the Final Results of the Administrative Review of the Antidumping Duty Order on Welded Line Pipe from Korea; 2022–2023," dated concurrently with, and hereby adopted by, this notice (Issues and Decision Memorandum).

⁹ See *Welded Line Pipe from the Republic of Korea and the Republic of Turkey: Antidumping Duty Orders*, 80 FR 75056, 75057 (December 1, 2015) (*Order*).

¹⁰ See section 751(a)(2)(C) of the Act.

¹¹ See *Order*.

Notification to Importers

This notice serves as a final reminder to importers of their responsibility under 19 CFR 351.402(f)(2) to file a certificate regarding the reimbursement of antidumping duties prior to liquidation of the relevant entries during this review period. Failure to comply with this requirement could result in Commerce's presumption that reimbursement of antidumping duties occurred and the subsequent assessment of double antidumping duties.

Administrative Protective Order

This notice serves as the only reminder to parties subject to administrative protective order (APO) of their responsibility concerning the disposition of proprietary information disclosed under APO in accordance with 19 CFR 351.305(a)(3), which continues to govern business proprietary information in this segment of the proceeding. Timely written notification of return/destruction of APO materials or conversion to judicial protective order is hereby requested. Failure to comply with the regulations and the terms of an APO is a sanctionable violation.

Notification to Interested Parties

This notice is issued and published in accordance with sections 751(a)(1) and 777(i)(1) of the Act.

Dated: December 29, 2025.

Christopher Abbott,

Deputy Assistant Secretary for Policy and Negotiations, performing the non-exclusive functions and duties of the Assistant Secretary for Enforcement and Compliance.

Appendix**List of Topics Discussed in the Issues and Decision Memorandum**

- I. Summary
- II. Background

III. Scope of the Order**IV. Changes Since the Preliminary Results****V. Discussion of the Issues**

Comment 1: Whether Commerce Should Continue to Use its Differential Pricing Test

Comment 2: Whether to Deny Offsets for Non-Dumped Transactions

Comment 3: Whether to Revise Hyundai Pipe's Financial Expense Ratio

Comment 4: Whether the Revision to Hyundai Pipe's Reported Insurance Expenses Should be Reversed

Comment 5: Whether to Correct Certain Programming Errors for Hyundai Pipe

Comment 6: Whether to Revise the Draft Liquidation Instructions for Hyundai Pipe

Comment 7: Whether to Make a Major Input Adjustment to SeAH's Cost of Manufacturing

Comment 8: Whether to Make an Adjustment to SeAH's General and Administrative (G&A) Expenses for Services Obtained from SeAH Holdings Corporation (SHC)

Comment 9: Whether to Recalculate State Pipe & Supply, Inc.'s (State Pipe) Cost of In-House Processing

Comment 10: Including State Pipe's G&A Expenses as Either Further Manufacturing or Indirect Selling Expenses

VI. Recommendation

[FR Doc. 2025-24216 Filed 12-31-25; 8:45 am]

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DEPARTMENT OF COMMERCE**International Trade Administration****Initiation of Five-Year (Sunset) Reviews**

AGENCY: Enforcement and Compliance, International Trade Administration, Department of Commerce.

SUMMARY: In accordance with the Tariff Act of 1930, as amended (the Act), the U.S. Department of Commerce (Commerce) is automatically initiating the five-year reviews (Sunset Reviews)

of the antidumping duty (AD) and countervailing duty (CVD) orders and suspended investigations listed below. The U.S. International Trade Commission (ITC) is publishing concurrently with this notice its notice of *Institution of Five-Year Reviews* which covers the same orders and suspended investigations.

DATES: Applicable January 2, 2026.

FOR FURTHER INFORMATION CONTACT:

Commerce official identified in the *Initiation of Review* section below at AD/CVD Operations, Enforcement and Compliance, International Trade Administration, U.S. Department of Commerce, 1401 Constitution Avenue NW, Washington, DC 20230. For information from the ITC, contact Mary Messer, Office of Investigations, U.S. International Trade Commission at, (202) 205-3193.

SUPPLEMENTARY INFORMATION:**Background**

Commerce's procedures for the conduct of Sunset Reviews are set forth in its *Procedures for Conducting Five-Year (Sunset) Reviews of Antidumping and Countervailing Duty Orders*, 63 FR 13516 (March 20, 1998) and 70 FR 62061 (October 28, 2005). Guidance on methodological or analytical issues relevant to Commerce's conduct of Sunset Reviews is set forth in *Antidumping Proceedings: Calculation of the Weighted-Average Dumping Margin and Assessment Rate in Certain Antidumping Duty Proceedings; Final Modification*, 77 FR 8101 (February 14, 2012).

Initiation of Review

In accordance with section 751(c) of the Act and 19 CFR 351.218(c), we are initiating the Sunset Reviews of the following AD and CVD orders and suspended investigations:

Commerce case No.	ITC case No.	Country	Product	Commerce contact
Antidumping Duty Proceedings				
A-357-822	731-TA-1502	Argentina	Prestressed Concrete Steel Wire Strand (1st Review).	Mary Kolberg, (202) 482-1785.
A-570-016	731-TA-1258	China	Passenger Vehicle and Light Truck Tires (2nd Review).	Thomas Martin, (202) 482-3938.
A-570-117	731-TA-1470	China	Wood Mouldings and Millwork Products (1st Review).	Mary Kolberg, (202) 482-1785.
A-301-804	731-TA-1503	Columbia	Prestressed Concrete Steel Wire Strand (1st Review).	Mary Kolberg, (202) 482-1785.
A-729-804	731-TA-1504	Egypt	Prestressed Concrete Steel Wire Strand (1st Review).	Mary Kolberg, (202) 482-1785.
A-560-837	731-TA-1505	Indonesia	Prestressed Concrete Steel Wire Strand (1st Review).	Mary Kolberg, (202) 482-1785.
A-475-843	731-TA-1506	Italy	Prestressed Concrete Steel Wire Strand (1st Review).	Mary Kolberg, (202) 482-1785.

Commerce case No.	ITC case No.	Country	Product	Commerce contact
A-557-819	731-TA-1507	Malaysia	Prestressed Concrete Steel Wire Strand (1st Review).	Mary Kolberg, (202) 482-1785.
A-421-814	731-TA-1508	Netherlands	Prestressed Concrete Steel Wire Strand (1st Review).	Mary Kolberg, (202) 482-1785.
A-571-806	731-TA-1509	Saudia Arabia	Prestressed Concrete Steel Wire Strand (1st Review).	Mary Kolberg, (202) 482-1785.
A-791-826	731-TA-1510	South Africa	Prestressed Concrete Steel Wire Strand (1st Review).	Mary Kolberg, (202) 482-1785.
A-469-821	731-TA-1511	Spain	Prestressed Concrete Steel Wire Strand (1st Review).	Mary Kolberg, (202) 482-1785.
A-583-868	731-TA-1512	Taiwan	Prestressed Concrete Steel Wire Strand (1st Review).	Mary Kolberg, (202) 482-1785.
A-723-001	731-TA-1513	Tunisia	Prestressed Concrete Steel Wire Strand (1st Review).	Mary Kolberg, (202) 482-1785.
A-489-842	731-TA-1514	Türkiye	Prestressed Concrete Steel Wire Strand (1st Review).	Mary Kolberg, (202) 482-1785.
A-823-817	731-TA-1515	Ukraine	Prestressed Concrete Steel Wire Strand (1st Review).	Mary Kolberg, (202) 482-1785.
A-520-809	731-TA-1516	United Arab Emirates	Prestressed Concrete Steel Wire Strand (1st Review).	Mary Kolberg, (202) 482-1785.

Countervailing Duty Proceedings

C-570-017	701-TA-522	China	Passenger Vehicle and Light Truck Tires (2nd Review).	Mary Kolberg, (202) 482-1785.
C-570-118	701-TA-636	China	Wood Mouldings and Millwork Products (1st Review).	Mary Kolberg, (202) 482-1785.
C-489-843	701-TA-646	Türkiye	Prestressed Concrete Steel Wire Strand (1st Review).	Mary Kolberg, (202) 482-1785.

Filing Information

As a courtesy, we are making information related to sunset proceedings, including copies of the pertinent statute and Commerce's regulations, Commerce's schedule for Sunset Reviews, a listing of past revocations and continuations, and current service lists, available to the public on Commerce's website at the following address: <https://enforcement.trade.gov/sunset/>. All submissions in these Sunset Reviews must be filed in accordance with Commerce's regulations regarding format, translation, and service of documents. These rules, including electronic filing requirements via Enforcement and Compliance's Antidumping and Countervailing Duty Centralized Electronic Service System (ACCESS), can be found at 19 CFR 351.303.

In accordance with section 782(b) of the Act, any party submitting factual information in an AD/CVD proceeding must certify to the accuracy and completeness of that information. Parties must use the certification formats provided in 19 CFR 351.303(g). Commerce intends to reject factual submissions if the submitting party does not comply with applicable revised certification requirements.

Letters of Appearance and Administrative Protective Orders

Pursuant to 19 CFR 351.103(d), Commerce will maintain and make available a public service list for these proceedings. Parties wishing to participate in any of these five-year reviews must file letters of appearance as discussed at 19 CFR 351.103(d). To facilitate the timely preparation of the public service list, it is requested that those seeking recognition as interested parties to a proceeding submit an entry of appearance within 10 days of the publication of the Notice of Initiation. Because deadlines in Sunset Reviews can be very short, we urge interested parties who want access to proprietary information under administrative protective order (APO) to file an APO application immediately following publication in the **Federal Register** of this notice of initiation. Commerce's regulations on submission of proprietary information and eligibility to receive access to business proprietary information under APO can be found at 19 CFR 351.304-306. Note that Commerce has temporarily modified certain of its requirements for serving documents containing business proprietary information, until further notice.¹

¹ See *Temporary Rule Modifying AD/CVD Service Requirements Due to COVID-19*, 85 FR 41363 (July 10, 2020).

Information Required From Interested Parties

Domestic interested parties, as defined in sections 771(9)(C), (D), (E), (F), and (G) of the Act and 19 CFR 351.102(b), wishing to participate in a Sunset Review must respond not later than 15 days after the date of publication in the **Federal Register** of this notice of initiation by filing a notice of intent to participate. The required contents of the notice of intent to participate are set forth at 19 CFR 351.218(d)(1)(ii). In accordance with Commerce's regulations, if we do not receive a notice of intent to participate from at least one domestic interested party by the 15-day deadline, Commerce will automatically revoke the order without further review.²

If we receive an order-specific notice of intent to participate from a domestic interested party, Commerce's regulations provide that *all parties* wishing to participate in a Sunset Review must file complete substantive responses not later than 30 days after the date of publication in the **Federal Register** of this notice of initiation. The required contents of a substantive response, on an order-specific basis, are set forth at 19 CFR 351.218(d)(3). Note that certain information requirements differ for respondent and domestic parties. Also, note that Commerce's

² See 19 CFR 351.218(d)(1)(iii).

information requirements are distinct from the ITC's information requirements. Consult Commerce's regulations for information regarding Commerce's conduct of Sunset Reviews. Consult Commerce's regulations at 19 CFR part 351 for definitions of terms and for other general information concerning antidumping and countervailing duty proceedings at Commerce. Note that Commerce has amended certain of its requirements pertaining to the service of documents in 19 CFR 351.303(f).³ An electronically filed document must be received successfully in its entirety by ACCESS by 5:00 p.m. Eastern Time on the day on which it is due.

In prior proceedings we have encouraged interested parties to provide an executive summary of their comments, including footnotes. In these sunset reviews, we request that interested parties provide at the beginning of their comments, an executive summary for each issue raised in their comments. Further, we request that interested parties limit their public executive summary of each issue to no more than 450 words, not including citations. We intend to use the public executive summaries as the basis of the comment summaries included in the decision memorandum that will accompany the notice to be published in the **Federal Register**. Finally, we request that interested parties include footnotes for relevant citations in the public executive summary of each issue.

Notification to Interested Parties

This notice of initiation is being published in accordance with section 751(c) of the Act and 19 CFR 351.218(c).

Dated: December 29, 2025.

Abdelali Elouaradia,

Deputy Assistant Secretary for Enforcement and Compliance.

[FR Doc. 2025–24163 Filed 12–31–25; 8:45 am]

BILLING CODE 3510–DS–P

DEPARTMENT OF COMMERCE

National Oceanic and Atmospheric Administration

[RTID 0648–XF435]

South Atlantic Fishery Management Council; Public Meeting

AGENCY: National Marine Fisheries Service (NMFS), National Oceanic and

Atmospheric Administration (NOAA), Commerce.

ACTION: Meeting of the South Atlantic Fishery Management Council.

SUMMARY: The South Atlantic Fishery Management Council (Council) will hold a meeting to consider approval of Coral Amendment 11/Shrimp Amendment 12 addressing a rock shrimp fishery access area in the Oculina Bank Habitat Area of Particular Concern (HAPC). There will be an opportunity for public comment. The meeting will also include a formal public comment session.

DATES: The Council meeting will be held via webinar from 10 a.m. to 12 p.m. on Friday, January 23, 2026.

ADDRESSES:

Meeting address: The meeting will be held via webinar. Webinar registration is required. Details are included in the **SUPPLEMENTARY INFORMATION**.

FOR FURTHER INFORMATION CONTACT:

Myra Brouwer, SAFMC; phone 843/302–8440 or toll free 866/SAFMC–10; FAX 843/769–4520; email: Myra.Brouwer@safmc.net.

SUPPLEMENTARY INFORMATION: Meeting information, including the agenda, overview, briefing materials, and an online public comment form will be posted on the Council's website at: <https://safmc.net/council-meetings/>. The materials will be posted one week prior to the meeting. Webinar registration links for the meeting will also be available from the Council's website.

Public comment: Public comment on agenda items may be submitted through the Council's online comment form available from the Council's website. Written comments will be accepted from January 16, 2026, until January 23, 2026. These comments are accessible to the public, part of the Administrative Record of the meeting, and immediately available for Council consideration. A public comment session will also be held during the Council meeting.

The Council will receive an overview of a draft comprehensive amendment (Coral Amendment 11 and Shrimp Amendment 12) addressing a proposed rock shrimp access area along the Oculina Bank Habitat Area of Particular Concern and consider approving for submission to the Secretary of Commerce for review and final approval of management measures.

Although non-emergency issues not contained in this agenda may come before this group for discussion, those issues may not be the subject of formal action during this meeting. Action will be restricted to those issues specifically

identified in this notice and any issues arising after publication of this notice that require emergency action under section 305(c) of the Magnuson-Stevens Fishery Conservation and Management Act, provided the public has been notified of the Council's intent to take final action to address the emergency.

Special Accommodations

These meetings are physically accessible to people with disabilities. Requests for auxiliary aids should be directed to the council office (see **ADDRESSES**) 5 days prior to the meeting.

Note: The times and sequence specified in this agenda are subject to change.

Authority: 16 U.S.C. 1801 *et seq.*

Dated: December 29, 2025.

Becky Curtis,

Acting Deputy Director, Office of Sustainable Fisheries, National Marine Fisheries Service.

[FR Doc. 2025–24151 Filed 12–30–25; 8:45 am]

BILLING CODE 3510–22–P

DEPARTMENT OF COMMERCE

National Oceanic and Atmospheric Administration

[RTID 0648–XF383]

South Atlantic Fishery Management Council; Public Meetings

AGENCY: National Marine Fisheries Service (NMFS), National Oceanic and Atmospheric Administration (NOAA), Commerce.

ACTION: Notice of the South Atlantic Fishery Management Council's Habitat and Ecosystem Advisory Panel meeting.

SUMMARY: The South Atlantic Fishery Management Council (Council) will hold a meeting of the Habitat and Ecosystem Advisory Panel on January 28–29, 2026.

DATES: The Habitat and Ecosystem Advisory Panel (AP) meeting will be held via webinar on January 28, 2026 from 12 p.m. until 4 p.m. and January 29, 2026 from 10 a.m. until 2 p.m., EDT.

ADDRESSES:

Council address: South Atlantic Fishery Management Council, 4055 Faber Place Drive, Suite 201, N Charleston, SC 29405.

Meeting Address: The meeting will be held via webinar. Registration is required. Webinar registration, an online public comment form, and briefing book materials will be available 2 weeks prior to the meeting at: <https://safmc.net/advisory-panel-meetings/>.

FOR FURTHER INFORMATION CONTACT:

Kathleen Howington, Habitat and

³ See *Administrative Protective Order, Service, and Other Procedures in Antidumping and Countervailing Duty Proceedings; Final Rule*, 88 FR 67069 (September 29, 2023).

Ecosystem Scientist,
Kathleen.howington@safmc.net, phone:
843/725-7580.

SUPPLEMENTARY INFORMATION: The Habitat and Ecosystem AP will discuss revisions to the Council's "Alterations to Riverine, Estuarine and Nearshore Flows Policy" and the integration plan for the prey and predator information from the "Food Webs and Connectivity Policy" into the "User Guide for Essential Fish Habitat". The AP will also discuss the impact of activities related to space exploration off the Florida coast on habitat (if the information is available). The AP will receive a review of projects that have been commented on by the Habitat Conservation Division of NOAA, and a Citizen Science update from Council staff. The AP will receive an update on the Council's Resilient Fisheries Projects and the Spawning Special Management Zones Working Group report. Finally, the AP will review the 2025 Habitat activities annual report, the Habitat and Ecosystem AP Outreach and Communication Plan, and the Habitat and Ecosystem AP Work Plan. The AP will provide recommendations to the Council on other topics as needed.

Special Accommodations: These meetings are physically accessible to people with disabilities. Requests for auxiliary aid should be directed to the Council office (see **ADDRESSES**) 5 days prior to the meeting.

Note: The times and sequence specified in this agenda are subject to change.

Authority: 16 U.S.C. 1801 *et seq.*

Dated: December 29, 2025.

Becky Curtis,

Acting Deputy Director, Office of Sustainable Fisheries, National Marine Fisheries Service.

[FR Doc. 2025-24150 Filed 12-31-25; 8:45 am]

BILLING CODE 3510-22-P

DEPARTMENT OF COMMERCE

National Oceanic and Atmospheric Administration

[RTID 0648-XF414]

Fisheries of the South Atlantic; Southeast Data, Assessment, and Review; Public Meeting

AGENCY: National Marine Fisheries Service, National Oceanic and Atmospheric Administration, Commerce.

ACTION: Notice of SEDAR 90 Assessment Webinar 2 for South Atlantic red snapper.

SUMMARY: The SEDAR 90 assessment process of South Atlantic red snapper will consist of a Data Workshop, a series of assessment webinars, and a Review Workshop. See **SUPPLEMENTARY INFORMATION**.

DATES: The SEDAR 90 Assessment Webinar 2 will be held from 2 p.m. until 5 p.m. EDT January 20, 2026.

ADDRESSES: SEDAR address: 4055 Faber Place Drive, Suite 201, North Charleston, SC 29405. <https://www.sedarweb.org>.

FOR FURTHER INFORMATION CONTACT: Emily Ott, SEDAR Coordinator; (843) 302-8434. Email: Emily.Ott@safmc.net.

SUPPLEMENTARY INFORMATION: Meeting address: The SEDAR 90 Assessment Webinar 2 will be held via webinar. The webinar is open to members of the public. The established times may be adjusted as necessary to accommodate the timely completion of discussion relevant to the assessment process. Such adjustments may result in the meeting being extended from or completed prior to the time established by this notice.

The Gulf, South Atlantic, and Caribbean Fishery Management Councils, in conjunction with the National Marine Fisheries Service (NMFS) and the Atlantic and Gulf States Marine Fisheries Commissions have implemented the Southeast Data, Assessment and Review (SEDAR) process, a multi-step method for determining the status of fish stocks in the Southeast Region SEDAR is a participatory process for developing, evaluating and reviewing information used for fisheries management advice. The process may include (1) a Data stage, and (2) an Assessment stage, and (3) a Review stage. The product of the Data stage is a report which compiles and evaluates potential datasets and recommends which datasets are appropriate for assessment analyses. The product of the Assessment stage is a report which compiles and evaluates recommended model configurations that describes the fisheries, evaluates the status of the stock, estimates biological benchmarks and projects future population conditions. The product of the Review Workshop is a Review Summary documenting panel opinions regarding the strengths and weaknesses of the products reviewed. Participants for SEDAR Workshops are appointed by the Gulf, South Atlantic, and Caribbean Fishery Management Councils and National Marine Fisheries Service Southeast Regional Office, Highly Migratory Species (HMS) Management Division, and Southeast Fisheries Science Center. Participants include

data collectors and database managers; stock assessment scientists, biologists, and researchers; constituency representatives including fishermen, environmentalists, and non-governmental organizations (NGO's); International experts; and staff of Councils, Commissions, and state and federal agencies.

The items of discussion in the Assessment Webinar 2 are as follows: Participants will continue discussing modeling configurations.

Although non-emergency issues not contained in this agenda may come before this group for discussion, those issues may not be the subject of formal action during this meeting. Action will be restricted to those issues specifically identified in this notice and any issues arising after publication of this notice that require emergency action under section 305(c) of the Magnuson-Stevens Fishery Conservation and Management Act, provided the public has been notified of the intent to take final action to address the emergency.

Special Accommodations: These meetings are physically accessible to people with disabilities. Requests for sign language interpretation or other auxiliary aids should be directed to the Council office (see **ADDRESSES**) at least 5 business days prior to each workshop.

Note: The times and sequence specified in this agenda are subject to change.

Authority: 16 U.S.C. 1801 *et seq.*

Dated: December 29, 2025.

Becky Curtis,

Acting Deputy Director, Office of Sustainable Fisheries, National Marine Fisheries Service.

[FR Doc. 2025-24152 Filed 12-31-25; 8:45 am]

BILLING CODE 3510-22-P

COMMITTEE FOR PURCHASE FROM PEOPLE WHO ARE BLIND OR SEVERELY DISABLED

Procurement List; Proposed Deletions

AGENCY: Committee for Purchase From People Who Are Blind or Severely Disabled.

ACTION: Proposed Deletions from the Procurement List.

SUMMARY: The Committee is proposing to delete products from the Procurement List that were furnished by nonprofit agencies employing persons who are blind or have other severe disabilities.

DATES: Comments must be received on or before: February 01, 2026.

ADDRESSES: Committee for Purchase From People Who Are Blind or Severely Disabled, 355 E Street SW, Suite 325, Washington, DC 20024.

FOR FURTHER INFORMATION CONTACT: For further information or to submit comments contact: Michael R. Jurkowski, Telephone: (703) 489-1322, or email CMTEFedReg@AbilityOne.gov.

SUPPLEMENTARY INFORMATION: This notice is published pursuant to 41 U.S.C. 8503(a)(2) and 41 CFR 51-2.3. Its purpose is to provide interested persons an opportunity to submit comments on the proposed actions.

Deletions

Product(s)

TID 60637

NSN(s)—Product Name(s):

5120-01-598-5652—Splitting Maul—6 lb,

Sledge Eye, 36" Fiberglass Handle

5120-01-598-5656—Splitting Maul—8 lb,

Sledge Eye, 36" Fiberglass Handle

Authorized Source of Supply: Keystone

Vocational Services, Inc., Sharon, PA

Mandatory For: Total Government

Contracting Activity: GENERAL SERVICES ADMINISTRATION, FAS HEARTLAND REGIONAL ADMINISTRATO

TID 60638

NSN(s)—Product Name(s): 7920-01-215-

6569—Cloth, Synthetic Shammy,

Orange, 20" x 23"

Authorized Source of Supply: Industries Blind and Visually Impaired, Inc., West Allis, WI

Mandatory For: Total Government Requirement

Contracting Activity: GSA/FSS GREATER SOUTHWEST ACQUISITI

Contracting Activity: DEPT OF VETERANS AFFAIRS, STRATEGIC ACQUISITION CENTER

TID 60639

NSN(s)—Product Name(s): 7420-01-617-

1743—Talking Calculator, 508

Compliant, 12 Digit, Portable, Desktop, Battery Operated

Authorized Source of Supply: MidWest

Enterprises for the Blind, Inc.,

Kalamazoo, MI

Mandatory For: Total Government Requirement

Contracting Activity: GSA/FAS ADMIN SVCS ACQUISITION BR(2)

TID 60640

NSN(s)—Product Name(s): 5340-00-WIM-

0076—Lanyard, 2 pc. Health Care

5340-00-WIM-0079—Lanyard, Red, White & Blue NASCAR

7045-00-NIB-0441—Navy Promotional Items, Digital Camouflage iPad Case with Navy Logo

7045-00-NIB-0442—Navy Promotional Items, Navy Screen Printed iPad Case with Navy Logo

7350-00-NIB-0147—Mug, 14oz. Blue

Acrylic Mug, Health Care

7350-00-WIM-0149—Mug, 16oz.

American Pride Travel Mug

7350-00-WIM-0150—Mug, 11oz. Acrylic

Mug, Chaplain Corps

7350-00-WIM-0152—Mug, Acrylic, Navy

Reserve, Transparent/Blue, 14oz.

7510-00-WIM-0535—Pencil, Carpenter, Navy Reserve, Yellow or Navy Blue, 7 1/16" x 5/8"

7510-01-WIM-0100—Binder, 3 Ring, Navy Promotional, Chaplain, Letter, Navy Blue, 1"

7510-01-WIM-0105—3 Ring Binder

7510-01-WIM-0120—Book Cover, Navy

Recruiting, Stretchable, 16 cm x 31 cm

7520-00-WIM-1472—Pen, Blue Lacq.—Health Care

7520-00-WIM-1473—Pen, Twist, Metal, Refillable, Navy Reserve, Blue Lacquered, Black Ink, Medium Pt.

7830-00-WIM-0012—Beverage Can

Cooler, Blue w/3Color Imprint, NASCAR

7830-00-WIM-0026—Mini Pouch w/Ear Plugs, NASCAR

8405-00-WIM-0175—Ballcap, Recruiting and Promotional Materials, Better Quality, USN

8405-00-WIM-0176—Ballcap, Chaplain, Recruiting and Promotional Materials, USN

8405-00-WIM-0178—Ballcap, Recruiting and Promotional Materials, USN Reserve

8415-00-NIB-0141—Suit, Warm-Up, U.S. Navy, Navy Blue, Small

8415-00-NIB-0142—Suit, Warm-Up, U.S. Navy, Navy Blue, Medium

8415-00-NIB-0143—Suit, Warm-Up, U.S. Navy, Navy Blue, Large

8415-00-NIB-0144—Suit, Warm-Up, U.S. Navy, Navy Blue, X-Large

8415-00-NIB-0157—T-Shirt, Recruiting and Promotional Materials, Healthcare,

USN, White, Large

8415-00-NIB-0158—T-Shirt, Recruiting and Promotional Materials, Healthcare,

USN, White, Large

8415-00-WIM-0170—Polo Shirt,

Chaplain, Recruiting and Promotional

Materials, USN, Dark, Large

8415-00-WIM-0171—Polo Shirt,

Chaplain, Recruiting and Promotional

Materials, USN, Dark, X-Large

9905-00-NIB-0089—Luggage Tag,

Healthcare

9905-00-WIM-0092—Temporary Tattoos,

NASCAR

9905-00-WIM-0095—Ruler, Notable

African American

9905-00-WIM-0216—PLUSH SHAPE

9905-00-WIM-0217—Plush Bear

9905-00-WIM-0300—NASCAR Kit (up to

8 items in plastic bag)

Authorized Source of Supply: MidWest

Enterprises for the Blind, Inc.,

Kalamazoo, MI

Mandatory For: DEPT OF THE NAVY

Contracting Activity: DEPT OF THE NAVY,

US FLEET FORCES COMMAND

Contracting Activity: DEPT OF THE NAVY,

NAVSUP FLT LOG CTR NORFOLK

Contracting Activity: DEPT OF THE NAVY,

W39L USA NG READINESS CENTER

TID 60641

NSN(s)—Product Name(s): 7930-00-NIB-

0212—Cleaner, Heavy Duty Glass,

Concentrate, 2 Liter

Authorized Source of Supply: Beacon

Lighthouse, Inc., Wichita Falls, TX

Mandatory For: DEPT OF THE VETERANS

AFFAIRS

Contracting Activity: DEPT OF VETERANS

AFFAIRS, 241-NETWORK CONTRACT

OFC 01(00241)

TID 60642

NSN(s)—Product Name(s): 8405-01-547-2559—Poncho Liner, Wet Weather, U.S. Army, Universal Camouflage

Authorized Source of Supply: Winston-Salem Industries for the Blind, Inc., Winston-Salem, NC

Mandatory For: DEPT OF DEFENSE

Contracting Activity: DEFENSE LOGISTICS AGENCY, DLA TROOP SUPPORT

TID 60643

NSN(s)—Product Name(s): 8465-01-524-7309—Pouch, Bandoleer Ammunition, 6 Magazine, Universal Camouflage

Authorized Source of Supply: Mississippi Industries for the Blind (Inc), Jackson, MS

Mandatory For: DEPT OF DEFENSE

Contracting Activity: DEFENSE LOGISTICS AGENCY, DLA TROOP SUPPORT

TID 60644

NSN(s)—Product Name(s): 8465-01-525-5531—Hydration System, MOLLE, Universal Camouflage

Authorized Source of Supply: The Lighthouse for the Blind, Inc. (Seattle Lighthouse), Seattle, WA

Mandatory For: DEPT OF DEFENSE

Contracting Activity: DEFENSE LOGISTICS AGENCY, DLA TROOP SUPPORT

TID 60645

NSN(s)—Product Name(s): 8530-00-080-6341—Toothbrush, Adult, 6"

Mandatory For: DEPT OF DEFENSE

Contracting Activity: DEFENSE LOGISTICS AGENCY, DLA TROOP SUPPORT

TID 60646

NSN(s)—Product Name(s): 6520-00-890-2080—Dental Kit, Adult

Mandatory For: DEPT OF DEFENSE

Contracting Activity: DEFENSE LOGISTICS AGENCY, DLA TROOP SUPPORT

TID 60647

NSN(s)—Product Name(s): 6520-00-086-6554—Dental Kit, Child

Mandatory For: DEPT OF DEFENSE

Contracting Activity: DEFENSE LOGISTICS AGENCY, DLA TROOP SUPPORT

TID 60648

NSN(s)—Product Name(s): 6520-01-063-7477—Floss, Dental, Waxed, 100 Yards

6520-01-063-7477—Floss, Dental, Waxed, 200 Yards

Mandatory For: DEPT OF DEFENSE

Contracting Activity: DEFENSE LOGISTICS AGENCY, DLA TROOP SUPPORT

Michael R. Jurkowski,

Director, Business Operations.

[FR Doc. 2025-24195 Filed 12-31-25; 8:45 am]

BILLING CODE 6353-01-P

COMMITTEE FOR PURCHASE FROM PEOPLE WHO ARE BLIND OR SEVERELY DISABLED

Procurement List; Additions and Deletions

AGENCY: Committee for Purchase from People Who Are Blind or Severely Disabled.

ACTION: Additions to and deletions from the Procurement List.

SUMMARY: This action adds product(s) and service(s) to the Procurement List that will be furnished by nonprofit agencies employing persons who are blind or have other severe disabilities, and deletes product(s) and service(s) from the Procurement List previously furnished by such agencies.

DATES: Date added to and deleted from the Procurement List: February 01, 2026.

ADDRESSES: Committee for Purchase from People Who Are Blind or Severely Disabled, 355 E Street SW, Suite 325, Washington, DC 20024.

FOR FURTHER INFORMATION CONTACT: For further information or to submit comments contact: Michael R. Jurkowski, Telephone: (703) 489-1322, or email CMTEFedReg@AbilityOne.gov.

SUPPLEMENTARY INFORMATION:

Addition

On November 28, 2025, the Committee for Purchase From People Who Are Blind or Severely Disabled (operating as the U.S. AbilityOne Commission) published an initial notice of proposed additions to the Procurement List. (90 FR 54639). This final notice is published pursuant to 41 U.S.C. 8503(a)(2) and 41 CFR 51-2.3. The Committee has determined that the product listed below is suitable for procurement by the Federal Government and has added this product to the Procurement List as a mandatory purchase for Federal entities. In accordance with 41 CFR 51-5.2, the Committee has authorized the qualified nonprofit agencies described with the product as the authorized source of supply.

After consideration of the material presented to it concerning capability of qualified nonprofit agencies to provide the product and impact of the additions on the current or most recent contractors, the Committee has determined that the product listed below is suitable for procurement by the Federal Government under 41 U.S.C. 8501-8506 and 41 CFR 51-2.4.

Regulatory Flexibility Act Certification End of Certification

1. The action will not result in additional reporting, recordkeeping or other compliance requirements for small entities.

2. The action may result in authorizing small entities to furnish the product to the Government.

3. There are no known regulatory alternatives which would accomplish the objectives of the Javits-Wagner-O'Day Act (41 U.S.C. 8501-8506) in connection with the product deleted from the Procurement List.

End of Certification

Accordingly, the following product is added to the Procurement List:

NSN(s)—Product Name(s): 810012201N—
Package Filler, Cushioning, Bubble, Roll,
Perforated, 12" x 175'

Authorized Source of Supply: Alphapointe,
Kansas City, MO

Mandatory For: Total Government
Requirement

Contracting Activity: GENERAL SERVICES
ADMINISTRATION, GSA/FAS ADMIN
SVCS ACQUISITION BR(2)

On November 28, 2025, the Committee for Purchase From People Who Are Blind or Severely Disabled (operating as the U.S. AbilityOne Commission) published an initial notice of proposed additions to the Procurement List. (90 FR 54639). This final notice is published pursuant to 41 U.S.C. 8503(a)(2) and 41 CFR 51-2.3. The Committee has determined that the product listed below is suitable for procurement by the Federal Government and has added this product to the Procurement List. In accordance with 41 CFR 51-5.2, the Committee has authorized the qualified nonprofit agencies described with the product as the authorized source of supply. Additionally, in accordance with 41 CFR 51-2.4, the Committee considered relevant information from the contracting activity that this product requirement is not applicable to other Federal entities and has granted the activity's requested preference for purchase or distribution. This product is not available through the Commission's Commercial Distribution Program, and other Federal entities wishing to purchase this product must contact the contracting activity listed directly for information on purchase availability.

After consideration of the material presented to it concerning capability of qualified nonprofit agencies to provide the product and impact of the additions on the current or most recent contractors, the Committee has determined that the product listed

below is suitable for procurement by the Federal Government under 41 U.S.C. 8501-8506 and 41 CFR 51-2.4.

Regulatory Flexibility Act Certification End of Certification

1. The action will not result in additional reporting, recordkeeping or other compliance requirements for small entities.

2. The action may result in authorizing small entities to furnish the product to the Government.

3. There are no known regulatory alternatives which would accomplish the objectives of the Javits-Wagner-O'Day Act (41 U.S.C. 8501-8506) in connection with the product deleted from the Procurement List.

End of Certification

1095-01-598-4343—Combat Knife, Mini,
Out the Front (OTF)

Authorized Source of Supply: DePaul
Industries, Portland, OR

Mandatory For: DEPT OF DEFENSE

Contracting Activity: DEPT OF DEFENSE,
DLA LAND AND MARITIME

On November 28, 2025, the Committee for Purchase From People Who Are Blind or Severely Disabled (operating as the U.S. AbilityOne Commission) published an initial notice of proposed additions to the Procurement List. (90 FR 54639). The Committee determined that the service listed below is suitable for procurement by the Federal Government and has added this service to the Procurement List as a mandatory purchase for the contracting activity listed. In accordance with 41 CFR 51-5.3(b), the mandatory purchase requirement is limited to the contracting activity at the location listed, and in accordance with 41 CFR 51-5.2, the Committee has authorized nonprofit agency listed as the authorized source of supply.

After consideration of the material presented to it concerning capability of qualified nonprofit agencies to provide the service and impact of the additions on the current or most recent contractors, the Committee has determined that the service listed below is suitable for procurement by the Federal Government under 41 U.S.C. 8501-8506 and 41 CFR 51-2.4.

Regulatory Flexibility Act Certification End of Certification

1. The action will not result in additional reporting, recordkeeping or other compliance requirements for small entities.

2. The action may result in authorizing small entities to furnish the service to the Government.

3. There are no known regulatory alternatives which would accomplish the objectives of the Javits-Wagner-O'Day Act (41 U.S.C. 8501–8506) in connection with the service deleted from the Procurement List.

End of Certification

Service Type:

Mandatory for: US Army, Directorate of Training Sustainment, Fort Benning, Fort Benning, GA, 6650 Meloy Drive, Suite 250, Building 6, Fort Benning, GA

Authorized Source of Supply: Brevard Achievement Center, Inc., Rockledge, FL

Contracting Activity: DEPT OF DEFENSE, W6QM MICC–FT MOORE

Deletion

On November 28, 2025, the Committee for Purchase From People Who Are Blind or Severely Disabled published notice of proposed deletions from the Procurement List. This notice is published pursuant to 41 U.S.C. 8503(a)(2) and 41 CFR 51–2.3.

After consideration of the relevant matter presented, the Committee has determined that the product(s) and service(s) listed below are no longer suitable for procurement by the Federal Government under 41 U.S.C. 8501–8506 and 41 CFR 51–2.4.

Regulatory Flexibility Act Certification

I certify that the following action will not have a significant impact on a substantial number of small entities. The major factors considered for this certification were:

1. The action will not result in additional reporting, recordkeeping or other compliance requirements for small entities.

2. The action may result in authorizing small entities to furnish the product(s) and service(s) to the Government.

3. There are no known regulatory alternatives which would accomplish the objectives of the Javits-Wagner-O'Day Act (41 U.S.C. 8501–8506) in connection with the product(s) and service(s) deleted from the Procurement List.

End of Certification

Accordingly, the following product(s) and service(s) are deleted from the Procurement List:

Product(s)

NSN(s)—Product Name(s):

8415–01–521–8806—Cover, Advanced Combat Helmet, with Comm Flap, Universal Camouflage, S/M

8415–01–521–8808—Cover, Advanced Combat Helmet, with Comm Flap, Universal Camouflage, L/XL

8415–01–521–8357—Cover, Advanced Combat Helmet, No Comm Flap, Universal Camouflage, S/M

8415–01–521–8360—Cover, Advanced Combat Helmet, No Comm Flap, Universal Camouflage, L/XL

8415–01–591–5907—Cover, Enhanced Combat Helmet, Universal Camouflage Pattern, S/M

8415–01–591–5918—Cover, Enhanced Combat Helmet, Universal Camouflage Pattern, L/XL

8415–01–591–5946—Cover, Enhanced Combat Helmet, Universal Camouflage Pattern, XXL

8415–01–092–7514—Cover, PASGT Helmet, Woodland Camouflage, XS/S

8415–01–092–7515—Cover, PASGT Helmet, Woodland Camouflage, M/L

8415–01–303–8945—Cover, PASGT Helmet, Woodland Camouflage, X–LG

Authorized Source of Supply: Alabama Industries for the Blind, Talladega, AL

Authorized Source of Supply: Lions Services, Inc., Charlotte, NC

Authorized Source of Supply: Industries of the Blind, Inc, Greensboro, NC

Authorized Source of Supply: Lions Volunteer Blind Industries, Inc., Morristown, TN

Authorized Source of Supply: The Lighthouse for the Blind in New Orleans, Inc., New Orleans, LA

Authorized Source of Supply: Blind Industries & Services of Maryland, Baltimore, MD

Authorized Source of Supply: Mississippi Industries for the Blind (Inc), Jackson, MS

Authorized Source of Supply: LC Industries, Inc., Durham, NC

Authorized Source of Supply: Winston-Salem Industries for the Blind, Inc, Winston-Salem, NC

Authorized Source of Supply: Mount Rogers Community Services Board, Wytheville, VA

Mandatory For: DEPARTMENT OF DEFENSE
Contracting Activity: DEFENSE LOGISTICS AGENCY, DLA TROOP SUPPORT

Contracting Activity: DEPT OF THE ARMY, W6QK ACC–APG NATICK

Services(s)

Service Type:

Mandatory for: GSA PBS Region 10, Gus Solomon Courthouse, Portland, OR, 620 SW Main Street, OR0023ZZ, Portland, OR

Designated Source of Supply: Relay Resources, Portland, OR

Contracting Activity: GENERAL SERVICES ADMINISTRATION, PBS R10

Service Type: Grounds Maintenance, Guard Services, Alarm Monitoring

Mandatory for: Fort Sam Houston and Camp Bullis Reserve Centers: Building 1610 (2010 Harry Wurzbach Highway), Robert Gray Army Airfield (RGAAF): III Corps and Fort Hood Army Airfield and U.S. Army Reserve Center: 1920 Harry Wurzbach Highway

Contracting Activity: DEPT OF THE ARMY, W40M RHCO–ATLANTIC USAHCA

Service Type: Janitorial/Custodial
Mandatory for: US Office of Personnel Management, Federal Executive Institute, Charlottesville, VA

Contracting Activity: OFFICE OF

PERSONNEL MANAGEMENT, OPM DC
CENTRAL OFFICE CONTRACTING

Service Type: Document Management

Mandatory for: USDA Forest Service, Pacific Northwest Region, Region 6, & the Pacific Northwest Research Station, 1220 SW 3rd Avenue, Portland, OR

Contracting Activity: DEPT OF AGRICULTURE, FOREST SERVICE, NORTHWEST OREGON CONTRACTING AREA

Michael R. Jurkowski,

Director, Business Operations.

[FR Doc. 2025–24191 Filed 12–31–25; 8:45 am]

BILLING CODE 6353–01–P

DEPARTMENT OF ENERGY

National Petroleum Council

AGENCY: Office of Fossil Energy and Carbon Management, Department of Energy.

ACTION: Notice of renewal.

SUMMARY: Pursuant to the Federal Advisory Committee Act, and the Code of Federal Regulations, and following consultation with the Committee Management Secretariat, General Services Administration, notice is hereby given that the National Petroleum Council has been renewed for a two-year period.

FOR FURTHER INFORMATION CONTACT: Ms. Blair Pasalic at (202) 586–9013 or email: blair.pasalic@hq.doe.gov.

SUPPLEMENTARY INFORMATION: The National Petroleum Council will continue to provide advice, information, and recommendations to the Secretary of Energy on matters relating to oil and natural gas, and the oil and natural gas industries. The Secretary of Energy has determined that renewal of the National Petroleum Council is essential to the conduct of the Department's business and in the public interest in connection with the performance of duties imposed by law upon the Department of Energy. The National Petroleum Council will continue to operate in accordance with the provisions of the Federal Advisory Committee Act (Pub. L. 92–463), the General Services Administration Final Rule on Federal Advisory Committee Management, and other directives and instructions issued in implementation of those Acts.

Signing Authority: This document of the Department of Energy was signed on December 30, 2025, by David Borak, Committee Management Officer, pursuant to delegated authority from the Secretary of Energy. That document with the original signature and date is maintained by DOE. For administrative purposes only, and in compliance with

requirements of the Office of the Federal Register, the undersigned DOE Federal Register Liaison Officer has been authorized to sign and submit the document in electronic format for publication, as an official document of the Department of Energy. This administrative process in no way alters the legal effect of this document upon publication in the **Federal Register**.

Signed in Washington, DC, on December 30, 2025.

Treena V. Garrett,

*Federal Register Liaison Officer, U.S.
Department of Energy.*

[FR Doc. 2025-24205 Filed 12-31-25; 8:45 am]

BILLING CODE 6450-01-P

DEPARTMENT OF ENERGY

Federal Energy Regulatory Commission

Combined Notice of Filings #2

Take notice that the Commission received the following electric rate filings:

Docket Numbers: ER11-4269-014; ER14-1288-002.

Applicants: Liberty Utilities (Granite State Electric) Corp., Algonquin Tinker Gen Co.

Description: Triennial Market Power Analysis for Northeast Region of Algonquin Tinker Gen. Co., et al.

Filed Date: 12/22/25.

Accession Number: 20251222-5403.

Comment Date: 5 p.m. ET 2/20/26.

Docket Numbers: ER16-2412-009.

Applicants: Luning Energy LLC.

Description: Triennial Market Power Analysis for Northwest Region of Luning Energy LLC.

Filed Date: 12/22/25.

Accession Number: 20251222-5383.

Comment Date: 5 p.m. ET 2/20/26.

Docket Numbers: ER21-964-003.

Applicants: Microsoft Energy LLC.

Description: Triennial Market Power Analysis for Northwest Region of Microsoft Energy LLC.

Filed Date: 12/23/25.

Accession Number: 20251223-5398.

Comment Date: 5 p.m. ET 2/23/26.

Docket Numbers: ER24-3089-003.

Applicants: PJM Interconnection, L.L.C.

Description: Tariff Amendment: Amendment of WMPA SA No. 7373; Project Identifier No. AG1-558 to be effective 12/31/9998.

Filed Date: 12/29/25.

Accession Number: 20251229-5310.

Comment Date: 5 p.m. ET 1/20/26.

Docket Numbers: ER26-344-001.

Applicants: Wisconsin Electric Power Company.

Description: Compliance filing: Request to Defer Action on Order No. 898 Compliance Filing to be effective 12/31/9998.

Filed Date: 12/29/25.

Accession Number: 20251229-5371.

Comment Date: 5 p.m. ET 1/20/26.

Docket Numbers: ER26-637-002.

Applicants: Pineview Solar, LLC.

Description: Tariff Amendment: Supplemental Response to be effective 1/14/2026.

Filed Date: 12/29/25.

Accession Number: 20251229-5400.

Comment Date: 5 p.m. ET 1/20/26.

Docket Numbers: ER26-881-000.

Applicants: Northern States Power Company, a Minnesota corporation.

Description: § 205(d) Rate Filing: 2025-12-xx Brookings2-OMA-Appdx I-537 to be effective 11/21/2025.

Filed Date: 12/17/25.

Accession Number: 20251217-5369.

Comment Date: 5 p.m. ET 1/7/26.

Docket Numbers: ER26-884-000.

Applicants: Derby Fuel Cell, LLC.

Description: Petition of Derby Fuel Cell, LLC For Limited Waiver and Request for Expedited Consideration.

Filed Date: 12/22/25.

Accession Number: 20251222-5364.

Comment Date: 5 p.m. ET 1/12/26.

Docket Numbers: ER26-885-000

Applicants: New York State

Reliability Council, L.L.C.

Description: New York State Reliability Council, L.L.C. submits notice of revised Installed Capacity Requirement for the New York Control Area for the period beginning on 05/01/2026 and ending on 04/30/2027.

Filed Date: 12/23/25.

Accession Number: 20251223-5369.

Comment Date: 5 p.m. ET 1/13/26.

Docket Numbers: ER26-886-000.

Applicants: Entergy Arkansas, LLC.

Description: § 205(d) Rate Filing: EAL-SWPA Marketing Agreement to be effective 1/1/2026.

Filed Date: 12/29/25.

Accession Number: 20251229-5161.

Comment Date: 5 p.m. ET 1/20/26.

Docket Numbers: ER26-887-000.

Applicants: Entergy Arkansas, LLC.

Description: § 205(d) Rate Filing: Nimbus Wind Farm, LLC LBA Agreement to be effective 1/1/2026.

Filed Date: 12/29/25.

Accession Number: 20251229-5168.

Comment Date: 5 p.m. ET 1/20/26.

Docket Numbers: ER26-888-000.

Applicants: Entergy Arkansas, LLC.

Description: § 205(d) Rate Filing: Cherry Valley PV I, LLC LBA Agreement to be effective 1/1/2026.

Filed Date: 12/29/25.

Accession Number: 20251229-5186.

Comment Date: 5 p.m. ET 1/20/26.

Docket Numbers: ER26-889-000.

Applicants: Portland General Electric Company.

Description: § 205(d) Rate Filing: MT Intertie Concurrence Filing to be effective 12/10/2025.

Filed Date: 12/29/25.

Accession Number: 20251229-5220.

Comment Date: 5 p.m. ET 1/20/26.

Docket Numbers: ER26-890-000.

Applicants: Entergy Arkansas, LLC.

Description: § 205(d) Rate Filing: Redfield PV I, LLC LBA Agreement to be effective 1/1/2026.

Filed Date: 12/29/25.

Accession Number: 20251229-5230.

Comment Date: 5 p.m. ET 1/20/26.

Docket Numbers: ER26-891-000.

Applicants: Entergy Louisiana, LLC.

Description: § 205(d) Rate Filing: ELL-Mondu Solar, LLC LBA Agreement to be effective 1/1/2026.

Filed Date: 12/29/25.

Accession Number: 20251229-5240.

Comment Date: 5 p.m. ET 1/20/26.

Docket Numbers: ER26-892-000.

Applicants: PJM Interconnection, L.L.C.

Description: § 205(d) Rate Filing: Amendment to ISA, SA No. 4437; Queue No. T127 to be effective 2/28/2026.

Filed Date: 12/29/25.

Accession Number: 20251229-5304.

Comment Date: 5 p.m. ET 1/20/26.

Docket Numbers: ER26-893-000.

Applicants: New York Independent System Operator, Inc., New York Transco, LLC.

Description: § 205(d) Rate Filing: New York Independent System Operator, Inc. submits tariff filing per 35.13(a)(2)(iii): NY Transco 205: Depreciation Rates Update to be effective 6/1/2026.

Filed Date: 12/29/25.

Accession Number: 20251229-5313.

Comment Date: 5 p.m. ET 1/20/26.

Docket Numbers: ER26-894-000.

Applicants: MATL LLP.

Description: § 205(d) Rate Filing: Glacier Wind 1 & 2 LGIA Filing to be effective 12/23/2025.

Filed Date: 12/29/25.

Accession Number: 20251229-5314.

Comment Date: 5 p.m. ET 1/20/26.

Docket Numbers: ER26-895-000.

Applicants: Aelix LLC.

Description: Initial Rate Filing: Initial Market-Based Rate Authorization to be effective 12/29/2025.

Filed Date: 12/29/25.

Accession Number: 20251229-5339.

Comment Date: 5 p.m. ET 1/20/26.

Docket Numbers: ER26-896-000.

Applicants: Tanner Street Generation, LLC.

Description: Tariff Amendment: Notice of Cancellation of Market-Based Rate Tariff to be effective 12/31/2025.

Filed Date: 12/29/25.

Accession Number: 20251229–5345.

Comment Date: 5 p.m. ET 1/20/26.

Docket Numbers: ER26–897–000.

Applicants: Entergy Louisiana, LLC.

Description: § 205(d) Rate Filing: ELL-Cleco Power, LLC Richard Substation Operating Agreement to be effective 1/1/2026.

Filed Date: 12/29/25.

Accession Number: 20251229–5366.

Comment Date: 5 p.m. ET 1/20/26.

Docket Numbers: ER26–898–000.

Applicants: Twiggs County Solar, LLC.

Description: Initial Rate Filing: Shared Facilities Agreement and Request for Waivers to be effective 2/28/2026.

Filed Date: 12/29/25.

Accession Number: 20251229–5384.

Comment Date: 5 p.m. ET 1/20/26.

The filings are accessible in the Commission's eLibrary system (<https://elibrary.ferc.gov/idmws/search/fercgensearch.asp>) by querying the docket number.

Any person desiring to intervene, to protest, or to answer a complaint in any of the above proceedings must file in accordance with Rules 211, 214, or 206 of the Commission's Regulations (18 CFR 385.211, 385.214, or 385.206) on or before 5:00 p.m. Eastern time on the specified comment date. Protests may be considered, but intervention is necessary to become a party to the proceeding.

eFiling is encouraged. More detailed information relating to filing requirements, interventions, protests, service, and qualifying facilities filings can be found at: <http://www.ferc.gov/docs-filing/efiling/filing-req.pdf>. For other information, call (866) 208–3676 (toll free). For TTY, call (202) 502–8659.

For public inquiries and assistance with making filings such as interventions, comments, or requests for rehearing, contact the Office of Public Participation at (202) 502–6595 or OPP@ferc.gov.

Dated: December 29, 2025.

Carlos D. Clay,

Deputy Secretary.

[FR Doc. 2025–24159 Filed 12–31–25; 8:45 am]

BILLING CODE 6717–01–P

DEPARTMENT OF ENERGY

Federal Energy Regulatory Commission

[Docket No. CP26–48–000]

Columbia Gas Transmission, LLC; Notice of Request Under Blanket Authorization and Establishing Intervention and Protest Deadline

Take notice that on December 18, 2025, Columbia Gas Transmission, LLC (Columbia), 700 Louisiana Street, Suite 1300, Houston, Texas 77002–2700, filed in the above referenced docket, a prior notice request pursuant to sections 157.205, 157.213(b), and 157.216(b) of the Commission's regulations under the Natural Gas Act (NGA), and Columbia's blanket certificate issued in Docket No. CP83–76–000, for authorization to (1) abandon one injection/withdrawal well, its connecting pipeline, and appurtenant facilities located at the Weaver Storage Field in Richland County, Ohio; and (2) abandon one injection/withdrawal well, its connecting pipeline, and appurtenant facilities as well as convert one existing injection/withdrawal well to an observation well and abandon its associated storage lines and appurtenant facilities located at the Holmes Storage Field in Holmes County, Ohio. The estimated cost for the project is \$325,000, all as more fully set forth in the request which is on file with the Commission and open to public inspection.

In addition to publishing the full text of this document in the **Federal Register**, the Commission provides all interested persons an opportunity to view and/or print the contents of this document via the internet through the Commission's Home Page (<http://www.ferc.gov>). From the Commission's Home Page on the internet, this information is available on eLibrary. The full text of this document is available on eLibrary in PDF and Microsoft Word format for viewing, printing, and/or downloading. To access this document in eLibrary, type the docket number excluding the last three digits of this document in the docket number field.

User assistance is available for eLibrary and the Commission's website during normal business hours from FERC Online Support at (202) 502–6652 (toll free at 1–866–208–3676) or email at ferconlinesupport@ferc.gov, or the Public Reference Room at (202) 502–8371, TTY (202) 502–8659. Email the Public Reference Room at public.referenceroom@ferc.gov.

Any questions concerning this request should be directed to LaShawndra R. Proctor, Manager, Project Authorizations, Columbia Gas Transmission, LLC, 700 Louisiana Street, Suite 1300, Houston, Texas 77002–2700, by phone at (832) 320–5232, or by email at lashawndra_proctor@tcenergy.com.

Public Participation

There are three ways to become involved in the Commission's review of this project: you can file a protest to the project, you can file a motion to intervene in the proceeding, and you can file comments on the project. There is no fee or cost for filing protests, motions to intervene, or comments. The deadline for filing protests, motions to intervene, and comments is 5:00 p.m. Eastern Time on February 23, 2026. How to file protests, motions to intervene, and comments is explained below.

For public inquiries and assistance with making filings such as interventions, comments, or requests for rehearing, contact the Office of Public Participation (OPP) at (202) 502–6595 or OPP@ferc.gov.

Protests

Pursuant to section 157.205 of the Commission's regulations under the NGA,¹ any person² or the Commission's staff may file a protest to the request. If no protest is filed within the time allowed or if a protest is filed and then withdrawn within 30 days after the allowed time for filing a protest, the proposed activity shall be deemed to be authorized effective the day after the time allowed for protest. If a protest is filed and not withdrawn within 30 days after the time allowed for filing a protest, the instant request for authorization will be considered by the Commission.

Protests must comply with the requirements specified in section 157.205(e) of the Commission's regulations,³ and must be submitted by the protest deadline, which is 5:00 p.m. Eastern Time on February 23, 2026. A protest may also serve as a motion to intervene so long as the protestor states it also seeks to be an intervenor.

Interventions

Any person has the option to file a motion to intervene in this proceeding. Only intervenors have the right to request rehearing of Commission orders

¹ 18 CFR 157.205.

² Persons include individuals, organizations, businesses, municipalities, and other entities. 18 CFR 385.102(d).

³ 18 CFR 157.205(e).

issued in this proceeding and to subsequently challenge the Commission's orders in the U.S. Circuit Courts of Appeal.

To intervene, you must submit a motion to intervene to the Commission in accordance with Rule 214 of the Commission's Rules of Practice and Procedure⁴ and the regulations under the NGA⁵ by the intervention deadline for the project, which is 5:00 p.m. Eastern Time on February 23, 2026. As described further in Rule 214, your motion to intervene must state, to the extent known, your position regarding the proceeding, as well as your interest in the proceeding. For an individual, this could include your status as a landowner, ratepayer, resident of an impacted community, or recreationist. You do not need to have property directly impacted by the project in order to intervene. For more information about motions to intervene, refer to the FERC website at <https://www.ferc.gov/resources/guides/how-to/intervene.asp>.

All timely, unopposed motions to intervene are automatically granted by operation of Rule 214(c)(1). Motions to intervene that are filed after the intervention deadline are untimely and may be denied. Any late-filed motion to intervene must show good cause for being late and must explain why the time limitation should be waived and provide justification by reference to factors set forth in Rule 214(d) of the Commission's Rules and Regulations. A person obtaining party status will be placed on the service list maintained by the Secretary of the Commission and will receive copies (paper or electronic) of all documents filed by the applicant and by all other parties.

Comments

Any person wishing to comment on the project may do so. The Commission considers all comments received about the project in determining the appropriate action to be taken. To ensure that your comments are timely and properly recorded, please submit your comments on or before 5:00 p.m. Eastern Time on February 23, 2026. The filing of a comment alone will not serve to make the filer a party to the proceeding. To become a party, you must intervene in the proceeding.

How To File Protests, Interventions, and Comments

There are two ways to submit protests, motions to intervene, and comments. In both instances, please

reference the Project docket number CP26–48–000 in your submission.

(1) You may file your protest, motion to intervene, and comments by using the Commission's eFiling feature, which is located on the Commission's website (www.ferc.gov) under the link to Documents and Filings. New eFiling users must first create an account by clicking on "eRegister." You will be asked to select the type of filing you are making; first select "General" and then select "Protest", "Intervention", or "Comment on a Filing"; or⁶

(2) You can file a paper copy of your submission by mailing it to the address below. Your submission must reference the Project docket number CP26–48–000.

To file via USPS: Debbie-Anne A. Reese, Secretary, Federal Energy Regulatory Commission, 888 First Street NE, Washington, DC 20426.

To file via any other method: Debbie-Anne A. Reese, Secretary, Federal Energy Regulatory Commission, 12225 Wilkins Avenue, Rockville, Maryland 20852.

The Commission encourages electronic filing of submissions (option 1 above) and has eFiling staff available to assist you at (202) 502–8258 or FercOnlineSupport@ferc.gov.

Protests and motions to intervene must be served on the applicant either by mail at: LaShawndra R. Proctor, Manager, Project Authorizations, Columbia Gas Transmission, LLC, 700 Louisiana Street, Suite 1300, Houston, Texas 77002–2700, or by email (with a link to the document) at Lashawndra_proctor@tcenergy.com. Any subsequent submissions by an intervenor must be served on the applicant and all other parties to the proceeding. Contact information for parties can be downloaded from the service list at the eService link on FERC Online.

Tracking the Proceeding

Throughout the proceeding, additional information about the project will be available from OPP at (202) 502–6595 or on the FERC website at www.ferc.gov using the "eLibrary" link as described above. The eLibrary link also provides access to the texts of all formal documents issued by the Commission, such as orders, notices, and rulemakings.

In addition, the Commission offers a free service called eSubscription which

allows you to keep track of all formal issuances and submittals in specific dockets. This can reduce the amount of time you spend researching proceedings by automatically providing you with notification of these filings, document summaries, and direct links to the documents. For more information and to register, go to www.ferc.gov/docs-filing/esubscription.asp.

(Authority: 18 CFR 2.1)

Dated: December 23, 2025.

Carlos D. Clay,
Deputy Secretary.

[FR Doc. 2025–24160 Filed 12–31–25; 8:45 am]

BILLING CODE 6717–01–P

DEPARTMENT OF ENERGY

Federal Energy Regulatory Commission

[Docket No. CP26–49–000]

Southern Star Central Gas Pipeline, Inc.; Notice of Request Under Blanket Authorization and Establishing Intervention and Protest Deadline

Take notice that on December 19, 2025, Southern Star Central Gas Pipeline, Inc. (Southern Star), 4700 State Route 56, Owensboro, Kentucky 42301, filed in the above referenced docket, a prior notice request pursuant to sections 157.205, 157.208, and 157.213 of the Commission's regulations under the Natural Gas Act (NGA), and Southern Star's blanket certificate issued in Docket No. CP82–479–000, for authorization to construct the New Well No. 55–H, which consists of drilling a horizontal well and installing 265 feet of 6-inch-diameter pipeline lateral to connect the new well to the existing infrastructure within the existing Webb Storage Field. All of the above facilities are located in Grant County, Oklahoma (Webb Storage Field New Well Project). The project will allow Southern Star to improve overall efficiency, reduce operating costs, provide more exposure to the target formation, and greater reliability and redundancy in meeting the needs of Southern Star's storage customers without any change to working or cushion gas or to the certificated parameters of the storage field. The estimated cost for the project is \$10.1 million, all as more fully set forth in the request which is on file with the Commission and open to public inspection.

In addition to publishing the full text of this document in the **Federal Register**, the Commission provides all interested persons an opportunity to view and/or print the contents of this

⁴ 18 CFR 385.214.

⁵ 18 CFR 157.10.

⁶ Additionally, you may file your comments electronically by using the eComment feature, which is located on the Commission's website at www.ferc.gov under the link to Documents and Filings. Using eComment is an easy method for interested persons to submit brief, text-only comments on a project.

document via the internet through the Commission's Home Page (<http://www.ferc.gov>). From the Commission's Home Page on the internet, this information is available on eLibrary. The full text of this document is available on eLibrary in PDF and Microsoft Word format for viewing, printing, and/or downloading. To access this document in eLibrary, type the docket number excluding the last three digits of this document in the docket number field.

User assistance is available for eLibrary and the Commission's website during normal business hours from FERC Online Support at (202) 502-6652 (toll free at 1-866-208-3676) or email at ferconlinesupport@ferc.gov, or the Public Reference Room at (202) 502-8371, TTY (202) 502-8659. Email the Public Reference Room at public.reference.room@ferc.gov.

Any questions concerning this request should be directed to Jennifer Matthews, Manager, Regulatory, Southern Star Central Gas Pipeline, Inc., 4700 State Route 56, Owensboro, Kentucky 42301, by phone at (270) 316-2972 or by email at Jennifer.Matthews@southernstar.com.

Public Participation

There are three ways to become involved in the Commission's review of this project: you can file a protest to the project, you can file a motion to intervene in the proceeding, and you can file comments on the project. There is no fee or cost for filing protests, motions to intervene, or comments. The deadline for filing protests, motions to intervene, and comments is 5:00 p.m. Eastern Time on February 27, 2026. How to file protests, motions to intervene, and comments is explained below.

For public inquiries and assistance with making filings such as interventions, comments, or requests for rehearing, contact the Office of Public Participation (OPP) at (202) 502-6595 or OPP@ferc.gov.

Protests

Pursuant to section 157.205 of the Commission's regulations under the NGA,¹ any person² or the Commission's staff may file a protest to the request. If no protest is filed within the time allowed or if a protest is filed and then withdrawn within 30 days after the allowed time for filing a protest, the proposed activity shall be deemed to be authorized effective the day after the

time allowed for protest. If a protest is filed and not withdrawn within 30 days after the time allowed for filing a protest, the instant request for authorization will be considered by the Commission.

Protests must comply with the requirements specified in section 157.205(e) of the Commission's regulations,³ and must be submitted by the protest deadline, which is 5:00 p.m. Eastern Time on February 27, 2026. A protest may also serve as a motion to intervene so long as the protestor states it also seeks to be an intervenor.

Interventions

Any person has the option to file a motion to intervene in this proceeding. Only intervenors have the right to request rehearing of Commission orders issued in this proceeding and to subsequently challenge the Commission's orders in the U.S. Circuit Courts of Appeal.

To intervene, you must submit a motion to intervene to the Commission in accordance with Rule 214 of the Commission's Rules of Practice and Procedure⁴ and the regulations under the NGA⁵ by the intervention deadline for the project, which is 5:00 p.m. Eastern Time on February 27, 2026. As described further in Rule 214, your motion to intervene must state, to the extent known, your position regarding the proceeding, as well as your interest in the proceeding. For an individual, this could include your status as a landowner, ratepayer, resident of an impacted community, or recreationist. You do not need to have property directly impacted by the project in order to intervene. For more information about motions to intervene, refer to the FERC website at <https://www.ferc.gov/resources/guides/how-to/intervene.asp>.

All timely, unopposed motions to intervene are automatically granted by operation of Rule 214(c)(1). Motions to intervene that are filed after the intervention deadline are untimely and may be denied. Any late-filed motion to intervene must show good cause for being late and must explain why the time limitation should be waived and provide justification by reference to factors set forth in Rule 214(d) of the Commission's Rules and Regulations. A person obtaining party status will be placed on the service list maintained by the Secretary of the Commission and will receive copies (paper or electronic) of all documents filed by the applicant and by all other parties.

Comments

Any person wishing to comment on the project may do so. The Commission considers all comments received about the project in determining the appropriate action to be taken. To ensure that your comments are timely and properly recorded, please submit your comments on or before 5:00 p.m. Eastern Time on February 27, 2026. The filing of a comment alone will not serve to make the filer a party to the proceeding. To become a party, you must intervene in the proceeding.

How To File Protests, Interventions, and Comments

There are two ways to submit protests, motions to intervene, and comments. In both instances, please reference the Project docket number CP26-49-000 in your submission.

(1) You may file your protest, motion to intervene, and comments by using the Commission's eFiling feature, which is located on the Commission's website (www.ferc.gov) under the link to Documents and Filings. New eFiling users must first create an account by clicking on "eRegister." You will be asked to select the type of filing you are making; first select "General" and then select "Protest", "Intervention", or "Comment on a Filing"; or⁶

(2) You can file a paper copy of your submission by mailing it to the address below. Your submission must reference the Project docket number CP26-49-000.

To file via USPS: Debbie-Anne A. Reese, Secretary, Federal Energy Regulatory Commission, 888 First Street NE, Washington, DC 20426.

To file via any other method: Debbie-Anne A. Reese, Secretary, Federal Energy Regulatory Commission, 12225 Wilkins Avenue, Rockville, Maryland 20852.

The Commission encourages electronic filing of submissions (option 1 above) and has eFiling staff available to assist you at (202) 502-8258 or FercOnlineSupport@ferc.gov.

Protests and motions to intervene must be served on the applicant either by mail at: Jennifer Matthews, Manager, Regulatory, Southern Star Central Gas Pipeline, Inc., 4700 State Route 56, Owensboro, Kentucky 42301, or by email (with a link to the document) at Jennifer.Matthews@southernstar.com. Any subsequent submissions by an

¹ 18 CFR 157.205.

² Persons include individuals, organizations, businesses, municipalities, and other entities. 18 CFR 385.102(d).

³ 18 CFR 157.205(e).

⁴ 18 CFR 385.214.

⁵ 18 CFR 157.10.

⁶ Additionally, you may file your comments electronically by using the eComment feature, which is located on the Commission's website at www.ferc.gov under the link to Documents and Filings. Using eComment is an easy method for interested persons to submit brief, text-only comments on a project.

intervenor must be served on the applicant and all other parties to the proceeding. Contact information for parties can be downloaded from the service list at the eService link on FERC Online.

Tracking the Proceeding

Throughout the proceeding, additional information about the project will be available from OPP at (202) 502-6595 or on the FERC website at www.ferc.gov using the "eLibrary" link as described above. The eLibrary link also provides access to the texts of all formal documents issued by the Commission, such as orders, notices, and rulemakings.

In addition, the Commission offers a free service called eSubscription which allows you to keep track of all formal issuances and submittals in specific dockets. This can reduce the amount of time you spend researching proceedings by automatically providing you with notification of these filings, document summaries, and direct links to the documents. For more information and to register, go to www.ferc.gov/docs-filing/esubscription.asp.

(Authority: 18 CFR 2.1)

Dated: December 29, 2025.

Debbie-Anne A. Reese,
Secretary.

[FR Doc. 2025-24192 Filed 12-31-25; 8:45 am]

BILLING CODE 6717-01-P

DEPARTMENT OF ENERGY

Federal Energy Regulatory Commission

Combined Notice of Filings #1

Take notice that the Commission received the following exempt wholesale generator filings:

Docket Numbers: EG26-117-000.

Applicants: CG Leon County II LLC.

Description: CG Leon County II LLC submits Notice of Self-Certification of Exempt Wholesale Generator Status.

Filed Date: 12/23/25.

Accession Number: 20251223-5313.

Comment Date: 5 p.m. ET 1/13/26.

Take notice that the Commission received the following electric rate filings:

Docket Numbers: ER10-1410-009; ER10-1823-006; ER10-1917-003; ER16-1750-012; ER16-2601-010; ER17-2292-010; ER17-2381-009; ER19-1656-009; ER20-2123-007; ER20-2768-007; ER23-666-003.

Applicants: Foxhound Solar, LLC, Greenville County Solar Project, LLC, Hardin Solar Energy LLC, Wilkinson

Solar LLC, Scott-II Solar LLC, Southampton Solar, LLC, Summit Farms Solar, LLC, Eastern Shore Solar LLC, Dominion Nuclear Connecticut, Inc., Dominion Energy Marketing, Inc., Virginia Electric and Power Company.

Description: Triennial Market Power Analysis for Northeast Region of Virginia Electric and Power Company, et al.

Filed Date: 12/22/25.

Accession Number: 20251222-5382.

Comment Date: 5 p.m. ET 2/20/26.

Docket Numbers: ER10-1982-018; ER10-1253-016.

Applicants: Orange and Rockland Utilities, Inc., Consolidated Edison Company of New York, Inc.

Description: Triennial Market Power Analysis for Northeast Region of Consolidated Edison Company of New York, Inc., et al.

Filed Date: 12/19/25.

Accession Number: 20251219-5634.

Comment Date: 5 p.m. ET 2/17/26.

Docket Numbers: ER10-2032-011; ER10-2033-011.

Applicants: Duke Energy Ohio, Inc., Duke Energy Kentucky, Inc.

Description: Triennial Market Power Analysis for Northeast Region of Duke Energy Kentucky, Inc., et al.

Filed Date: 12/18/25.

Accession Number: 20251218-5374.

Comment Date: 5 p.m. ET 2/17/26.

Docket Numbers: ER10-2997-009; ER10-1048-029; ER10-1143-028; ER10-2172-032; ER10-3018-009; ER10-3030-009.

Applicants: Potomac Electric Power Company, Delmarva Power & Light Company, Baltimore Gas and Electric Company, PECO Energy Company, Commonwealth Edison Company, Atlantic City Electric Company.

Description: Triennial Market Power Analysis for Northeast Region of Atlantic City Electric Company, et al.

Filed Date: 12/22/25.

Accession Number: 20251222-5381.

Comment Date: 5 p.m. ET 2/20/26.

Docket Numbers: ER10-3297-021.

Applicants: Powerex Corporation.

Description: Updated Triennial Market Power Analysis for Northwest Region of Powerex Corporation.

Filed Date: 12/22/25.

Accession Number: 20251222-5399.

Comment Date: 5 p.m. ET 2/20/26.

Docket Numbers: ER14-225-010.

Applicants: New Brunswick Energy Marketing Corporation.

Description: Triennial Market Power Analysis for Northeast Region of New Brunswick Energy Marketing Corporation.

Filed Date: 12/19/25.

Accession Number: 20251219-5636.

Comment Date: 5 p.m. ET 2/17/26.

Docket Numbers: ER23-303-001.

Applicants: Danske Commodities US LLC.

Description: Compliance filing: Change in Status to be effective 12/24/2025.

Filed Date: 12/23/25.

Accession Number: 20251223-5363.

Comment Date: 5 p.m. ET 1/13/26.

Docket Numbers: ER24-3091-003.

Applicants: PJM Interconnection, L.L.C.

Description: Tariff Amendment: Amendment of WMPA SA No. 7371; AG1-559 to be effective 12/31/9998.

Filed Date: 12/29/25.

Accession Number: 20251229-5257.

Comment Date: 5 p.m. ET 1/20/26.

Docket Numbers: ER25-1275-001.

Applicants: BHS Solar, LLC.

Description: Triennial Market Power Analysis for Northwest Region of BHS Solar, LLC.

Filed Date: 12/19/25.

Accession Number: 20251219-5635.

Comment Date: 5 p.m. ET 2/17/26.

Docket Numbers: ER26-24-001.

Applicants: Lotus Wind, LLC.

Description: Tariff Amendment: Response to Deficiency Filing to be effective 12/15/2025.

Filed Date: 12/23/25.

Accession Number: 20251223-5342.

Comment Date: 5 p.m. ET 1/13/26.

Docket Numbers: ER26-506-001.

Applicants: Idaho Power Company.

Description: Tariff Amendment: Amended Filing: RS 183—Hemingway Substation Upgrades Construction Agreement to be effective 5/20/2025.

Filed Date: 12/29/25.

Accession Number: 20251229-5000.

Comment Date: 5 p.m. ET 1/20/26.

The filings are accessible in the Commission's eLibrary system (<https://elibrary.ferc.gov/idmws/search/fercgensearch.asp>) by querying the docket number.

Any person desiring to intervene, to protest, or to answer a complaint in any of the above proceedings must file in accordance with Rules 211, 214, or 206 of the Commission's Regulations (18 CFR 385.211, 385.214, or 385.206) on or before 5:00 p.m. Eastern time on the specified comment date. Protests may be considered, but intervention is necessary to become a party to the proceeding.

eFiling is encouraged. More detailed information relating to filing requirements, interventions, protests, service, and qualifying facilities filings can be found at: <http://www.ferc.gov/docs-filing/efiling/filing-req.pdf>. For other information, call (866) 208-3676 (toll free). For TTY, call (202) 502-8659.

For public inquiries and assistance with making filings such as interventions, comments, or requests for rehearing, contact the Office of Public Participation at (202) 502-6595 or *OPP@ferc.gov*.

Dated: December 29, 2025.

Carlos D. Clay,
Deputy Secretary.

[FR Doc. 2025-24164 Filed 12-31-25; 8:45 am]

BILLING CODE 6717-01-P

DEPARTMENT OF ENERGY

Federal Energy Regulatory Commission

[Docket No. CP26-44-000]

Columbia Gas Transmission, LLC; Notice of Request Under Blanket Authorization and Establishing Intervention and Protest Deadline

Take notice that on December 17, 2025, Columbia Gas Transmission, LLC (Columbia), 700 Louisiana Street, Suite 1300, Houston, Texas 77002-2700, filed in the above referenced docket, a prior notice request pursuant to sections 157.205 and 157.13(b) of the Commission's regulations under the Natural Gas Act (NGA), and Columbia's blanket certificate issued in Docket No. CP83-76-000, for authorization to construct and operate two new injection/withdrawal storage wells (wells 12651 and 12652), two associated storage field lines, and appurtenant facilities located in the Medina Storage Field. All of the above facilities are located in Medina County, Ohio (Medina New Drills Project). The project will allow Columbia to utilize volumes from a larger area of the storage reservoir and improve operational efficiencies during withdrawal seasons. The project will not change the certificated physical parameters of the storage field. The estimated cost for the project is approximately \$14 million, all as more fully set forth in the request which is on file with the Commission and open to public inspection.

In addition to publishing the full text of this document in the **Federal Register**, the Commission provides all interested persons an opportunity to view and/or print the contents of this document via the internet through the Commission's Home Page (<http://www.ferc.gov>). From the Commission's Home Page on the internet, this information is available on eLibrary. The full text of this document is available on eLibrary in PDF and Microsoft Word format for viewing, printing, and/or downloading. To access

this document in eLibrary, type the docket number excluding the last three digits of this document in the docket number field.

User assistance is available for eLibrary and the Commission's website during normal business hours from FERC Online Support at (202) 502-6652 (toll free at 1-866-208-3676) or email at ferconlinesupport@ferc.gov, or the Public Reference Room at (202) 502-8371, TTY (202) 502-8659. Email the Public Reference Room at public.referenceroom@ferc.gov.

Any questions concerning this request should be directed to LaShawndra R. Proctor, Manager, Project Authorizations, Columbia Gas Transmission, LLC, 700 Louisiana Street, Suite 1300, Houston, Texas 77002-2700, by phone at (832) 320-5232 or by email at Lashawndra_proctor@tcenergy.com.

Public Participation

There are three ways to become involved in the Commission's review of this project: you can file a protest to the project, you can file a motion to intervene in the proceeding, and you can file comments on the project. There is no fee or cost for filing protests, motions to intervene, or comments. The deadline for filing protests, motions to intervene, and comments is 5:00 p.m. Eastern Time on February 27, 2026. How to file protests, motions to intervene, and comments is explained below.

For public inquiries and assistance with making filings such as interventions, comments, or requests for rehearing, contact the Office of Public Participation (OPP) at (202) 502-6595 or *OPP@ferc.gov*.

Protests

Pursuant to section 157.205 of the Commission's regulations under the NGA,¹ any person² or the Commission's staff may file a protest to the request. If no protest is filed within the time allowed or if a protest is filed and then withdrawn within 30 days after the allowed time for filing a protest, the proposed activity shall be deemed to be authorized effective the day after the time allowed for protest. If a protest is filed and not withdrawn within 30 days after the time allowed for filing a protest, the instant request for authorization will be considered by the Commission.

Protests must comply with the requirements specified in section

157.205(e) of the Commission's regulations,³ and must be submitted by the protest deadline, which is 5:00 p.m. Eastern Time on February 27, 2026. A protest may also serve as a motion to intervene so long as the protestor states it also seeks to be an intervenor.

Interventions

Any person has the option to file a motion to intervene in this proceeding. Only intervenors have the right to request rehearing of Commission orders issued in this proceeding and to subsequently challenge the Commission's orders in the U.S. Circuit Courts of Appeal.

To intervene, you must submit a motion to intervene to the Commission in accordance with Rule 214 of the Commission's Rules of Practice and Procedure⁴ and the regulations under the NGA⁵ by the intervention deadline for the project, which is 5:00 p.m. Eastern Time on February 27, 2026. As described further in Rule 214, your motion to intervene must state, to the extent known, your position regarding the proceeding, as well as your interest in the proceeding. For an individual, this could include your status as a landowner, ratepayer, resident of an impacted community, or recreationist. You do not need to have property directly impacted by the project in order to intervene. For more information about motions to intervene, refer to the FERC website at <https://www.ferc.gov/resources/guides/how-to/intervene.asp>.

All timely, unopposed motions to intervene are automatically granted by operation of Rule 214(c)(1). Motions to intervene that are filed after the intervention deadline are untimely and may be denied. Any late-filed motion to intervene must show good cause for being late and must explain why the time limitation should be waived and provide justification by reference to factors set forth in Rule 214(d) of the Commission's Rules and Regulations. A person obtaining party status will be placed on the service list maintained by the Secretary of the Commission and will receive copies (paper or electronic) of all documents filed by the applicant and by all other parties.

Comments

Any person wishing to comment on the project may do so. The Commission considers all comments received about the project in determining the appropriate action to be taken. To ensure that your comments are timely

¹ 18 CFR 157.205.

² Persons include individuals, organizations, businesses, municipalities, and other entities. 18 CFR 385.102(d).

³ 18 CFR 157.205(e).

⁴ 18 CFR 385.214.

⁵ 18 CFR 157.10.

and properly recorded, please submit your comments on or before 5:00 p.m. Eastern Time on February 27, 2026. The filing of a comment alone will not serve to make the filer a party to the proceeding. To become a party, you must intervene in the proceeding.

How To File Protests, Interventions, and Comments

There are two ways to submit protests, motions to intervene, and comments. In both instances, please reference the Project docket number CP26–44–000 in your submission.

(1) You may file your protest, motion to intervene, and comments by using the Commission's eFiling feature, which is located on the Commission's website (www.ferc.gov) under the link to Documents and Filings. New eFiling users must first create an account by clicking on "eRegister." You will be asked to select the type of filing you are making; first select "General" and then select "Protest", "Intervention", or "Comment on a Filing"; or⁶

(2) You can file a paper copy of your submission by mailing it to the address below. Your submission must reference the Project docket number CP26–44–000.

To file via USPS: Debbie-Anne A. Reese, Secretary, Federal Energy Regulatory Commission, 888 First Street NE, Washington, DC 20426.

To file via any other method: Debbie-Anne A. Reese, Secretary, Federal Energy Regulatory Commission, 12225 Wilkins Avenue, Rockville, Maryland 20852.

The Commission encourages electronic filing of submissions (option 1 above) and has eFiling staff available to assist you at (202) 502–8258 or FercOnlineSupport@ferc.gov.

Protests and motions to intervene must be served on the applicant either by mail at: LaShawndra R. Proctor, Manager of Project Authorizations, Columbia Gas Transmission, LLC, 700 Louisiana Street, Suite 1300, Houston, Texas 77002–2700 or by email (with a link to the document) at Lashawndra_proctor@tcenergy.com. Any subsequent submissions by an intervenor must be served on the applicant and all other parties to the proceeding. Contact information for parties can be downloaded from the service list at the eService link on FERC Online.

⁶ Additionally, you may file your comments electronically by using the eComment feature, which is located on the Commission's website at www.ferc.gov under the link to Documents and Filings. Using eComment is an easy method for interested persons to submit brief, text-only comments on a project.

Tracking the Proceeding

Throughout the proceeding, additional information about the project will be available from OPP at (202) 502–6595 or on the FERC website at www.ferc.gov using the "eLibrary" link as described above. The eLibrary link also provides access to the texts of all formal documents issued by the Commission, such as orders, notices, and rulemakings.

In addition, the Commission offers a free service called eSubscription which allows you to keep track of all formal issuances and submittals in specific dockets. This can reduce the amount of time you spend researching proceedings by automatically providing you with notification of these filings, document summaries, and direct links to the documents. For more information and to register, go to www.ferc.gov/docs-filing/esubscription.asp.

(Authority: 18 CFR 2.1)

Dated: December 29, 2025.

Debbie-Anne A. Reese,
Secretary.

[FR Doc. 2025–24193 Filed 12–31–25; 8:45 am]

BILLING CODE 6717–01–P

DEPARTMENT OF ENERGY

Federal Energy Regulatory Commission

[Docket No. CP26–43–000]

Southern Star Central Gas Pipeline, Inc.; Notice of Request Under Blanket Authorization and Establishing Intervention and Protest Deadline

Take notice that on December 17, 2025, Southern Star Central Gas Pipeline, Inc., 4700 State Route 56, Owensboro, Kentucky 42301, filed in the above referenced docket, a prior notice request pursuant to sections 157.205 and 157.208 of the Commission's regulations under the Natural Gas Act (NGA), and Southern Star's blanket certificate issued in Docket No. CP82–479–000, for authorization to replace the existing glycol reboiler, install a new glycol reboiler and make other modifications at Southern Star's existing McLouth Compressor Station in Jefferson County, Kansas (McLouth Glycol Reboiler Replacement Project). Southern Star states the project will address reliability, safety, and regulatory compliance needs at the McLouth Compressor Station. The estimated cost for the project is \$19,000,000, all as more fully set forth in the request which is on file with the Commission and open to public inspection.

In addition to publishing the full text of this document in the **Federal Register**, the Commission provides all interested persons an opportunity to view and/or print the contents of this document via the internet through the Commission's Home Page (<http://www.ferc.gov>). From the Commission's Home Page on the internet, this information is available on eLibrary. The full text of this document is available on eLibrary in PDF and Microsoft Word format for viewing, printing, and/or downloading. To access this document in eLibrary, type the docket number excluding the last three digits of this document in the docket number field.

User assistance is available for eLibrary and the Commission's website during normal business hours from FERC Online Support at (202) 502–6652 (toll free at 1–866–208–3676) or email at ferconlinesupport@ferc.gov, or the Public Reference Room at (202) 502–8371, TTY (202) 502–8659. Email the Public Reference Room at public.referenceroom@ferc.gov.

Any questions concerning this request should be directed to Jennifer Matthews, Manager, Regulatory, Southern Star Central Gas Pipeline, Inc., 4700 State Route 56, Owensboro, Kentucky 42301, by phone at (270) 316–2972, or by email at jennifer.matthews@southernstar.com.

Public Participation

There are three ways to become involved in the Commission's review of this project: you can file a protest to the project, you can file a motion to intervene in the proceeding, and you can file comments on the project. There is no fee or cost for filing protests, motions to intervene, or comments. The deadline for filing protests, motions to intervene, and comments is 5:00 p.m. Eastern Time on February 27, 2026. How to file protests, motions to intervene, and comments is explained below.

For public inquiries and assistance with making filings such as interventions, comments, or requests for rehearing, contact the Office of Public Participation (OPP) at (202) 502–6595 or OPP@ferc.gov.

Protests

Pursuant to section 157.205 of the Commission's regulations under the NGA,¹ any person² or the Commission's staff may file a protest to the request. If no protest is filed within the time

¹ 18 CFR 157.205.

² Persons include individuals, organizations, businesses, municipalities, and other entities. 18 CFR 385.102(d).

allowed or if a protest is filed and then withdrawn within 30 days after the allowed time for filing a protest, the proposed activity shall be deemed to be authorized effective the day after the time allowed for protest. If a protest is filed and not withdrawn within 30 days after the time allowed for filing a protest, the instant request for authorization will be considered by the Commission.

Protests must comply with the requirements specified in section 157.205(e) of the Commission's regulations,³ and must be submitted by the protest deadline, which is 5:00 p.m. Eastern Time on February 27, 2026. A protest may also serve as a motion to intervene so long as the protestor states it also seeks to be an intervenor.

Interventions

Any person has the option to file a motion to intervene in this proceeding. Only intervenors have the right to request rehearing of Commission orders issued in this proceeding and to subsequently challenge the Commission's orders in the U.S. Circuit Courts of Appeal.

To intervene, you must submit a motion to intervene to the Commission in accordance with Rule 214 of the Commission's Rules of Practice and Procedure⁴ and the regulations under the NGA⁵ by the intervention deadline for the project, which is 5:00 p.m. Eastern Time on February 27, 2026. As described further in Rule 214, your motion to intervene must state, to the extent known, your position regarding the proceeding, as well as your interest in the proceeding. For an individual, this could include your status as a landowner, ratepayer, resident of an impacted community, or recreationist. You do not need to have property directly impacted by the project in order to intervene. For more information about motions to intervene, refer to the FERC website at <https://www.ferc.gov/resources/guides/how-to/intervene.asp>.

All timely, unopposed motions to intervene are automatically granted by operation of Rule 214(c)(1). Motions to intervene that are filed after the intervention deadline are untimely and may be denied. Any late-filed motion to intervene must show good cause for being late and must explain why the time limitation should be waived and provide justification by reference to factors set forth in Rule 214(d) of the Commission's Rules and Regulations. A person obtaining party status will be

placed on the service list maintained by the Secretary of the Commission and will receive copies (paper or electronic) of all documents filed by the applicant and by all other parties.

Comments

Any person wishing to comment on the project may do so. The Commission considers all comments received about the project in determining the appropriate action to be taken. To ensure that your comments are timely and properly recorded, please submit your comments on or before 5:00 p.m. Eastern Time on February 27, 2026. The filing of a comment alone will not serve to make the filer a party to the proceeding. To become a party, you must intervene in the proceeding.

How To File Protests, Interventions, and Comments

There are two ways to submit protests, motions to intervene, and comments. In both instances, please reference the Project docket number CP26–43–000 in your submission.

(1) You may file your protest, motion to intervene, and comments by using the Commission's eFiling feature, which is located on the Commission's website (www.ferc.gov) under the link to Documents and Filings. New eFiling users must first create an account by clicking on "eRegister." You will be asked to select the type of filing you are making; first select "General" and then select "Protest", "Intervention", or "Comment on a Filing"; or⁶

(2) You can file a paper copy of your submission by mailing it to the address below. Your submission must reference the Project docket number CP26–43–000.

To file via USPS: Debbie-Anne A. Reese, Secretary, Federal Energy Regulatory Commission, 888 First Street NE, Washington, DC 20426.

To file via any other method: Debbie-Anne A. Reese, Secretary, Federal Energy Regulatory Commission, 12225 Wilkins Avenue, Rockville, Maryland 20852.

The Commission encourages electronic filing of submissions (option 1 above) and has eFiling staff available to assist you at (202) 502–8258 or FercOnlineSupport@ferc.gov.

Protests and motions to intervene must be served on the applicant either by mail at: Jennifer Matthews, Manager,

Regulatory, Southern Star Central Gas Pipeline, Inc., 4700 State Route 56, Owensboro, Kentucky 42301, or by email (with a link to the document) at jennifer.matthews@southernstar.com. Any subsequent submissions by an intervenor must be served on the applicant and all other parties to the proceeding. Contact information for parties can be downloaded from the service list at the eService link on FERC Online.

Tracking the Proceeding

Throughout the proceeding, additional information about the project will be available from OPP at (202) 502–6595 or on the FERC website at www.ferc.gov using the "eLibrary" link as described above. The eLibrary link also provides access to the texts of all formal documents issued by the Commission, such as orders, notices, and rulemakings.

In addition, the Commission offers a free service called eSubscription which allows you to keep track of all formal issuances and submittals in specific dockets. This can reduce the amount of time you spend researching proceedings by automatically providing you with notification of these filings, document summaries, and direct links to the documents. For more information and to register, go to www.ferc.gov/docs-filing/esubscription.asp.

(Authority: 18 CFR 2.1.)

Dated: December 29, 2025.

Debbie-Anne A. Reese,
Secretary.

[FR Doc. 2025–24187 Filed 12–31–25; 8:45 am]

BILLING CODE 6717–01–P

DEPARTMENT OF ENERGY

Federal Energy Regulatory Commission

Combined Notice of Filings

Take notice that the Commission has received the following Natural Gas Pipeline Rate and Refund Report filings:

Filings Instituting Proceedings

Docket Numbers: RP26–318–000.
Applicants: Cygnet Energy Ltd., Kiwetinohk Energy Corp, Kiwetinohk Marketing US Corp.

Description: Joint Petition for Limited Waiver of Capacity Release Regulations, et al. of Cygnet Energy Ltd., et al.

Filed Date: 12/23/25.

Accession Number: 20251223–5395.

Comment Date: 5 p.m. ET 1/5/26.

Docket Numbers: RP26–319–000.
Applicants: Southeast Supply Header, LLC.

³ 18 CFR 157.205(e).

⁴ 18 CFR 385.214.

⁵ 18 CFR 157.10.

⁶ Additionally, you may file your comments electronically by using the eComment feature, which is located on the Commission's website at www.ferc.gov under the link to Documents and Filings. Using eComment is an easy method for interested persons to submit brief, text-only comments on a project.

Description: § 4(d) Rate Filing: Various Jan 1, 2026 Negotiated Rate Agreements to be effective 1/1/2026.

Filed Date: 12/29/25.

Accession Number: 20251229–5078.

Comment Date: 5 p.m. ET 1/12/26.

Docket Numbers: RP26–320–000.

Applicants: Gillis Hub Pipeline, LLC.

Description: § 4(d) Rate Filing: Filing of Negotiated Rate, Conforming IW Agreements 12.2.25 to be effective 1/1/2026.

Filed Date: 12/29/25.

Accession Number: 20251229–5227.

Comment Date: 5 p.m. ET 1/12/26.

Any person desiring to intervene, to protest, or to answer a complaint in any of the above proceedings must file in accordance with Rules 211, 214, or 206 of the Commission's Regulations (18 CFR 385.211, 385.214, or 385.206) on or before 5:00 p.m. Eastern time on the specified comment date. Protests may be considered, but intervention is necessary to become a party to the proceeding.

The filings are accessible in the Commission's eLibrary system (<https://elibrary.ferc.gov/idmws/search/fercgensearch.asp>) by querying the docket number.

eFiling is encouraged. More detailed information relating to filing requirements, interventions, protests, service, and qualifying facilities filings can be found at: <http://www.ferc.gov/docs-filing/efiling/filing-req.pdf>. For other information, call (866) 208–3676 (toll free). For TTY, call (202) 502–8659.

For public inquiries and assistance with making filings such as interventions, comments, or requests for rehearing, the public is encouraged to contact OPP at (202) 502–6595 or OPP@ferc.gov.

Dated: December 29, 2025.

Carlos D. Clay,

Deputy Secretary.

[FR Doc. 2025–24158 Filed 12–31–25; 8:45 am]

BILLING CODE 6717–01–P

DEPARTMENT OF ENERGY

Federal Energy Regulatory Commission

[Docket No. CP25–219–000]

Gulf South Pipeline Company, LLC; Notice of Availability of the Environmental Assessment for the Proposed Southeast Compression Utility and Reliability Expansion Project

The staff of the Federal Energy Regulatory Commission (FERC or Commission) has prepared an

environmental assessment (EA) for the Southeast Compression Utility and Reliability Expansion Project (SECURE Project or Project), proposed by Gulf South Pipeline Company, LLC (Gulf South) in the above-referenced docket.¹ Gulf South requests authorization to construct and operate certain natural gas pipeline facilities in Madison Parish, Louisiana and Jasper, Forrest, and Hinds Counties, Mississippi. The proposed Project would involve modifications at three existing compressor stations and construction of one new compressor station. The SECURE Project would provide 280,000 dekatherms per day (Dth/d) of firm transportation service to certain southeast markets on Gulf South's system, including power generation customers.

Any person wishing to comment on the EA may do so. To ensure consideration of your comments on the proposal prior to making a decision on the Project, it is important that the Commission receive your comments on or before 5:00 p.m. Eastern Time on January 28, 2026. Instructions for filing comments are provided on page 3.

FERC is the lead federal agency for authorizing interstate natural gas transmission facilities under the Natural Gas Act of 1938 and the lead federal agency for preparation of the EA. The EA assesses the potential environmental effects of the SECURE Project in accordance with the requirements of the National Environmental Policy Act² and the Commission's implementing regulations.³ The principal purposes of the EA are to: identify and assess the potential effects on the natural and human environment; describe and evaluate reasonable alternatives; identify and recommend mitigation measures; and facilitate public involvement in the environmental review process. The EA concludes that approval of the proposed Project would not constitute a major federal action significantly affecting the quality of the human environment.

The EA addresses the potential environmental effects of the construction and operation of the following Project facilities:

- installation of one 27,677-horsepower (hp) Solar Titan 250

compressor unit at the existing Tallulah Compressor Station in Madison Parish, Louisiana;

- installation of one 13,290-hp Solar Mars 100 compressor unit at the existing Jasper Compressor Station in Jasper County, Mississippi;

- installation of one 16,997-hp Solar Titan 130 compressor unit and restaging the existing Solar Mars 100 compressor unit at the existing Forrest Compressor Station in Forrest County, Mississippi; and

- construction of the new Hinds Compressor Station, including one 27,667-hp Solar Titan 250 compressor unit, in Hinds County, Mississippi.

The Commission mailed a copy of the *Notice of Availability* of the EA to federal, state, and local government representatives and agencies; elected officials; environmental and public interest groups; Native American tribes; potentially affected landowners and other interested individuals and groups; and newspapers and libraries in the project area. The EA is only available in electronic format. It may be viewed and downloaded from the FERC's website (www.ferc.gov), on the natural gas environmental documents page (<https://www.ferc.gov/industries-data/natural-gas/environment/environmental-documents>). In addition, the EA may be accessed by using the eLibrary link on the FERC's website. Click on the eLibrary link (<https://elibrary.ferc.gov/elibrary/search>), select "General Search" and enter the docket number in the "Docket Number" field, excluding the last three digits (*i.e.*, CP25–219). Be sure you have selected an appropriate date range. For assistance, please contact FERC Online Support at FercOnlineSupport@ferc.gov or toll free at (866) 208–3676, or for TTY, contact (202) 502–8659.

The EA is not a decision document. It presents Commission staff's independent analysis of the environmental issues for the Commission to consider when addressing the merits of all issues in this proceeding. Under section 7(c) of the Natural Gas Act, the Commission determines whether interstate natural gas transportation facilities are in the public convenience and necessity and, if so, grants a Certificate of Public Convenience and Necessity to construct and operate them. The Commission bases its decisions on both economic issues, including need, and environmental effects.

Your comments should focus on the EA's disclosure and discussion of potential environmental effects, reasonable alternatives, and measures to avoid or lessen environmental effects.

¹ For tracking purposes under the National Environmental Policy Act, the unique identification number for documents relating to this environmental review is EAXX–019–20–000–1754481444.

² National Environmental Policy Act of 1969, as amended (Public Law [Pub. L.] 91–190, 42 U.S.C. 4321–4347, as amended by Pub. L. 94–52, July 3, 1975; Pub. L. 94–83, August 9, 1975; Pub. L. 97–258, 4(b), September 13, 1982; Pub. L. 118–5, June 3, 2023; Pub. L. 119–21, July 4, 2025).

³ Title 18 Code of Federal Regulations Part 380.

The more specific your comments, the more useful they will be. For your convenience, there are three methods you can use to file your comments to the Commission. The Commission encourages electronic filing of comments and has staff available to assist you at (866) 208-3676 or FercOnlineSupport@ferc.gov. Please carefully follow these instructions so that your comments are properly recorded.

(1) You can file your comments electronically using the eComment feature on the Commission's website (www.ferc.gov) under the link to FERC Online. This is an easy method for submitting brief, text-only comments on a project;

(2) You can also file your comments electronically using the eFiling feature on the Commission's website (www.ferc.gov) under the link to FERC Online. With eFiling, you can provide comments in a variety of formats by attaching them as a file with your submission. New eFiling users must first create an account by clicking on "eRegister." You must select the type of filing you are making. If you are filing a comment on a particular project, please select "Comment on a Filing"; or

(3) You can file a paper copy of your comments by mailing them to the Commission. Be sure to reference the Project docket number (CP25-219-000) on your letter. Submissions sent via the U.S. Postal Service must be addressed to: Debbie-Anne A. Reese, Secretary, Federal Energy Regulatory Commission, 888 First Street NE, Room 1A, Washington, DC 20426. Submissions sent via any other carrier must be addressed to: Debbie-Anne A. Reese, Secretary, Federal Energy Regulatory Commission, 12225 Wilkins Avenue, Rockville, MD 20852.

Filing environmental comments will not give you intervenor status, but you do not need intervenor status to have your comments considered. Only intervenors have the right to seek rehearing or judicial review of the Commission's decision. At this point in this proceeding, the timeframe for filing timely intervention requests has expired. Any person seeking to become a party to the proceeding must file a motion to intervene out-of-time pursuant to Rule 214(b)(3) and (d) of the Commission's Rules of Practice and Procedures (Title 18 Code of Federal Regulations, Parts 385.214(b)(3) and (d)) and show good cause why the time limitation should be waived. Motions to intervene are more fully described at <https://www.ferc.gov/how-intervene>.

For public inquiries and assistance with making filings such as

interventions, comments, or requests for rehearing, contact the Office of Public Participation at (202) 502-6595 or OPP@ferc.gov. Additional information about the Project is available from the FERC website (www.ferc.gov) using the eLibrary link. The eLibrary link also provides access to the texts of all formal documents issued by the Commission, such as orders, notices, and rulemakings.

In addition, the Commission offers a free service called eSubscription which allows you to keep track of all formal issuances and submittals in specific dockets. This can reduce the amount of time you spend researching proceedings by automatically providing you with notification of these filings, document summaries, and direct links to the documents. Go to <https://www.ferc.gov/ferc-online/overview> to register for eSubscription.

(Authority: 18 CFR 2.1.)

Dated: December 29, 2025.

Debbie-Anne A. Reese,
Secretary.

[FR Doc. 2025-24189 Filed 12-31-25; 8:45 am]

BILLING CODE 6717-01-P

DEPARTMENT OF ENERGY

Federal Energy Regulatory Commission

[Docket No. CP26-50-000]

Columbia Gas Transmission, LLC; Notice of Request Under Blanket Authorization and Establishing Intervention and Protest Deadline

Take notice that on December 19, 2025, Columbia Gas Transmission, LLC (Columbia), 700 Louisiana Street, Suite 1300, Houston, Texas 77002-2700, filed in the above referenced docket, a prior notice request pursuant to sections 157.205 and 157.208 of the Commission's regulations under the Natural Gas Act (NGA), and Columbia's blanket certificate issued in Docket No. CP83-76-000, for authorization to install launchers/receivers and modify other appurtenant facilities to enable pigging activities on its 20-inch-diameter lines A90 and A79. All of the above facilities are located in Greene, Madison, Pickaway, and Fairfield Counties, Ohio (Line A90 and A79 Make Piggable Project). The project will allow Columbia to accommodate in-line inspection tools, supporting pipeline integrity monitoring and maintenance activities, and enhancing the continued safe and reliable operation of the system in accordance with federal pipeline safety regulations. The estimated cost

for the project is approximately \$20 million, all as more fully set forth in the request which is on file with the Commission and open to public inspection.

In addition to publishing the full text of this document in the **Federal Register**, the Commission provides all interested persons an opportunity to view and/or print the contents of this document via the internet through the Commission's Home Page (<http://www.ferc.gov>). From the Commission's Home Page on the internet, this information is available on eLibrary. The full text of this document is available on eLibrary in PDF and Microsoft Word format for viewing, printing, and/or downloading. To access this document in eLibrary, type the docket number excluding the last three digits of this document in the docket number field.

User assistance is available for eLibrary and the Commission's website during normal business hours from FERC Online Support at (202) 502-6652 (toll free at 1-866-208-3676) or email at ferconlinesupport@ferc.gov, or the Public Reference Room at (202) 502-8371, TTY (202) 502-8659. Email the Public Reference Room at public.referenceroom@ferc.gov.

Any questions concerning this request should be directed to LaShawndra R. Proctor, Manager, Project Authorizations, Columbia Gas Transmission, LLC, 700 Louisiana Street, Suite 1300, Houston, Texas 77002-2700, by phone at (832) 320-5232 or by email at Lashawndra_proctor@tccenergy.com.

Public Participation

There are three ways to become involved in the Commission's review of this project: you can file a protest to the project, you can file a motion to intervene in the proceeding, and you can file comments on the project. There is no fee or cost for filing protests, motions to intervene, or comments. The deadline for filing protests, motions to intervene, and comments is 5:00 p.m. Eastern Time on February 27, 2026. How to file protests, motions to intervene, and comments is explained below.

For public inquiries and assistance with making filings such as interventions, comments, or requests for rehearing, contact the Office of Public Participation (OPP) at (202) 502-6595 or OPP@ferc.gov.

Protests

Pursuant to section 157.205 of the Commission's regulations under the

NGA,¹ any person² or the Commission's staff may file a protest to the request. If no protest is filed within the time allowed or if a protest is filed and then withdrawn within 30 days after the allowed time for filing a protest, the proposed activity shall be deemed to be authorized effective the day after the time allowed for protest. If a protest is filed and not withdrawn within 30 days after the time allowed for filing a protest, the instant request for authorization will be considered by the Commission.

Protests must comply with the requirements specified in section 157.205(e) of the Commission's regulations,³ and must be submitted by the protest deadline, which is 5:00 p.m. Eastern Time on February 27, 2026. A protest may also serve as a motion to intervene so long as the protestor states it also seeks to be an intervenor.

Interventions

Any person has the option to file a motion to intervene in this proceeding. Only intervenors have the right to request rehearing of Commission orders issued in this proceeding and to subsequently challenge the Commission's orders in the U.S. Circuit Courts of Appeal.

To intervene, you must submit a motion to intervene to the Commission in accordance with Rule 214 of the Commission's Rules of Practice and Procedure⁴ and the regulations under the NGA⁵ by the intervention deadline for the project, which is 5:00 p.m. Eastern Time on February 27, 2026. As described further in Rule 214, your motion to intervene must state, to the extent known, your position regarding the proceeding, as well as your interest in the proceeding. For an individual, this could include your status as a landowner, ratepayer, resident of an impacted community, or recreationist. You do not need to have property directly impacted by the project in order to intervene. For more information about motions to intervene, refer to the FERC website at <https://www.ferc.gov/resources/guides/how-to/intervene.asp>.

All timely, unopposed motions to intervene are automatically granted by operation of Rule 214(c)(1). Motions to intervene that are filed after the intervention deadline are untimely and may be denied. Any late-filed motion to intervene must show good cause for

being late and must explain why the time limitation should be waived and provide justification by reference to factors set forth in Rule 214(d) of the Commission's Rules and Regulations. A person obtaining party status will be placed on the service list maintained by the Secretary of the Commission and will receive copies (paper or electronic) of all documents filed by the applicant and by all other parties.

Comments

Any person wishing to comment on the project may do so. The Commission considers all comments received about the project in determining the appropriate action to be taken. To ensure that your comments are timely and properly recorded, please submit your comments on or before 5:00 p.m. Eastern Time on February 27, 2026. The filing of a comment alone will not serve to make the filer a party to the proceeding. To become a party, you must intervene in the proceeding.

How To File Protests, Interventions, and Comments

There are two ways to submit protests, motions to intervene, and comments. In both instances, please reference the Project docket number CP26–50–000 in your submission.

(1) You may file your protest, motion to intervene, and comments by using the Commission's eFiling feature, which is located on the Commission's website (www.ferc.gov) under the link to Documents and Filings. New eFiling users must first create an account by clicking on "eRegister." You will be asked to select the type of filing you are making; first select "General" and then select "Protest", "Intervention", or "Comment on a Filing"; or⁶

(2) You can file a paper copy of your submission by mailing it to the address below. Your submission must reference the Project docket number CP26–50–000.

To file via USPS: Debbie-Anne A. Reese, Secretary, Federal Energy Regulatory Commission, 888 First Street NE, Washington, DC 20426.

To file via any other method: Debbie-Anne A. Reese, Secretary, Federal Energy Regulatory Commission, 12225 Wilkins Avenue, Rockville, Maryland 20852.

The Commission encourages electronic filing of submissions (option

1 above) and has eFiling staff available to assist you at (202) 502–8258 or FercOnlineSupport@ferc.gov.

Protests and motions to intervene must be served on the applicant either by mail at: LaShawndra R. Proctor, Manager, Project Authorizations, Columbia Gas Transmission, LLC, 700 Louisiana Street, Suite 1300, Houston, Texas 77002–2700 or by email (with a link to the document) at Lashawndra_proctor@tcenergy.com. Any subsequent submissions by an intervenor must be served on the applicant and all other parties to the proceeding. Contact information for parties can be downloaded from the service list at the eService link on FERC Online.

Tracking the Proceeding

Throughout the proceeding, additional information about the project will be available from OPP at (202) 502–6595 or on the FERC website at www.ferc.gov using the "eLibrary" link as described above. The eLibrary link also provides access to the texts of all formal documents issued by the Commission, such as orders, notices, and rulemakings.

In addition, the Commission offers a free service called eSubscription which allows you to keep track of all formal issuances and submittals in specific dockets. This can reduce the amount of time you spend researching proceedings by automatically providing you with notification of these filings, document summaries, and direct links to the documents. For more information and to register, go to www.ferc.gov/docs-filing/esubscription.asp.

(Authority: 18 CFR 2.1.)

Dated: December 29, 2025.

Debbie-Anne A. Reese,
Secretary.

[FR Doc. 2025–24188 Filed 12–31–25; 8:45 am]

BILLING CODE 6717–01–P

ENVIRONMENTAL PROTECTION AGENCY

[FRL OPRM–FAD–203]

Environmental Impact Statements; Notice of Availability

Responsible Agency: Office of Federal Activities, General Information 202–993–3272 or <https://www.epa.gov/nepa>. Weekly receipt of Environmental Impact Statements (EIS).

Filed December 19, 2025 10 a.m. EST through December 26, 2025 10 a.m. EST.

Pursuant to CEQ Guidance on 42 U.S.C. 4332.

¹ 18 CFR 157.205.

² Persons include individuals, organizations, businesses, municipalities, and other entities. 18 CFR 385.102(d).

³ 18 CFR 157.205(e).

⁴ 18 CFR 385.214.

⁵ 18 CFR 157.10.

⁶ Additionally, you may file your comments electronically by using the eComment feature, which is located on the Commission's website at www.ferc.gov under the link to Documents and Filings. Using eComment is an easy method for interested persons to submit brief, text-only comments on a project.

Notice: Section 309(a) of the Clean Air Act requires that EPA make public its comments on EISs issued by other Federal agencies. EPA's comment letters on EISs are available at: <https://cdxapps.epa.gov/cdx-enepa-II/public/action/eis/search>.

EIS No. 20250175, Final, TVA, AL, Spring Valley II Solar Project, Review Period Ends: 01/30/2026, Contact: Elizabeth Smith 865-632-3053.

Dated: December 29, 2025.

Prasad Chumble,

Acting Director, Federal Activities Division.

[FR Doc. 2025-24190 Filed 12-31-25; 8:45 am]

BILLING CODE 6560-50-P

ENVIRONMENTAL PROTECTION AGENCY

Local Government Advisory Committee (LGAC): Notice of Charter Renewal and Request for Member Nominations

AGENCY: Environmental Protection Agency (EPA).

ACTION: Notice.

SUMMARY: Notice is hereby given that the Environmental Protection Agency (EPA) has determined that, in accordance with the provisions of the Federal Advisory Committee Act (FACA), 5 U.S.C. 10, the Local Government Advisory Committee (LGAC) is in the public interest and supports the EPA in performing its duties and responsibilities under federal environmental statutes. Accordingly, the LGAC's charter will be renewed for an additional two-year period. The LGAC is an independent, policy-oriented advisory committee of elected and appointed government officials. The Committee provides policy advice and recommendations to the EPA Administrator to assist the agency in ensuring that its regulations, policies, guidance, and technical assistance both support and improve the capacity of local governments to implement and carry out programs. With the renewal of its charter, the LGAC is requesting nominations for membership to its Small Communities Advisory Subcommittee. More information is detailed below. The renewed LGAC charter can be found at <https://www.epa.gov/ocir/local-government-advisory-committee-lgac>. The LGAC is chartered under the Federal Advisory Committee Act (FACA), Public Law 92-463, to advise the EPA Administrator on environmental issues impacting local governments. In addition, EPA invites nominations from a range of qualified candidates to be considered for

appointment to The Small Communities Advisory Subcommittee (SCAS), a standing subcommittee of the LGAC, which was established to advise the Administrator on environmental issues of concern to the residents of smaller communities. Qualified nominees for the SCAS must hold elected positions with local, tribal, state, or territorial governments, or serve in a full-time government position appointed by an elected official. For more information, including recent meeting summaries and recommendations, visit: <https://www.epa.gov/ocir/local-government-advisory-committee-lgac>.

DATES: To be considered for 2026 appointments, nominations should be submitted by January 15, 2026.

How to Apply: Applications for consideration for the SCAS must be submitted electronically to LGAC@epa.gov with a subject heading of SCAS 2026 NOMINATION.

FOR FURTHER INFORMATION CONTACT: Edlynzia Barnes, the SCAS Designated Federal Officer at LGAC@epa.gov.

SUPPLEMENTARY INFORMATION:

Qualifications: Appointed members to the SCAS will advise on the Administrator's Powering the Great American Comeback Initiative, contributing recommendations to EPA programs to align with the Initiative's Five Pillars:

- *Pillar 1:* Clean Air, Land, and Water for Every American,
- *Pillar 2:* Restore American Energy Dominance,
- *Pillar 3:* Permitting Reform, Cooperative Federalism, and Cross-Agency Partnership,
- *Pillar 4:* Make the United States the Artificial Intelligence Capital of the World, and
- *Pillar 5:* Protecting and Bringing Back American Auto Jobs

Viable candidates must be current elected officials representing local, state, tribal, or territorial governments. Officials working full-time for a local, state, tribal, or territorial government who have been appointed directly by an elected official will also be considered. Preference will be given to qualified candidates who demonstrate experience developing and implementing environmental programs consistent with the five Pillars listed above. Additional criteria to be considered may include experience with multi-sector partnerships; coalition-building; and involvement and leadership in national, state or regional intergovernmental associations.

Time Commitment: New members are appointed for a minimum 1-year term and are eligible for reappointment to

serve for a total of up to 6 years. In 2026, the SCAS plans to hold three to four public meetings, to be held either virtually or in-person with online participation options.

In addition to public meetings, workgroups will be created to address the five Pillars noted above, as well as any emerging issues. Members will be encouraged to serve on one or more workgroups, where they will be asked to share their experiences working on an issue, recommend experts on an issue for the Subcommittee to consult with, debate the nuances of policy implementation, and review written recommendations before they are shared with the full Subcommittee. In total, applicants should plan to spend an average of three two hours per month on Subcommittee work. While EPA is unable to provide compensation for services, official Committee travel and related expenses (lodging, etc.) will be fully reimbursed.

Nominations: Nominations must be submitted in electronic format. To be considered, all nominations should submit the following materials via email to LGAC@epa.gov.

- Current contact information for the applicant/nominee, including name, organization (and position within that organization), current work address, email address, and daytime telephone number,
- Brief statement describing the nominee's interest in serving on the SCAS,
- Resume and/or short biography (no more than 2 pages) describing professional, educational, and other pertinent qualifications of the nominee, including a list of relevant activities as well as any current or previous service on advisory committees; and,
- Any letter(s) of recommendation from a third party (or parties) supporting the nomination. Letter(s) should describe how the nominee's experience and knowledge will bring value to the work of the SCAS.

December 29, 2025.

Julian Bowles,

Director of Intergovernmental Relations, Office of Congressional and Intergovernmental Relations.

[FR Doc. 2025-24168 Filed 12-31-25; 8:45 am]

BILLING CODE 6560-50-P

FEDERAL HOUSING FINANCE AGENCY

[No. 2026–N–2]

Notice of Annual Adjustment of the Cap on Average Total Assets That Defines Community Financial Institutions

AGENCY: Federal Housing Finance Agency.

ACTION: Notice.

SUMMARY: The Federal Housing Finance Agency (FHFA) has adjusted the cap on average total assets that is used in determining whether a Federal Home Loan Bank (Bank) member qualifies as a “community financial institution” (CFI) to \$1,541,000,000, based on the annual percentage increase in the Consumer Price Index for all urban consumers (CPI–U), as published by the Department of Labor (DOL). This change is effective as of January 1, 2026.

FOR FURTHER INFORMATION CONTACT: Janna Bruce, Senior Financial Analyst, Division of Federal Home Loan Bank Regulation, (202) 649–3202, Janna.Bruce@fhfa.gov; or RG Yamba, Counsel, Office of General Counsel, (202) 649–3399, RG.Yamba@fhfa.gov, (these are not toll-free numbers), Federal Housing Finance Agency, Constitution Center, 400 Seventh Street SW, Washington, DC 20219. For TTY/TRS users with hearing and speech disabilities, dial 711 and ask to be connected to any of the contact numbers above.

SUPPLEMENTARY INFORMATION:

I. Statutory and Regulatory Background

The Federal Home Loan Bank Act (Bank Act) confers upon insured depository institutions that meet the statutory definition of a CFI certain advantages over non-CFI insured depository institutions in qualifying for Bank membership, and in the purposes for which they may receive long-term advances and the collateral they may pledge to secure advances.¹ Section 2(10)(A) of the Bank Act and § 1263.1 of FHFA’s regulations define a CFI as any Bank member the deposits of which are insured by the Federal Deposit Insurance Corporation and that has average total assets below the statutory cap.² The Bank Act was amended in 2008 to set the statutory cap at \$1 billion and to require FHFA to adjust the cap annually to reflect the percentage increase in the CPI–U, as

published by the DOL.³ For 2025, FHFA set the CFI asset cap at \$1,500,000,000, which reflected a 2.7 percent increase over 2024, based upon the increase in the CPI–U between 2023 and 2024.⁴

II. The CFI Asset Cap for 2026

As of January 1, 2026, FHFA will increase the CFI asset cap to \$1,541,000,000, which reflects a 2.7 percent increase in the unadjusted CPI–U from November 2024 to November 2025. Consistent with the practice of other Federal agencies required to calculate and make annual adjustments based on CPI–U changes, FHFA bases the annual adjustment to the CFI asset cap on the percentage increase in the CPI–U from November of the year prior to the preceding calendar year to November of the preceding calendar year. The November figures represent the most recent available data as of January 1st of the current calendar year. FHFA determined the new CFI asset cap by applying the percentage increase in the CPI–U to the unrounded amount for the preceding year and rounding to the nearest million, as has been FHFA’s practice for all previous adjustments.

In calculating the CFI asset cap, FHFA uses CPI–U data that have not been seasonally adjusted (*i.e.*, the data have not been adjusted to remove the estimated effect of price changes that normally occur at the same time and in about the same magnitude every year). The DOL encourages use of unadjusted CPI–U data in applying “escalation” provisions such as that governing the CFI asset cap, because the factors that are used to seasonally adjust the data are amended annually, and seasonally adjusted data that are published earlier are subject to revision for up to five years following their original release. Unadjusted data are not routinely subject to revision, and previously published unadjusted data are only corrected when significant calculation errors are discovered.

Joshua R. Stallings,

Deputy Director, Division of Federal Home Loan Bank Regulation, Federal Housing Finance Agency.

[FR Doc. 2025–24208 Filed 12–31–25; 8:45 am]

BILLING CODE 8070–01–P

FEDERAL RESERVE SYSTEM

Change in Bank Control Notices; Acquisitions of Shares of a Bank or Bank Holding Company

The notificants listed below have applied under the Change in Bank Control Act (Act) (12 U.S.C. 1817(j)) and § 225.41 of the Board’s Regulation Y (12 CFR 225.41) to acquire shares of a bank or bank holding company. The factors that are considered in acting on the applications are set forth in paragraph 7 of the Act (12 U.S.C. 1817(j)(7)).

The public portions of the applications listed below, as well as other related filings required by the Board, if any, are available for immediate inspection at the Federal Reserve Bank(s) indicated below and at the offices of the Board of Governors. This information may also be obtained on an expedited basis, upon request, by contacting the appropriate Federal Reserve Bank and from the Board’s Freedom of Information Office at <https://www.federalreserve.gov/foia/request.htm>. Interested persons may express their views in writing on the standards enumerated in paragraph 7 of the Act.

Comments received are subject to public disclosure. In general, comments received will be made available without change and will not be modified to remove personal or business information including confidential, contact, or other identifying information. Comments should not include any information such as confidential information that would not be appropriate for public disclosure.

Comments regarding each of these applications must be received at the Reserve Bank indicated or the offices of the Board of Governors, Benjamin W. McDonough, Deputy Secretary of the Board, 20th Street and Constitution Avenue NW, Washington, DC 20551–0001, not later than January 20, 2026.

A. Federal Reserve Bank of Chicago (Colette A. Fried, Assistant Vice President) 230 South LaSalle Street, Chicago, Illinois 60690–1414. Comments can also be sent electronically to Comments.applications@chi.frb.org:

1. *The Weaver 2021 Dynasty Trust, Milwaukee, Wisconsin, Steven Afdahl, Temecula, California, Kirk Yung, Fort Dodge, Iowa, and Peter J. Wilder, Pewaukee, Wisconsin, as trustees; Jessica Weaver, Iowa Falls, Iowa, as grantor; and Christopher Weaver, Iowa Falls, Iowa, as a group acting in concert, to acquire voting shares of Green Belt Bancorporation, and thereby indirectly*

¹ See 12 U.S.C. 1424(a), 1430(a).

² See 12 U.S.C. 1422(10)(A); 12 CFR 1263.1.

³ See 12 U.S.C. 1422(10)(B); 12 CFR 1263.1 (defining the term “CFI asset cap”).

⁴ See 90 FR 3865 (Jan. 15, 2025).

acquire voting shares of Green Belt Bank & Trust, both of Iowa Falls, Iowa.

Board of Governors of the Federal Reserve System.

Michele Taylor Fennell,

Associate Secretary of the Board.

[FR Doc. 2025-24204 Filed 12-31-25; 8:45 am]

BILLING CODE 6210-01-P

GENERAL SERVICES ADMINISTRATION

[Notice—MA—2025-19; Docket No. 2025-0002; Sequence No. 17]

Revision to Foreign Gifts and Decorations Minimal Value

AGENCY: Office of Government-Wide Policy (OGP), General Services Administration (GSA).

ACTION: Notice of GSA Bulletin FMR B-2025-01, Foreign Gifts and Decorations Minimal Value.

SUMMARY: GSA, in consultation with the U.S. Department of State, must redefine the minimal value of foreign gifts and decorations to reflect changes in the Consumer Price Index (CPI) for the preceding 3-year period, as specified under the law concerning the Receipt and Disposition of Foreign Gifts and Decorations. The minimal value was last defined effective January 1, 2023, and must be redefined effective as of January 1, 2026. This bulletin cancels FMR Bulletin B-54, “Foreign Gift and Decoration Minimal Value,” issued April 25, 2023, as this bulletin provides updated information on the same topic.

DATES: *Applicability Date:* January 1, 2026. This notice applies to foreign gifts and decorations received on or after January 1, 2026.

FOR FURTHER INFORMATION CONTACT: For clarification of content, contact William Garrett, Director, Personal Property Policy, Office of Government-wide Policy, Office of Asset and Transportation Management, at 202-368-8163, or by email at william.garrett@gsa.gov. Please cite Notice of GSA Bulletin FMR B-2025-01.

SUPPLEMENTARY INFORMATION:

Background

Foreign gifts and decorations above the GSA-defined minimal value are handled differently than lesser-valued foreign gifts and decorations under the provisions of 5 U.S.C. 7342 and Federal Management Regulation (FMR) Part 102-42.

Foreign gifts and decorations above the minimal value become the property

of the Federal Government and must be reported to GSA for disposal if not immediately needed by the agency for official purposes. Additionally, those items initially retained by the agencies for official use are reported to GSA upon termination of official use.

The foreign gifts and decorations minimal value was last redefined effective January 1, 2023, at \$480.00, and therefore, must be redefined as of January 1, 2026, to reflect the CPI increase of 8.99 percent for the preceding three years.

Pursuant to FMR § 102-42.10, the approved revised minimal value will be published in an FMR Bulletin posted on OGP’s website (www.gsa.gov/foreigngifts).

Calculations using the consumer prices over the past three years show that the minimal value must increase 8.99 percent, or \$43.15, from its current \$480.00. As in previous years, GSA is rounding the amount to the nearest five dollar increments.

Therefore, GSA is adjusting the new minimal value to \$525.00. Per FMR § 102-42.10, an agency may, by regulation, specify a lower value than this Government-wide value for its agency employees.

FMR Bulletin B-2025-01 is available at <https://www.gsa.gov/policy-regulations/regulations/federal-management-regulation/fmr-and-related-files>.

Larry Allen,

Associate Administrator, Office of Government-wide Policy.

[FR Doc. 2025-24147 Filed 12-31-25; 8:45 am]

BILLING CODE 6820-14-P

GENERAL SERVICES ADMINISTRATION

[Notice—MA—2026-01; Docket No. 2025-0002; Sequence No. 17]

Calendar Year (CY) 2026 Privately Owned Vehicle (POV) Mileage Reimbursement Rates; CY 2026 Standard Mileage Rate for Moving Purposes

AGENCY: Office of Government-Wide Policy (OGP), General Services Administration (GSA).

ACTION: Notice.

SUMMARY: GSA is updating the mileage reimbursement rate for privately owned automobiles (POA), airplanes, and motorcycles as required by statute. This information will be available in FTR Bulletin 26-02, which can be found on GSA’s website at <https://gsa.gov/ftrbulletins>.

DATES: *Applicability date:* This notice applies to travel and relocation performed on or after January 1, 2026, through December 31, 2026.

FOR FURTHER INFORMATION CONTACT: For clarification of content, please contact Mr. Alexander Kurien, Deputy Associate Administrator, Office of Government-wide Policy, at 202-495-9628, or by email at travelpolicy@gsa.gov. Please cite Notice of FTR Bulletin 26-02.

SUPPLEMENTARY INFORMATION: GSA is required by statute to set the mileage reimbursement rate for privately owned automobiles (POA) as the single standard mileage rate established by the Internal Revenue Service (IRS). The IRS mileage rate for medical or moving purposes is used to determine the POA rate when a Government-furnished automobile is available and authorized and also represents the privately owned vehicle (POV) standard mileage reimbursement rate for official relocation.

Finally, GSA conducts independent reviews of the cost of travel and the operation of privately owned airplanes and motorcycles on an annual basis to determine their corresponding mileage reimbursement rates. These reviews evaluate various factors, such as the cost of fuel, depreciation of the original vehicle cost, maintenance and insurance, state and Federal taxes, and consumer price index data. FTR Bulletin 26-02 establishes and announces the new CY 2026 POV mileage reimbursement rates for official temporary duty and relocation travel.

This notice is the only notification to agencies of revisions to the POV mileage rates for official travel and relocation, in addition to the changes posted on GSA’s website at <https://gsa.gov/mileage>.

Larry Allen,

Associate Administrator, Office of Government-wide Policy.

[FR Doc. 2025-24148 Filed 12-31-25; 8:45 am]

BILLING CODE 6820-14-P

DEPARTMENT OF HEALTH AND HUMAN SERVICES

Food and Drug Administration

[Docket No. FDA-2022-N-0150]

Revocation of Two Authorizations of Emergency Use of In Vitro Diagnostic Devices for Detection and/or Diagnosis of COVID-19; Availability

AGENCY: Food and Drug Administration, HHS.

ACTION: Notice.

SUMMARY: The Food and Drug Administration (FDA) is announcing the revocation of the Emergency Use Authorizations (EUAs) (the Authorizations) issued to Pfizer Inc. for the Lucira by Pfizer COVID-19 & Flu Test and Lucira by Pfizer COVID-19 & Flu Home Test. FDA revoked the Authorizations under the Federal Food, Drug, and Cosmetic Act (FD&C Act) as requested by the Authorization holder. The revocations, which include an explanation of the reasons for each revocation, are reprinted at the end of this document.

DATES: The revocation of the Authorizations for the Pfizer Inc.'s Lucira by Pfizer COVID-19 & Flu Test and Lucira by Pfizer COVID-19 & Flu Home Test were effective as of October 22, 2025.

ADDRESSES: Submit written requests for a single copy of the revocations to the Office of Policy, Center for Devices and Radiological Health, Food and Drug Administration, 10903 New Hampshire Ave., Bldg. 66, Rm. 5441, Silver Spring, MD 20993-0002. Send one self-addressed adhesive label to assist that office in processing your request or include a fax number to which the revocations may be sent. See the **SUPPLEMENTARY INFORMATION** section for electronic access to the revocations.

FOR FURTHER INFORMATION CONTACT: Kim Sapsford-Medintz, Office of Product Evaluation and Quality, Center for Devices and Radiological Health, Food and Drug Administration, 10903 New Hampshire Ave., Bldg. 66, Rm. 3216, Silver Spring, MD 20993-0002, 301-796-0311 (this is not a toll-free number).

SUPPLEMENTARY INFORMATION:

I. Background

Section 564 of the FD&C Act (21 U.S.C. 360bbb-3) as amended by the Project BioShield Act of 2004 (Pub. L. 108-276) and the Pandemic and All-Hazards Preparedness Reauthorization

Act of 2013 (Pub. L. 113-5) allows FDA to strengthen the public health protections against biological, chemical, radiological, or nuclear agent or agents. Among other things, section 564 of the FD&C Act allows FDA to authorize the use of an unapproved medical product or an unapproved use of an approved medical product in certain situations.

On November 22, 2022, FDA issued the Authorization to Lucira Health, Inc. for the Lucira COVID-19 & Flu Test, subject to the terms of the Authorization.¹ Notice of the issuance of this Authorization was published in the **Federal Register** on January 23, 2023 (88 FR 3995), as required by section 564(h)(1) of the FD&C Act.

On February 24, 2023, FDA issued the Authorization to Lucira Health, Inc. for the Lucira COVID-19 & Flu Home Test, subject to the terms of the Authorization.² Notice of the issuance of this Authorization was published in the **Federal Register** on March 10, 2023 (88 FR 15051), as required by section 564(h)(1) of the FD&C Act.

Subsequent updates to the Authorizations were made available on FDA's website. The authorization of a device for emergency use under section 564 of the FD&C Act may, pursuant to section 564(g)(2) of the FD&C Act, be revoked when the criteria under section 564(c) of the FD&C Act for issuance of such authorization are no longer met (section 564(g)(2)(B) of the FD&C Act), or other circumstances make such revocation appropriate to protect the public health or safety (section 564(g)(2)(C) of the FD&C Act).

¹ Ownership of the EUA for the Lucira COVID-19 & Flu Test was transferred from Lucira Health Inc. to Pfizer Inc., on June 15, 2023, and the name was changed to Lucira by Pfizer COVID-19 & Flu Test.

² Ownership of the EUA for the Lucira COVID-19 & Flu Home Test was transferred from Lucira Health Inc. to Pfizer Inc., on June 15, 2023, and the name was changed to Lucira by Pfizer COVID-19 & Flu Home Test.

II. Authorizations Revocation Requests

In a request received by FDA on October 10, 2025, Pfizer Inc. requested the revocation of, and on October 22, 2025, FDA revoked, the Authorization for the Pfizer Inc.'s Lucira by Pfizer COVID-19 & Flu Test. Pfizer Inc. notified FDA as the date of the letter there is no viable Lucira by Pfizer COVID-19 & Flu Test reagents remaining in the United States, and requested FDA revoke the Pfizer Inc.'s Lucira by Pfizer COVID-19 & Flu Test. FDA has determined that it is appropriate to protect the public health or safety to revoke this Authorization.

In a request received by FDA on October 10, 2025, Pfizer Inc., requested the revocation of, and on October 22, 2025, FDA revoked, the Authorization for the Pfizer Inc.'s Lucira by Pfizer COVID-19 & Flu Home Test. Pfizer Inc. notified FDA that as the date of the letter there is no viable Lucira by Pfizer COVID-19 & Flu Home Test reagents remaining in the United States, and requested FDA revoke the Pfizer Inc.'s Lucira by Pfizer COVID-19 & Flu Home Test. FDA has determined that it is appropriate to protect the public health or safety to revoke this Authorization.

III. Electronic Access

An electronic version of this document and the full text of the revocations are available on the internet at <https://www.regulations.gov/>.

IV. The Revocations

Having concluded that the criteria for revocation of the Authorizations under section 564(g)(2)(C) of the FD&C Act are met, FDA has revoked the EUA for Pfizer Inc.'s Lucira by Pfizer COVID-19 & Flu Test and Lucira by Pfizer COVID-19 & Flu Home Test. The revocations in their entirety follow and provide an explanation of the reasons for revocation, as required by section 564(h)(1) of the FD&C Act.

BILLING CODE 4164-01-P



October 22, 2025

William Vogt
Director, Global Regulatory Sciences
Pfizer Inc.
66 Hudson Boulevard East
New York, NY 10001

Re: Revocation of EUA220333

Dear William Vogt:

This letter is in response to the request from Pfizer Inc., in a letter dated October 10, 2025, that the U.S. Food and Drug Administration (FDA) revoke the EUA for the Lucira by Pfizer COVID-19 & Flu Test issued on November 22, 2022, revised and reissued on June 15, 2023, and amended on March 22, 2023, August 3, 2023, and September 6, 2023. FDA understands that as of the date of this letter there is no viable Lucira by Pfizer COVID-19 & Flu Test reagent remaining in distribution in the United States.

The authorization of a device for emergency use under section 564 of the Federal Food, Drug, and Cosmetic Act (the Act) (21 U.S.C. 360bbb-3) may, pursuant to section 564(g)(2) of the Act, be revoked when circumstances make such revocation appropriate to protect the public health or safety (section 564(g)(2)(C) of the Act). Because Pfizer Inc. has requested that FDA revoke the EUA for the Lucira by Pfizer COVID-19 & Flu Test, FDA has determined that it is appropriate to protect the public health or safety to revoke this authorization. Accordingly, FDA hereby revokes EUA220333 for the Lucira by Pfizer COVID-19 & Flu Test, pursuant to section 564(g)(2)(C) of the Act. As of the date of this letter, the Lucira by Pfizer COVID-19 & Flu Test is no longer authorized for emergency use by FDA.

Notice of this revocation will be published in the *Federal Register*, pursuant to section 564(h)(1) of the Act.

Sincerely,

Ellen J.
Flannery -S

Digitally signed by
Ellen J. Flannery -S
Date: 2025.10.22
08:07:18 -04'00'

Ellen J. Flannery, J.D.
Deputy Center Director for Policy
Director, Office of Policy
Center for Devices and Radiological Health
Food and Drug Administration



October 22, 2025

William Vogt
Director, Global Regulatory Sciences
Pfizer Inc.
66 Hudson Boulevard East
New York, NY 10001

Re: Revocation of EUA220490

Dear William Vogt:

This letter is in response to the request from Pfizer Inc., in a letter dated October 10, 2025, that the U.S. Food and Drug Administration (FDA) revoke the EUA for the Lucira by Pfizer COVID-19 & Flu Home Test issued on February 24, 2023, revised and reissued on June 15, 2023, and amended on March 22, 2023, August 3, 2023, and September 6, 2023. FDA understands that as of the date of this letter there is no viable Lucira by Pfizer COVID-19 & Flu Home Test reagents remaining in distribution in the United States.

The authorization of a device for emergency use under section 564 of the Federal Food, Drug, and Cosmetic Act (the Act) (21 U.S.C. 360bbb-3) may, pursuant to section 564(g)(2) of the Act, be revoked when circumstances make such revocation appropriate to protect the public health or safety (section 564(g)(2)(C) of the Act). Because Pfizer Inc. has requested that FDA revoke the EUA for the Lucira by Pfizer COVID-19 & Flu Home Test, FDA has determined that it is appropriate to protect the public health or safety to revoke this authorization. Accordingly, FDA hereby revokes EUA220490 for the Lucira by Pfizer COVID-19 & Flu Home Test, pursuant to section 564(g)(2)(C) of the Act. As of the date of this letter, the Lucira by Pfizer COVID-19 & Flu Home Test is no longer authorized for emergency use by FDA.

Notice of this revocation will be published in the *Federal Register*, pursuant to section 564(h)(1) of the Act.

Sincerely,

Ellen J.
Flannery -S

Digitally signed by Ellen J.
Flannery -S
Date: 2025.10.22 14:19:05
-04'00'

Ellen J. Flannery, J.D.
Deputy Center Director for Policy
Director, Office of Policy
Center for Devices and Radiological Health
Food and Drug Administration

Lowell M. Zeta,

*Acting Deputy Commissioner for Policy,
Legislation, and International Affairs.*

[FR Doc. 2025-24155 Filed 12-31-25; 8:45 am]

BILLING CODE 4164-01-C

**DEPARTMENT OF HEALTH AND
HUMAN SERVICES**

Food and Drug Administration

[Docket No. FDA-2022-P-3118]

**Determination That MYSOLINE
(Primidone) Suspension, 250
Milligrams/5 Milliliters, Was Withdrawn
From Sale for Reasons of Safety or
Effectiveness**

AGENCY: Food and Drug Administration,
HHS.

ACTION: Notice.

SUMMARY: The Food and Drug Administration (FDA, Agency, or we) has determined that MYSOLINE (primidone) suspension, 250 milligrams (mg)/5 milliliters (mL), was withdrawn from sale for reasons of safety or effectiveness. The Agency will not accept or approve abbreviated new drug applications (ANDAs) for primidone suspension, 250 mg/5 mL.

FOR FURTHER INFORMATION CONTACT:
Aaron Young, Center for Drug

Evaluation and Research, Food and Drug Administration, 10903 New Hampshire Ave., Bldg. 51, Rm. 6254, Silver Spring, MD 20993–0002, 301–796–8083, aaron.young@fda.hhs.gov.

SUPPLEMENTARY INFORMATION: Section 505(j) of the Federal Food, Drug, and Cosmetic Act (FD&C Act) (21 U.S.C. 355(j)) allows the submission of an ANDA to market a generic version of a previously approved drug product. To obtain approval, the ANDA applicant must show, among other things, that the generic drug product: (1) has the same active ingredient(s), dosage form, route of administration, strength, conditions of use, and (with certain exceptions) labeling as the listed drug, which is a version of the drug that was previously approved, and (2) is bioequivalent to the listed drug. ANDA applicants do not have to repeat the extensive clinical testing otherwise necessary to gain approval of a new drug application (NDA).

Section 505(j)(7) of the FD&C Act requires FDA to publish a list of all approved drugs. FDA publishes this list as part of the “Approved Drug Products With Therapeutic Equivalence Evaluations,” which is known generally as the “Orange Book.” Under FDA regulations, drugs are removed from the list if the Agency withdraws or suspends approval of the drug’s NDA or ANDA for reasons of safety or effectiveness or if FDA determines that the listed drug was withdrawn from sale for reasons of safety or effectiveness (21 CFR 314.162).

A person may petition the Agency to determine, or the Agency may determine on its own initiative, whether a listed drug was withdrawn from sale for reasons of safety or effectiveness. This determination may be made at any time after the drug has been withdrawn from sale, but must be made prior to approving an ANDA that refers to the listed drug (§ 314.161 (21 CFR 314.161)). FDA may not approve an ANDA that does not refer to a listed drug.

MYSOLINE (primidone) suspension, 250 mg/5 mL, is the subject of NDA 010401, held by FHTA LLC, and initially approved on July 5, 1956. MYSOLINE, used alone or concomitantly with other anticonvulsants, is indicated in the control of grand mal, psychomotor, and focal epileptic seizures. It may control grand mal seizures refractory to other anticonvulsant therapy.

MYSOLINE (primidone) suspension, 250 mg/5 mL, is currently listed in the “Discontinued Drug Product List” section of the Orange Book.

Hyman, Phelps & McNamara, P.C. submitted a citizen petition dated

December 8, 2022 (Docket No. FDA–2022–P–3118), under 21 CFR 10.30, requesting that the Agency determine whether MYSOLINE (primidone) suspension, 250 mg/5 mL, was withdrawn from sale for reasons of safety or effectiveness.

After considering the citizen petition and reviewing Agency records and based on the information we have at this time, FDA has determined under § 314.161 that MYSOLINE (primidone) suspension, 250 mg/5 mL, was withdrawn for reasons of safety or effectiveness. The petitioner has identified no data or other information suggesting that MYSOLINE (primidone) suspension, 250 mg/5 mL, was withdrawn for reasons of safety or effectiveness. We have carefully reviewed our files for records concerning the withdrawal of MYSOLINE (primidone) suspension, 250 mg/5 mL, from sale. We have also independently evaluated relevant literature and data for possible postmarketing adverse events.

MYSOLINE (primidone) suspension, 250 mg/5 mL, was discontinued in 2001 after antimicrobial effectiveness testing raised concerns about potential microbial contamination, in particular with *Pseudomonas aeruginosa*. As a scientific matter, before MYSOLINE (primidone) suspension, 250 mg/5 mL, could be considered for reintroduction to the market, a reformulation would be required including establishment of preservative content acceptance criteria and correlation with passing antimicrobial effectiveness testing results. The NDA holder for MYSOLINE (primidone) suspension, 250 mg/5 mL, would have to demonstrate the safety and effectiveness of the reformulated product. At this time, no new formulation has been approved for MYSOLINE (primidone) suspension, 250 mg/5 mL.

Accordingly, under § 314.162 the Agency will remove MYSOLINE (primidone) suspension, 250 mg/5 mL, from the list of drug products published in the Orange Book. FDA will not accept or approve ANDAs that refer to this drug product.

Lowell M. Zeta,

Acting Deputy Commissioner for Policy, Legislation, and International Affairs.

[FR Doc. 2025–24196 Filed 12–31–25; 8:45 am]

BILLING CODE 4164–01–P

DEPARTMENT OF HOMELAND SECURITY

Transportation Security Administration

Revision of Agency Information Collection Activity Under OMB Review: Pipeline Corporate Security Reviews and TSA Security Directive Pipeline–2021–02 Series

AGENCY: Transportation Security Administration, DHS.

ACTION: 30-Day notice.

SUMMARY: This notice announces that the Transportation Security Administration (TSA) has forwarded the Information Collection Request (ICR), Office of Management and Budget (OMB) control number 1652–0056, abstracted below, to OMB for review and approval of a revision of the currently approved collection under the Paperwork Reduction Act (PRA). The ICR describes the nature of the information collection and its expected burden. The collection allows TSA to assess the current security practices in the pipeline industry through TSA’s Pipeline Corporate Security Review (CSR) program and allows for the continuation of mandatory cybersecurity requirements under the TSA Security Directive (SD) Pipeline–2021–02 series.

DATES: Send your comments by February 2, 2026. A comment to OMB is most effective if OMB receives it within 30 days of publication.

ADDRESSES: Written comments and recommendations for the proposed information collection should be sent within 30 days of publication of this notice to <https://www.reginfo.gov/public/do/PRAMain>. Find this particular information collection by selecting “Currently under Review—Open for Public Comments” and by using the find function.

FOR FURTHER INFORMATION CONTACT: Christina A. Walsh, TSA PRA Officer, Information Technology, TSA–11, Transportation Security Administration, 6595 Springfield Center Drive, Springfield, VA 20598–6011; telephone (571) 227–2062; email TSAPRA@tsa.dhs.gov.

SUPPLEMENTARY INFORMATION: TSA published a **Federal Register** notice, with a 60-day comment period soliciting comments, of the following collection of information on August 1, 2025, 90 FR 36169. TSA did not receive any comments on the notice.

Comments Invited

In accordance with the Paperwork Reduction Act of 1995 (44 U.S.C. 3501

et seq.), an agency may not conduct or sponsor, and a person is not required to respond to, a collection of information unless it displays a valid OMB control number. The ICR documentation will be available at <https://www.reginfo.gov> upon its submission to OMB. Therefore, in preparation for OMB review and approval of the following information collection, TSA is soliciting comments to—

(1) Evaluate whether the proposed information requirement is necessary for the proper performance of the functions of the agency, including whether the information will have practical utility;

(2) Evaluate the accuracy of the agency's estimate of the burden;

(3) Enhance the quality, utility, and clarity of the information to be collected; and

(4) Minimize the burden of the collection of information on those who are to respond, including using appropriate automated, electronic, mechanical, or other technological collection techniques or other forms of information technology.

Information Collection Requirement

Title: Pipeline Corporate Security Reviews and TSA Security Directive Pipeline–2021–02 series.

Type of Request: Revision of a currently approved collection.

OMB Control Number: 1652–0056.

Form(s): Pipeline CSR Protocol Form and documents submitted to TSA pursuant to the requirements in the Security Directive.

Affected Public: Hazardous Liquids and Natural Gas Pipeline Industry.

Abstract: Under the Aviation and Transportation Security Act¹ and delegated authority from the Secretary of Homeland Security, TSA has broad responsibility and authority for “security in all modes of transportation . . . including security responsibilities . . . over modes of transportation that are exercised by the Department of Transportation.”² TSA is specifically empowered to assess threats to

transportation;³ develop policies, strategies, and plans for dealing with threats to transportation;⁴ oversee the implementation and adequacy of security measures at transportation facilities;⁵ and carry out other appropriate duties relating to transportation security.⁶ The Implementing Recommendations of the 9/11 Commission Act of 2007 included a specific requirement for TSA to conduct assessments of critical pipeline facilities.⁷

Establishing Compliance With Voluntary Pipeline CSR Program Information Collection Requirements

TSA has historically assessed industry security practices through its Pipeline CSR program.⁸ Pipeline CSRs are voluntary, face-to-face visits, usually at the headquarters facility of the pipeline Owner/Operator. TSA has developed a Question Set to aid in the conducting of CSRs. The CSR Question Set structures the TSA and pipeline Owner/Operator discussion and is the central data source for the physical security information TSA collects.

Establishing Compliance With Mandatory Requirements in the TSA SD Pipeline–2021–02 Series; Information Collection Requirements

While the CSR collection supports physical security plans and processes, TSA issued the SD Pipeline–2021–02 series with mandatory requirements in order to mitigate specific cybersecurity concerns posed by current threats to national security. Pipeline Owner/Operators designated by TSA as critical must:

- Submit a Cybersecurity Implementation Plan to TSA for approval (there is no designated form or format). Once approved by TSA, pipeline Owner/Operators must implement and maintain all measures. Owner/Operators must submit changes to their Cybersecurity Implementation Plan for approval in accordance with the instructions in the SD.
- Develop and maintain an up-to-date Cybersecurity Incident Response Plan for their designated critical cyber systems to reduce the risk of operational disruption, or the risk of other significant impacts on business critical functions. Owner/operators must test the effectiveness of the Cybersecurity

Incident Response Plan no less than annually.

- Submit a Cybersecurity Assessment Plan on an annual basis to TSA for approval (there is no designated form or format).

- Maintain records that establish compliance with the SD Pipeline–2021–02 series and make them available to TSA upon request for inspection and/or copying.

Submissions by pipeline owner/operators in compliance with the voluntary PCSR or the mandatory SD Pipeline–2021–02 series requirements are deemed Sensitive Security Information (SSI) and are protected in accordance with procedures meeting the transmission, handling, and storage requirements of SSI in 49 CFR part 1520.

Revision of the Collection

TSA is revising the title of the collection from “Pipeline Corporate Security Reviews and Security Directives” to “Pipeline Corporate Security Reviews and TSA Security Directive Pipeline–2021–02 series.” This title more accurately reflects the specific TSA SD associated with this collection. TSA is seeking renewal of this information collection for the maximum 3-year approval period.

Estimated Annual Number of Respondents: 100.

Estimated Annual Burden Hours: 80,231.

Dated: December 30, 2025.

Christina A. Walsh,

*Paperwork Reduction Act Officer,
Information Technology, Transportation
Security Administration.*

[FR Doc. 2025–24198 Filed 12–31–25; 8:45 am]

BILLING CODE 9110–05–P

DEPARTMENT OF THE INTERIOR

Geological Survey

[Docket No. USGS–2025–0105; OMB Control Number 1028–0132; GX19ZQ00G402A00]

Agency Information Collection Activities; ShakeAlert

AGENCY: U.S. Geological Survey, Interior.

ACTION: Notice of information collection; request for comment.

SUMMARY: In accordance with the Paperwork Reduction Act (PRA) of 1995, the U.S. Geological Survey (USGS) is proposing an extension to an existing information collection for approval by the Office of Management and Budget (OMB).

¹ Public Law 107–71 (115 Stat. 597; Nov. 19, 2001), codified at 49 U.S.C. 114.

² See 49 U.S.C. 114(d). The TSA Administrator's current authorities under the Aviation and Transportation Security Act have been delegated to him by the Secretary of Homeland Security. Section 403(2) of the Homeland Security Act of 2002, Public Law 107–296 (116 Stat. 2135, Nov. 25, 2002), transferred all functions of TSA, including those of the Secretary of Transportation and the Under Secretary of Transportation of Security related to TSA, to the Secretary of Homeland Security. Pursuant to DHS Delegation Number 7060.2, the Secretary delegated to the Administrator of TSA, subject to the Secretary's guidance and control, the authority vested in the Secretary with respect to TSA, including that in section 403(2) of the Homeland Security Act.

³ 49 U.S.C. 114(f)(2).

⁴ 49 U.S.C. 114(f)(3).

⁵ 49 U.S.C. 114(f)(11).

⁶ 49 U.S.C. 114(f)(15).

⁷ See section 1557 of Public Law 110–53 (121 Stat. 266, Aug. 3, 2007) as codified at 6 U.S.C. 1207.

⁸ See section 1557 of Public Law 110–53 (121 Stat. 266; Aug. 3, 2007) as codified at 6 U.S.C. 1207.

DATES: Interested persons are invited to submit comments on or before February 2, 2026.

ADDRESSES: You may submit comments by one of the following methods:

■ *Internet:* <https://www.regulations.gov>. Search for and submit comments on Docket No. USGS–2025–0105.

■ *U.S. Mail:* USGS, Information Collections Clearance Officer, 12201 Sunrise Valley Drive, MS 159, Reston, VA 20192.

You may view this information collection request (ICR) at <http://www.reginfo.gov/public/do/PRAMain>.

FOR FURTHER INFORMATION CONTACT:

Robert M. de Groot by email at rdegroot@usgs.gov or by telephone at 626–583–7225. Individuals in the United States who are deaf, deafblind, hard of hearing, or have a speech disability may dial 711 (TTY, TDD, or TeleBraille) to access telecommunications relay services. Individuals outside the United States should use the relay services offered within their country to make international calls to the point-of-contact in the United States.

SUPPLEMENTARY INFORMATION: In accordance with the PRA of 1995 (44 U.S.C. 3501 *et seq.*) and 5 CFR 1320.8(d)(1), we provide the public and other Federal agencies with an opportunity to comment on new, proposed, revised, and continuing collections of information. This helps us assess the impact of our information collection requirements and minimize the public's reporting burden. It also helps the public understand our information collection requirements and provide the requested data in the desired format.

A **Federal Register** notice with a 60-day public comment period soliciting comments on this collection of information was published on September 29, 2025 (90 FR 46629). No comments were received.

As part of our continuing effort to reduce paperwork and respondent burdens, we are again soliciting comments from the public and other Federal agencies on the proposed ICR that is described below. We are especially interested in public comments addressing the following:

(1) Whether or not the collection of information is necessary for the proper performance of the functions of the agency, including whether the information will have practical utility.

(2) The accuracy of our estimate of the burden for this collection of information, including the validity of the methodology and assumptions used.

(3) Ways to enhance the quality, utility, and clarity of the information to be collected; and

(4) How the agency might minimize the burden of the collection of information on those who are to respond, including using appropriate automated, electronic, mechanical, or other technological collection techniques or other forms of information technology, *e.g.*, permitting electronic submission of response.

Comments that you submit in response to this notice are a matter of public record. We will include or summarize each comment in our request to OMB to approve this ICR. Before including your address, phone number, email address, or other personally identifiable information (PII) in your comment, you should be aware that your entire comment—including your PII—may be made publicly available at any time. While you can ask us in your comment to withhold your PII from public review, we cannot guarantee that we will be able to do so.

Abstract: This information is being collected for the purposes of understanding (1) the continued feasibility of ShakeAlert-powered alerts through the wireless emergency alerts via the Integrated Public Alerts and Warning System (IPAWS) managed by the Federal Emergency Management Agency, and (2) the latency of transmissions in California, Oregon, and Washington. This collection is critical to determine technological latencies of ShakeAlert notifications through IPAWS. Better understanding is required to know how much time people will have to take protective action once they receive an alert. Further, knowledge of where the latencies exist, and why, can help us improve and streamline our systems. This involves live testing of the system with a population reporting back to us.

Title of Collection: ShakeAlert.

OMB Control Number: 1028–0132.

Form Number: None.

Type of Review: Extension of a currently approved OMB control number.

Respondents/Affected Public: Individual households.

Total Estimated Number of Annual Respondents: 1,000.

Total Estimated Number of Annual Responses: 1,000.

Estimated Completion Time per Response: 7 minutes.

Total Estimated Number of Annual Burden Hours: 117.

Respondent's Obligation: Voluntary.

Frequency of Collection: Bi-annually.

Total Estimated Annual Non-Hour Burden Cost: None.

An agency may not conduct or sponsor, nor is a person required to respond to, a collection of information unless it displays a currently valid OMB control number.

The authority for this action is the Paperwork Reduction Act of 1995 (44 U.S.C. 3501 *et seq.*).

James Mitchell,

Patent and Licensing Mgr., Office of Policy and Analysis.

[FR Doc. 2025–24185 Filed 12–30–25; 4:15 pm]

BILLING CODE P

INTERNATIONAL TRADE COMMISSION

[Investigation Nos. 701–TA–636 and 731–TA–1470 (Review)]

Wood Mouldings and Millwork Products From China; Institution of Five-Year Reviews

AGENCY: United States International Trade Commission.

ACTION: Notice.

SUMMARY: The Commission hereby gives notice that it has instituted reviews pursuant to the Tariff Act of 1930, as amended, to determine whether revocation of the countervailing and antidumping duty orders on wood mouldings and millwork products from China would be likely to lead to continuation or recurrence of material injury. Pursuant to the Act, interested parties are requested to respond to this notice by submitting the information specified below to the Commission.

DATES: Instituted January 2, 2026. To be assured of consideration, the deadline for responses is February 2, 2026. Comments on the adequacy of responses may be filed with the Commission by March 16, 2026.

FOR FURTHER INFORMATION CONTACT:

Alexis Yim (202–708–1446), Office of Investigations, U.S. International Trade Commission, 500 E Street SW, Washington, DC 20436. Hearing-impaired persons can obtain information on this matter by contacting the Commission's TDD terminal on 202–205–1810. Persons with mobility impairments who will need special assistance in gaining access to the Commission should contact the Office of the Secretary at 202–205–2000. General information concerning the Commission may also be obtained by accessing its internet server (<https://www.usitc.gov>). The public record for this proceeding may be viewed on the Commission's electronic docket (EDIS) at <https://edis.usitc.gov>.

SUPPLEMENTARY INFORMATION:

Background.—On February 16, 2021, the Department of Commerce (“Commerce”) issued antidumping and countervailing duty orders on imports of wood mouldings and millwork products from China (86 FR 9486 and 86 FR 9484). The Commission is conducting reviews pursuant to section 751(c) of the Act, as amended (19 U.S.C. 1675(c)), to determine whether revocation of the orders would be likely to lead to continuation or recurrence of material injury to the domestic industry within a reasonably foreseeable time. Provisions concerning the conduct of this proceeding may be found in the Commission’s Rules of Practice and Procedure at 19 CFR part 201, subparts A and B, and 19 CFR part 207, subparts A and F. The Commission will assess the adequacy of interested party responses to this notice of institution to determine whether to conduct full or expedited reviews. The Commission’s determinations in any expedited reviews will be based on the facts available, which may include information provided in response to this notice.

Definitions.—The following definitions apply to these reviews:

(1) *Subject Merchandise* is the class or kind of merchandise that is within the scope of the five-year reviews, as defined by Commerce.

(2) The *Subject Country* in these reviews is China.

(3) The *Domestic Like Product* is the domestically produced product or products which are like, or in the absence of like, most similar in characteristics and uses with, the *Subject Merchandise*. In its original determinations, the Commission defined the *Domestic Like Product* as all wood mouldings and millwork products, coextensive with the scope of the investigations.

(4) The *Domestic Industry* is the U.S. producers as a whole of the *Domestic Like Product*, or those producers whose collective output of the *Domestic Like Product* constitutes a major proportion of the total domestic production of the product. In its original determinations, the Commission defined the *Domestic Industry* as all domestic producers of wood mouldings and millwork products, with the exception of one domestic producer.

(5) The *Order Date* is the date that the antidumping and countervailing duty orders under review became effective. In these reviews, the *Order Date* is February 16, 2021.

(6) An *Importer* is any person or firm engaged, either directly or through a parent company or subsidiary, in importing the *Subject Merchandise* into

the United States from a foreign manufacturer or through its selling agent.

Participation in the proceeding and public service list.—Persons, including industrial users of the *Subject Merchandise* and, if the merchandise is sold at the retail level, representative consumer organizations, wishing to participate in the proceeding as parties must file an entry of appearance with the Secretary to the Commission, as provided in § 201.11(b)(4) of the Commission’s rules, no later than 21 days after publication of this notice in the **Federal Register**. The Secretary will maintain a public service list containing the names and addresses of all persons, or their representatives, who are parties to the proceeding.

Former Commission employees who are seeking to appear in Commission five-year reviews are advised that they may appear in a review even if they participated personally and substantially in the corresponding underlying original investigation or an earlier review of the same underlying investigation. The Commission’s designated agency ethics official has advised that a five-year review is not the same particular matter as the underlying original investigation, and a five-year review is not the same particular matter as an earlier review of the same underlying investigation for purposes of 18 U.S.C. 207, the post-employment statute for Federal employees, and Commission rule 201.15(b) (19 CFR 201.15(b)), 79 FR 3246 (Jan. 17, 2014), 73 FR 24609 (May 5, 2008). Consequently, former employees are not required to seek Commission approval to appear in a review under Commission rule 19 CFR 201.15, even if the corresponding underlying original investigation or an earlier review of the same underlying investigation was pending when they were Commission employees. For further ethics advice on this matter, contact Charles Smith, Office of the General Counsel, at 202–205–3408.

Limited disclosure of business proprietary information (BPI) under an administrative protective order (APO) and APO service list.—Pursuant to § 207.7(a) of the Commission’s rules, the Secretary will make BPI submitted in this proceeding available to authorized applicants under the APO issued in the proceeding, provided that the application is made no later than 21 days after publication of this notice in the **Federal Register**. Authorized applicants must represent interested parties, as defined in 19 U.S.C. 1677(9), who are parties to the proceeding. A separate service list will be maintained

by the Secretary for those parties authorized to receive BPI under the APO.

Certification.—Pursuant to § 207.3 of the Commission’s rules, any person submitting information to the Commission in connection with this proceeding must certify that the information is accurate and complete to the best of the submitter’s knowledge. In making the certification, the submitter will acknowledge that information submitted in response to this request for information and throughout this proceeding or other proceeding may be disclosed to and used: (i) by the Commission, its employees and Offices, and contract personnel (a) for developing or maintaining the records of this or a related proceeding, or (b) in internal investigations, audits, reviews, and evaluations relating to the programs, personnel, and operations of the Commission including under 5 U.S.C. Appendix 3; or (ii) by U.S. government employees and contract personnel, solely for cybersecurity purposes. All contract personnel will sign appropriate nondisclosure agreements.

Written submissions.—Pursuant to § 207.61 of the Commission’s rules, each interested party response to this notice must provide the information specified below. The deadline for filing such responses is on or before 5:15 p.m. on February 2, 2026. Pursuant to § 207.62(b) of the Commission’s rules, eligible parties (as specified in Commission rule 207.62(b)(1)) may also file comments concerning the adequacy of responses to the notice of institution and whether the Commission should conduct expedited or full reviews. The deadline for filing such comments is on or before 5:15 p.m. on March 16, 2026. All written submissions must conform with the provisions of § 201.8 of the Commission’s rules; any submissions that contain BPI must also conform with the requirements of §§ 201.6, 207.3, and 207.7 of the Commission’s rules. The Commission’s *Handbook on Filing Procedures*, available on the Commission’s website at https://www.usitc.gov/documents/handbook_on_filing_procedures.pdf, elaborates upon the Commission’s procedures with respect to filings. Also, in accordance with §§ 201.16(c) and 207.3 of the Commission’s rules, each document filed by a party to the proceeding must be served on all other parties to the proceeding (as identified by either the public or APO service list as appropriate), and a certificate of service must accompany the document (if you are not a party to the proceeding you do not need to serve your response).

Please note the Secretary's Office will accept only electronic filings at this time. Filings must be made through the Commission's Electronic Document Information System (EDIS, <https://edis.usitc.gov>). No in-person paper-based filings or paper copies of any electronic filings will be accepted until further notice.

No response to this request for information is required if a currently valid Office of Management and Budget ("OMB") number is not displayed; the OMB number is 3117 0016/USITC No. 25–5–665, expiration date June 30, 2026. Public reporting burden for the request is estimated to average 15 hours per response. Please send comments regarding the accuracy of this burden estimate to the Office of Investigations, U.S. International Trade Commission, 500 E Street SW, Washington, DC 20436.

Inability to provide requested information.—Pursuant to § 207.61(c) of the Commission's rules, any interested party that cannot furnish the information requested by this notice in the requested form and manner shall notify the Commission at the earliest possible time, provide a full explanation of why it cannot provide the requested information, and indicate alternative forms in which it can provide equivalent information. If an interested party does not provide this notification (or the Commission finds the explanation provided in the notification inadequate) and fails to provide a complete response to this notice, the Commission may take an adverse inference against the party pursuant to § 776(b) of the Act (19 U.S.C. 1677e(b)) in making its determinations in the reviews.

Information To Be Provided in Response to This Notice of Institution: As used below, the term "firm" includes any related firms.

Those responding to this notice of institution are encouraged, but not required, to visit the USITC's website at https://usitc.gov/reports/response_noi_worksheet, where one can download and complete the "NOI worksheet" Excel form for the subject proceeding, to be included as attachment/exhibit 1 of your overall response.

(1) The name and address of your firm or entity (including World Wide Web address) and name, telephone number, fax number, and Email address of the certifying official.

(2) A statement indicating whether your firm/entity is an interested party under 19 U.S.C. 1677(9) and if so, how, including whether your firm/entity is a U.S. producer of the *Domestic Like Product*, a U.S. union or worker group,

a U.S. importer of the *Subject Merchandise*, a foreign producer or exporter of the *Subject Merchandise*, a U.S. or foreign trade or business association (a majority of whose members are interested parties under the statute), or another interested party (including an explanation). If you are a union/worker group or trade/business association, identify the firms in which your workers are employed or which are members of your association.

(3) A statement indicating whether your firm/entity is willing to participate in this proceeding by providing information requested by the Commission.

(4) A statement of the likely effects of the revocation of the antidumping and countervailing duty orders on the *Domestic Industry* in general and/or your firm/entity specifically. In your response, please discuss the various factors specified in § 752(a) of the Act (19 U.S.C. 1675a(a)) including the likely volume of subject imports, likely price effects of subject imports, and likely impact of imports of *Subject Merchandise* on the *Domestic Industry*.

(5) A list of all known and currently operating U.S. producers of the *Domestic Like Product*. Identify any known related parties and the nature of the relationship as defined in § 771(4)(B) of the Act (19 U.S.C. 1677(4)(B)).

(6) A list of all known and currently operating U.S. importers of the *Subject Merchandise* and producers of the *Subject Merchandise* in the *Subject Country* that currently export or have exported *Subject Merchandise* to the United States or other countries since the *Order Date*.

(7) A list of 3–5 leading purchasers in the U.S. market for the *Domestic Like Product* and the *Subject Merchandise* (including street address, World Wide Web address, and the name, telephone number, fax number, and Email address of a responsible official at each firm).

(8) A list of known sources of information on national or regional prices for the *Domestic Like Product* or the *Subject Merchandise* in the U.S. or other markets.

(9) If you are a U.S. producer of the *Domestic Like Product*, provide the following information on your firm's operations on that product during calendar year 2025, except as noted (report quantity data in board feet and value data in U.S. dollars, f.o.b. plant). If you are a union/worker group or trade/business association, provide the information, on an aggregate basis, for the firms in which your workers are employed/which are members of your association.

(a) Production (quantity) and, if known, an estimate of the percentage of total U.S. production of the *Domestic Like Product* accounted for by your firm's(s') production;

(b) Capacity (quantity) of your firm to produce the *Domestic Like Product* (that is, the level of production that your establishment(s) could reasonably have expected to attain during the year, assuming normal operating conditions (using equipment and machinery in place and ready to operate), normal operating levels (hours per week/weeks per year), time for downtime, maintenance, repair, and cleanup, and a typical or representative product mix);

(c) the quantity and value of U.S. commercial shipments of the *Domestic Like Product* produced in your U.S. plant(s);

(d) the quantity and value of U.S. internal consumption/company transfers of the *Domestic Like Product* produced in your U.S. plant(s); and

(e) the value of (i) net sales, (ii) cost of goods sold (COGS), (iii) gross profit, (iv) selling, general and administrative (SG&A) expenses, and (v) operating income of the *Domestic Like Product* produced in your U.S. plant(s) (include both U.S. and export commercial sales, internal consumption, and company transfers) for your most recently completed fiscal year (identify the date on which your fiscal year ends).

(10) If you are a U.S. importer or a trade/business association of U.S. importers of the *Subject Merchandise* from the *Subject Country*, provide the following information on your firm's(s') operations on that product during calendar year 2025 (report quantity data in board feet and value data in U.S. dollars). If you are a trade/business association, provide the information, on an aggregate basis, for the firms which are members of your association.

(a) The quantity and value (landed, duty-paid but not including antidumping or countervailing duties) of U.S. imports and, if known, an estimate of the percentage of total U.S. imports of *Subject Merchandise* from the *Subject Country* accounted for by your firm's(s') imports;

(b) the quantity and value (f.o.b. U.S. port, including antidumping and/or countervailing duties) of U.S. commercial shipments of *Subject Merchandise* imported from the *Subject Country*; and

(c) the quantity and value (f.o.b. U.S. port, including antidumping and/or countervailing duties) of U.S. internal consumption/company transfers of *Subject Merchandise* imported from the *Subject Country*.

(11) If you are a producer, an exporter, or a trade/business association of producers or exporters of the *Subject Merchandise* in the *Subject Country*, provide the following information on your firm's(s') operations on that product during calendar year 2025 (report quantity data in board feet and value data in U.S. dollars, landed and duty-paid at the U.S. port but not including antidumping or countervailing duties). If you are a trade/business association, provide the information, on an aggregate basis, for the firms which are members of your association.

(a) Production (quantity) and, if known, an estimate of the percentage of total production of *Subject Merchandise* in the *Subject Country* accounted for by your firm's(s') production;

(b) Capacity (quantity) of your firm(s) to produce the *Subject Merchandise* in the *Subject Country* (that is, the level of production that your establishment(s) could reasonably have expected to attain during the year, assuming normal operating conditions (using equipment and machinery in place and ready to operate), normal operating levels (hours per week/weeks per year), time for downtime, maintenance, repair, and cleanup, and a typical or representative product mix); and

(c) the quantity and value of your firm's(s') exports to the United States of *Subject Merchandise* and, if known, an estimate of the percentage of total exports to the United States of *Subject Merchandise* from the *Subject Country* accounted for by your firm's(s') exports.

(12) Identify significant changes, if any, in the supply and demand conditions or business cycle for the *Domestic Like Product* that have occurred in the United States or in the market for the *Subject Merchandise* in the *Subject Country* since the *Order Date*, and significant changes, if any, that are likely to occur within a reasonably foreseeable time. Supply conditions to consider include technology; production methods; development efforts; ability to increase production (including the shift of production facilities used for other products and the use, cost, or availability of major inputs into production); and factors related to the ability to shift supply among different national markets (including barriers to importation in foreign markets or changes in market demand abroad). Demand conditions to consider include end uses and applications; the existence and availability of substitute products; and the level of competition among the *Domestic Like Product* produced in the United States, *Subject Merchandise*

produced in the *Subject Country*, and such merchandise from other countries.

(13) (OPTIONAL) A statement of whether you agree with the above definitions of the *Domestic Like Product* and *Domestic Industry*; if you disagree with either or both of these definitions, please explain why and provide alternative definitions.

Authority: This proceeding is being conducted under authority of Title VII of the Tariff Act of 1930; this notice is published pursuant to § 207.61 of the Commission's rules.

By order of the Commission.
Issued: December 23, 2025.

Susan Orndoff,

Supervisory Attorney.

[FR Doc. 2025–24194 Filed 12–31–25; 8:45 am]

BILLING CODE 7020–02–P

INTERNATIONAL TRADE COMMISSION

[Investigation No. 731–TA–991 (Fourth Review)]

Silicon Metal From Russia; Determination

On the basis of the record¹ developed in the subject five-year review, the United States International Trade Commission ("Commission") determines, pursuant to the Tariff Act of 1930 ("the Act"), that revocation of the antidumping duty order on silicon metal from Russia would be likely to lead to continuation or recurrence of material injury to an industry in the United States within a reasonably foreseeable time.

Background

The Commission instituted this review on May 1, 2025 (90 FR 18701, May 1, 2025) and determined on August 29, 2025, that it would conduct an expedited review (90 FR 42218, August 29, 2025).

The Commission made this determination pursuant to section 751(c) of the Act (19 U.S.C. 1675(c)). It completed and filed its determination in this review on December 16, 2025. The views of the Commission are contained in USITC Publication 5965 (December 2025), entitled *Silicon Metal from Russia: Investigation No. 731–TA–991 (Fourth Review)*.

By order of the Commission.

¹ The record is defined in § 207.2(f) of the Commission's Rules of Practice and Procedure (19 CFR 207.2(f)).

Issued: December 29, 2025.

Susan Orndoff,

Supervisory Attorney.

[FR Doc. 2025–24156 Filed 12–31–25; 8:45 am]

BILLING CODE 7020–02–P

INTERNATIONAL TRADE COMMISSION

Notice of Receipt of Complaint; Solicitation of Comments Relating to the Public Interest

AGENCY: U.S. International Trade Commission.

ACTION: Notice.

SUMMARY: Notice is hereby given that the U.S. International Trade Commission has received a complaint entitled *Certain Medical Imaging Devices, DN 3872*; the Commission is soliciting comments on any public interest issues raised by the complaint or complainant's filing pursuant to the Commission's Rules of Practice and Procedure.

FOR FURTHER INFORMATION CONTACT: Lisa R. Barton, Secretary to the Commission, U.S. International Trade Commission, 500 E Street SW, Washington, DC 20436, telephone (202) 205–2000. The public version of the complaint can be accessed on the Commission's Electronic Document Information System (EDIS) at <https://edis.usitc.gov>. For help accessing EDIS, please email EDIS3Help@usitc.gov.

General information concerning the Commission may also be obtained by accessing its internet server at United States International Trade Commission (USITC) at <https://www.usitc.gov>. The public record for this investigation may be viewed on the Commission's Electronic Document Information System (EDIS) at <https://edis.usitc.gov>. Hearing-impaired persons are advised that information on this matter can be obtained by contacting the Commission's TDD terminal on (202) 205–1810.

SUPPLEMENTARY INFORMATION: The Commission has received a complaint and a submission pursuant to § 210.8(b) of the Commission's Rules of Practice and Procedure filed on behalf of MolecuLight Corp. and MolecuLight Inc. on December 29, 2025. The complaint alleges violations of section 337 of the Tariff Act of 1930 (19 U.S.C. 1337) in the importation into the United States, the sale for importation, and the sale within the United States after importation of certain medical imaging devices. The complaint names as respondents: Kent Imaging Inc. of Calgary, AB; and Adiuvo Diagnostics

Pvt. Ltd. of India. The complainant requests that the Commission issue a limited exclusion order, cease and desist orders, and impose a bond upon respondents' alleged infringing articles during the 60-day Presidential review period pursuant to 19 U.S.C. 1337(j).

Proposed respondents, other interested parties, members of the public, and interested government agencies are invited to file comments on any public interest issues raised by the complaint or § 210.8(b) filing. Comments should address whether issuance of the relief specifically requested by the complainant in this investigation would affect the public health and welfare in the United States, competitive conditions in the United States economy, the production of like or directly competitive articles in the United States, or United States consumers.

In particular, the Commission is interested in comments that:

(i) explain how the articles potentially subject to the requested remedial orders are used in the United States;

(ii) identify any public health, safety, or welfare concerns in the United States relating to the requested remedial orders;

(iii) identify like or directly competitive articles that complainant, its licensees, or third parties make in the United States which could replace the subject articles if they were to be excluded;

(iv) indicate whether complainant, complainant's licensees, and/or third party suppliers have the capacity to replace the volume of articles potentially subject to the requested exclusion order and/or a cease and desist order within a commercially reasonable time; and

(v) explain how the requested remedial orders would impact United States consumers.

Written submissions on the public interest must be filed no later than by close of business, eight calendar days after the date of publication of this notice in the **Federal Register**. There will be further opportunities for comment on the public interest after the issuance of any final initial determination in this investigation. Any written submissions on other issues must also be filed by no later than the close of business, eight calendar days after publication of this notice in the **Federal Register**. Complainant may file replies to any written submissions no later than three calendar days after the date on which any initial submissions were due, notwithstanding § 201.14(a) of the Commission's Rules of Practice and Procedure. No other submissions

will be accepted, unless requested by the Commission. Any submissions and replies filed in response to this Notice are limited to five (5) pages in length, inclusive of attachments.

Persons filing written submissions must file the original document electronically on or before the deadlines stated above. Submissions should refer to the docket number ("Docket No. 3872") in a prominent place on the cover page and/or the first page. (See Handbook for Electronic Filing Procedures, Electronic Filing Procedures¹). Please note the Secretary's Office will accept only electronic filings during this time. Filings must be made through the Commission's Electronic Document Information System (EDIS, <https://edis.usitc.gov>.) No in-person paper-based filings or paper copies of any electronic filings will be accepted until further notice. Persons with questions regarding filing should contact the Secretary at EDIS3Help@usitc.gov.

Any person desiring to submit a document to the Commission in confidence must request confidential treatment. All such requests should be directed to the Secretary to the Commission and must include a full statement of the reasons why the Commission should grant such treatment. See 19 CFR 201.6. Documents for which confidential treatment by the Commission is properly sought will be treated accordingly. All information, including confidential business information and documents for which confidential treatment is properly sought, submitted to the Commission for purposes of this Investigation may be disclosed to and used: (i) by the Commission, its employees and Offices, and contract personnel (a) for developing or maintaining the records of this or a related proceeding, or (b) in internal investigations, audits, reviews, and evaluations relating to the programs, personnel, and operations of the Commission including under 5 U.S.C. Appendix 3; or (ii) by U.S. government employees and contract personnel,² solely for cybersecurity purposes. All nonconfidential written submissions will be available for public inspection at the Office of the Secretary and on EDIS.³

This action is taken under the authority of section 337 of the Tariff Act of 1930, as amended (19 U.S.C. 1337),

¹ Handbook for Electronic Filing Procedures: https://www.usitc.gov/documents/handbook_on_filing_procedures.pdf.

² All contract personnel will sign appropriate nondisclosure agreements.

³ Electronic Document Information System (EDIS): <https://edis.usitc.gov>.

and of §§ 201.10 and 210.8(c) of the Commission's Rules of Practice and Procedure (19 CFR 201.10, 210.8(c)).

By order of the Commission.

Issued: December 30, 2025.

Susan Orndoff,

Supervisory Attorney.

[FR Doc. 2025-24213 Filed 12-31-25; 8:45 am]

BILLING CODE 7020-02-P

INTERNATIONAL TRADE COMMISSION

[Investigation No. 337-TA-1472]

Certain Dynamic Random Access Memory (DRAM) Devices, Products Containing the Same, and Components Thereof; Notice of Institution of Investigation

AGENCY: U.S. International Trade Commission.

ACTION: Notice.

SUMMARY: Notice is hereby given that a complaint was filed with the U.S. International Trade Commission on September 30, 2025, under section 337 of the Tariff Act of 1930, as amended, on behalf of Netlist, Inc. of Irvine, California. The complaint was supplemented on November 20, 2025, December 5, 2025, December 12, 2025, and December 16, 2025. The complaint, as supplemented, alleges violations of section 337 based upon the importation into the United States, the sale for importation, and the sale within the United States after importation of certain dynamic random access memory (DRAM) devices, products containing the same, and components thereof by reason of the infringement of certain claims of U.S. Patent No. 12,373,366 ("the '366 patent"); U.S. Patent No. 10,025,731 ("the '731 patent"); U.S. Patent No. 10,268,608 ("the '608 patent"); U.S. Patent No. 10,217,523 ("the '523 patent"); U.S. Patent No. 9,824,035 ("the '035 patent"); and U.S. Patent 12,308,087 ("the '087 patent"). The complaint further alleges that an industry in the United States exists or is in the process of being established as required by the applicable Federal Statute.

The complainant requests that the Commission institute an investigation and, after the investigation, issue a limited exclusion order and cease and desist orders.

ADDRESSES: The complaint, except for any confidential information contained therein, may be viewed on the Commission's electronic docket (EDIS) at <https://edis.usitc.gov>. For help accessing EDIS, please email

EDIS3Help@usitc.gov. Hearing impaired individuals are advised that information on this matter can be obtained by contacting the Commission's TDD terminal on (202) 205-1810. Persons with mobility impairments who will need special assistance in gaining access to the Commission should contact the Office of the Secretary at (202) 205-1337. General information concerning the Commission may also be obtained by accessing its internet server at <https://www.usitc.gov>.

FOR FURTHER INFORMATION CONTACT:

Pathenia M. Proctor, The Office of Unfair Import Investigations, U.S. International Trade Commission, telephone (202) 205-2560.

SUPPLEMENTARY INFORMATION:

Authority: The authority for institution of this investigation is contained in section 337 of the Tariff Act of 1930, as amended, 19 U.S.C. 1337, and in section 210.10 of the Commission's Rules of Practice and Procedure, 19 CFR 210.10 (2025).

Scope of Investigation: Having considered the complaint, the U.S. International Trade Commission, on December 29, 2025, *ordered that*—

(1) Pursuant to subsection (b) of section 337 of the Tariff Act of 1930, as amended, an investigation be instituted to determine whether there is a violation of subsection (a)(1)(B) of section 337 in the importation into the United States, the sale for importation, or the sale within the United States after importation of certain products identified in paragraph (2) by reason of infringement of one or more of claims 1, 2, 11, 12, and 14-16 of the '366 patent; claims 1-3 and 6-18 of the '731 patent; claims 1-5 of the '608 patent; claims 1, 15, 17, and 18 of the '523 patent; claims 2 and 6 of the '035 patent; and claims 1, 2, 5, 7, 8, 13, 17, 18, 20, 22, and 23 of the '087 patent, and whether an industry in the United States exists or is in the process of being established as required by subsection (a)(2) of section 337;

(2) Pursuant to section 210.10(b)(1) of the Commission's Rules of Practice and Procedure, 19 CFR 210.10(b)(1), the plain language description of the accused products or category of accused products, which defines the scope of the investigation, is "dynamic random access memory devices (specifically DDR5 generation DIMMs and high bandwidth memory (HBM)), products containing the same (such as servers, computing systems, and storage systems), and components thereof";

(3) Pursuant to Commission Rule 210.50(b)(1), 19 CFR 210.50(b)(1), the presiding administrative law judge shall

take evidence or other information and hear arguments from the parties or other interested persons with respect to the public interest in this investigation, as appropriate, and provide the Commission with findings of fact and a recommended determination on this issue, which shall be limited to the statutory public interest factors set forth in 19 U.S.C. 1337(d)(1), (f)(1), (g)(1);

(4) For the purpose of the investigation so instituted, the following are hereby named as parties upon which this notice of investigation shall be served:

(a) The complainant is:
Netlist, Inc., 111 Academy Way, Suite 100, Irvine, CA 92617

(b) The respondents are the following entities alleged to be in violation of section 337, and are the parties upon which the complaint is to be served:

Samsung Electronics Co., Ltd., 129 Samsung-ro, Yeongtong-gu, Suwon, Gyeonggi-do, 443-742, Republic of Korea

Samsung Electronics America, Inc., 6625 Excellence Way, Plano, Texas 75023

Samsung Semiconductor, Inc., 6625 Excellence Way, Plano, Texas 75023
Google LLC, 1600 Amphitheatre Parkway, Mountain View, California 94043

Super Micro Computer, Inc., 980 Rock Ave., San Jose, California 95131

(c) The Office of Unfair Import Investigations, U.S. International Trade Commission, 500 E Street SW, Suite 401, Washington, DC 20436; and

(5) For the investigation so instituted, the Chief Administrative Law Judge, U.S. International Trade Commission, shall designate the presiding Administrative Law Judge.

Responses to the complaint and the notice of investigation must be submitted by the named respondents in accordance with section 210.13 of the Commission's Rules of Practice and Procedure, 19 CFR 210.13. Pursuant to 19 CFR 201.16(e) and 210.13(a), such responses will be considered by the Commission if received not later than 20 days after the date of service by the Commission of the complaint and the notice of investigation. Extensions of time for submitting responses to the complaint and the notice of investigation will not be granted unless good cause therefor is shown.

Failure of a respondent to file a timely response to each allegation in the complaint and in this notice may be deemed to constitute a waiver of the right to appear and contest the allegations of the complaint and this notice, and to authorize the

administrative law judge and the Commission, without further notice to the respondent, to find the facts to be as alleged in the complaint and this notice and to enter an initial determination and a final determination containing such findings, and may result in the issuance of an exclusion order or a cease and desist order or both directed against the respondent.

By order of the Commission.

Issued: December 29, 2025.

Susan Orndoff,

Supervisory Attorney.

[FR Doc. 2025-24146 Filed 12-31-25; 8:45 am]

BILLING CODE 7020-02-P

INTERNATIONAL TRADE COMMISSION

[Investigation Nos. 701-TA-646 and 731-TA-1502-1516 (Review)]

Prestressed Concrete Steel Wire Strand From Argentina, Colombia, Egypt, Indonesia, Italy, Malaysia, Netherlands, Saudi Arabia, South Africa, Spain, Taiwan, Tunisia, Turkey, Ukraine, and the United Arab Emirates; Institution of Five-Year Reviews

AGENCY: United States International Trade Commission.

ACTION: Notice.

SUMMARY: The Commission hereby gives notice that it has instituted reviews pursuant to the Tariff Act of 1930, as amended, to determine whether revocation of the countervailing duty order on prestressed concrete steel wire strand ("PC strand") from Turkey and the revocation of the antidumping duty orders on PC strand from Argentina, Colombia, Egypt, Indonesia, Italy, Malaysia, the Netherlands, Saudi Arabia, South Africa, Spain, Taiwan, Tunisia, Turkey, Ukraine, and the United Arab Emirates would be likely to lead to continuation or recurrence of material injury. Pursuant to the Act, interested parties are requested to respond to this notice by submitting the information specified below to the Commission.

DATES: Instituted January 2, 2026. To be assured of consideration, the deadline for responses is February 2, 2026. Comments on the adequacy of responses may be filed with the Commission by March 16, 2026.

FOR FURTHER INFORMATION CONTACT: Caitlyn Costello (202-205-2058), Office of Investigations, U.S. International Trade Commission, 500 E Street SW, Washington, DC 20436. Hearing-impaired persons can obtain information on this matter by contacting

the Commission's TDD terminal on 202–205–1810. Persons with mobility impairments who will need special assistance in gaining access to the Commission should contact the Office of the Secretary at 202–205–2000. General information concerning the Commission may also be obtained by accessing its internet server (<https://www.usitc.gov>). The public record for this proceeding may be viewed on the Commission's electronic docket (EDIS) at <https://edis.usitc.gov>.

SUPPLEMENTARY INFORMATION:

Background.—On February 1, 2021, the Department of Commerce (“Commerce”) issued antidumping duty orders on imports of PC strand from Argentina, Colombia, Egypt, the Netherlands, Saudi Arabia, Taiwan, Turkey, and the United Arab Emirates (86 FR 7703). On February 3, 2021, Commerce issued a countervailing duty order on imports of PC strand from Turkey (86 FR 7790). On June 4, 2021, Commerce issued antidumping duty orders on imports of PC strand from Indonesia, Italy, Malaysia, South Africa, Spain, Tunisia, and Ukraine (86 FR 29998).

The Commission is conducting reviews pursuant to section 751(c) of the Act, as amended (19 U.S.C. 1675(c)), to determine whether revocation of the orders would be likely to lead to continuation or recurrence of material injury to the domestic industry within a reasonably foreseeable time. Provisions concerning the conduct of this proceeding may be found in the Commission's Rules of Practice and Procedure at 19 CFR part 201, subparts A and B, and 19 CFR part 207, subparts A and F. The Commission will assess the adequacy of interested party responses to this notice of institution to determine whether to conduct full or expedited reviews. The Commission's determinations in any expedited reviews will be based on the facts available, which may include information provided in response to this notice.

Definitions.—The following definitions apply to these reviews:

(1) *Subject Merchandise* is the class or kind of merchandise that is within the scope of the five-year reviews, as defined by Commerce.

(2) The *Subject Countries* in these reviews are Argentina, Colombia, Egypt, Indonesia, Italy, Malaysia, the Netherlands, Saudi Arabia, South Africa, Spain, Taiwan, Tunisia, Turkey, Ukraine, and the United Arab Emirates.

(3) The *Domestic Like Product* is the domestically produced product or products which are like, or in the

absence of like, most similar in characteristics and uses with, the *Subject Merchandise*. In its original determinations, the Commission defined the *Domestic Like Product* as consisting of PC strand coextensive with the scope.

(4) The *Domestic Industry* is the U.S. producers as a whole of the *Domestic Like Product*, or those producers whose collective output of the *Domestic Like Product* constitutes a major proportion of the total domestic production of the product. In its original determinations, the Commission defined the *Domestic Industry* as all domestic producers of PC strand.

(5) The *Order Date* is the date that the antidumping duty orders under review for PC strand from Argentina, Colombia, Egypt, the Netherlands, Saudi Arabia, Taiwan, Turkey, and the United Arab Emirates became effective is February 1, 2021, and countervailing duty order under review for PC strand from Turkey became effective is February 3, 2021. Additionally, the date that the antidumping duty orders under review for PC strand from Indonesia, Italy, Malaysia, South Africa, Spain, Tunisia, and Ukraine became effective is June 4, 2021. In these reviews, the *Order Date* is February 1, 2021.

(6) An *Importer* is any person or firm engaged, either directly or through a parent company or subsidiary, in importing the *Subject Merchandise* into the United States from a foreign manufacturer or through its selling agent.

Participation in the proceeding and public service list.—Persons, including industrial users of the *Subject Merchandise* and, if the merchandise is sold at the retail level, representative consumer organizations, wishing to participate in the proceeding as parties must file an entry of appearance with the Secretary to the Commission, as provided in § 201.11(b)(4) of the Commission's rules, no later than 21 days after publication of this notice in the **Federal Register**. The Secretary will maintain a public service list containing the names and addresses of all persons, or their representatives, who are parties to the proceeding.

Former Commission employees who are seeking to appear in Commission five-year reviews are advised that they may appear in a review even if they participated personally and substantially in the corresponding underlying original investigation or an earlier review of the same underlying investigation. The Commission's designated agency ethics official has advised that a five-year review is not the same particular matter as the underlying

original investigation, and a five-year review is not the same particular matter as an earlier review of the same underlying investigation for purposes of 18 U.S.C. 207, the post-employment statute for Federal employees, and Commission rule 201.15(b) (19 CFR 201.15(b)), 79 FR 3246 (Jan. 17, 2014), 73 FR 24609 (May 5, 2008).

Consequently, former employees are not required to seek Commission approval to appear in a review under Commission rule 19 CFR 201.15, even if the corresponding underlying original investigation or an earlier review of the same underlying investigation was pending when they were Commission employees. For further ethics advice on this matter, contact Charles Smith, Office of the General Counsel, at 202–205–3408.

Limited disclosure of business proprietary information (BPI) under an administrative protective order (APO) and APO service list.—Pursuant to § 207.7(a) of the Commission's rules, the Secretary will make BPI submitted in this proceeding available to authorized applicants under the APO issued in the proceeding, provided that the application is made no later than 21 days after publication of this notice in the **Federal Register**. Authorized applicants must represent interested parties, as defined in 19 U.S.C. 1677(9), who are parties to the proceeding. A separate service list will be maintained by the Secretary for those parties authorized to receive BPI under the APO.

Certification.—Pursuant to § 207.3 of the Commission's rules, any person submitting information to the Commission in connection with this proceeding must certify that the information is accurate and complete to the best of the submitter's knowledge. In making the certification, the submitter will acknowledge that information submitted in response to this request for information and throughout this proceeding or other proceeding may be disclosed to and used: (i) by the Commission, its employees and Offices, and contract personnel (a) for developing or maintaining the records of this or a related proceeding, or (b) in internal investigations, audits, reviews, and evaluations relating to the programs, personnel, and operations of the Commission including under 5 U.S.C. Appendix 3; or (ii) by U.S. government employees and contract personnel, solely for cybersecurity purposes. All contract personnel will sign appropriate nondisclosure agreements.

Written submissions.—Pursuant to § 207.61 of the Commission's rules, each

interested party response to this notice must provide the information specified below. The deadline for filing such responses is on or before 5:15 p.m. on February 2, 2026. Pursuant to § 207.62(b) of the Commission's rules, eligible parties (as specified in Commission rule 207.62(b)(1)) may also file comments concerning the adequacy of responses to the notice of institution and whether the Commission should conduct expedited or full reviews. The deadline for filing such comments is on or before 5:15 p.m. on March 16, 2026. All written submissions must conform with the provisions of § 201.8 of the Commission's rules; any submissions that contain BPI must also conform with the requirements of §§ 201.6, 207.3, and 207.7 of the Commission's rules. The Commission's *Handbook on Filing Procedures*, available on the Commission's website at https://www.usitc.gov/documents/handbook_on_filing_procedures.pdf, elaborates upon the Commission's procedures with respect to filings. Also, in accordance with §§ 201.16(c) and 207.3 of the Commission's rules, each document filed by a party to the proceeding must be served on all other parties to the proceeding (as identified by either the public or APO service list as appropriate), and a certificate of service must accompany the document (if you are not a party to the proceeding you do not need to serve your response).

Please note the Secretary's Office will accept only electronic filings at this time. Filings must be made through the Commission's Electronic Document Information System (EDIS, <https://edis.usitc.gov>). No in-person paper-based filings or paper copies of any electronic filings will be accepted until further notice.

No response to this request for information is required if a currently valid Office of Management and Budget ("OMB") number is not displayed; the OMB number is 3117 0016/USITC No. 25–5–666, expiration date June 30, 2026. Public reporting burden for the request is estimated to average 15 hours per response. Please send comments regarding the accuracy of this burden estimate to the Office of Investigations, U.S. International Trade Commission, 500 E Street SW, Washington, DC 20436.

Inability to provide requested information.—Pursuant to § 207.61(c) of the Commission's rules, any interested party that cannot furnish the information requested by this notice in the requested form and manner shall notify the Commission at the earliest possible time, provide a full explanation of why it cannot provide the requested

information, and indicate alternative forms in which it can provide equivalent information. If an interested party does not provide this notification (or the Commission finds the explanation provided in the notification inadequate) and fails to provide a complete response to this notice, the Commission may take an adverse inference against the party pursuant to § 776(b) of the Act (19 U.S.C. 1677e(b)) in making its determinations in the reviews.

Information to be Provided in Response to this Notice of Institution: If you are a domestic producer, union/worker group, or trade/business association; import/export *Subject Merchandise* from more than one *Subject Country*; or produce *Subject Merchandise* in more than one *Subject Country*, you may file a single response. If you do so, please ensure that your response to each question includes the information requested for each pertinent *Subject Country*. As used below, the term "firm" includes any related firms.

Those responding to this notice of institution are encouraged, but not required, to visit the USITC's website at https://usitc.gov/reports/response_noi_worksheet, where one can download and complete the "NOI worksheet" Excel form for the subject proceeding, to be included as attachment/exhibit 1 of your overall response.

(1) The name and address of your firm or entity (including World Wide Web address) and name, telephone number, fax number, and Email address of the certifying official.

(2) A statement indicating whether your firm/entity is an interested party under 19 U.S.C. 1677(9) and if so, how, including whether your firm/entity is a U.S. producer of the *Domestic Like Product*, a U.S. union or worker group, a U.S. importer of the *Subject Merchandise*, a foreign producer or exporter of the *Subject Merchandise*, a U.S. or foreign trade or business association (a majority of whose members are interested parties under the statute), or another interested party (including an explanation). If you are a union/worker group or trade/business association, identify the firms in which your workers are employed or which are members of your association.

(3) A statement indicating whether your firm/entity is willing to participate in this proceeding by providing information requested by the Commission.

(4) A statement of the likely effects of the revocation of the countervailing duty order and the revocation of the antidumping duty orders on the *Domestic Industry* in general and/or

your firm/entity specifically. In your response, please discuss the various factors specified in § 752(a) of the Act (19 U.S.C. 1675a(a)) including the likely volume of subject imports, likely price effects of subject imports, and likely impact of imports of *Subject Merchandise* on the *Domestic Industry*.

(5) A list of all known and currently operating U.S. producers of the *Domestic Like Product*. Identify any known related parties and the nature of the relationship as defined in § 771(4)(B) of the Act (19 U.S.C. 1677(4)(B)).

(6) A list of all known and currently operating U.S. importers of the *Subject Merchandise* and producers of the *Subject Merchandise* in each *Subject Country* that currently export or have exported *Subject Merchandise* to the United States or other countries since the *Order Dates*.

(7) A list of 3–5 leading purchasers in the U.S. market for the *Domestic Like Product* and the *Subject Merchandise* (including street address, World Wide Web address, and the name, telephone number, fax number, and Email address of a responsible official at each firm).

(8) A list of known sources of information on national or regional prices for the *Domestic Like Product* or the *Subject Merchandise* in the U.S. or other markets.

(9) If you are a U.S. producer of the *Domestic Like Product*, provide the following information on your firm's operations on that product during calendar year 2025, except as noted (report quantity data in pounds and value data in U.S. dollars, f.o.b. plant). If you are a union/worker group or trade/business association, provide the information, on an aggregate basis, for the firms in which your workers are employed/which are members of your association.

(a) Production (quantity) and, if known, an estimate of the percentage of total U.S. production of the *Domestic Like Product* accounted for by your firm's(s') production;

(b) Capacity (quantity) of your firm to produce the *Domestic Like Product* (that is, the level of production that your establishment(s) could reasonably have expected to attain during the year, assuming normal operating conditions (using equipment and machinery in place and ready to operate), normal operating levels (hours per week/weeks per year), time for downtime, maintenance, repair, and cleanup, and a typical or representative product mix);

(c) the quantity and value of U.S. commercial shipments of the *Domestic Like Product* produced in your U.S. plant(s);

(d) the quantity and value of U.S. internal consumption/company transfers of the *Domestic Like Product* produced in your U.S. plant(s); and

(e) the value of (i) net sales, (ii) cost of goods sold (COGS), (iii) gross profit, (iv) selling, general and administrative (SG&A) expenses, and (v) operating income of the *Domestic Like Product* produced in your U.S. plant(s) (include both U.S. and export commercial sales, internal consumption, and company transfers) for your most recently completed fiscal year (identify the date on which your fiscal year ends).

(10) If you are a U.S. importer or a trade/business association of U.S. importers of the *Subject Merchandise* from each *Subject Country*, provide the following information on your firm's(s') operations on that product during calendar year 2025 (report quantity data in pounds and value data in U.S. dollars). If you are a trade/business association, provide the information, on an aggregate basis, for the firms which are members of your association.

(a) The quantity and value (landed, duty-paid but not including antidumping and/or countervailing duties) of U.S. imports and, if known, an estimate of the percentage of total U.S. imports of *Subject Merchandise* from each *Subject Country* accounted for by your firm's(s') imports;

(b) the quantity and value (f.o.b. U.S. port, including antidumping and/or countervailing duties) of U.S. commercial shipments of *Subject Merchandise* imported from each *Subject Country*; and

(c) the quantity and value (f.o.b. U.S. port, including antidumping and/or countervailing duties) of U.S. internal consumption/company transfers of *Subject Merchandise* imported from each *Subject Country*.

(11) If you are a producer, an exporter, or a trade/business association of producers or exporters of the *Subject Merchandise* in any *Subject Country*, provide the following information on your firm's(s') operations on that product during calendar year 2025 (report quantity data in pounds and value data in U.S. dollars, landed and duty-paid at the U.S. port but not including antidumping and/or countervailing duties). If you are a trade/business association, provide the information, on an aggregate basis, for the firms which are members of your association.

(a) Production (quantity) and, if known, an estimate of the percentage of total production of *Subject Merchandise* in each *Subject Country* accounted for by your firm's(s') production;

(b) Capacity (quantity) of your firm(s) to produce the *Subject Merchandise* in each *Subject Country* (that is, the level of production that your establishment(s) could reasonably have expected to attain during the year, assuming normal operating conditions (using equipment and machinery in place and ready to operate), normal operating levels (hours per week/weeks per year), time for downtime, maintenance, repair, and cleanup, and a typical or representative product mix); and

(c) the quantity and value of your firm's(s') exports to the United States of *Subject Merchandise* and, if known, an estimate of the percentage of total exports to the United States of *Subject Merchandise* from each *Subject Country* accounted for by your firm's(s') exports.

(12) Identify significant changes, if any, in the supply and demand conditions or business cycle for the *Domestic Like Product* that have occurred in the United States or in the market for the *Subject Merchandise* in each *Subject Country* since the *Order Dates*, and significant changes, if any, that are likely to occur within a reasonably foreseeable time. Supply conditions to consider include technology; production methods; development efforts; ability to increase production (including the shift of production facilities used for other products and the use, cost, or availability of major inputs into production); and factors related to the ability to shift supply among different national markets (including barriers to importation in foreign markets or changes in market demand abroad). Demand conditions to consider include end uses and applications; the existence and availability of substitute products; and the level of competition among the *Domestic Like Product* produced in the United States, *Subject Merchandise* produced in each *Subject Country*, and such merchandise from other countries.

(13) (OPTIONAL) A statement of whether you agree with the above definitions of the *Domestic Like Product* and *Domestic Industry*; if you disagree with either or both of these definitions, please explain why and provide alternative definitions.

Authority: This proceeding is being conducted under authority of Title VII of the Tariff Act of 1930; this notice is published pursuant to § 207.61 of the Commission's rules.

By order of the Commission.

Issued: December 23, 2025.

Susan Orndoff,

Supervisory Attorney.

[FR Doc. 2025-24197 Filed 12-31-25; 8:45 am]

BILLING CODE 7020-02-P

INTERNATIONAL TRADE COMMISSION

[Investigation Nos. 701-TA-522 and 731-TA-1258 (Second Review)]

Passenger Vehicle and Light Truck Tires From China; Institution of a Five-Year Reviews

AGENCY: United States International Trade Commission.

ACTION: Notice.

SUMMARY: The Commission hereby gives notice that it has instituted reviews pursuant to the Tariff Act of 1930, as amended, to determine whether revocation of the countervailing and antidumping duty orders on passenger vehicle and light truck tires from China would be likely to lead to continuation or recurrence of material injury. Pursuant to the Act, interested parties are requested to respond to this notice by submitting the information specified below to the Commission.

DATES: Instituted January 2, 2026. To be assured of consideration, the deadline for responses is February 2, 2026. Comments on the adequacy of responses may be filed with the Commission by March 16, 2026.

FOR FURTHER INFORMATION CONTACT: Laurel Schwartz (202-205-2398), Office of Investigations, U.S. International Trade Commission, 500 E Street SW, Washington, DC 20436. Hearing-impaired persons can obtain information on this matter by contacting the Commission's TDD terminal on 202-205-1810. Persons with mobility impairments who will need special assistance in gaining access to the Commission should contact the Office of the Secretary at 202-205-2000. General information concerning the Commission may also be obtained by accessing its internet server (<https://www.usitc.gov>). The public record for this proceeding may be viewed on the Commission's electronic docket (EDIS) at <https://edis.usitc.gov>.

SUPPLEMENTARY INFORMATION:

Background.—On August 10, 2015, the Department of Commerce ("Commerce") issued countervailing and antidumping duty orders on imports of passenger vehicle and light truck tires from China (80 FR 47902). Following the five-year reviews by Commerce and the Commission, effective February 19, 2021, Commerce issued a continuation of the countervailing and antidumping duty orders on imports of passenger vehicle and light truck tires from China (86 FR 10247). The Commission is now conducting second reviews pursuant to

section 751(c) of the Act, as amended (19 U.S.C. 1675(c)), to determine whether revocation of the orders would be likely to lead to continuation or recurrence of material injury to the domestic industry within a reasonably foreseeable time. Provisions concerning the conduct of this proceeding may be found in the Commission's Rules of Practice and Procedure at 19 CFR part 201, subparts A and B, and 19 CFR part 207, subparts A and F. The Commission will assess the adequacy of interested party responses to this notice of institution to determine whether to conduct a full or expedited reviews. The Commission's determination in any expedited reviews will be based on the facts available, which may include information provided in response to this notice.

Definitions.—The following definitions apply to these reviews:

(1) *Subject Merchandise* is the class or kind of merchandise that is within the scope of the five-year reviews, as defined by Commerce.

(2) The *Subject Country* in these reviews is China.

(3) The *Domestic Like Product* is the domestically produced product or products which are like, or in the absence of like, most similar in characteristics and uses with, the *Subject Merchandise*. In its original determinations, the Commission defined a single *Domestic Like Product* consisting of passenger vehicle light truck tires coextensive with Commerce's scope.

(4) The *Domestic Industry* is the U.S. producers as a whole of the *Domestic Like Product*, or those producers whose collective output of the *Domestic Like Product* constitutes a major proportion of the total domestic production of the product. In its original determinations, the Commission defined the *Domestic Industry* as all producers of certain passenger vehicle light truck tires except for one U.S. producer that was excluded as a related party. Certain Commissioners defined the *Domestic Industry* differently.

(5) An *Importer* is any person or firm engaged, either directly or through a parent company or subsidiary, in importing the *Subject Merchandise* into the United States from a foreign manufacturer or through its selling agent.

Participation in the proceeding and public service list.—Persons, including industrial users of the *Subject Merchandise* and, if the merchandise is sold at the retail level, representative consumer organizations, wishing to participate in the proceeding as parties must file an entry of appearance with

the Secretary to the Commission, as provided in § 201.11(b)(4) of the Commission's rules, no later than 21 days after publication of this notice in the **Federal Register**. The Secretary will maintain a public service list containing the names and addresses of all persons, or their representatives, who are parties to the proceeding.

Former Commission employees who are seeking to appear in Commission five-year reviews are advised that they may appear in a review even if they participated personally and substantially in the corresponding underlying original investigation or an earlier review of the same underlying investigation. The Commission's designated agency ethics official has advised that a five-year review is not the same particular matter as the underlying original investigation, and a five-year review is not the same particular matter as an earlier review of the same underlying investigation for purposes of 18 U.S.C. 207, the post-employment statute for Federal employees, and Commission rule 201.15(b) (19 CFR 201.15(b)), 79 FR 3246 (Jan. 17, 2014), 73 FR 24609 (May 5, 2008).

Consequently, former employees are not required to seek Commission approval to appear in a review under Commission rule 19 CFR 201.15, even if the corresponding underlying original investigation or an earlier review of the same underlying investigation was pending when they were Commission employees. For further ethics advice on this matter, contact Charles Smith, Office of the General Counsel, at 202–205–3408.

Limited disclosure of business proprietary information (BPI) under an administrative protective order (APO) and APO service list.—Pursuant to § 207.7(a) of the Commission's rules, the Secretary will make BPI submitted in this proceeding available to authorized applicants under the APO issued in the proceeding, provided that the application is made no later than 21 days after publication of this notice in the **Federal Register**. Authorized applicants must represent interested parties, as defined in 19 U.S.C. 1677(9), who are parties to the proceeding. A separate service list will be maintained by the Secretary for those parties authorized to receive BPI under the APO.

Certification.—Pursuant to § 207.3 of the Commission's rules, any person submitting information to the Commission in connection with this proceeding must certify that the information is accurate and complete to the best of the submitter's knowledge. In making the certification, the submitter

will acknowledge that information submitted in response to this request for information and throughout this proceeding or other proceeding may be disclosed to and used: (i) by the Commission, its employees and Offices, and contract personnel (a) for developing or maintaining the records of this or a related proceeding, or (b) in internal investigations, audits, reviews, and evaluations relating to the programs, personnel, and operations of the Commission including under 5 U.S.C. Appendix 3; or (ii) by U.S. government employees and contract personnel, solely for cybersecurity purposes. All contract personnel will sign appropriate nondisclosure agreements.

Written submissions.—Pursuant to § 207.61 of the Commission's rules, each interested party response to this notice must provide the information specified below. The deadline for filing such responses is 5:15 p.m. on February 2, 2026. Pursuant to § 207.62(b) of the Commission's rules, eligible parties (as specified in Commission rule 207.62(b)(1)) may also file comments concerning the adequacy of responses to the notice of institution and whether the Commission should conduct expedited or full reviews. The deadline for filing such comments is 5:15 p.m. on March 16, 2026. All written submissions must conform with the provisions of § 201.8 of the Commission's rules; any submissions that contain BPI must also conform with the requirements of §§ 201.6, 207.3, and 207.7 of the Commission's rules. The Commission's *Handbook on Filing Procedures*, available on the Commission's website at https://www.usitc.gov/documents/handbook_on_filing_procedures.pdf, elaborates upon the Commission's procedures with respect to filings. Also, in accordance with §§ 201.16(c) and 207.3 of the Commission's rules, each document filed by a party to the proceeding must be served on all other parties to the proceeding (as identified by either the public or APO service list as appropriate), and a certificate of service must accompany the document (if you are not a party to the proceeding you do not need to serve your response).

Please note the Secretary's Office will accept only electronic filings at this time. Filings must be made through the Commission's Electronic Document Information System (EDIS, <https://edis.usitc.gov>). No in-person paper-based filings or paper copies of any electronic filings will be accepted until further notice.

No response to this request for information is required if a currently valid Office of Management and Budget

(“OMB”) number is not displayed; the OMB number is 3117 0016/USITC No. 25–5–664, expiration date June 30, 2026. Public reporting burden for the request is estimated to average 15 hours per response. Please send comments regarding the accuracy of this burden estimate to the Office of Investigations, U.S. International Trade Commission, 500 E Street SW, Washington, DC 20436.

Inability to provide requested information.—Pursuant to § 207.61(c) of the Commission’s rules, any interested party that cannot furnish the information requested by this notice in the requested form and manner shall notify the Commission at the earliest possible time, provide a full explanation of why it cannot provide the requested information, and indicate alternative forms in which it can provide equivalent information. If an interested party does not provide this notification (or the Commission finds the explanation provided in the notification inadequate) and fails to provide a complete response to this notice, the Commission may take an adverse inference against the party pursuant to § 776(b) of the Act (19 U.S.C. 1677e(b)) in making its determination in the reviews.

Information To Be Provided in Response to This Notice of Institution: As used below, the term “firm” includes any related firms.

Those responding to this notice of institution are encouraged, but not required, to visit the USITC’s website at https://usitc.gov/reports/response_noi_worksheet, where one can download and complete the “NOI worksheet” Excel form for the subject proceeding, to be included as attachment/exhibit 1 of your overall response.

(1) The name and address of your firm or entity (including World Wide Web address) and name, telephone number, fax number, and Email address of the certifying official.

(2) A statement indicating whether your firm/entity is an interested party under 19 U.S.C. 1677(9) and if so, how, including whether your firm/entity is a U.S. producer of the *Domestic Like Product*, a U.S. union or worker group, a U.S. importer of the *Subject Merchandise*, a foreign producer or exporter of the *Subject Merchandise*, a U.S. or foreign trade or business association (a majority of whose members are interested parties under the statute), or another interested party (including an explanation). If you are a union/worker group or trade/business association, identify the firms in which your workers are employed or which are members of your association.

(3) A statement indicating whether your firm/entity is willing to participate in this proceeding by providing information requested by the Commission.

(4) A statement of the likely effects of the revocation of the countervailing and antidumping duty orders on the *Domestic Like Product* in general and/or your firm/entity specifically. In your response, please discuss the various factors specified in section 752(a) of the Act (19 U.S.C. 1675a(a)) including the likely volume of subject imports, likely price effects of subject imports, and likely impact of imports of *Subject Merchandise* on the *Domestic Industry*.

(5) A list of all known and currently operating U.S. producers of the *Domestic Like Product*. Identify any known related parties and the nature of the relationship as defined in section 771(4)(B) of the Act (19 U.S.C. 1677(4)(B)).

(6) A list of all known and currently operating U.S. importers of the *Subject Merchandise* and producers of the *Subject Merchandise* in the *Subject Country* that currently export or have exported *Subject Merchandise* to the United States or other countries after 2019.

(7) A list of 3–5 leading purchasers in the U.S. market for the *Domestic Like Product* and the *Subject Merchandise* (including street address, World Wide Web address, and the name, telephone number, fax number, and Email address of a responsible official at each firm).

(8) A list of known sources of information on national or regional prices for the *Domestic Like Product* or the *Subject Merchandise* in the U.S. or other markets.

(9) If you are a U.S. producer of the *Domestic Like Product*, provide the following information on your firm’s operations on that product during calendar year 2025 except as noted (report quantity data in tires and value data in U.S. dollars, f.o.b. plant). If you are a union/worker group or trade/business association, provide the information, on an aggregate basis, for the firms in which your workers are employed/which are members of your association.

(a) Production (quantity) and, if known, an estimate of the percentage of total U.S. production of the *Domestic Like Product* accounted for by your firm’s(s’) production;

(b) Capacity (quantity) of your firm to produce the *Domestic Like Product* (that is, the level of production that your establishment(s) could reasonably have expected to attain during the year, assuming normal operating conditions (using equipment and machinery in

place and ready to operate), normal operating levels (hours per week/weeks per year), time for downtime, maintenance, repair, and cleanup, and a typical or representative product mix);

(c) the quantity and value of U.S. commercial shipments of the *Domestic Like Product* produced in your U.S. plant(s);

(d) the quantity and value of U.S. internal consumption/company transfers of the *Domestic Like Product* produced in your U.S. plant(s); and

(e) the value of (i) net sales, (ii) cost of goods sold (COGS), (iii) gross profit, (iv) selling, general and administrative (SG&A) expenses, and (v) operating income of the *Domestic Like Product* produced in your U.S. plant(s) (include both U.S. and export commercial sales, internal consumption, and company transfers) for your most recently completed fiscal year (identify the date on which your fiscal year ends).

(10) If you are a U.S. importer or a trade/business association of U.S. importers of the *Subject Merchandise* from the *Subject Country*, provide the following information on your firm’s(s’) operations on that product during calendar year 2025 (report quantity data in tires and value data in U.S. dollars). If you are a trade/business association, provide the information, on an aggregate basis, for the firms which are members of your association.

(a) The quantity and value (landed, duty-paid but not including antidumping and/or countervailing duties) of U.S. imports and, if known, an estimate of the percentage of total U.S. imports of *Subject Merchandise* from the *Subject Country* accounted for by your firm’s(s’) imports;

(b) the quantity and value (f.o.b. U.S. port, including antidumping and/or countervailing duties) of U.S. commercial shipments of *Subject Merchandise* imported from the *Subject Country*; and

(c) the quantity and value (f.o.b. U.S. port, including antidumping and/or countervailing duties) of U.S. internal consumption/company transfers of *Subject Merchandise* imported from the *Subject Country*.

(11) If you are a producer, an exporter, or a trade/business association of producers or exporters of the *Subject Merchandise* in the *Subject Country*, provide the following information on your firm’s(s’) operations on that product during calendar year 2025 (report quantity data in tires and value data in U.S. dollars, landed and duty-paid at the U.S. port but not including antidumping and/or countervailing duties). If you are a trade/business association, provide the information, on

an aggregate basis, for the firms which are members of your association.

(a) Production (quantity) and, if known, an estimate of the percentage of total production of *Subject Merchandise* in the *Subject Country* accounted for by your firm's(s') production;

(b) Capacity (quantity) of your firm(s) to produce the *Subject Merchandise* in the *Subject Country* (that is, the level of production that your establishment(s) could reasonably have expected to attain during the year, assuming normal operating conditions (using equipment and machinery in place and ready to operate), normal operating levels (hours per week/weeks per year), time for downtime, maintenance, repair, and cleanup, and a typical or representative product mix); and

(c) the quantity and value of your firm's(s') exports to the United States of *Subject Merchandise* and, if known, an estimate of the percentage of total exports to the United States of *Subject Merchandise* from the *Subject Country* accounted for by your firm's(s') exports.

(12) Identify significant changes, if any, in the supply and demand conditions or business cycle for the *Domestic Like Product* that have occurred in the United States or in the market for the *Subject Merchandise* in the *Subject Country* after 2019, and significant changes, if any, that are likely to occur within a reasonably foreseeable time. Supply conditions to consider include technology; production methods; development efforts; ability to increase production (including the shift of production facilities used for other products and the use, cost, or availability of major inputs into production); and factors related to the ability to shift supply among different national markets (including barriers to importation in foreign markets or changes in market demand abroad). Demand conditions to consider include end uses and applications; the existence and availability of substitute products; and the level of competition among the *Domestic Like Product* produced in the United States, *Subject Merchandise* produced in the *Subject Country*, and such merchandise from other countries.

(13) (OPTIONAL) A statement of whether you agree with the above definitions of the *Domestic Like Product* and *Domestic Industry*; if you disagree with either or both of these definitions, please explain why and provide alternative definitions.

Authority: This proceeding is being conducted under authority of title VII of the Tariff Act of 1930; this notice is published pursuant to § 207.61 of the Commission's rules.

By order of the Commission.

Issued: December 23, 2025.

Susan Orndoff,

Supervisory Attorney.

[FR Doc. 2025–24199 Filed 12–31–25; 8:45 am]

BILLING CODE 7020–02–P

DEPARTMENT OF JUSTICE

Antitrust Division

Notice Pursuant to the National Cooperative Research and Production Act Of 1993—ODVA, Inc.

Notice is hereby given that, on October 8, 2025, pursuant to section 6(a) of the National Cooperative Research and Production Act of 1993, 15 U.S.C. 4301 *et seq.* (“the Act”), ODVA, Inc. (“ODVA”) has filed written notifications simultaneously with the Attorney General and the Federal Trade Commission disclosing changes in its membership. The notifications were filed for the purpose of extending the Act's provisions limiting the recovery of antitrust plaintiffs to actual damages under specified circumstances. Specifically, Transcend Communication Beijing Co., Ltd., Beijing, PEOPLE'S REPUBLIC OF CHINA; UnitX, Inc., Milpitas, CA; HQ Scales, Inc., Sterling, IL; ASSA ABLOY Entrance Systems Germany GmbH, Wennigsen (Deister), FEDERAL REPUBLIC OF GERMANY; Therma-Tron-X, Inc., Sturgeon Bay, WI; Antaira Technologies Co. Ltd., New Taipei City, REPUBLIC OF CHINA (TAIWAN); and Shanghai Quicktron Automation Technology Co., Ltd., Shanghai, PEOPLE'S REPUBLIC OF CHINA, have been added as parties to this venture.

Also, XP Power LLC, Gloucester, MA; Control Technology Incorporated, Knoxville, TN; ESYSE GmbH Embedded Systems Engineering, Meerbusch, FEDERAL REPUBLIC OF GERMANY; Doosan Robotics Inc., Suwon-si, REPUBLIC OF KOREA; SWCC Corporation, Kawasaki, JAPAN; HMS/BU Ewon, Nivelles, KINGDOM OF BELGIUM; and Zhejiang Hechuan Technology Co., Ltd., Quzhou City, PEOPLE'S REPUBLIC OF CHINA, have withdrawn as parties to this venture.

No other changes have been made in either the membership or planned activity of the group research project. Membership in this group research project remains open, and ODVA intends to file additional written notifications disclosing all changes in membership.

On June 21, 1995, ODVA filed its original notification pursuant to section 6(a) of the Act. The Department of

Justice published a notice in the **Federal Register** pursuant to section 6(b) of the Act on February 15, 1996 (61 FR 6039).

The last notification was filed with the Department on July 14, 2025. A notice was published in the **Federal Register** pursuant to section 6(b) of the Act on August 15, 2025 (90 FR 39421).

Suzanne Morris,

Deputy Director Civil Enforcement Operations, Antitrust Division.

[FR Doc. 2025–24186 Filed 12–31–25; 8:45 am]

BILLING CODE P

DEPARTMENT OF JUSTICE

Antitrust Division

Notice Pursuant to the National Cooperative Research and Production Act of 1993—Medical CBRN Defense Consortium

Notice is hereby given that, on July 3, 2025, pursuant to section 6(a) of the National Cooperative Research and Production Act of 1993, 15 U.S.C. 4301 *et seq.* (“the Act”), Medical CBRN Defense Consortium (“MCDC”) has filed written notifications simultaneously with the Attorney General and the Federal Trade Commission disclosing changes in its membership. The notifications were filed for the purpose of extending the Act's provisions limiting the recovery of antitrust plaintiffs to actual damages under specified circumstances. Specifically, Concept To Market LLC, Monrovia, MD; GeneInfoSec, Inc. Huntsville, AL; IQM Research Institute, Ann Arbor, MI; Lactea Therapeutics, LLC, Frederick, MD; Southern Research Institute, Birmingham, AL; Texas A&M Engineering Experiment Station, College Station, TX; and Trustees of Indiana University, Bloomington, IN have been added as parties to this venture.

Also, DNA TwoPoint, Inc. dba ATUM, Newark, CA has withdrawn as a party to this venture.

No other changes have been made in either the membership or planned activity of the group research project. Membership in this group research project remains open, and MCDC intends to file additional written notifications disclosing all changes in membership.

On November 13, 2015, MCDC filed its original notification pursuant to section 6(a) of the Act. The Department of Justice published a notice in the **Federal Register** pursuant to section 6(b) of the Act on January 6, 2016 (81 FR 513).

The last notification was filed with the Department on April 1, 2025. A

notice was published in the **Federal Register** pursuant to section 6(b) of the Act on June 13, 2025 (90 FR 25082).

Suzanne Morris,

Deputy Director Civil Enforcement Operations, Antitrust Division.

[FR Doc. 2025–24166 Filed 12–31–25; 8:45 am]

BILLING CODE P

DEPARTMENT OF JUSTICE

Antitrust Division

Notice Pursuant to the National Cooperative Research and Production Act of 1993—Customer Experience Hub

Notice is hereby given that, on July 1, 2025, pursuant to section 6(a) of the National Cooperative Research and Production Act of 1993, 15 U.S.C. 4301 *et seq.* (“the Act”), The Customer Experience Hub (“CX Hub”) has filed written notifications simultaneously with the Attorney General and the Federal Trade Commission disclosing changes in its membership. The notifications were filed for the purpose of extending the Act’s provisions limiting the recovery of antitrust plaintiffs to actual damages under specified circumstances.

Specifically, Allegheny-Singer Research Institute dba Highmark Health Research Institute, Pittsburgh, PA; AeroClenz, Inc., Fort Myers, FL; Allucent Government Services (US) LLC, Cary, NC; American Society of Clinical Oncology, Inc., Alexandria, VA; AstraZeneca Pharmaceuticals LP, Washington, DC; BelleTorus Corp., Cambridge, MA; BioImaginix LLC, Morgantown, WV; BioMedSA, San Antonio, TX; Bold Insight, Inc., Downers Grove, IL; Bracane Company, Plano, TX; Building Healthier America, Hudson, WI; Consuli, Inc., San Diego, CA; Digital Infuzion LLC, Rockville, MD; DLH LLC, Bethesda, MD; Elizabeth Glaser Pediatric AIDS Foundation, Washington, DC; Fralin Biomedical Research Institute at VTC, Roanoke, VA; Genomic Expression, Inc., Beverly, MA; Georgia Life Sciences, Atlanta, GA; Hello Heart, Inc., Menlo Park, CA; Humano Tech, Inc., Atlanta, GA; International Consulting Associates, Inc., Arlington, VA; linedanceAI, Richardson, TX; LivAi, Inc., San Francisco, CA; Massive Bio, Inc., New York, NY; Medblocks, Inc., Bengaluru, REPUBLIC OF INDIA; OpenOme, Inc. dba OpenCures, Novato, CA; Pancreatic Cancer Action Network, El Segundo, CA; Probably Genetic, Inc., San Francisco, CA; Progeneer, Inc., Seoul, REPUBLIC OF KOREA; Reinvent Health

Information Technology LLC, Lexington, KY; Surgo Health P.B.C, Washington, DC; TrialAssure, Inc., Canton, MI; Unicorn Biotechnologies, Inc., Newark, NJ; University of South Carolina, Columbia, SC; Upstream Thinking LLC, Austin, TX; Veridat LLC, Toledo, OH; Viinetwork, Inc. dba Hiive Health, Washington, DC; and WHOOP, Inc., Boston, MA have been added as parties to this venture.

No other changes have been made in either the membership or planned activity of the group research project. Membership in this group research project remains open, and the CX Hub intends to file additional written notifications disclosing all changes in membership.

On January 11, 2024, the CX Hub filed its original notification pursuant to section 6(a) of the Act. The Department of Justice published a notice in the **Federal Register** pursuant to section 6(b) of the Act on April 16, 2024 (89 FR 26929).

The last notification was filed with the Department on April 1, 2025. A notice was published in the **Federal Register** pursuant to section 6(b) of the Act on June 13, 2025 (90 FR 25082).

Suzanne Morris,

Deputy Director Civil Enforcement Operations, Antitrust Division.

[FR Doc. 2025–24167 Filed 12–31–25; 8:45 am]

BILLING CODE P

DEPARTMENT OF JUSTICE

Antitrust Division

Notice Pursuant to the National Cooperative Research and Production Act of 1993—Information Warfare Research Project Consortium

Notice is hereby given that, on October 7, 2025, pursuant to section 6(a) of the National Cooperative Research and Production Act of 1993, 15 U.S.C. 4301 *et seq.* (“the Act”), Information Warfare Research Project Consortium (“IWRP”) has filed written notifications simultaneously with the Attorney General and the Federal Trade Commission disclosing changes in its membership. The notifications were filed for the purpose of extending the Act’s provisions limiting the recovery of antitrust plaintiffs to actual damages under specified circumstances. Specifically, 1gs Corporation, San Rafael, CA; 22nd Century Technologies, Inc., Mclean, VA; Arete Associates, Northridge, CA; Atrenne Computing Solutions, LLC, Brockton, MA; Birdon America INC, Denver, CO; Blue Sky Innovators Inc., Reston, VA; Chickasaw

Aerospace, LLC, Norman, OK; Collabralink Technologies, Incorporated (Groundswell Corp.), Mc Lean, VA; Crius Technology Group, Inc., Austin, TX; Dynamic Solutions-International LLC, Edmonds, WA; Govsignals Inc., New York, NY; Invoke Public Sector USA LLC, Atlanta, GA; Monterey Technologies INC, Park City, UT; Nanohmics INC, Austin, TX; Orbit Communication Systems, Inc., Deerfield Beach, FL; S10 Fitness LLC, San Diego, CA; Saronic Technologies, INC, Austin, TX; Science Systems and Applications, Inc., Lanham, MD; Scout AI Inc., Sunnyvale, CA; Sofar Ocean Technologies, Inc., San Francisco, CA; Storage Strategies INC, Manassas Park, VA; Sudofy, LLC, Hanahan, SC; Technology Advancement Center, Inc., Columbia, MD; Thermoai INC, Alexandria, VA; Thomson Reuters Special Services LLC, Mc Lean, VA; Trideum Corporation, Huntsville, AL; Turnkey Federal LLC, Tampa, FL; Universal Solutions International, Incorporated, Newport News, VA; and Verity Truss Consulting, LLC, Arlington, VA, have been added as parties to this venture.

Also, Aosense, Inc., Fremont, CA; Aperio Global LLC, Reston, VA; Arete Associates, Inc., Falls Church, VA; Aurora Insight INC, Herndon, VA; B23 LLC, Tysons, VA; Boarhog, LLC, San Diego, CA; Bridgecomm, Inc., Lafayette, CO; Cape Henry Associates, Inc., Virginia Beach, VA; Clear Align LLC, Eagleville, PA; Colossal Contracting LLC, Annapolis, MD; Cornet Technology, Inc., Springfield, VA; Descartes Labs Government INC, New York, NY; Dynamic Dimension Technologies, LLC, Westminster, MD; Endgame Systems LLC, Arlington, VA; Envistacom LLC, Atlanta, GA; Epirus, INC, Torrance, CA; Fcn INC, Rockville, MD; Foresight Data Systems LLC, Columbia, SC; Hayes Group International LLC, Washington, DC; Illumio, Inc., Sunnyvale, CA; Intelsat General Communications LLC, Mc Lean, VA; Jupiter LLC, Silver Spring, MD; Modern Intelligence, Inc., Austin, TX; Omni Technologies LLC, Aberdeen, MD; Phelps2020, INC, Knoxville, TN; Premier Federal, Inc., Atlanta, GA; Ptc Inc., Boston, MA; Rwc, LLC, Annapolis, MD; Symbiosis.io LLC, Smyrna, GA; Teradata Government Systems LLC, San Diego, CA; Three Wire Systems, LLC, Mc Lean, VA; Time Systems LLC, Dumfries, VA; Trabus, San Diego, CA; Vetable Technologies LLC, Brandon, FL; Viavi Solutions Inc., Germantown, MD; Vidoori, Inc., Hyattsville, MD; and Vimaan Robotics, Inc., San Jose, CA,

have withdrawn as parties to this venture.

No other changes have been made in either the membership or planned activity of the group research project. Membership in this group research project remains open, and IWRP Consortium intends to file additional written notifications disclosing all changes in membership.

On October 15, 2018, IWRP Consortium filed its original notification pursuant to section 6(a) of the Act. The Department of Justice published a notice in the **Federal Register** pursuant to section 6(b) of the Act on October 23, 2018 (83 FR 53499).

The last notification was filed with the Department on July 9, 2025. A notice was published in the **Federal Register** pursuant to section 6(b) of the Act on August 15, 2025 (90 FR 39424).

Suzanne Morris,

Deputy Director Civil Enforcement Operations, Antitrust Division.

[FR Doc. 2025–24172 Filed 12–31–25; 8:45 am]

BILLING P

DEPARTMENT OF JUSTICE

Antitrust Division

Notice Pursuant to the National Cooperative Research and Production Act of 1993—MLCommons Association

Notice is hereby given that, on October 30, 2025, pursuant to section 6(a) of the National Cooperative Research and Production Act of 1993, 15 U.S.C. 4301 *et seq.* (“the Act”), MLCommons Association (“MLCommons”) filed written notifications simultaneously with the Attorney General and the Federal Trade Commission disclosing changes in its membership. The notifications were filed for the purpose of extending the Act’s provisions limiting the recovery of antitrust plaintiffs to actual damages under specified circumstances. Specifically, Terrafloww Labs, Inc., Bengaluru, REPUBLIC OF INDIA; My Pebble Inc., Boston, MA; NEWFW Technology Pte, Ltd, Singapore, REPUBLIC OF SINGAPORE; Balnc Care Pvt Ltd, Kerala, REPUBLIC OF INDIA; Amazon.com Services LLC, Seattle, WA; Karunakar Elagandala (individual member), Hyderabad, REPUBLIC OF INDIA; Ieshika Chandra (individual member), Newark, CA; Arnold Ukagwu (individual member), Lansing, IL; Ouri Wolfson (individual member), Chicago, IL; Zhibin Xiao (individual member), Santa Clara, CA; James Garrick (individual member), Collierville, TN; Abi Prasanth (individual member), The

Nilgiris, REPUBLIC OF INDIA; Aditya Manglik (individual member), Zurich, SWISS CONFEDERATION; Taanish Bhardwaj (individual member), Singapore, REPUBLIC OF SINGAPORE; Shane Branch (individual member), Campbell, CA; Nikunj Koolar (individual member), Newark, CA; Balkrishna Yadav (individual member), Chino Hills, CA; Rameez Raja (individual member), Luton, UNITED KINGDOM; Ethan Prevuznak (individual member), Mount Pleasant, SC; Dhivya Nagasubramanian (individual member), Plymouth, MN; and Ilkin Aliyev (individual member), San Jose, CA, have been added as parties to this venture.

Also, Alibaba (China) Co., Ltd., Zhejiang Province, PEOPLE’S REPUBLIC OF CHINA; Nettrix Information Industry Co., Ltd., Beijing, PEOPLE’S REPUBLIC OF CHINA; SambaNova Systems, Palo Alto, CA; Tenstorrent Inc, Small, Toronto, CANADA; Sapeon, Inc., Santa Clara, CA; Ailiverse Pte. Ltd, V, Singapore, REPUBLIC OF SINGAPORE; Connect Tech Inc., Ontario, CANADA; Trainy Inc., Fremont, CA; Juniper Networks, Sunnyvale, CA; Task Aware AI, Mountain View, CA; GPTshop.ai UG (Limited), Ebern, FEDERAL REPUBLIC OF GERMANY; Decompute, Saratoga, CA; and FlexAI, SAS, Paris, FRENCH REPUBLIC, have withdrawn as parties to this venture.

No other changes have been made in either the membership or planned activity of the group research project. Membership in this group research project remains open and MLCommons intends to file additional written notifications disclosing all changes in membership.

On September 15, 2020, MLCommons filed its original notification pursuant to section 6(a) of the Act. The Department of Justice published a notice in the **Federal Register** pursuant to section 6(b) of the Act on September 29, 2020 (85 FR 61032).

The last notification was filed with the Department on August 5, 2025. A notice was published in the **Federal Register** pursuant to section 6(b) of the Act on August 18, 2025 (90 FR 40083).

Suzanne Morris,

Deputy Director Civil Enforcement Operations, Antitrust Division.

[FR Doc. 2025–24169 Filed 12–31–25; 8:45 am]

BILLING CODE 4410–11–P

DEPARTMENT OF JUSTICE

Antitrust Division

Notice Pursuant to the National Cooperative Research and Production Act of 1993—Rust Foundation

Notice is hereby given that, on October 10, 2025, pursuant to section 6(a) of the National Cooperative Research and Production Act of 1993, 15 U.S.C. 4301 *et seq.* (“the Act”), Rust Foundation has filed written notifications simultaneously with the Attorney General and the Federal Trade Commission disclosing changes in its membership. The notifications were filed for the purpose of extending the Act’s provisions limiting the recovery of antitrust plaintiffs to actual damages under specified circumstances. Specifically, Code Construct Pty Ltd, Victoria Park, COMMONWEALTH OF AUSTRALIA, has been added as a party to this venture.

Also, xFusion Digital Technologies Co, Ltd, Zhengzhou City, PEOPLE’S REPUBLIC OF CHINA, has withdrawn as a party to this venture.

No other changes have been made in either the membership or planned activity of the group research project. Membership in this group research project remains open, and Rust Foundation intends to file additional written notifications disclosing all changes in membership.

On April 14, 2022, Rust Foundation filed its original notification pursuant to section 6(a) of the Act. The Department of Justice published a notice in the **Federal Register** pursuant to section 6(b) of the Act on May 13, 2022 (87 FR 29384).

The last notification was filed with the Department on August 1, 2025. A notice was published in the **Federal Register** pursuant to section 6(b) of the Act on August 18, 2025 (90 FR 40083).

Suzanne Morris,

Deputy Director Civil Enforcement Operations, Antitrust Division.

[FR Doc. 2025–24177 Filed 12–31–25; 8:45 am]

BILLING CODE P

DEPARTMENT OF JUSTICE

Antitrust Division

Notice Pursuant to the National Cooperative Research and Production Act of 1993—Biopharmaceutical Manufacturing Preparedness Consortium

Notice is hereby given that, on April 10, 2025, pursuant to section 6(a) of the National Cooperative Research and

Production Act of 1993, 15 U.S.C. 4301 *et seq.* (“the Act”), Biopharmaceutical Manufacturing Preparedness Consortium (“BIOMAP–CONSORTIUM”) has filed written notifications simultaneously with the Attorney General and the Federal Trade Commission disclosing changes in its membership. The notifications were filed for the purpose of extending the Act’s provisions limiting the recovery of antitrust plaintiffs to actual damages under specified circumstances.

Specifically, CytoImmune Therapeutics, Inc., Duarte, CA; Ecolab, Inc., Philadelphia, PA; Evoworks Bio, Cambridge, MA; Sterling Wisconsin LLC, Germantown, WI; University of Louisiana at Lafayette, Lafayette, LA; 375Sciences, Summit Point, WV; Ambient Biosciences, Ann Arbor, MI; CODEXIS, Inc., Redwood City, CA; Jamison Case, Batesville, AR; WellPact LLC, Roaring Spring, PA; Advanced Sterilization Technology, Inc., Denver, CO; Grassroots Political Consulting LLC, Alexandria, VA; Neion Bio, Inc., New York, NY; Northern RNA, Inc., Calgary, CANADA; Ronawk, Inc., Overland Park, KS; Rozum Consulting, Newtown, PA; Continuity Pharma, West Lafayette, IN; General Therapeutics, Gaithersburg, MD; and Public Health Vaccines LLC, Cambridge, MA have been added as parties to this venture.

No other changes have been made in either the membership or planned activity of the group research project. Membership in this group research project remains open, and the BIOMAP–CONSORTIUM intends to file additional written notifications disclosing all changes in membership.

On January 5, 2024, the BIOMAP–CONSORTIUM filed its original notification pursuant to section 6(a) of the Act. The Department of Justice published a notice in the **Federal Register** pursuant to section 6(b) of the Act on April 16, 2024 (89 FR 26923).

The last notification was filed with the Department on January 14, 2025. A notice was published in the **Federal Register** pursuant to section 6(b) of the Act on February 28, 2025 (90 FR 10946).

Suzanne Morris,

Deputy Director Civil Enforcement Operations, Antitrust Division.

[FR Doc. 2025–24165 Filed 12–31–25; 8:45 am]

BILLING CODE P

DEPARTMENT OF JUSTICE

Antitrust Division

Notice Pursuant to the National Cooperative Research and Production Act of 1993—TeleManagement Forum

Notice is hereby given that, on Oct 29, 2025, pursuant to section 6(a) of the National Cooperative Research and Production Act of 1993, 15 U.S.C. 4301 *et seq.* (“the Act”), TM Forum, a New Jersey Non-Profit Corporation (“the Forum”) filed written notifications simultaneously with the Attorney General and the Federal Trade Commission disclosing changes in its membership. The notifications were filed for the purpose of extending the Act’s provisions limiting the recovery of antitrust plaintiffs to actual damages under specified circumstances.

Specifically, Hutchison Drei Austria GmbH, Vienna, REPUBLIC OF AUSTRIA; POST Luxembourg, Luxembourg, GRAND DUCHY OF LUXEMBOURG; Onivia, Pozuelo de Alarcon, KINGDOM OF SPAIN; Guangdong Eshore Technology Co., Ltd., Guangzhou, PEOPLE’S REPUBLIC OF CHINA; Metro East Technology Resources, Inc., Mandaluyong, REPUBLIC OF THE PHILIPPINES; PT Bangunindo Teknusa Jaya, Jakarta Selatan, REPUBLIC OF INDONESIA; Andala Labs, Inc, Palo Alto, CA; Akuig, Dublin, IRELAND; Tritronik, Bandung, REPUBLIC OF INDONESIA; Queensland Urban Utilities, Fortitude Valley, COMMONWEALTH OF AUSTRALIA; Neural Technologies Indonesia, PT., Jakarta Selatan, REPUBLIC OF INDONESIA; E-lighthouse Network Solutions, Cartagena, KINGDOM OF SPAIN; Verso Altima d.o.o., Zagreb, REPUBLIC OF CROATIA; Globberry LLC, Afton, WY; Seamfix Limited, Lekki Phase 1, FEDERAL REPUBLIC OF NIGERIA; Ribbon Communications, Plano, TX; True Corporation Public Company Limited, Bangkok, KINGDOM OF THAILAND; Chartered CIO Council, Johannesburg, REPUBLIC OF SOUTH AFRICA; Motive, Mississauga, CANADA; and Ceragon Networks, Rosh HaAyin, STATE OF ISRAEL have been added as parties to this venture.

Also, AARNet Pty Ltd, Chatswood, COMMONWEALTH OF AUSTRALIA; Boston Harbor Consulting LLC, Boston, MA; COGNITY S.A., Marousi, HELLENIC REPUBLIC ; Communications Business Automation Network, South Beach Tower, REPUBLIC OF SINGAPORE; Crown Castle, Houston, TX; DITO TELECOMMUNITY CORPORATION, Taguig City, REPUBLIC OF THE

PHILIPPINES; Globys, Inc., Seattle, WA; Idea Helix Inc., Fremont, CA; Integsoft SA de CV, SALTILLO, UNITED MEXICAN STATES; Public Telecommunication Corporation (PTC), Sanaa, REPUBLIC OF YEMEN; Aerospike, Mountain View, CA; GCI Communication Corp, Anchorage, AK; Gotransverse, Austin, TX; OPT/NET B.V., Bergen NH, KINGDOM OF THE NETHERLANDS; Carbon Technologies PTE LTD, Singapore, REPUBLIC OF SINGAPORE; Solvatio AG, Rimpf, FEDERAL REPUBLIC OF GERMANY; TeleYemen, Sanaa, REPUBLIC OF YEMEN; Total Access Communication Public Company Limited, Pathumwan Sub-district, KINGDOM OF THAILAND; and The Libyan International Telecommunication Company, Tripoli, LIBYA have withdrawn as parties to this venture.

In addition, the following members have changed their names: Telesat LEO Inc. to Telesat LEO ULC, Ottawa, CANADA; EverestIMS Technologies Pvt Ltd to EverestIMS Technologies Limited, Bengaluru, REPUBLIC OF INDIA; Post Group to POST Luxembourg, Luxembourg, GRAND DUCHY OF LUXEMBOURG; and NTT COMWARE CORPORATION to NTT DOCOMO SOLUTIONS, Inc., Tokyo, JAPAN.

No other changes have been made to either the membership or planned activity of the group research project. Membership in this group research project remains open, and the Forum intends to file additional written notifications disclosing all the changes in membership.

On October 21, 1988, the Forum filed its original notification pursuant to section 6(a) of the Act. The Department of Justice published a notice in the **Federal Register** pursuant to section 6(b) of the Act on December 8, 1988 (53 FR 49615).

The last notification was filed with the Department on Jul 17, 2025. A notice was published in the **Federal Register** pursuant to section 6(b) of the Act on Aug 15, 2025 (90 FR 39423).

Suzanne Morris,

Deputy Director Civil Enforcement Operations, Antitrust Division

[FR Doc. 2025–24178 Filed 12–31–25; 8:45 am]

BILLING CODE 4410–11–P

DEPARTMENT OF JUSTICE

Antitrust Division

Notice Pursuant to the National Cooperative Research and Production Act of 1993—Canton Foundation F/K/A Global Synchronizer Foundation

Notice is hereby given that, on October 15, 2025, pursuant to section 6(a) of the National Cooperative Research and Production Act of 1993, 15 U.S.C. 4301 *et seq.* (“the Act”), Canton Foundation f/k/a Global Synchronizer Foundation (“Canton Foundation”) has filed written notifications simultaneously with the Attorney General and the Federal Trade Commission disclosing changes in its membership. The notifications were filed for the purpose of extending the Act’s provisions limiting the recovery of antitrust plaintiffs to actual damages under specified circumstances. Specifically, Noves Inc., West Jordan, UT; Temple, New York, NY; The Tie Inc., New York, NY; Ownera, London, UNITED KINGDOM; Cantor8 Technologies, London, UNITED KINGDOM; LiquidityTech Limited, Central Singapore, REPUBLIC OF SINGAPORE; Launchnodes, London, UNITED KINGDOM; and LayerZero Labs Ltd., Tortola, BRITISH VIRGIN ISLANDS, have been added as parties to this venture.

No other changes have been made in either the membership or planned activity of the group research project. Membership in this group research project remains open, and Canton Foundation intends to file additional written notifications disclosing all changes in membership.

On September 18, 2024, Canton Foundation filed its original notification pursuant to section 6(a) of the Act. The Department of Justice published a notice in the **Federal Register** pursuant to section 6(b) of the Act on October 11, 2024 (89 FR 82632).

The last notification was filed with the Department on July 28, 2025. A notice was published in the **Federal Register** pursuant to section 6(b) of the Act on August 18, 2025 (90 FR 40083).

Suzanne Morris,

Deputy Director Civil Enforcement Operations, Antitrust Division.

[FR Doc. 2025–24180 Filed 12–31–25; 8:45 am]

BILLING CODE P

DEPARTMENT OF JUSTICE

Antitrust Division

Notice Pursuant to the National Cooperative Research and Production Act of 1993—Bytecode Alliance Foundation

Notice is hereby given that, on October 10, 2025, pursuant to section 6(a) of the National Cooperative Research and Production Act of 1993, 15 U.S.C. 4301 *et seq.* (“the Act”), Bytecode Alliance Foundation has filed written notifications simultaneously with the Attorney General and the Federal Trade Commission disclosing changes in its membership. The notifications were filed for the purpose of extending the Act’s provisions limiting the recovery of antitrust plaintiffs to actual damages under specified circumstances. Specifically, Copia Wealth Studios, Carlsbad, CA; and Endor Software Inc., Dallas, TX, have been added as parties to this venture.

No other changes have been made in either the membership or planned activity of the group research project. Membership in this group research project remains open, and Bytecode Alliance Foundation intends to file additional written notifications disclosing all changes in membership.

On April 20, 2022, Bytecode Alliance Foundation filed its original notification pursuant to section 6(a) of the Act. The Department of Justice published a notice in the **Federal Register** pursuant to section 6(b) of the Act on May 13, 2022 (87 FR 29379).

The last notification was filed with the Department on August 1, 2025. A notice was published in the **Federal Register** pursuant to section 6(b) of the Act on August 18, 2025 (90 FR 40084).

Suzanne Morris,

Deputy Director Civil Enforcement Operations, Antitrust Division.

[FR Doc. 2025–24176 Filed 12–31–25; 8:45 am]

BILLING CODE P

DEPARTMENT OF JUSTICE

Antitrust Division

Notice Pursuant to the National Cooperative Research and Production Act of 1993—Mobile Satellite Services Association

Notice is hereby given that, on August 8, 2025, pursuant to section 6(a) of the National Cooperative Research and Production Act of 1993, 15 U.S.C. 4301 *et seq.* (“the Act”), Mobile Satellite Services Association (“MSSA”), filed

written notifications simultaneously with the Attorney General and the Federal Trade Commission disclosing changes in its membership. The notifications were filed for the purpose of extending the Act’s provisions limiting the recovery of antitrust plaintiffs to actual damages under specified circumstances.

Specifically, AALYRIA TECHNOLOGIES (UK) LIMITED, London, UNITED KINGDOM; MDA Space, Quebec, CANADA; and CobhamSatcom A/S, Lyngby, KINGDOM OF DENMARK have been added as parties to this venture.

Also, FocusPoint International, Inc., Sunrise, FL; eSAT Global, Inc., Solana, CA; and Digital Locations Inc., Watchung, NJ have withdrawn as parties to this venture.

No other changes have been made to either the membership or planned activity of the group research project. Membership in this group remains open, and MSSA intends to file additional written notifications disclosing all changes in membership.

On April 26, 2024, MSSA filed its original notification pursuant to section 6(a) of the Act. The Department of Justice published a notice in the **Federal Register** pursuant to section 6(b) of the Act on June 21, 2024 (89 FR 52089).

The last notification was filed with the Department on May 28, 2025. A notice was published in the **Federal Register** pursuant to section 6(b) of the Act on June 20, 2025 (90 FR 26328).

Suzanne Morris,

Deputy Director Civil Enforcement Operations, Antitrust Division.

[FR Doc. 2025–24170 Filed 12–31–25; 8:45 am]

BILLING CODE 4410–11–P

DEPARTMENT OF JUSTICE

Antitrust Division

Notice Pursuant to the National Cooperative Research and Production Act of 1993—DVD Copy Control Association

Notice is hereby given that, on October 23, 2025, pursuant to section 6(a) of the National Cooperative Research and Production Act of 1993, 15 U.S.C. 4301 *et seq.* (“the Act”), the DVD Copy Control Association (“DVD CCA”) has filed written notifications simultaneously with the Attorney General and the Federal Trade Commission disclosing changes in its membership. The notifications were filed for the purpose of extending the Act’s provisions limiting the recovery of antitrust plaintiffs to actual damages

under specified circumstances. Specifically, Shanxi Lightchain Technology Industrial Development Co., Ltd., Jinzhong City, PEOPLE'S REPUBLIC OF CHINA, has been added as a party to this venture.

Also, Funai Electric Co., Osaka, JAPAN; Jaguar Land Rover Limited, Warwick, UNITED KINGDOM; Lite-On Technology Corp., Taipei, REPUBLIC OF CHINA (TAIWAN); Media Industry, St. Marguerite, FRENCH REPUBLIC; Sharp Corporation, Osaka, JAPAN; Tonly Technology Co., Ltd., Guangdong, PEOPLE'S REPUBLIC OF CHINA; Ultra Source Technology Corporation, New Taipei City, REPUBLIC OF CHINA (TAIWAN); and Vestel Elektronik Sanayi ve Ticaret A.S., Manisa, TÜRKİYE, have withdrawn as parties to this venture.

No other changes have been made in either the membership or planned activity of the group research project. Membership in this group research project remains open, and DVD CCA intends to file additional written notifications disclosing all changes in membership.

On April 11, 2001, DVD CCA filed its original notification pursuant to section 6(a) of the Act. The Department of Justice published a notice in the **Federal Register** pursuant to section 6(b) of the Act on August 3, 2001 (66 FR 40727).

The last notification was filed with the Department on December 16, 2024. A notice was published in the **Federal Register** pursuant to section 6(b) of the Act on February 3, 2025 (90 FR 8815).

Suzanne Morris,
Deputy Director Civil Enforcement
Operations, Antitrust Division.

[FR Doc. 2025–24183 Filed 12–31–25; 8:45 am]

BILLING CODE P

DEPARTMENT OF JUSTICE

[OMB Number 1117–0059]

Agency Information Collection Activities; Proposed eCollection eComments Requested; Revision of a Previously Approved Collection; Title—Registration for Controlled Substances Act Data-Use Request

AGENCY: Drug Enforcement
Administration, Department of Justice.

ACTION: 60-Day notice.

SUMMARY: The Drug Enforcement
Administration (DEA), Department of

Justice (DOJ), will be submitting the following information collection request to the Office of Management and Budget (OMB) for review and approval in accordance with the Paperwork Reduction Act of 1995.

DATES: Comments are encouraged and will be accepted for 60 days until March 3, 2026.

FOR FURTHER INFORMATION CONTACT: If you have additional comments especially on the estimated public burden or associated response time, suggestions, or need a copy of the proposed information collection instrument with instructions or additional information, please contact Heather E. Achbach, Regulatory Drafting and Policy Support Section, Drug Enforcement Administration; Mailing Address: 8701 Morrisette Drive, Springfield, Virginia 22152; Telephone: (571) 362–3261; Email: DEA.PRA@dea.gov.

SUPPLEMENTARY INFORMATION: Written comments and suggestions from the public and affected agencies concerning the proposed collection of information are encouraged. Your comments should address one or more of the following four points:

- Evaluate whether the proposed collection of information is necessary for the proper performance of the functions of the Bureau of Justice Statistics, including whether the information will have practical utility;
- Evaluate the accuracy of the agency's estimate of the burden of the proposed collection of information, including the validity of the methodology and assumptions used;
- Evaluate whether and if so how the quality, utility, and clarity of the information to be collected can be enhanced; and
- Minimize the burden of the collection of information on those who are to respond, including through the use of appropriate automated, electronic, mechanical, or other technological collection techniques or other forms of information technology, *e.g.*, permitting electronic submission of responses.

Abstract: In accordance with the Controlled Substance Act (CSA), every person who manufactures, distributes, dispenses, conducts research with, imports, or exports any controlled substance to obtain a registration issued

by the Attorney General. 21 U.S. 822, 823, and 957. While DEA registrants are able to self-verify their registration status, non-registrants do not have an obligation to register under the CSA, and therefore does not have an automatic means to verify the registration of a DEA-registrant. Non-registrants have obligations to verify the registration statuses before doing things such as hiring practitioners, paying for controlled substance prescriptions covered by Medicaid or Medicare, and other means that are apart of commerce. This proposed collection would allow non-registrants to register for access to the CSA Database System, which gives the names and registration statuses of all DEA-registrants. Applicants would be required to re-apply annually by completing this form and submitting to DEA.

Overview of This Information Collection

1. *Type of Information Collection:* Revision of a previously approved collection.
2. *The Title of the Form/Collection:* Registration for CSA Data-Use Request.
3. *The agency form number, if any, and the applicable component of the Department sponsoring the collection:* No form number is associated with this collection. The applicable component within the Department of Justice is the Drug Enforcement Administration, Diversion Control Division.
4. *Affected public who will be asked or required to respond, as well as the obligation to respond:* Affected Public: (Primary) Business or other for-profit.
5. *An estimate of the total number of respondents and the amount of time estimated for an average respondent to respond:* The DEA estimates that 16,000 registrants participate in this information collection. The time per response is 15 minutes for Registration for CSA Data-Use Request.
6. *An estimate of the total annual burden (in hours) associated with the collection:* DEA estimates that this collection takes 4,000 annual burden hours.
7. *An estimate of the total annual cost burden associated with the collection, if applicable:* \$320,000 000 per year due to a \$20 fee charged to each respondent. The fee allows DEA to recover the cost of processing applications.

TOTAL BURDEN HOURS

Activity	Number of respondents	Frequency	Total annual responses	Time per response (hours)	Total annual burden (hours)	Hourly rate *	Monetized value of respondent time
Registration CSA Data Use Request	16,000	1	16,000	0.25	4,000	\$53.72	\$ 214,880
Unduplicated Totals	16,000	1	16,000	0.25	4,000	53.72	214,880

If additional information is required contact: Darwin Arceo, Department Clearance Officer, United States Department of Justice, Justice Management Division, Enterprise Portfolio Management, Two Constitution Square, 145 N Street NE, 4W-218, Washington, DC 20530.

Dated: December 30, 2025.

Darwin Arceo,

Department Clearance Officer for PRA, U.S. Department of Justice.

[FR Doc. 2025-24220 Filed 12-31-25; 8:45 am]

BILLING CODE 4410-09-P

DEPARTMENT OF LABOR

Agency Information Collection Activities; Submission for OMB Review; Comment Request; Complaint Involving Employment Discrimination by a Federal Contractor or Subcontractor

ACTION: Notice of availability; request for comments.

SUMMARY: The Department of Labor (DOL) is submitting this Office of Federal Contract Compliance Programs (OFCCP)-sponsored information collection request (ICR) to the Office of Management and Budget (OMB) for review and approval in accordance with the Paperwork Reduction Act of 1995 (PRA). Public comments on the ICR are invited.

DATES: The OMB will consider all written comments that the agency receives on or before February 2, 2026.

ADDRESSES: Written comments and recommendations for the proposed information collection should be sent 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: Michael Howell by telephone at 202-693-6782, or by email at DOL_PRA_PUBLIC@dol.gov.

SUPPLEMENTARY INFORMATION: On January 21, 2025, President Donald Trump issued Executive Order 14173, Ending Illegal Discrimination and Restoring Merit-Based Opportunity (E.O. 14173), which revoked E.O. 11246. Therefore, applicants and employees of Federal contractors and subcontractors, authorized representatives, or third parties may file complaints of employment discrimination with OFCCP pursuant to Section 503 of the Rehabilitation Act of 1973, as amended and the Vietnam Era Veterans' Readjustment Assistance Act of 1974, as amended, but may no longer file complaints with OFCCP pursuant to E.O. 11246. OFCCP is requesting approval to revise questions on its complaint and pre-complaint inquiry forms to align with E.O. 14173. Following the revocation of E.O. 11246, OFCCP sought emergency approval from the Office of Management and Budget (OMB) to remove the items related to E.O. 11246 from the forms. OMB approved OFCCP's request on July 2, 2025. On July 7, 2025, OFCCP also published a 60-day **Federal Register** notice seeking comments from the public on the updated forms and information collection request. OFCCP is now issuing the 30-day notice and supporting statement, which responds to the public comments. For additional substantive information about this ICR, see the related notice published in the **Federal Register** on July, 7 2025 (90 FR 29892).

Comments are invited on: (1) whether the collection of information is necessary for the proper performance of the functions of the Department, including whether the information will have practical utility; (2) the accuracy of the agency's estimates of the burden and cost of the collection of information, including the validity of the methodology and assumptions used; (3) ways to enhance the quality, utility and clarity of the information collection; and (4) ways to minimize the burden of the collection of information on those who are to respond, including the use of

automated collection techniques or other forms of information technology.

This information collection is subject to the PRA. A Federal agency generally cannot conduct or sponsor a collection of information, and the public is generally not required to respond to an information collection, unless the OMB approves it and displays a currently valid OMB Control Number. In addition, notwithstanding any other provisions of law, no person shall generally be subject to penalty for failing to comply with a collection of information that does not display a valid OMB Control Number. See 5 CFR 1320.5(a) and 1320.6.

DOL seeks PRA authorization for this information collection for three (3) years. OMB authorization for an ICR cannot be for more than three (3) years without renewal. The DOL notes that information collection requirements submitted to the OMB for existing ICRs receive a month-to-month extension while they undergo review.

Agency: DOL-OFCCP.

Title of Collection: Complaint Involving Employment Discrimination by a Federal Contractor or Subcontractor.

OMB Control Number: 1250-0002.

Affected Public: Individual Households.

Total Estimated Number of Respondents: 1,718.

Total Estimated Number of Responses: 1,718.

Total Estimated Annual Time Burden: 505 hours.

Total Estimated Annual Other Costs Burden: \$1,081.

(Authority: 44 U.S.C. 3507(a)(1)(D))

Michael Howell,

Senior Paperwork Reduction Act Analyst.

[FR Doc. 2025-24174 Filed 12-31-25; 8:45 am]

BILLING CODE 4510-CM-P

DEPARTMENT OF LABOR**Agency Information Collection Activities; Submission for OMB Review; Comment Request; Post Enrollment Data Collection for Job Corps Participants**

ACTION: Notice of availability; request for comments.

SUMMARY: The Department of Labor (DOL) is submitting this Employment and Training Administration (ETA)-sponsored information collection request (ICR) to the Office of Management and Budget (OMB) for review and approval in accordance with the Paperwork Reduction Act of 1995 (PRA). Public comments on the ICR are invited.

DATES: The OMB will consider all written comments that the agency receives on or before February 2, 2026.

ADDRESSES: Written comments and recommendations for the proposed information collection should be sent 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: Michael Howell by telephone at 202–693–6782, or by email at DOL_PRA_PUBLIC@dol.gov.

SUPPLEMENTARY INFORMATION: The 2014 Workforce Innovation Opportunity Act (WIOA) required the Office of Job Corps to collect and report specific post enrollment outcomes for eligible Job Corps participants beginning in Program Year (PY) 2016. The WIOA performance reporting requirements, which replaced those of the 1998 Workforce Investment Act (WIA), are designed to provide a common set of metrics to be reported by similar programs. WIOA substantially changed many outcome metrics for Job Corps compared to those required under WIA and provided new guidance on the definition of high performing and low performing centers. In order to collect the necessary information to meet the new WIOA reporting requirements, the Office of Job Corps revised its post enrollment data collection system (PEDC) in 2019, which primarily collects data through survey instruments. For additional substantive information about this ICR, see the related notice published in the **Federal Register** on August 21, 2025 (90 FR 40862).

Comments are invited on: (1) whether the collection of information is

necessary for the proper performance of the functions of the Department, including whether the information will have practical utility; (2) the accuracy of the agency's estimates of the burden and cost of the collection of information, including the validity of the methodology and assumptions used; (3) ways to enhance the quality, utility and clarity of the information collection; and (4) ways to minimize the burden of the collection of information on those who are to respond, including the use of automated collection techniques or other forms of information technology.

This information collection is subject to the PRA. A Federal agency generally cannot conduct or sponsor a collection of information, and the public is generally not required to respond to an information collection, unless the OMB approves it and displays a currently valid OMB Control Number. In addition, notwithstanding any other provisions of law, no person shall generally be subject to penalty for failing to comply with a collection of information that does not display a valid OMB Control Number. See 5 CFR 1320.5(a) and 1320.6.

DOL seeks PRA authorization for this information collection for three (3) years. OMB authorization for an ICR cannot be for more than three (3) years without renewal. The DOL notes that information collection requirements submitted to the OMB for existing ICRs receive a month-to-month extension while they undergo review.

Agency: DOL–ETA.

Title of Collection: Post Enrollment Data Collection for Job Corps Participants.

OMB Control Number: 1205–0426.

Affected Public: State, Local and Tribal Government.

Total Estimated Number of Respondents: 52,679.

Total Estimated Number of Responses: 52,679.

Total Estimated Annual Time Burden: 9,484 hours.

Total Estimated Annual Other Costs Burden: \$0.

(Authority: 44 U.S.C. 3507(a)(1)(D))

Michael Howell,

Senior Paperwork Reduction Act Analyst.

[FR Doc. 2025–24175 Filed 12–31–25; 8:45 am]

BILLING CODE 4510–FN–P

NATIONAL SCIENCE FOUNDATION**Astronomy and Astrophysics Advisory Committee; Notice of Meeting**

In accordance with the Federal Advisory Committee Act (Pub., L. 92–463, as amended), the National Science

Foundation (NSF) announces the following meeting:

Name and Committee Code: Astronomy and Astrophysics Advisory Committee (13883) (Hybrid).

Date and Time: January 29–30, 2026; 9:30 a.m.–5:30 p.m. eastern time.

Place: The Westin Alexandria, 400 Courthouse Sq., Alexandria, VA 22314.

This is a hybrid meeting. Members and the public may attend in-person or via Zoom.

Attendance and registration information for the meeting will be forthcoming on the AC website: <https://www.nsf.gov/mps/ast/aaac.jsp>.

Type of Meeting: Open.

Contact Person: Dr. Louise Edwards, Program Director, Division of Astronomical Sciences, National Science Foundation, 401 Dulany Street, Alexandria, VA 22314; Telephone: 703–292–7597.

Purpose of Meeting: To provide advice and recommendations to the National Science Foundation (NSF), the National Aeronautics and Space Administration (NASA) and the U.S. Department of Energy (DOE) on issues within the field of astronomy and astrophysics that are of mutual interest and concern to the agencies. To prepare the annual report.

Agenda: To provide advice and recommendations to the NSF, NASA and DOE on issues within the field of astronomy and astrophysics that are of mutual interest and concern to the agencies. To prepare the annual report.

Dated: December 29, 2025.

Crystal Robinson,

Committee Management Officer.

[FR Doc. 2025–24142 Filed 12–31–25; 8:45 am]

BILLING CODE 7555–01–P

POSTAL REGULATORY COMMISSION

[Docket No. ACR2025; Order No. 9417]

FY 2025 Annual Compliance Report

AGENCY: Postal Regulatory Commission.

ACTION: Notice.

SUMMARY: The Postal Service has filed an Annual Compliance Report on the costs, revenues, rates, and quality of service associated with its products in fiscal year 2025. Within 90 days, the Commission must evaluate that information and issue its determination as to whether rates were compliant and whether service standards in effect were met. To assist in this, the Commission seeks public comments on the Postal Service's Annual Compliance Report.

DATES: *Comments are due:* January 27, 2026. *Reply Comments are due:* February 10, 2026.

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
- II. The Postal Service's FY 2025 ACR
- III. Administrative Actions
- IV. Ordering Paragraphs

I. Introduction

On December 29, 2025, the Postal Service filed with the Commission its *Annual Compliance Report* (ACR) for fiscal year (FY) 2025, pursuant to 39 U.S.C. 3652.¹ Public portions of the Postal Service's filing are available on the Commission's website at <https://www.prc.gov>. After reviewing the FY 2025 ACR, comments, and other data and information submitted in this proceeding, the Commission will issue its *Annual Compliance Determination* (ACD), which determines whether Postal Service products offered during FY 2025 complied with the applicable requirements of Title 39 of the United States Code.

II. The Postal Service's FY 2025 ACR

A. General Contents

The Postal Service's FY 2025 ACR consists of a 62-page narrative. FY 2025 ACR at 1–62. The Postal Service has streamlined this document by reducing restatements of information appearing in multiple locations and expanding use of summary tables. *Id.* at 1.

Additional materials are appended as 77 separate folders (interchangeably referred to as Library References). *Id.* at 1, 3. Consistent with past practice, some of the materials appear in non-public annexes. *Id.* at 62. An application for non-public treatment of certain materials is filed as Attachment 2. *Id.*, Attachment 2.

Library Reference USPS–FY25–17 presents the *United States Postal Service Fiscal Year 2025 Annual Report to Congress*, which includes the Fiscal Year 2025 Annual Report, the Fiscal Year 2025 Comprehensive Statement on Postal Service Operations, the Fiscal Year 2025 Performance Report, and the

Fiscal Year 2026 Performance Plan.² Supporting materials appear in Library References USPS–FY25–17, USPS–FY25–NP18, and USPS–FY25–NP30. FY 2025 ACR at 4.

Similarly, a copy of the Postal Service's annual report to the Secretary of the Treasury regarding the Competitive Products Fund, required by 39 U.S.C. 2011(i), appears as part of Library Reference USPS–FY25–39, along with the other Competitive Products Fund materials required by 39 CFR 3060.20 through 3060.23. *Id.* at 3.

B. New "Roadmap"

The Postal Service's new roadmap to the FY 2025 ACR appears in Library Reference USPS–FY25–0 and consists of two Excel files: (1) *Roadmap* spreadsheet listing all Library References submitted, as well as the flow of inputs and outputs among them; and (2) *Directives* spreadsheet listing all active Commission directives, as well as the location of responsive information provided by the Postal Service. FY 2025 ACR at 1–2.

In prior years, the Postal Service provided a roadmap document in Library Reference 9.³ For FY 2025, Library Reference USPS–FY25–9 contains only information responsive to two Commission rules: (1) a list of special studies and a discussion of obsolescence, as required by 39 CFR 3050.12; and (2) a brief narrative explanation of any changes to accepted analytical principles that have been made since the FY 2024 ACD was issued and the reasons that those changes were accepted, as required by 39 CFR 3050.13. FY 2025 ACR at 2, 3. A table cross-walking the type of content appearing in Library Reference USPS–FY24–9 to its current iteration, Library Reference USPS–FY25–9, appears in its preface.⁴

C. Market Dominant Product-by-Product Costs, Revenues, and Volumes

Comprehensive cost, revenue, and volume data for all Market Dominant

products of general applicability are shown directly in the FY 2025 Cost and Revenue Analysis (CRA), appearing in Library References USPS–FY25–1 and USPS–FY25–NP11, as well as the International Cost and Revenue Analysis (ICRA), appearing in Library Reference USPS–FY25–NP2. FY 2025 ACR at 4. Tables 1 through 5 provide data by class of each Market Dominant product, including costs, revenues, and volumes. *Id.* at 5–7. Table 6 provides summary information by class regarding the ranges of passthroughs produced by workshare discounts. *Id.* at 8. Fuller data regarding workshare discounts and passthroughs appear in Library Reference USPS–FY25–3. *Id.* at 4. Table 7 provides summary information about the performance of First-Class Mail and USPS Marketing Mail promotions and incentives. *Id.* at 9.

D. Service Performance

The FY 2025 ACR contains the Postal Service's discussion of service performance in FY 2025. *Id.* at 17–27. Public service performance information required under 39 CFR part 3055 or in response to past ACD directives appears in Library Reference USPS–FY25–29. *Id.* at 17 n.7. Non-public service information related to the service performance of international mail products appears in Library Reference USPS–FY25–NP30. *Id.* The FY 2025 ACR also discusses customer satisfaction and consumer access to postal services, with supporting materials appearing in public Library References USPS–FY25–38 and USPS–FY25–33, respectively. *Id.* at 27–62.

E. Competitive Products

The costs, revenues, and volumes for Competitive products of general applicability appear in the FY 2025 CRA or ICRA. *Id.* at 10. For Competitive products not of general applicability, data appear in non-public Library References USPS–FY25–NP2 and USPS–FY25–NP27. *Id.* at 11. The FY 2025 ACR also addresses the Competitive product pricing standards of 39 U.S.C. 3633. *Id.* at 11–15.

F. Market Test, Nonpostal Services, and Inter-Agency Agreements

The Postal Service describes the market test active during FY 2025. *Id.* at 9–10. The Postal Service discusses the nonpostal services and inter-agency agreements offered during FY 2025. *Id.* at 16–17. Library Reference USPS–FY25–20 contains supporting public material, and Library Reference USPS–FY25–NP32 contains supporting non-public material.

¹ United States Postal Service FY 2025 Annual Compliance Report, December 29, 2025 (FY 2025 ACR).

² *Id.* at 3–4. Since Docket No. ACR2013, the Commission has published a separate notice soliciting comments on these materials, which are prepared by the Postal Service pursuant to 39 U.S.C. 2803 and 39 U.S.C. 2804, and has provided the Commission's analysis in a separate report from the ACD. See, e.g., Docket No. ACR2024, Postal Regulatory Commission, *Analysis of the Postal Service's FY 2024 Annual Performance Report and FY 2025 Performance Plan*, July 23, 2025, at 10. The Commission will continue this practice in Docket No. ACR2025.

³ See e.g., Docket No. ACR2024, Library Reference USPS–FY24–9, December 30, 2024, PDF file "USPS–FY24–9 Preface.pdf."

⁴ Docket No. ACR2025, Library Reference USPS–FY25–9, December 29, 2025, PDF file "USPS–FY25–9 Preface.pdf."

III. Administrative Actions

A. Docket and Accessing Filings

The Commission establishes Docket No. ACR2025 for consideration of the matters raised by the Postal Service's ACR. All material filed in Docket No. ACR2025 will be available for review on the Commission's website (<https://www.prc.gov>). Any material filed in this proceeding that is subject to an application for non-public treatment (filed under seal) may be accessed via the Commission's website only by account holders granted access by an order or in accordance with 39 CFR 3011.300(a). The Commission's rules on non-public materials (including access to material filed under seal) appear in 39 CFR part 3011.

B. Opportunity for Public Comment

Section 3653 of title 39 requires the Commission to provide an opportunity to comment on the Postal Service's ACR. The Commission invites comments on the Postal Service's FY 2025 ACR and on whether any rates or fees in effect during FY 2025 (for products individually or collectively) were not in compliance with applicable provisions of chapter 36 of title 39 or Commission regulations promulgated thereunder. The Commission also invites comments on the cost coverage matters the Postal Service addresses in its filing; service performance results, levels of customer satisfaction achieved, and other matters that may be relevant to the Commission's review. Comments are due January 27, 2026. Reply comments are due February 10, 2026.

C. Public Representative

Pursuant to 39 U.S.C. 3653(a), Kenneth R. Moeller is designated to serve as the Public Representative to represent the interests of the general public in this proceeding. Neither the Public Representative nor any additional persons assigned to assist him shall participate in or advise as to any Commission decision in this proceeding other than in his or her designated capacity.

IV. Ordering Paragraphs

It is ordered:

1. The Commission establishes Docket No. ACR2025 to consider matters raised by the United States Postal Service's FY 2025 Annual Compliance Report, filed December 29, 2025.

2. Pursuant to 39 U.S.C. 3653(a), the Commission appoints Kenneth R. Moeller as an officer of the Commission (Public Representative) in this proceeding to represent the interests of the general public.

3. Comments on the United States Postal Service's FY 2025 *Annual Compliance Report* to the Commission are due January 27, 2026.

4. Reply comments are due February 10, 2026.

5. This Order shall be published in the **Federal Register**.

By the Commission.

Jennie L. Jbara,

Primary Certifying Official.

[FR Doc. 2025-24211 Filed 12-31-25; 8:45 am]

BILLING CODE 7710-FW-P

POSTAL REGULATORY COMMISSION

[Docket Nos. MC2026-145 and K2026-145; MC2026-146 and K2026-146]

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:* January 6, 2026.

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
- II. Public Proceeding(s)
- III. Summary Proceeding(s)

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.

II. Public Proceeding(s)

1. *Docket No(s):* MC2026-145 and K2026-145; *Filing Title:* USPS Request

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).

to Add Priority Mail Express, Priority Mail & USPS Ground Advantage Contract 1473 to the Competitive Product List and Notice of Filing Materials Under Seal; *Filing Acceptance Date*: December 23, 2025; *Filing Authority*: 39 U.S.C. 3642, 39 CFR 3035.105, and 39 CFR 3041.310; *Public Representative*: Christopher Mohr; *Comments Due*: January 6, 2026.

2. *Docket No(s)*: MC2026–146 and K2026–146; *Filing Title*: USPS Request to Add Priority Mail Express, Priority Mail & USPS Ground Advantage Contract 1474 to the Competitive Product List and Notice of Filing Materials Under Seal; *Filing Acceptance Date*: December 23, 2025; *Filing Authority*: 39 U.S.C. 3642, 39 CFR 3035.105, and 39 CFR 3041.310; *Public Representative*: Jennaca Upperman; *Comments Due*: January 6, 2026.

III. Summary Proceeding(s)

None. See Section II for public proceedings.

This Notice will be published in the **Federal Register**.

Jennie L. Jbara,
Primary Certifying Official.

[FR Doc. 2025–24157 Filed 12–31–25; 8:45 am]

BILLING CODE 7710–FW–P

POSTAL REGULATORY COMMISSION

[Docket No. K2025–695]

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*: January 7, 2026.

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

II. Public Proceeding(s)
III. Summary Proceeding(s)

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

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).

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.

II. Public Proceeding(s)

1. *Docket No(s)*: K2025–695; *Filing Title*: USPS Request Concerning Amendment One to Priority Mail Express, Priority Mail & USPS Ground-Advantage Contract 954, with Material Filed Under Seal; *Filing Acceptance Date*: December 29, 2025; *Filing Authority*: 39 CFR 3035.105 and 39 CFR 3041.505; *Public Representative*: Elsie Lee-Robbins; *Comments Due*: January 7, 2026.

III. Summary Proceeding(s)

None. See Section II for public proceedings.

This Notice will be published in the **Federal Register**.

Jennie L. Jbara,
Primary Certifying Official.

[FR Doc. 2025–24209 Filed 12–31–25; 8:45 am]

BILLING CODE 7710–FW–P

SECURITIES AND EXCHANGE COMMISSION

[Release No. 34–104518; File No. SR–BX–2025–035]

Self-Regulatory Organizations; Nasdaq BX, Inc.; Notice of Filing and Immediate Effectiveness of a Proposed Rule Change Concerning the Exchange’s Options Regulatory Fee (ORF) Methodology Until July 1, 2026

December 29, 2025.

Pursuant to Section 19(b)(1) of the Securities Exchange Act of 1934 (“Act”),¹ and Rule 19b–4 thereunder,² notice is hereby given that on December 19, 2025, Nasdaq BX, Inc. (“BX” or “Exchange”) filed with the Securities and Exchange Commission (“Commission”) the proposed rule change as described in Items I and II below, which Items have been prepared by the Exchange. The Commission is publishing this notice to solicit

¹ 15 U.S.C. 78s(b)(1).

² 17 CFR 240.19b–4.

comments on the proposed rule change from interested persons.

I. Self-Regulatory Organization's Statement of the Terms of Substance of the Proposed Rule Change

The Exchange proposes to amend BX's Pricing Schedule at Options 7, Section 5, BX Options Regulatory Fee, to delay the implementation of the new Options Regulatory Fee ("ORF") and methodology proposed in SR-BX-2025-012.³ Specifically, the Exchange proposes to delay BX's new ORF and methodology therein, which was to be implemented on January 2, 2026, until July 1, 2026 and remove the sunset provision. Additionally, effective January 2, 2026, the Exchange proposes to maintain its current ORF methodology at a rate of \$0.0005 per contract side while the industry transitions to the new model.

While the changes proposed herein are effective upon filing, the Exchange has designated the proposed rule change to be operative on January 2, 2026.

The text of the proposed rule change is available on the Exchange's website at <https://listingcenter.nasdaq.com/rulebook/bx/rulefilings>, and at the principal office of the Exchange.

II. Self-Regulatory Organization's Statement of the Purpose of, and Statutory Basis for, the Proposed Rule Change

In its filing with the Commission, the Exchange included statements concerning the purpose of and basis for the proposed rule change and discussed any comments it received on the proposed rule change. The text of these statements may be examined at the places specified in Item IV below. The Exchange has prepared summaries, set forth in sections A, B, and C below, of the most significant aspects of such statements.

A. Self-Regulatory Organization's Statement of the Purpose of, and Statutory Basis for, the Proposed Rule Change

1. Purpose

BX previously filed a proposed amendment to its ORF, effective as of January 2, 2026,⁴ to amend its methodology of collection to continue to assess ORF for options transactions cleared by OCC in the Customer range, however ORF would be assessed to each

BX Participant for executions that occur on BX. At this time, BX proposes to: (1) delay the implementation of SR-BX-2025-012, with respect to the new ORF and methodology therein to be effective on January 2, 2026, so that it would now be implemented on July 1, 2026; and (2) maintain its current ORF methodology at a rate of \$0.0005 per contract side effective January 2, 2026.

Delay of Implementation

In light of industry feedback from Clearing Members regarding readiness to implement changes to accommodate the new ORF model and its methodology of collection, the Exchange proposes to delay the implementation of SR-BX-2025-012, with respect to the new ORF and methodology therein, until July 1, 2026. This delay would provide market participants additional time to implement the new ORF model and to design, test and implement changes to the ORF. Additionally, the Exchange proposes to remove the February 1, 2026 sunset date that would have allowed the Exchange to revert back to the prior ORF methodology and rate of \$0.0008 per contract side. The Exchange has issued an Options Trader Alert to notify Participants of the delay at least 30 calendar days prior to the anticipated change.⁵

Amended ORF

In light of the unanticipated delay of implementation of its January 2, 2026 amendments to its ORF and methodology in SR-BX-2025-012 to accommodate the industry's timeline, BX proposes to maintain its current ORF methodology and temporarily increase ORF from \$0.0003 to \$0.0005 per contract side, effective January 2, 2026, while the industry transitions to the new model. The Exchange has issued an Options Trader Alert to notify Participants of the modification to the current ORF at least 30 calendar days prior to the anticipated change.⁶

Another BX rule proposal, SR-BX-2025-019,⁷ reduced the amount of ORF collected by the Exchange from \$0.0008 to \$0.0003 per contract side, effective October 1, 2025, to account for certain fines. By lowering its ORF, BX was able to ensure that revenue collected from the ORF, in combination with its other regulatory fees and fines, did not exceed

Options Regulatory Costs.⁸ BX presumed it would be adopting its new ORF and methodology in SR-BX-2025-012 on January 2, 2026, which would have implemented a new ORF rate. BX notes that it announced its new ORF and methodology on July 22, 2025⁹ to provide the industry ample time to implement changes to accommodate the new ORF and its methodology. Despite announcing in July 2025, industry participants did not prepare for the implementation. At this time, BX proposes to temporarily increase its current ORF from \$0.0003 to \$0.0005 per contract side effective January 2, 2026. The Exchange notes that the proposed new rate of \$0.0005 is not the rate that was in effect prior to SR-BX-2025-019, that rate was \$0.0008 per contract side. Rather than reverting to the prior rate, the Exchange is considering current options volume and only modestly reverting its pre-fine rate.

2. Statutory Basis

The Exchange believes the proposed rule change is consistent with the Securities Exchange Act of 1934 (the "Act") and the rules and regulations thereunder applicable to the Exchange and, in particular, the requirements of Section 6(b) of the Act.¹⁰ Specifically, the Exchange believes the proposed rule change is consistent with Section 6(b)(4) of the Act¹¹, which provides that Exchange rules may provide for the equitable allocation of reasonable dues, fees, and other charges among its members, and other persons using its facilities. Additionally, the Exchange believes the proposed rule change is consistent with the Section 6(b)(5)¹² requirement that the rules of an exchange not be designed to permit unfair discrimination between customers, issuers, brokers, or dealers.

Delay of Implementation

The Exchange's proposal to delay the implementation of SR-BX-2025-012, with respect to the new ORF and methodology, to be effective on January 2, 2026, until July 1, 2026 and to remove the February 1, 2026 sunset date that would have allowed the Exchange to revert back to the prior ORF methodology and rate is consistent with the Act because it will provide market

³ See Securities Exchange Act Release No. 103559 (July 28, 2025), 90 FR 36074 (July 31, 2025) (SR-BX-2025-012) (Notice of Filing and Immediate Effectiveness of a Proposed Rule Change To Amend the Methodology for its Options Regulatory Fee (ORF) as of January 2, 2026).

⁴ See *id.*

⁵ See Options Trader Alert #2025-03.

⁶ See *id.*

⁷ See Securities Exchange Act Release No. 103992 (September 17, 2025), 90 FR 45449 (September 22, 2025) (SR-BX-2025-019) (Notice of Filing and Immediate Effectiveness of a Proposed Rule Change To Lower the Options Regulatory Fee (ORF)).

⁸ The regulatory costs for options comprise a subset of the Exchange's regulatory budget that is specifically related to options regulatory expenses and encompasses the cost to regulate all Participants' options activity ("Options Regulatory Cost").

⁹ See Options Trader Alert #2025-33.

¹⁰ 15 U.S.C. 78f(b).

¹¹ 15 U.S.C. 78f(b)(4).

¹² 15 U.S.C. 78f(b)(5).

participants additional time to design, test and implement the new ORF and its methodology. The proposal to remove the sunset date is also consistent with the Act given the delay and anticipated industry commitment to implement the changes.

Amended ORF

The Exchange's proposal to maintain its current ORF methodology at a rate of \$0.0005 per contract side effective January 2, 2026, is consistent with the Act because it will allow BX to collect rates under its current ORF with an adjusted rate given the Exchange is unable to proceed with the implementation of its new ORF and its methodology until July 1, 2026, which will allow BX to offset a material portion of its Regulatory Cost under its existing methodology until the new ORF is implemented on July 1, 2026. As noted herein, SR-BX-2025-019, reduced the amount of ORF collected by the Exchange from \$0.0008 per contract side to \$0.0003 per contract, effective October 1, 2025, to account for certain fines. By lowering its ORF, BX was able to ensure that revenue collected from the ORF, in combination with its other regulatory fees and fines, did not exceed Options Regulatory Costs. On January 2, 2026, BX's ORF would have been amended once again as noted in SR-BX-2025-012 implementing a new rate. The Exchange did not plan to delay the implementation and would otherwise have been collecting under the January 2, 2026 ORF rate if it were not for the delay. The Exchange notes that the proposed new rate of \$0.0005 is not the rate that was in effect prior to SR-BX-2025-019, that rate was \$0.0008. Rather than reverting to the prior rate in effect on October 1, 2025, the Exchange is considering current options volume and only modestly reverting its pre-fine rate.

B. Self-Regulatory Organization's Statement on Burden on Competition

The Exchange does not believe that the proposed rule change will impose any burden on intra-market competition not necessary or appropriate in furtherance of the purposes of the Act. Rather than reverting to its October 1, 2025 rate, the Exchange would assess an ORF rate that represents a temporary modest increase to its current rate in light of current options volumes until it is able to implement the new ORF and methodology on July 1, 2026. No Participant would be subject to the new ORF and methodology until July 1, 2026. The Exchange is not substantively amending the proposed ORF by delaying its implementation.

The Exchange does not believe that the proposed modified rate reversion will impose any burden on intra-market competition not necessary or appropriate in furtherance of the purposes of the Act as the modified ORF rate for January 2, 2026 is intended to approximate a rate equivalent to its October 1, 2025 given current options volumes. The Exchange does not believe that the proposed rate reversion will impose any burden on inter-market competition not necessary or appropriate in furtherance of the purposes of the Act as other options markets may amend their respective ORFs.

C. Self-Regulatory Organization's Statement on Comments on the Proposed Rule Change Received From Members, Participants, or Others

No written comments were either solicited or received.

III. Date of Effectiveness of the Proposed Rule Change and Timing for Commission Action

The foregoing rule change has become effective pursuant to Section 19(b)(3)(A) of the Act¹³ and paragraph (f) of Rule 19b-4¹⁴ thereunder. At any time within 60 days of the filing of the proposed rule change, the Commission summarily may temporarily suspend such rule change if it appears to the Commission that such action is necessary or appropriate in the public interest, for the protection of investors, or otherwise in furtherance of the purposes of the Act. If the Commission takes such action, the Commission will institute proceedings to determine whether the proposed rule change should be approved or disapproved.

IV. Solicitation of Comments

Interested persons are invited to submit written data, views and arguments concerning the foregoing, including whether the proposed rule change is consistent with the Act. Comments may be submitted by any of the following methods:

Electronic Comments

- Use the Commission's internet comment form (<https://www.sec.gov/rules/sro.shtml>); or
- Send an email to rule-comments@sec.gov. Please include file number SR-BX-2025-035 on the subject line.

Paper Comments

- Send paper comments in triplicate to Secretary, Securities and Exchange

Commission, 100 F Street NE, Washington, DC 20549-1090.

All submissions should refer to file number SR-BX-2025-035. This file number should be included on the subject line if email is used. To help the Commission process and review your comments more efficiently, please use only one method. The Commission will post all comments on the Commission's internet website (<https://www.sec.gov/rules/sro.shtml>). Copies of the filing will be available for inspection and copying at the principal office of the Exchange. Do not include personal identifiable information in submissions; you should submit only information that you wish to make available publicly. We may redact in part or withhold entirely from publication submitted material that is obscene or subject to copyright protection. All submissions should refer to file number SR-BX-2025-035 and should be submitted on or before January 23, 2025.

For the Commission, by the Division of Trading and Markets, pursuant to delegated authority.¹⁵

Sherry R. Haywood,
Assistant Secretary.

[FR Doc. 2025-24139 Filed 12-31-25; 8:45 am]

BILLING CODE 8011-01-P

SECURITIES AND EXCHANGE COMMISSION

[Release No. 34-104522; File No. SR-MRX-2025-33]

Self-Regulatory Organizations; Nasdaq MRX, LLC; Notice of Filing and Immediate Effectiveness of a Proposed Rule Change Concerning the Exchange's Options Regulatory Fee (ORF) Methodology Until July 1, 2026

December 29, 2025.

Pursuant to Section 19(b)(1) of the Securities Exchange Act of 1934 ("Act"),¹ and Rule 19b-4 thereunder,² notice is hereby given that on December 19, 2025, Nasdaq MRX, LLC ("MRX" or "Exchange") filed with the Securities and Exchange Commission ("Commission") the proposed rule change as described in Items I and II below, which Items have been prepared by the Exchange. The Commission is publishing this notice to solicit comments on the proposed rule change from interested persons.

¹⁵ 17 CFR 200.30-3(a)(12).

¹ 15 U.S.C. 78s(b)(1).

² 17 CFR 240.19b-4.

¹³ 15 U.S.C. 78s(b)(3)(A).

¹⁴ 17 CFR 240.19b-4(f).

I. Self-Regulatory Organization's Statement of the Terms of Substance of the Proposed Rule Change

The Exchange proposes to amend MRX's Pricing Schedule at Options 7, Section 5, C, MRX Options Regulatory Fee, to delay the implementation of the new Options Regulatory Fee ("ORF") and methodology proposed in SR-MRX-2025-11.³ Specifically, the Exchange proposes to delay MRX's new ORF and methodology therein, which was to be implemented on January 2, 2026, until July 1, 2026 and remove the sunset provision. Additionally, effective January 2, 2026, the Exchange proposes to decrease its current ORF from \$0.0010 to \$0.0007 per contract side.

While the changes proposed herein are effective upon filing, the Exchange has designated the proposed rule change to be operative on January 2, 2026.

The text of the proposed rule change is available on the Exchange's website at <https://listingcenter.nasdaq.com/rulebook/mrx/rulefilings>, and at the principal office of the Exchange.

II. Self-Regulatory Organization's Statement of the Purpose of, and Statutory Basis for, the Proposed Rule Change

In its filing with the Commission, the Exchange included statements concerning the purpose of and basis for the proposed rule change and discussed any comments it received on the proposed rule change. The text of these statements may be examined at the places specified in Item IV below. The Exchange has prepared summaries, set forth in sections A, B, and C below, of the most significant aspects of such statements.

A. Self-Regulatory Organization's Statement of the Purpose of, and Statutory Basis for, the Proposed Rule Change

1. Purpose

MRX previously filed a proposed amendment to its ORF, effective as of January 2, 2026,⁴ to amend its methodology of collection to continue to assess ORF for options transactions cleared by OCC in the Customer range, however ORF would be assessed to each MRX Member for executions that occur on MRX. At this time, MRX proposes to: (1) delay the implementation of SR-MRX-2025-11, with respect to the new

ORF and methodology therein to be effective on January 2, 2026, so that it would now be implemented on July 1, 2026; and (2) decrease its current ORF from \$0.0010 to \$0.0007 per contract side effective January 2, 2026.

Delay of Implementation

In light of industry feedback from Clearing Members regarding readiness to implement changes to accommodate the new ORF model and its methodology of collection, the Exchange proposes to delay the implementation of SR-MRX-2025-11, with respect to the new ORF and methodology therein, until July 1, 2026. This delay would provide market participants additional time to implement the new ORF model and to design, test and implement changes to the ORF. Additionally, the Exchange proposes to remove the February 1, 2026 sunset date that would have allowed the Exchange to revert back to the prior ORF methodology and rate of \$0.0004 per contract side. The Exchange has issued an Options Trader Alert to notify Participants of the delay at least 30 calendar days prior to the anticipated change.⁵

Amended ORF

In light of the unanticipated delay of implementation of its January 2, 2026 amendments to its ORF and methodology in SR-MRX-2025-11 to accommodate the industry's timeline, MRX proposes to decrease its ORF from \$0.0010 to \$0.0007 per contract side effective January 2, 2026 to account for an increase in options volume. The Exchange has issued an Options Trader Alert to notify Participants of the decrease in the current ORF at least 30 calendar days prior to the anticipated change.⁶ By lowering its ORF, MRX was able to ensure that revenue collected from the ORF, in combination with its other regulatory fees and fines, did not exceed Options Regulatory Costs.⁷

MRX presumed it would be adopting its new ORF and methodology in SR-MRX-2025-11 on January 2, 2026, which would have implemented a new ORF rate. MRX notes that it announced its new ORF and methodology on July 22, 2025⁸ to provide the industry ample time to implement changes to accommodate the new ORF and its methodology. Despite announcing in

July 2025, industry participants did not prepare for the implementation. MRX is lowering its rate at this time to adjust its ORF rate accordingly under the current methodology given options volume so that it may continue under the current ORF methodology.

2. Statutory Basis

The Exchange believes the proposed rule change is consistent with the Securities Exchange Act of 1934 (the "Act") and the rules and regulations thereunder applicable to the Exchange and, in particular, the requirements of Section 6(b) of the Act.⁹ Specifically, the Exchange believes the proposed rule change is consistent with Section 6(b)(4) of the Act,¹⁰ which provides that Exchange rules may provide for the equitable allocation of reasonable dues, fees, and other charges among its members, and other persons using its facilities. Additionally, the Exchange believes the proposed rule change is consistent with the Section 6(b)(5)¹¹ requirement that the rules of an exchange not be designed to permit unfair discrimination between customers, issuers, brokers, or dealers.

Delay of Implementation

The Exchange's proposal to delay the implementation of SR-MRX-2025-11, with respect to the new ORF and methodology, to be effective on January 2, 2026, until July 1, 2026 and to remove the February 1, 2026 sunset date that would have allowed the Exchange to revert back to the prior ORF methodology and rate is consistent with the Act because it will provide market participants additional time to design, test and implement the new ORF and its methodology. The proposal to remove the sunset date is also consistent with the Act given the delay and anticipated industry commitment to implement the changes.

Amended ORF

The Exchange's proposal to decrease its current ORF from \$0.0010 to \$0.0007 per contract side effective January 2, 2026, is consistent with the Act because it will allow MRX to account for an increase in options volume. By lowering its ORF, MRX was able to ensure that revenue collected from the ORF, in combination with its other regulatory fees and fines, did not exceed Options Regulatory Costs.¹² MRX presumed it

³ See Securities Exchange Act Release No. 103103 (May 22, 2025), 90 FR 22797 (May 29, 2025) (SR-MRX-2025-11) (Notice of Filing and Immediate Effectiveness of a Proposed Rule Change To Amend the Methodology for Its Options Regulatory Fee as of January 2, 2026).

⁴ See *id.*

⁵ See Options Trader Alert #2025-03.

⁶ See *id.*

⁷ The regulatory costs for options comprise a subset of the Exchange's regulatory budget that is specifically related to options regulatory expenses and encompasses the cost to regulate all Participants' options activity ("Options Regulatory Cost").

⁸ See Options Trader Alert #2025-33.

⁹ 15 U.S.C. 78f(b).

¹⁰ 15 U.S.C. 78f(b)(4).

¹¹ 15 U.S.C. 78f(b)(5).

¹² The regulatory costs for options comprise a subset of the Exchange's regulatory budget that is specifically related to options regulatory expenses

would be adopting its new ORF and methodology in SR-MRX-2025-11 on January 2, 2026 with a new ORF rate. MRX notes that it announced its new ORF and methodology on July 22, 2025¹³ to provide the industry ample time to implement changes to accommodate the new ORF and its methodology. Despite announcing in July 2025, industry participants did not prepare for the implementation. MRX is lowering its rate at this time to adjust its ORF rate accordingly under the current methodology given options volume so that it may continue under the current ORF methodology.

B. Self-Regulatory Organization's Statement on Burden on Competition

The Exchange does not believe that the proposed rule change will impose any burden on intra-market competition not necessary or appropriate in furtherance of the purposes of the Act. The proposal to decrease MRX's ORF in light of current options volumes until it is able to implement the new ORF and methodology on July 1, 2026 does not impose a burden on competition. No Participant would be subject to the new ORF and methodology until July 1, 2026. The Exchange is not substantively amending the proposed ORF by delaying its implementation.

The Exchange does not believe that the proposed modified rate will impose any burden on intra-market competition not necessary or appropriate in furtherance of the purposes of the Act as the decreased ORF rate for January 2, 2026 accounts for options volume. The Exchange does not believe that the proposed rate will impose any burden on inter-market competition not necessary or appropriate in furtherance of the purposes of the Act as other options markets may amend their respective ORFs.

C. Self-Regulatory Organization's Statement on Comments on the Proposed Rule Change Received From Members, Participants, or Others

No written comments were either solicited or received.

III. Date of Effectiveness of the Proposed Rule Change and Timing for Commission Action

The foregoing rule change has become effective pursuant to Section 19(b)(3)(A) of the Act¹⁴ and paragraph (f) of Rule 19b-4¹⁵ thereunder. At any time within

and encompasses the cost to regulate all Participants' options activity ("Options Regulatory Cost").

¹³ See Options Trader Alert #2025-33.

¹⁴ 15 U.S.C. 78s(b)(3)(A).

¹⁵ 17 CFR 240.19b-4(f).

60 days of the filing of the proposed rule change, the Commission summarily may temporarily suspend such rule change if it appears to the Commission that such action is necessary or appropriate in the public interest, for the protection of investors, or otherwise in furtherance of the purposes of the Act. If the Commission takes such action, the Commission will institute proceedings to determine whether the proposed rule change should be approved or disapproved.

IV. Solicitation of Comments

Interested persons are invited to submit written data, views and arguments concerning the foregoing, including whether the proposed rule change is consistent with the Act. Comments may be submitted by any of the following methods:

Electronic Comments

- Use the Commission's internet comment form (<https://www.sec.gov/rules/sro.shtml>); or
- Send an email to rule-comments@sec.gov. Please include file number SR-MRX-2025-33 on the subject line.

Paper Comments

- Send paper comments in triplicate to Secretary, Securities and Exchange Commission, 100 F Street NE, Washington, DC 20549-1090.

All submissions should refer to file number SR-MRX-2025-33. This file number should be included on the subject line if email is used. To help the Commission process and review your comments more efficiently, please use only one method. The Commission will post all comments on the Commission's internet website (<https://www.sec.gov/rules/sro.shtml>). Copies of the filing will be available for inspection and copying at the principal office of the Exchange. Do not include personal identifiable information in submissions; you should submit only information that you wish to make available publicly. We may redact in part or withhold entirely from publication submitted material that is obscene or subject to copyright protection. All submissions should refer to file number SR-MRX-2025-33 and should be submitted on or before January 23, 2026.

For the Commission, by the Division of Trading and Markets, pursuant to delegated authority.¹⁶

Sherry R. Haywood,
Assistant Secretary.

[FR Doc. 2025-24132 Filed 12-31-25; 8:45 am]

BILLING CODE 8011-01-P

¹⁶ 17 CFR 200.30-3(a)(12).

SECURITIES AND EXCHANGE COMMISSION

[Release No. 34-104521; File No. SR-GEMX-2025-036]

Self-Regulatory Organizations; Nasdaq GEMX, LLC; Notice of Filing and Immediate Effectiveness of a Proposed Rule Change Concerning the Exchange's Options Regulatory Fee (ORF) Methodology Until July 1, 2026

December 29, 2025.

Pursuant to Section 19(b)(1) of the Securities Exchange Act of 1934 ("Act"),¹ and Rule 19b-4 thereunder,² notice is hereby given that on December 19, 2025, Nasdaq GEMX, LLC ("GEMX" or "Exchange") filed with the Securities and Exchange Commission ("Commission") the proposed rule change as described in Items I and II below, which Items have been prepared by the Exchange. The Commission is publishing this notice to solicit comments on the proposed rule change from interested persons.

I. Self-Regulatory Organization's Statement of the Terms of Substance of the Proposed Rule Change

The Exchange proposes to amend GEMX's Pricing Schedule at Options 7, Section 5, GEMX Options Regulatory Fee, to delay the implementation of the new Options Regulatory Fee ("ORF") and methodology proposed in SR-GEMX-2025-17.³ Specifically, the Exchange proposes to delay GEMX's new ORF and methodology therein, which was to be implemented on January 2, 2026, until July 1, 2026 and remove the sunset provision. Additionally, effective January 2, 2026, the Exchange proposes to maintain its current ORF methodology at a rate of \$0.0008 per contract side while the industry transitions to the new model.

While the changes proposed herein are effective upon filing, the Exchange has designated the proposed rule change to be operative on January 2, 2026.

The text of the proposed rule change is available on the Exchange's website at <https://listingcenter.nasdaq.com/rulebook/gemx/rulefilings>, and at the principal office of the Exchange.

¹ 15 U.S.C. 78s(b)(1).

² 17 CFR 240.19b-4.

³ See Securities Exchange Act Release No. 103617 (August 1, 2025), 90 FR 37912 (August 6, 2025) (SR-GEMX-2025-17) (Notice of Filing and Immediate Effectiveness of a Proposed Rule Change To Amend the Methodology for its Options Regulatory Fee (ORF) as of January 2, 2026).

II. Self-Regulatory Organization's Statement of the Purpose of, and Statutory Basis for, the Proposed Rule Change

In its filing with the Commission, the Exchange included statements concerning the purpose of and basis for the proposed rule change and discussed any comments it received on the proposed rule change. The text of these statements may be examined at the places specified in Item IV below. The Exchange has prepared summaries, set forth in sections A, B, and C below, of the most significant aspects of such statements.

A. Self-Regulatory Organization's Statement of the Purpose of, and Statutory Basis for, the Proposed Rule Change

1. Purpose

GEMX previously filed a proposed amendment to its ORF, effective as of January 2, 2026,⁴ to amend its methodology of collection to continue to assess ORF for options transactions cleared by OCC in the Customer range, however ORF would be assessed to each GEMX Member for executions that occur on GEMX. At this time, GEMX proposes to: (1) delay the implementation of SR-GEMX-2025-17, with respect to the new ORF and methodology therein to be effective on January 2, 2026, so that it would now be implemented on July 1, 2026; and (2) maintain its current ORF methodology at a rate of \$0.0008 per contract side effective January 2, 2026.

Delay of Implementation

In light of industry feedback from Clearing Members regarding readiness to implement changes to accommodate the new ORF model and its methodology of collection, the Exchange proposes to delay the implementation of SR-GEMX-2025-17, with respect to the new ORF and methodology therein, until July 1, 2026. This delay would provide market participants additional time to implement the new ORF model and to design, test and implement changes to the ORF. Additionally, the Exchange proposes to remove the February 1, 2026 sunset date that would have allowed the Exchange to revert back to the prior ORF methodology and rate of \$0.0009 per contract side. The Exchange has issued an Options Trader Alert to notify Participants of the delay at least 30 calendar days prior to the anticipated change.⁵

⁴ See *id.*

⁵ See Options Trader Alert #2025-03.

Amended ORF

In light of the unanticipated delay of implementation of its January 2, 2026 amendments to its ORF and methodology in SR-GEMX-2025-17 to accommodate the industry's timeline, GEMX proposes to maintain its current ORF methodology and temporarily increase ORF from \$0.0002 to \$0.0008 per contract side, effective January 2, 2026, while the industry transitions to the new model. The Exchange has issued an Options Trader Alert to notify Participants of the modification to the current ORF at least 30 calendar days prior to the anticipated change.⁶

GEMX reduced the amount of ORF collected on August 1, 2025 from \$0.0012 to \$0.0009 per contract side in SR-GEMX-2025-15.⁷ This amendment substantially reduced GEMX's ORF to account for a lower cost resulting from the amended FINRA Regulatory Services Agreement ("RSA"). Thereafter, GEMX further reduced the amount of ORF collected on October 1, 2025 from \$0.0009 to \$0.0002 per contract side in SR-GEMX-2025-24.⁸ This reduction accounted for certain fines. By lowering its ORF both times, GEMX was able to ensure that revenue collected from the ORF, in combination with its other regulatory fees and fines, did not exceed Options Regulatory Costs.⁹ GEMX presumed it would be adopting its new ORF and methodology in SR-GEMX-2025-17 on January 2, 2026, which would have implemented a new ORF rate. GEMX notes that it announced its new ORF and methodology on July 22, 2025¹⁰ to provide the industry ample time to implement changes to accommodate the new ORF and its methodology. Despite announcing in July 2025, industry participants did not prepare for the implementation. At this time, GEMX proposes to temporarily increase its current ORF from \$0.0002 to \$0.0008 per contract side effective January 2, 2026. The Exchange notes that the proposed new rate of \$0.0008 is not the

⁶ See *id.*

⁷ See Securities Exchange Act Release No. 1033991 (July 7, 2025), 90 FR 30747 (July 10, 2025) (SR-GEMX-2025-15) (Notice of Filing and Immediate Effectiveness of a Proposed Rule Change To Lower the Options Regulatory Fee (ORF)).

⁸ See Securities Exchange Act Release No. 103990 (September 17, 2025), 90 FR 45446 (September 22, 2025) (SR-GEMX-2025-24) (Notice of Filing and Immediate Effectiveness of a Proposed Rule Change To Lower the Options Regulatory Fee (ORF)).

⁹ The regulatory costs for options comprise a subset of the Exchange's regulatory budget that is specifically related to options regulatory expenses and encompasses the cost to regulate all Participants' options activity ("Options Regulatory Cost").

¹⁰ See Options Trader Alert #2025-33.

rate that was in effect prior to SR-GEMX-2025-24, that rate was \$0.0009 per contract side. The Exchange notes that its reduction on October 1, 2025 to \$0.0002 per contract side was a drastic reduction. Given the two drastic decreases on GEMX since August 1, 2025, which entailed estimating market share and options volume on GEMX for nearly 6 months, the Exchange believes that a new rate of \$0.0008 per contract side represents a temporary modest increase. This new ORF rate reflects what the Exchange believes is an appropriate rate that accounts for the drastic cuts (\$0.0012 per contract side on August 1, 2025 to its current rate of \$0.0002 per contract side) since August 1, 2025.

2. Statutory Basis

The Exchange believes the proposed rule change is consistent with the Securities Exchange Act of 1934 (the "Act") and the rules and regulations thereunder applicable to the Exchange and, in particular, the requirements of Section 6(b) of the Act.¹¹ Specifically, the Exchange believes the proposed rule change is consistent with Section 6(b)(4) of the Act,¹² which provides that Exchange rules may provide for the equitable allocation of reasonable dues, fees, and other charges among its members, and other persons using its facilities. Additionally, the Exchange believes the proposed rule change is consistent with the Section 6(b)(5)¹³ requirement that the rules of an exchange not be designed to permit unfair discrimination between customers, issuers, brokers, or dealers.

Delay of Implementation

The Exchange's proposal to delay the implementation of SR-GEMX-2025-17, with respect to the new ORF and methodology, to be effective on January 2, 2026, until July 1, 2026 and to remove the February 1, 2026 sunset date that would have allowed the Exchange to revert back to the prior ORF methodology and rate is consistent with the Act because it will provide market participants additional time to design, test and implement the new ORF and its methodology. The proposal to remove the sunset date is also consistent with the Act given the delay and anticipated industry commitment to implement the changes.

Amended ORF

The Exchange's proposal to maintain its current ORF methodology at a rate of

¹¹ 15 U.S.C. 78f(b).

¹² 15 U.S.C. 78f(b)(4).

¹³ 15 U.S.C. 78f(b)(5).

\$0.0008 per contract side effective January 2, 2026, is consistent with the Act because it will allow GEMX to collect rates under its current ORF with an adjusted rate given the Exchange is unable to proceed with the implementation of its new ORF and its methodology until July 1, 2026, which will allow GEMX to offset a material portion of its Regulatory Cost under its existing methodology until the new ORF is implemented on July 1, 2026. As noted herein, GEMX reduced the amount of ORF collected on August 1, 2025 from \$0.0012 to \$0.0009 per contract side in SR–GEMX–2025–15.¹⁴ This amendment substantially reduced GEMX's ORF to account for a lower cost resulting from the amended FINRA RSA. Thereafter, GEMX reduced the amount of ORF collected on October 1, 2025 from \$0.0009 to \$0.0002 per contract side in SR–GEMX–2025–24.¹⁵ This reduction accounted for certain fines. By lowering its ORF both times, GEMX was able to ensure that revenue collected from the ORF, in combination with its other regulatory fees and fines, did not exceed Options Regulatory Costs. On January 2, 2026, GEMX's ORF would have been amended once again as noted in SR–GEMX–2025–17 implementing a new rate. The Exchange did not plan to delay the implementation and would otherwise have been collecting under the January 2, 2026 ORF rate if it were not for the delay. The Exchange notes that the proposed new rate of \$0.0008 is not the rate that was in effect prior to SR–GEMX–2025–24, that rate was \$0.0009 per contract side. The Exchange notes that its reduction on October 1, 2025 to \$0.0002 per contract side was a drastic reduction. Given the two drastic decreases on GEMX since August 1, 2025, which entailed estimating market share and options volume on GEMX for nearly 6 months, the Exchange believes that a new rate of \$0.0008 per contract side represents a temporary modest increase. This new ORF rate reflects what the Exchange believes is an appropriate rate that accounts for the drastic cuts (\$0.0012 per contract side on August 1, 2025 to its current rate of \$0.0002 per contract side) since August 1, 2025.

¹⁴ See Securities Exchange Act Release No. 1033991 (July 7, 2025), 90 FR 30747 (July 10, 2025) (SR–GEMX–2025–15) (Notice of Filing and Immediate Effectiveness of a Proposed Rule Change To Lower the Options Regulatory Fee (ORF)).

¹⁵ See Securities Exchange Act Release No. 103990 (September 17, 2025), 90 FR 45446 (September 22, 2025) (SR–GEMX–2025–24) (Notice of Filing and Immediate Effectiveness of a Proposed Rule Change To Lower the Options Regulatory Fee (ORF)).

B. Self-Regulatory Organization's Statement on Burden on Competition

The Exchange does not believe that the proposed rule change will impose any burden on intra-market competition not necessary or appropriate in furtherance of the purposes of the Act. Rather than reverting to its October 1, 2025 rate, the Exchange would assess an ORF rate that represents a temporary modest increase in light of current options volumes until it is able to implement the new ORF and methodology on July 1, 2026. No Participant would be subject to the new ORF and methodology until July 1, 2026. The Exchange is not substantively amending the proposed ORF by delaying its implementation.

The Exchange does not believe that the proposed modified rate reversion will impose any burden on intra-market competition not necessary or appropriate in furtherance of the purposes of the Act as the modified ORF rate for January 2, 2026 is intended to represent a temporary modest increase given the two drastic decreases on GEMX since August 1, 2025, which entailed estimating market share and options volume on GEMX for nearly 6 months, until it is able to implement the new ORF and methodology on July 1, 2026. The Exchange does not believe that the proposed rate reversion will impose any burden on inter-market competition not necessary or appropriate in furtherance of the purposes of the Act as other options markets may amend their respective ORFs.

C. Self-Regulatory Organization's Statement on Comments on the Proposed Rule Change Received From Members, Participants, or Others

No written comments were either solicited or received.

III. Date of Effectiveness of the Proposed Rule Change and Timing for Commission Action

The foregoing rule change has become effective pursuant to Section 19(b)(3)(A) of the Act¹⁶ and paragraph (f) of Rule 19b–4¹⁷ thereunder. At any time within 60 days of the filing of the proposed rule change, the Commission summarily may temporarily suspend such rule change if it appears to the Commission that such action is necessary or appropriate in the public interest, for the protection of investors, or otherwise in furtherance of the purposes of the Act. If the Commission takes such action, the Commission will institute proceedings

¹⁶ 15 U.S.C. 78s(b)(3)(A).

¹⁷ 17 CFR 240.19b–4(f).

to determine whether the proposed rule change should be approved or disapproved.

IV. Solicitation of Comments

Interested persons are invited to submit written data, views and arguments concerning the foregoing, including whether the proposed rule change is consistent with the Act. Comments may be submitted by any of the following methods:

Electronic Comments

- Use the Commission's internet comment form (<https://www.sec.gov/rules/sro.shtml>); or
- Send an email to rule-comments@sec.gov. Please include file number SR–GEMX–2025–36 on the subject line.

Paper Comments

- Send paper comments in triplicate to Secretary, Securities and Exchange Commission, 100 F Street NE, Washington, DC 20549–1090.

All submissions should refer to file number SR–GEMX–2025–36. This file number should be included on the subject line if email is used. To help the Commission process and review your comments more efficiently, please use only one method. The Commission will post all comments on the Commission's internet website (<https://www.sec.gov/rules/sro.shtml>). Copies of the filing will be available for inspection and copying at the principal office of the Exchange. Do not include personal identifiable information in submissions; you should submit only information that you wish to make available publicly. We may redact in part or withhold entirely from publication submitted material that is obscene or subject to copyright protection. All submissions should refer to file number SR–GEMX–2025–36 and should be submitted on or before January 23, 2026.

For the Commission, by the Division of Trading and Markets, pursuant to delegated authority.¹⁸

Sherry R. Haywood,
Assistant Secretary.

[FR Doc. 2025–24138 Filed 12–31–25; 8:45 am]

BILLING CODE 8011–01–P

¹⁸ 17 CFR 200.30–3(a)(12).

SECURITIES AND EXCHANGE COMMISSION

[Release No. 34–104519; File No. SR–NASDAQ–2025–108]

Self-Regulatory Organizations; The Nasdaq Stock Market LLC; Notice of Filing and Immediate Effectiveness of a Proposed Rule Change Concerning the Exchange's Options Regulatory Fee (ORF) Methodology Until July 1, 2026

December 29, 2025.

Pursuant to Section 19(b)(1) of the Securities Exchange Act of 1934 (“Act”),¹ and Rule 19b–4 thereunder,² notice is hereby given that on December 19, 2025, The Nasdaq Stock Market LLC (“Nasdaq” or “Exchange”) filed with the Securities and Exchange Commission (“Commission”) the proposed rule change as described in Items I and II below, which Items have been prepared by the Exchange. The Commission is publishing this notice to solicit comments on the proposed rule change from interested persons.

I. Self-Regulatory Organization's Statement of the Terms of Substance of the Proposed Rule Change

The Exchange proposes to amend The Nasdaq Options Market LLC (“NOM”) Pricing Schedule at Options 7, Section 5, NOM Options Regulatory Fee, to delay the implementation of the new Options Regulatory Fee (“ORF”) and methodology proposed in SR–NASDAQ–2025–054.³ Specifically, the Exchange proposes to delay NOM's new ORF and methodology therein, which was to be implemented on January 2, 2026, until July 1, 2026 and remove the sunset provision. Additionally, effective January 2, 2026, the Exchange proposes to maintain its current ORF methodology and temporarily increase from \$0.00005 to \$0.0006 per contract side while the industry transitions to the new model.

While the changes proposed herein are effective upon filing, the Exchange has designated the proposed rule change to be operative on January 2, 2026.

The text of the proposed rule change is available on the Exchange's website at <https://listingcenter.nasdaq.com/rulebook/nasdaq/rulefilings>, and at the principal office of the Exchange.

II. Self-Regulatory Organization's Statement of the Purpose of, and Statutory Basis for, the Proposed Rule Change

In its filing with the Commission, the Exchange included statements concerning the purpose of and basis for the proposed rule change and discussed any comments it received on the proposed rule change. The text of these statements may be examined at the places specified in Item IV below. The Exchange has prepared summaries, set forth in sections A, B, and C below, of the most significant aspects of such statements.

A. Self-Regulatory Organization's Statement of the Purpose of, and Statutory Basis for, the Proposed Rule Change

1. Purpose

NOM previously filed a proposed amendment to its ORF, effective as of January 2, 2026,⁴ to amend its methodology of collection to continue to assess ORF for options transactions cleared by OCC in the Customer range, however ORF would be assessed to each NOM Participant for executions that occur on NOM. At this time, NOM proposes to: (1) delay the implementation of SR–NASDAQ–2025–054, with respect to the new ORF and methodology therein to be effective on January 2, 2026, so that it would now be implemented on July 1, 2026; and (2) maintain its current ORF methodology and temporarily increase from \$0.00005 to \$0.0006 per contract side while the industry transitions to the new model.

Delay of Implementation

In light of industry feedback from Clearing Members regarding readiness to implement changes to accommodate the new ORF model and its methodology of collection, the Exchange proposes to delay the implementation of SR–NASDAQ–2025–054, with respect to the new ORF and methodology therein, until July 1, 2026. This delay would provide market participants additional time to implement the new ORF model and to design, test and implement changes to the ORF. Additionally, the Exchange proposes to remove the February 1, 2026 sunset date that would have allowed the Exchange to revert back to the prior ORF methodology and rate of \$0.0005 per contract side. The Exchange has issued an Options Trader Alert to notify Participants of the delay at least 30 calendar days prior to the anticipated change.⁵

Amended ORF

In light of the unanticipated delay of implementation of its January 2, 2026 amendments to its ORF and methodology in SR–NASDAQ–2025–054 to accommodate the industry's timeline, NOM proposes to maintain its current ORF methodology and temporarily increase from \$0.00005 to \$0.0006 per contract side while the industry transitions to the new model. The Exchange has issued an Options Trader Alert to notify Participants of the modification to the current ORF at least 30 calendar days prior to the anticipated change.⁶

NOM reduced the amount of ORF collected on August 1, 2025 from \$0.0014 to \$0.0005 per contract side in SR–NASDAQ–2025–050.⁷ This amendment substantially reduced NOM's ORF to account for a reduction in cost due to an amendment to NOM's FINRA Regulatory Services Agreement (“RSA”). Thereafter, NOM reduced the amount of ORF collected on October 1, 2025 from \$0.0005 to \$0.00005 per contract side in SR–NASDAQ–2025–070.⁸ This reduction accounted for certain fines. By lowering its ORF both times, NOM was able to ensure that revenue collected from the ORF, in combination with its other regulatory fees and fines, did not exceed Options Regulatory Costs.⁹ NOM presumed it would be adopting its new ORF and methodology in SR–NASDAQ–2025–054 on January 2, 2026, which would have implemented a new ORF rate. NOM notes that it announced its new ORF and methodology on July 22, 2025¹⁰ to provide the industry ample time to implement changes to accommodate the new ORF and its methodology. Despite announcing in July 2025, industry participants did not prepare for the implementation. At this time, NOM proposes to maintain its current ORF methodology and temporarily increase from \$0.00005 to \$0.0006 per contract side while the industry transitions to the new model.

⁶ See *id.*

⁷ See Securities Exchange Act Release No. 103392 (July 7, 2025), 90 FR 30710 (July 10, 2025) (SR–NASDAQ–2025–050) (Notice of Filing and Immediate Effectiveness of a Proposed Rule Change to Lower the Options Regulatory Fee (ORF)).

⁸ See Securities Exchange Act Release No. 103993 (September 17, 2025), 90 FR 45438 (September 22, 2025) (SR–NASDAQ–2025–070) (Notice of Filing and Immediate Effectiveness of a Proposed Rule Change To Lower the Options Regulatory Fee (ORF)).

⁹ The regulatory costs for options comprise a subset of the Exchange's regulatory budget that is specifically related to options regulatory expenses and encompasses the cost to regulate all Participants' options activity (“Options Regulatory Cost”).

¹⁰ See Options Trader Alert #2025–33.

¹ 15 U.S.C. 78s(b)(1).

² 17 CFR 240.19b–4.

³ See Securities Exchange Act Release No. 103619 (August 1, 2025), 90 FR 37931 (August 6, 2025) (SR–NASDAQ–2025–054) (SR–NASDAQ–2025–054).

⁴ See *id.*

⁵ See Options Trader Alert #2025–03.

The Exchange notes that the proposed new rate of \$0.0006 is not the rate that was in effect prior to SR–NASDAQ–2025–070, that rate was \$0.0005 per contract side. The Exchange notes that its reduction on October 1, 2025 to \$0.00005 per contract side was a drastic reduction that nearly eliminated an ORF for NOM. Given the two drastic decreases on NOM since August 1, 2025, which entailed estimating market share and options volume on NOM for nearly 6 months, the Exchange believes that a new rate of \$0.0006 per contract side represents a temporary modest increase to the rate in effect prior to the second decrease in October 2025, in light of current options volumes, until it is able to implement the new ORF and methodology on July 1, 2026. This new ORF rate reflects what the Exchange believes is an appropriate rate that account for the drastic cuts (\$0.0014 per contract side on August 1, 2025 to its current rate of \$0.00005 per contract side) since August 1, 2025.

2. Statutory Basis

The Exchange believes the proposed rule change is consistent with the Securities Exchange Act of 1934 (the “Act”) and the rules and regulations thereunder applicable to the Exchange and, in particular, the requirements of Section 6(b) of the Act.¹¹ Specifically, the Exchange believes the proposed rule change is consistent with Section 6(b)(4) of the Act,¹² which provides that Exchange rules may provide for the equitable allocation of reasonable dues, fees, and other charges among its members, and other persons using its facilities. Additionally, the Exchange believes the proposed rule change is consistent with the Section 6(b)(5)¹³ requirement that the rules of an exchange not be designed to permit unfair discrimination between customers, issuers, brokers, or dealers.

Delay of Implementation

The Exchange’s proposal to delay the implementation of SR–NASDAQ–2025–054, with respect to the new ORF and methodology, which was to be effective on January 2, 2026, until July 1, 2026 and to remove the February 1, 2026 sunset date that would have allowed the Exchange to revert back to the prior ORF methodology and rate is consistent with the Act because it will provide market participants additional time to design, test and implement the new ORF and its methodology. The proposal to remove the sunset date is also consistent with

the Act given the delay and anticipated industry commitment to implement the changes.

Amended ORF

The Exchange’s proposal to maintain its current ORF methodology and temporarily increase from \$0.00005 to \$0.0006 per contract side while the industry transitions to the new model is consistent with the Act because it will allow NOM to collect rates under its current ORF with an adjusted rate given the Exchange is unable to proceed with the implementation of its new ORF and its methodology until July 1, 2026. Also, it will allow NOM to offset a material portion of its Regulatory Cost under its existing methodology until the new ORF is implemented on July 1, 2026. As noted herein, SR–NASDAQ–2025–050, reduced the amount of ORF collected by the Exchange from \$0.0014 to \$0.0005 per contract side effective August 1, 2026. This amendment substantially reduced NOM’s ORF to account for a reduction in cost due to an amendment to NOM’s FINRA Regulatory Services Agreement. Thereafter, NOM further reduced the amount of ORF collected on October 1, 2025 from \$0.0005 per contract side to \$0.00005 per contract side in SR–NASDAQ–2025–070. This reduction accounted for certain fines. By lowering its ORF both times, NOM was able to ensure that revenue collected from the ORF, in combination with its other regulatory fees and fines, did not exceed Options Regulatory Costs. On January 2, 2026, NOM’s ORF would have been amended once again as noted in SR–NASDAQ–2025–054 implementing a new rate. The Exchange did not plan to delay the implementation and would otherwise have been collecting under the January 2, 2026 ORF rate if it were not for the delay. At this time, NOM proposes to temporarily increase its ORF from \$0.00005 to \$0.0006 per contract side while the industry transitions to the new model. The Exchange notes that the proposed new rate of \$0.0006 is not the rate that was in effect prior to SR–NASDAQ–2025–070, that rate was \$0.0005 per contract side. The Exchange notes that its reduction on October 1, 2025 to \$0.00005 per contract side was a drastic reduction that nearly eliminated an ORF for NOM. Given the two drastic decreases on NOM since August 1, 2025, which entailed estimating market share and options volume on NOM for nearly 6 months, the Exchange believes that a new rate of \$0.0006 per contract side represents a temporary modest increase to the rate in effect prior to the second decrease in October 2025. This new ORF rate

reflects what the Exchange believes is an appropriate rate that account for the drastic cuts (\$0.0014 per contract side on August 1, 2025 to its current rate of \$0.00005 per contract side) since August 1, 2025.

B. Self-Regulatory Organization’s Statement on Burden on Competition

The Exchange does not believe that the proposed rule change will impose any burden on intra-market competition not necessary or appropriate in furtherance of the purposes of the Act. Rather than reverting to its October 1, 2025 rate, the Exchange would assess an ORF rate that represents a temporary modest increase to the rate in effect prior to the second decrease in October 2025, in light of current options volumes, until it is able to implement the new ORF and methodology on July 1, 2026. No Participant would be subject to the new ORF and methodology until July 1, 2026. The Exchange is not substantively amending the proposed ORF by delaying its implementation.

The Exchange does not believe that the proposed modified rate reversion will impose any burden on intra-market competition not necessary or appropriate in furtherance of the purposes of the Act as the modified ORF rate for January 2, 2026 is intended to represent a temporary modest increase to the rate in effect prior to the second decrease in October 2025, given the two drastic decreases on NOM since August 1, 2025 which entailed estimating market share and options volume on NOM for nearly 6 months, until it is able to implement the new ORF and methodology on July 1, 2026. The Exchange does not believe that the proposed rate reversion will impose any burden on inter-market competition not necessary or appropriate in furtherance of the purposes of the Act as other options markets may amend their respective ORFs.

C. Self-Regulatory Organization’s Statement on Comments to the Proposed Rule Change Received From Members, Participants, or Others

No written comments were either solicited or received.

III. Date of Effectiveness of the Proposed Rule Change and Timing for Commission Action

The foregoing rule change has become effective pursuant to Section 19(b)(3)(A) of the Act¹⁴ and paragraph (f) of Rule 19b–4¹⁵ thereunder. At any time within 60 days of the filing of the proposed rule

¹¹ 15 U.S.C. 78f(b).

¹² 15 U.S.C. 78f(b)(4).

¹³ 15 U.S.C. 78f(b)(5).

¹⁴ 15 U.S.C. 78s(b)(3)(A).

¹⁵ 17 CFR 240.19b–4(f).

change, the Commission summarily may temporarily suspend such rule change if it appears to the Commission that such action is necessary or appropriate in the public interest, for the protection of investors, or otherwise in furtherance of the purposes of the Act. If the Commission takes such action, the Commission will institute proceedings to determine whether the proposed rule change should be approved or disapproved.

IV. Solicitation of Comments

Interested persons are invited to submit written data, views and arguments concerning the foregoing, including whether the proposed rule change is consistent with the Act. Comments may be submitted by any of the following methods:

Electronic Comments

- Use the Commission's internet comment form (<https://www.sec.gov/rules/sro.shtml>); or
- Send an email to rule-comments@sec.gov. Please include file number SR-NASDAQ-2025-108 on the subject line.

Paper Comments

- Send paper comments in triplicate to Secretary, Securities and Exchange Commission, 100 F Street NE, Washington, DC 20549-1090.

All submissions should refer to file number SR-NASDAQ-2025-108. This file number should be included on the subject line if email is used. To help the Commission process and review your comments more efficiently, please use only one method. The Commission will post all comments on the Commission's internet website (<https://www.sec.gov/rules/sro.shtml>). Copies of the filing will be available for inspection and copying at the principal office of the Exchange. Do not include personal identifiable information in submissions; you should submit only information that you wish to make available publicly. We may redact in part or withhold entirely from publication submitted material that is obscene or subject to copyright protection. All submissions should refer to file number SR-NASDAQ-2025-108 and should be submitted on or before January 23, 2026.

For the Commission, by the Division of Trading and Markets, pursuant to delegated authority.¹⁶

Sherry R. Haywood,
Assistant Secretary.

[FR Doc. 2025-24133 Filed 12-31-25; 8:45 am]

BILLING CODE 8011-01-P

SECURITIES AND EXCHANGE COMMISSION

[Release No. 34-104515; File No. SR-Phlx-2025-77]

Self-Regulatory Organizations; Nasdaq PHLX LLC; Notice of Filing and Immediate Effectiveness of a Proposed Rule Change Concerning the Exchange's Options Regulatory Fee (ORF) Methodology Until July 1, 2026

December 29, 2025.

Pursuant to Section 19(b)(1) of the Securities Exchange Act of 1934 ("Act"),¹ and Rule 19b-4 thereunder,² notice is hereby given that on December 19, 2025, Nasdaq PHLX LLC ("Phlx" or "Exchange") filed with the Securities and Exchange Commission ("Commission") the proposed rule change as described in Items I and II below, which Items have been prepared by the Exchange. The Commission is publishing this notice to solicit comments on the proposed rule change from interested persons.

I. Self-Regulatory Organization's Statement of the Terms of Substance of the Proposed Rule Change

The Exchange proposes to amend Phlx's Pricing Schedule at Options 7, Section 6, D, Options Regulatory Fee, to delay the implementation of the new Options Regulatory Fee ("ORF") and methodology proposed in SR-Phlx-2025-30.³ Specifically, the Exchange proposes to delay Phlx's new ORF and methodology therein, which was to be implemented on January 2, 2026, until July 1, 2026 and remove the sunset provision. Additionally, effective January 2, 2026, the Exchange proposes to maintain its current ORF methodology at a rate of \$0.0022 per contract side while the industry transitions to the new model.

While the changes proposed herein are effective upon filing, the Exchange has designated the proposed rule change to be operative on January 2, 2026.

The text of the proposed rule change is available on the Exchange's website at <https://listingcenter.nasdaq.com/rulebook/phlx/rulefilings>, and at the principal office of the Exchange.

¹ 15 U.S.C. 78s(b)(1).

² 17 CFR 240.19b-4.

³ See Securities Exchange Act Release No. 103620 (August 1, 2025), 90 FR 37918 (August 6, 2025) (SR-Phlx-2025-030) (Notice of Filing and Immediate Effectiveness of a Proposed Rule Change To Amend the Methodology for Its Options Regulatory Fee (ORF) as of January 2, 2026).

II. Self-Regulatory Organization's Statement of the Purpose of, and Statutory Basis for, the Proposed Rule Change

In its filing with the Commission, the Exchange included statements concerning the purpose of and basis for the proposed rule change and discussed any comments it received on the proposed rule change. The text of these statements may be examined at the places specified in Item IV below. The Exchange has prepared summaries, set forth in sections A, B, and C below, of the most significant aspects of such statements.

A. Self-Regulatory Organization's Statement of the Purpose of, and Statutory Basis for, the Proposed Rule Change

1. Purpose

Phlx previously filed a proposed amendment to its ORF, effective as of January 2, 2026,⁴ to amend its methodology of collection to continue to assess ORF for options transactions cleared by OCC in the Customer range, however ORF would be assessed to each Phlx member organization for executions that occur on Phlx. At this time, Phlx proposes to: (1) delay the implementation of SR-Phlx-2025-30, with respect to the new ORF and methodology therein to be effective on January 2, 2026, so that it would now be implemented on July 1, 2026; and (2) maintain its current ORF methodology at a rate of \$0.0022 per contract side effective January 2, 2026.

Delay of Implementation

In light of industry feedback from Clearing Members regarding readiness to implement changes to accommodate the new ORF model and its methodology of collection, the Exchange proposes to delay the implementation of SR-Phlx-2025-30, with respect to the new ORF and methodology therein, until July 1, 2026. This delay would provide market participants additional time to implement the new ORF model and to design, test and implement changes to the ORF. Additionally, the Exchange proposes to remove the February 1, 2026 sunset date that would have allowed the Exchange to revert back to the prior ORF methodology and rate of \$0.0024 per contract side. The Exchange has issued an Options Trader Alert to notify Participants of the delay at least 30 calendar days prior to the anticipated change.⁵

⁴ See *id.*

⁵ See Options Trader Alert # 2025-03.

¹⁶ 17 CFR 200.30-3(a)(12).

Amended ORF

In light of the unanticipated delay of implementation of its January 2, 2026 amendments to its ORF and methodology in SR-Phlx-2025-30 to accommodate the industry's timeline, Phlx proposes to maintain its current ORF methodology and temporarily increase ORF from \$0.0003 to \$0.0022 per contract side, effective January 2, 2026, while the industry transitions to the new model. The Exchange has issued an Options Trader Alert to notify Participants of the modification to the current ORF at least 30 calendar days prior to the anticipated change.⁶

Phlx reduced the amount of ORF collected on October 1, 2025 from \$0.0024 to \$0.0003 per contract side in SR-Phlx-2025-043.⁷ This reduction accounted for certain fines. By lowering its ORF, Phlx was able to ensure that revenue collected from the ORF, in combination with its other regulatory fees and fines, did not exceed Options Regulatory Costs.⁸ Phlx presumed it would be adopting its new ORF and methodology in SR-Phlx-2025-30 on January 2, 2026, which would have implemented a new ORF rate. Phlx notes that it announced its new ORF and methodology on July 22, 2025⁹ to provide the industry ample time to implement changes to accommodate the new ORF and its methodology. Despite announcing in July 2025, industry participants did not prepare for the implementation. At this time, Phlx proposes to temporarily increase its current ORF from \$0.0003 to \$0.0022 per contract side effective January 2, 2026. The Exchange notes that the proposed new rate of \$0.0022 is not the rate that was in effect prior to SR-Phlx-2025-043, that rate was \$0.0024 per contract side. Rather than reverting to the prior rate, the Exchange is considering current options volume and only modestly reverting its pre-fine rate.

2. Statutory Basis

The Exchange believes the proposed rule change is consistent with the Securities Exchange Act of 1934 (the "Act") and the rules and regulations thereunder applicable to the Exchange and, in particular, the requirements of

Section 6(b) of the Act.¹⁰ Specifically, the Exchange believes the proposed rule change is consistent with Section 6(b)(4) of the Act¹¹, which provides that Exchange rules may provide for the equitable allocation of reasonable dues, fees, and other charges among its members, and other persons using its facilities. Additionally, the Exchange believes the proposed rule change is consistent with the Section 6(b)(5)¹² requirement that the rules of an exchange not be designed to permit unfair discrimination between customers, issuers, brokers, or dealers.

Delay of Implementation

The Exchange's proposal to delay the implementation of SR-Phlx-2025-30, with respect to the new ORF and methodology, to be effective on January 2, 2026, until July 1, 2026 and to remove the February 1, 2026 sunset date that would have allowed the Exchange to revert back to the prior ORF methodology and rate is consistent with the Act because it will provide market participants additional time to design, test and implement the new ORF and its methodology. The proposal to remove the sunset date is also consistent with the Act given the delay and anticipated industry commitment to implement the changes.

Amended ORF

The Exchange's proposal to maintain its current ORF methodology at a rate of \$0.0022 per contract side effective January 2, 2026, is consistent with the Act because it will allow Phlx to collect rates under its current ORF with an adjusted rate given the Exchange is unable to proceed with the implementation of its new ORF and its methodology until July 1, 2026, which will allow Phlx to offset a material portion of its Regulatory Cost under its existing methodology until the new ORF is implemented on July 1, 2026. As noted herein, SR-Phlx-2025-043 reduced the amount of ORF collected by the Exchange from \$0.0024 to \$0.0003 per contract side effective October 1, 2025, to account for certain fines. By lowering its ORF, Phlx was able to ensure that revenue collected from the ORF, in combination with its other regulatory fees and fines, did not exceed Options Regulatory Costs. On January 2, 2026, Phlx's ORF would have been amended once again as noted in SR-Phlx-2025-30 implementing a new rate. The Exchange did not plan to delay the implementation and would otherwise

have been collecting under the January 2, 2026 ORF rate if it were not for the delay. The Exchange notes that the proposed new rate of \$0.0022 is not the rate that was in effect prior to SR-Phlx-2025-043, that rate was \$0.0024. Rather than reverting to the prior rate in effect on October 1, 2025, the Exchange is considering current options volume and only modestly reverting its pre-fine rate.

B. Self-Regulatory Organization's Statement on Burden on Competition

The Exchange does not believe that the proposed rule change will impose any burden on intra-market competition not necessary or appropriate in furtherance of the purposes of the Act. Rather than reverting to its October 1, 2025 rate, the Exchange would assess an ORF rate that represents a temporary modest increase to its current rate in light of current options volumes until it is able to implement the new ORF and methodology on July 1, 2026. No Participant would be subject to the new ORF and methodology until July 1, 2026. The Exchange is not substantively amending the proposed ORF by delaying its implementation.

The Exchange does not believe that the proposed modified rate reversion will impose any burden on intra-market competition not necessary or appropriate in furtherance of the purposes of the Act as the modified ORF rate for January 2, 2026 is intended to approximate a rate equivalent to its October 1, 2025 given current options volumes. The Exchange does not believe that the proposed rate reversion will impose any burden on inter-market competition not necessary or appropriate in furtherance of the purposes of the Act as other options markets may amend their respective ORFs.

C. Self-Regulatory Organization's Statement on Comments on the Proposed Rule Change Received From Members, Participants, or Others

No written comments were either solicited or received.

III. Date of Effectiveness of the Proposed Rule Change and Timing for Commission Action

The foregoing rule change has become effective pursuant to Section 19(b)(3)(A) of the Act¹³ and paragraph (f) of Rule 19b-4¹⁴ thereunder. At any time within 60 days of the filing of the proposed rule change, the Commission summarily may temporarily suspend such rule change if it appears to the Commission that such

⁶ See *id.*

⁷ See Securities Exchange Act Release No. 103994 (September 17, 2025), 90 FR 45423 (September 22, 2025) (SR-Phlx-2025-43) (Notice of Filing and Immediate Effectiveness of a Proposed Rule Change To Lower the Options Regulatory Fee (ORF)).

⁸ The regulatory costs for options comprise a subset of the Exchange's regulatory budget that is specifically related to options regulatory expenses and encompasses the cost to regulate all Participants' options activity ("Options Regulatory Cost").

⁹ See Options Trader Alert #2025-33.

¹⁰ 15 U.S.C. 78f(b).

¹¹ 15 U.S.C. 78f(b)(4).

¹² 15 U.S.C. 78f(b)(5).

¹³ 15 U.S.C. 78s(b)(3)(A).

¹⁴ 17 CFR 240.19b-4(f).

action is necessary or appropriate in the public interest, for the protection of investors, or otherwise in furtherance of the purposes of the Act. If the Commission takes such action, the Commission will institute proceedings to determine whether the proposed rule change should be approved or disapproved.

IV. Solicitation of Comments

Interested persons are invited to submit written data, views and arguments concerning the foregoing, including whether the proposed rule change is consistent with the Act. Comments may be submitted by any of the following methods:

Electronic Comments

- Use the Commission's internet comment form (<https://www.sec.gov/rules/sro.shtml>); or
- Send an email to rule-comments@sec.gov. Please include file number SR-Phlx-2025-77 on the subject line.

Paper Comments

- Send paper comments in triplicate to Secretary, Securities and Exchange Commission, 100 F Street NE, Washington, DC 20549-1090.

All submissions should refer to file number SR-Phlx-2025-77. This file number should be included on the subject line if email is used. To help the Commission process and review your comments more efficiently, please use only one method. The Commission will post all comments on the Commission's internet website (<https://www.sec.gov/rules/sro.shtml>). Copies of the filing will be available for inspection and copying at the principal office of the Exchange. Do not include personal identifiable information in submissions; you should submit only information that you wish to make available publicly. We may redact in part or withhold entirely from publication submitted material that is obscene or subject to copyright protection. All submissions should refer to file number SR-Phlx-2025-77 and should be submitted on or before January 23, 2025.

For the Commission, by the Division of Trading and Markets, pursuant to delegated authority.¹⁵

Sherry R. Haywood,

Assistant Secretary.

[FR Doc. 2025-24137 Filed 12-31-25; 8:45 am]

BILLING CODE 8011-01-P

SECURITIES AND EXCHANGE COMMISSION

[Release No. 34-104520; File No. SR-ISE-2025-42]

Self-Regulatory Organizations; Nasdaq ISE, LLC; Notice of Filing and Immediate Effectiveness of a Proposed Rule Change Concerning the Exchange's Options Regulatory Fee (ORF) Methodology Until July 1, 2026

December 29, 2025.

Pursuant to Section 19(b)(1) of the Securities Exchange Act of 1934 ("Act"),¹ and Rule 19b-4 thereunder,² notice is hereby given that on December 19, 2025, Nasdaq ISE, LLC ("ISE" or "Exchange") filed with the Securities and Exchange Commission ("Commission") the proposed rule change as described in Items I and II below, which Items have been prepared by the Exchange. The Commission is publishing this notice to solicit comments on the proposed rule change from interested persons.

I. Self-Regulatory Organization's Statement of the Terms of Substance of the Proposed Rule Change

The Exchange proposes to amend ISE's Pricing Schedule at Options 7, Section 5, C., ISE Options Regulatory Fee, to delay the implementation of the new Options Regulatory Fee ("ORF") and methodology proposed in SR-ISE-2025-20.³ Specifically, the Exchange proposes to delay ISE's new ORF and methodology therein, which was to be implemented on January 2, 2026, until July 1, 2026 and remove the sunset provision. Additionally, effective January 2, 2026, the Exchange proposes to maintain its current ORF methodology at a rate of \$0.0011 per contract side while the industry transitions to the new model.

While the changes proposed herein are effective upon filing, the Exchange has designated the proposed rule change to be operative on January 2, 2026.

The text of the proposed rule change is available on the Exchange's website at <https://listingcenter.nasdaq.com/rulebook/ise/rulefilings>, and at the principal office of the Exchange.

¹ 15 U.S.C. 78s(b)(1).

² 17 CFR 240.19b-4.

³ See Securities Exchange Act Release No. 103558 (July 28, 2025), 90 FR 36080 (July 31, 2025) (SR-ISE-2025-020) (Notice of Filing and Immediate Effectiveness of a Proposed Rule Change To Amend the Methodology for its Options Regulatory Fee (ORF) as of January 2, 2026).

II. Self-Regulatory Organization's Statement of the Purpose of, and Statutory Basis for, the Proposed Rule Change

In its filing with the Commission, the Exchange included statements concerning the purpose of and basis for the proposed rule change and discussed any comments it received on the proposed rule change. The text of these statements may be examined at the places specified in Item IV below. The Exchange has prepared summaries, set forth in sections A, B, and C below, of the most significant aspects of such statements.

A. Self-Regulatory Organization's Statement of the Purpose of, and Statutory Basis for, the Proposed Rule Change

1. Purpose

ISE previously filed a proposed amendment to its ORF, effective as of January 2, 2026,⁴ to amend its methodology of collection to continue to assess ORF for options transactions cleared by OCC in the Customer range, however ORF would be assessed to each ISE Member for executions that occur on ISE. At this time, ISE proposes to: (1) delay the implementation of SR-ISE-2025-20, with respect to the new ORF and methodology therein to be effective on January 2, 2026, so that it would now be implemented on July 1, 2026; and (2) maintain its current ORF methodology at a rate of \$0.0011 per contract side effective January 2, 2026.

Delay of Implementation

In light of industry feedback from Clearing Members regarding readiness to implement changes to accommodate the new ORF model and its methodology of collection, the Exchange proposes to delay the implementation of SR-ISE-2025-20, with respect to the new ORF and methodology therein, until July 1, 2026. This delay would provide market participants additional time to implement the new ORF model and to design, test and implement changes to the ORF. Additionally, the Exchange proposes to remove the February 1, 2026 sunset date that would have allowed the Exchange to revert back to the prior ORF methodology and rate of \$0.0013 per contract side. The Exchange has issued an Options Trader Alert to notify Participants of the delay at least 30 calendar days prior to the anticipated change.⁵

⁴ See *id.*

⁵ See Options Trader Alert # 2025-03.

¹⁵ 17 CFR 200.30-3(a)(12).

Amended ORF

In light of the unanticipated delay of implementation of its January 2, 2026 amendments to its ORF and methodology in SR-ISE-2025-20 to accommodate the industry's timeline, ISE proposes to maintain its current ORF methodology and temporarily increase ORF from \$0.0003 to \$0.0011 per contract side, effective January 2, 2026, while the industry transitions to the new model. The Exchange has issued an Options Trader Alert to notify Participants of the modification in the current ORF at least 30 calendar days prior to the anticipated change.⁶

Another ISE rule proposal, SR-ISE-2025-25,⁷ reduced the amount of ORF collected by the Exchange from \$0.0013 to \$0.0003 per contract side, effective October 1, 2025, to account for certain fines. By lowering its ORF, ISE was able to ensure that revenue collected from the ORF, in combination with its other regulatory fees and fines, did not exceed Options Regulatory Costs.⁸ ISE presumed it would be adopting its new ORF and methodology in SR-ISE-2025-20 on January 2, 2026, which would have implemented a new ORF rate. ISE notes that it announced its new ORF and methodology on July 22, 2025⁹ to provide the industry ample time to implement changes to accommodate the new ORF and its methodology. Despite announcing in July 2025, industry participants did not prepare for the implementation. At this time, ISE proposes to temporarily increase its current ORF from \$0.0003 to \$0.0011 per contract side effective January 2, 2026. The Exchange notes that the proposed new rate of \$0.0011 is not the rate that was in effect prior to SR-ISE-2025-25, that rate was \$0.0013 per contract side. Rather than reverting to the prior rate, the Exchange is considering current options volume and only modestly reverting its pre-fine rate.

2. Statutory Basis

The Exchange believes the proposed rule change is consistent with the Securities Exchange Act of 1934 (the "Act") and the rules and regulations thereunder applicable to the Exchange and, in particular, the requirements of

Section 6(b) of the Act.¹⁰ Specifically, the Exchange believes the proposed rule change is consistent with Section 6(b)(4) of the Act¹¹, which provides that Exchange rules may provide for the equitable allocation of reasonable dues, fees, and other charges among its members, and other persons using its facilities. Additionally, the Exchange believes the proposed rule change is consistent with the Section 6(b)(5)¹² requirement that the rules of an exchange not be designed to permit unfair discrimination between customers, issuers, brokers, or dealers.

Delay of Implementation

The Exchange's proposal to delay the implementation of SR-ISE-2025-20, with respect to the new ORF and methodology, to be effective on January 2, 2026, until July 1, 2026 and to remove the February 1, 2026 sunset date that would have allowed the Exchange to revert back to the prior ORF methodology and rate is consistent with the Act because it will provide market participants additional time to design, test and implement the new ORF and its methodology. The proposal to remove the sunset date is also consistent with the Act given the delay and anticipated industry commitment to implement the changes.

Amended ORF

The Exchange's proposal to maintain its current ORF methodology at a rate of \$0.0011 per contract side effective January 2, 2026, is consistent with the Act because it will allow ISE to collect rates under its current ORF with an adjusted rate given the Exchange is unable to proceed with the implementation of its new ORF and its methodology until July 1, 2026, which will allow ISE to offset a material portion of its Regulatory Cost under its existing authority until the new ORF is implemented on July 1, 2026. As noted herein, SR-ISE-2025-25, reduced the amount of ORF collected by the Exchange from \$0.0013 to \$0.0003 per contract side, effective October 1, 2025, to account for certain fines. By lowering its ORF, ISE was able to ensure that revenue collected from the ORF, in combination with its other regulatory fees and fines, did not exceed Options Regulatory Costs. On January 2, 2026, ISE's ORF would have been amended once again as noted in SR-ISE-2025-20 implementing a new rate. The Exchange did not plan to delay the implementation and would otherwise

have been collecting under the January 2, 2026 ORF rate if it were not for the delay. The Exchange notes that the proposed new rate of \$0.0011 is not the rate that was in effect prior to SR-ISE-2025-25, that rate was \$0.0013. Rather than reverting to the prior rate in effect on October 1, 2025, the Exchange is considering current options volume and only modestly reverting its pre-fine rate.

B. Self-Regulatory Organization's Statement on Burden on Competition

The Exchange does not believe that the proposed rule change will impose any burden on intra-market competition not necessary or appropriate in furtherance of the purposes of the Act. Rather than reverting to its October 1, 2025 rate, the Exchange would assess an ORF rate that represents a temporary modest increase to its current rate in light of current options volumes until it is able to implement the new ORF and methodology on July 1, 2026. No Participant would be subject to the new ORF and methodology until July 1, 2026. The Exchange is not substantively amending the proposed ORF by delaying its implementation.

The Exchange does not believe that the proposed modified rate reversion will impose any burden on intra-market competition not necessary or appropriate in furtherance of the purposes of the Act as the modified ORF rate for January 2, 2026 is intended to approximate a rate equivalent to its October 1, 2025 given current options volumes. The Exchange does not believe that the proposed rate reversion will impose any burden on inter-market competition not necessary or appropriate in furtherance of the purposes of the Act as other options markets may amend their respective ORFs.

C. Self-Regulatory Organization's Statement on Comments on the Proposed Rule Change Received From Members, Participants, or Others

No written comments were either solicited or received.

III. Date of Effectiveness of the Proposed Rule Change and Timing for Commission Action

The foregoing rule change has become effective pursuant to Section 19(b)(3)(A) of the Act¹³ and paragraph (f) of Rule 19b-4¹⁴ thereunder. At any time within 60 days of the filing of the proposed rule change, the Commission summarily may temporarily suspend such rule change if it appears to the Commission that such

⁶ See *id.*

⁷ See Securities Exchange Act Release No. 103991 (September 17, 2025), 90 FR 45435 (September 22, 2025) (SR-ISE-2025-25) (Notice of Filing and Immediate Effectiveness of a Proposed Rule Change To Lower the Options Regulatory Fee (ORF)).

⁸ The regulatory costs for options comprise a subset of the Exchange's regulatory budget that is specifically related to options regulatory expenses and encompasses the cost to regulate all Participants' options activity ("Options Regulatory Cost").

⁹ See Options Trader Alert #2025-33.

¹⁰ 15 U.S.C. 78f(b).

¹¹ 15 U.S.C. 78f(b)(4).

¹² 15 U.S.C. 78f(b)(5).

¹³ 15 U.S.C. 78s(b)(3)(A).

¹⁴ 17 CFR 240.19b-4(f).

action is necessary or appropriate in the public interest, for the protection of investors, or otherwise in furtherance of the purposes of the Act. If the Commission takes such action, the Commission will institute proceedings to determine whether the proposed rule change should be approved or disapproved.

IV. Solicitation of Comments

Interested persons are invited to submit written data, views and arguments concerning the foregoing, including whether the proposed rule change is consistent with the Act. Comments may be submitted by any of the following methods:

Electronic Comments

- Use the Commission's internet comment form (<https://www.sec.gov/rules/sro.shtml>); or
- Send an email to rule-comments@sec.gov. Please include file number SR-ISE-2025-42 on the subject line.

Paper Comments

- Send paper comments in triplicate to Secretary, Securities and Exchange Commission, 100 F Street NE, Washington, DC 20549-1090.

All submissions should refer to file number SR-ISE-2025-42. This file number should be included on the subject line if email is used. To help the Commission process and review your comments more efficiently, please use only one method. The Commission will post all comments on the Commission's internet website (<https://www.sec.gov/rules/sro.shtml>). Copies of the filing will be available for inspection and copying at the principal office of the Exchange. Do not include personal identifiable information in submissions; you should submit only information that you wish to make available publicly. We may redact in part or withhold entirely from publication submitted material that is obscene or subject to copyright protection. All submissions should refer to file number SR-ISE-2025-42 and should be submitted on or before January 23, 2026.

For the Commission, by the Division of Trading and Markets, pursuant to delegated authority.¹⁵

Sherry R. Haywood,

Assistant Secretary.

[FR Doc. 2025-24135 Filed 12-31-25; 8:45 am]

BILLING CODE 8011-01-P

SECURITIES AND EXCHANGE COMMISSION

Sunshine Act Meetings

TIME AND DATE: 2:00 p.m. on Thursday, January 8, 2026.

PLACE: The meeting will be held via remote means and at the Commission's headquarters, 100 F Street NE, Washington, DC 20549.

STATUS: This meeting will be closed to the public.

MATTERS TO BE CONSIDERED:

Commissioners, Counsel to the Commissioners, the Secretary to the Commission, and recording secretaries will attend the closed meeting. Certain staff members who have an interest in the matters also may be present.

In the event that the time, date, or location of this meeting changes, an announcement of the change, along with the new time, date, and/or place of the meeting will be posted on the Commission's website at <https://www.sec.gov>.

The General Counsel of the Commission, or his designee, has certified that, in his opinion, one or more of the exemptions set forth in 5 U.S.C. 552b(c)(3), (5), (6), (7), (8), 9(B) and (10) and 17 CFR 200.402(a)(3), (a)(5), (a)(6), (a)(7), (a)(8), (a)(9)(ii) and (a)(10), permit consideration of the scheduled matters at the closed meeting.

The subject matter of the closed meeting will consist of the following topics:

- Institution and settlement of injunctive actions;
- Institution and settlement of administrative proceedings;
- Resolution of litigation claims; and
- Other matters relating to examinations and enforcement proceedings.

At times, changes in Commission priorities require alterations in the scheduling of meeting agenda items that may consist of adjudicatory, examination, litigation, or regulatory matters.

CONTACT PERSON FOR MORE INFORMATION:

For further information, please contact Vanessa A. Countryman from the Office of the Secretary at (202) 551-5400.

(Authority: 5 U.S.C. 552b.)

Dated: December 30, 2025.

Stephanie J. Fouse,

Assistant Secretary.

[FR Doc. 2025-24217 Filed 12-30-25; 4:15 pm]

BILLING CODE 8011-01-P

SECURITIES AND EXCHANGE COMMISSION

[Release No. 34-104514; File No. SR-NYSE-2025-49]

Self-Regulatory Organizations; New York Stock Exchange LLC; Notice of Filing and Immediate Effectiveness of Proposed Rule Change Modify the Implementation Date of SR-NYSE-2025-30

December 29, 2025.

Pursuant to Section 19(b)(1)¹ of the Securities Exchange Act of 1934 ("Act")² and Rule 19b-4 thereunder,³ notice is hereby given that on December 19, 2025, New York Stock Exchange LLC ("NYSE" or the "Exchange") filed with the Securities and Exchange Commission (the "Commission") the proposed rule change as described in Items I and II below, which Items have been prepared by the self-regulatory organization. The Commission is publishing this notice to solicit comments on the proposed rule change from interested persons.

I. Self-Regulatory Organization's Statement of the Terms of Substance of the Proposed Rule Change

The Exchange proposes to modify the implementation date for the rule change adopted in SR-NYSE-2025-30. The proposed rule change is available on the Exchange's website at www.nyse.com, and at the principal office of the Exchange.

II. Self-Regulatory Organization's Statement of the Purpose of, and Statutory Basis for, the Proposed Rule Change

In its filing with the Commission, the self-regulatory organization included statements concerning the purpose of, and basis for, the proposed rule change and discussed any comments it received on the proposed rule change. The text of those statements may be examined at the places specified in Item IV below. The Exchange has prepared summaries, set forth in sections A, B, and C below, of the most significant parts of such statements.

A. Self-Regulatory Organization's Statement of the Purpose of, and the Statutory Basis for, the Proposed Rule Change

1. Purpose

On August 6, 2025, the Exchange filed a proposed rule change to amend Rule 7.37 (Order Execution and Routing) to

¹ 15 U.S.C. 78s(b)(1).

² 15 U.S.C. 78a.

³ 17 CFR 240.19b-4.

¹⁵ 17 CFR 200.30-3(a)(12).

provide for optional order routing to Away Markets that are not displaying protected quotations.⁴ The Commission noticed the proposed rule change for immediate effectiveness on August 13, 2025.⁵

In its filing, the Exchange stated that, subject to effectiveness of the proposed rule change, it would implement the rule change no later than in the fourth quarter of 2025. The Exchange now proposes to delay the implementation of the rule change adopted in SR–NYSE–2025–30 until no later than in the second quarter of 2026 to allow it additional time to plan for and implement the change. The Exchange will issue a Trader Update notifying market participants of the planned implementation date for the change described in SR–NYSE–2025–30.

2. Statutory Basis

The Exchange believes that its proposed rule change is consistent with section 6(b) of the Act⁶ in general, and furthers the objectives of section 6(b)(5) of the Act⁷ in particular, in that it is designed to prevent fraudulent and manipulative acts and practices, to promote just and equitable principles of trade, to foster cooperation and coordination with persons engaged in regulating, clearing, settling, processing information with respect to, and facilitating transactions in, securities, to remove impediments to and perfect the mechanisms of a free and open market and a national market system and, in general, to protect investors and the public interest by allowing the Exchange additional time to plan and implement the change described in SR–NYSE–2025–30.

The Exchange is not proposing any changes to the substance of the rule change described in SR–NYSE–2025–30; only the implementation timeline is changing with this proposal.

B. Self-Regulatory Organization's Statement on Burden on Competition

The Exchange does not believe that the proposed rule change will impose any burden on competition that is not necessary or appropriate in furtherance of the purposes of the Act. The Exchange's proposal to delay the implementation of the rule change described in SR–NYSE–2025–30 is intended only to allow the Exchange

additional time to plan and implement such change and does not impose an undue burden on intermarket or intramarket competition.

C. Self-Regulatory Organization's Statement on Comments on the Proposed Rule Change Received From Members, Participants, or Others

No written comments were solicited or received with respect to the proposed rule change.

III. Date of Effectiveness of the Proposed Rule Change and Timing for Commission Action

The Exchange has filed the proposed rule change pursuant to Section 19(b)(3)(A)(iii) of the Act⁸ and Rule 19b–4(f)(6) thereunder.⁹ Because the proposed rule change does not (i) significantly affect the protection of investors or the public interest; (ii) impose any significant burden on competition; and (iii) become operative for 30 days from the date on which it was filed, or such shorter time as the Commission may designate, it has become effective pursuant to Section 19(b)(3)(A) of the Act¹⁰ and Rule 19b–4(f)(6) thereunder.¹¹

A proposed rule change filed pursuant to Rule 19b–4(f)(6) under the Act¹² normally does not become operative for 30 days after the date of its filing. However, Rule 19b–4(f)(6)(iii)¹³ permits the Commission to designate a shorter time if such action is consistent with the protection of investors and the public interest. The Exchange has asked the Commission to waive the 30-day operative delay so that it may immediately notify market participants of the delayed implementation of the changes in SR–NYSE–2025–30. The Commission believes that the proposed rule change raises no novel issues and that waiver of the operative delay is consistent with the protection of investors and the public interest. Therefore, the Commission hereby waives the operative delay and designates the proposal operative upon filing.¹⁴

⁸ 15 U.S.C. 78s(b)(3)(A)(iii).

⁹ 17 CFR 240.19b–4(f)(6).

¹⁰ 15 U.S.C. 78s(b)(3)(A).

¹¹ 17 CFR 240.19b–4(f)(6). In addition, Rule 19b–4(f)(6)(iii) requires a self-regulatory organization to give the Commission written notice of its intent to file the proposed rule change, along with a brief description and text of the proposed rule change, at least five business days prior to the date of filing of the proposed rule change, or such shorter time as designated by the Commission. The Exchange has satisfied this requirement.

¹² 17 CFR 240.19b–4(f)(6).

¹³ 17 CFR 240.19b–4(f)(6)(iii).

¹⁴ For purposes only of waiving the 30-day operative delay, the Commission has also

At any time within 60 days of the filing of such proposed rule change, the Commission summarily may temporarily suspend such rule change if it appears to the Commission that such action is necessary or appropriate in the public interest, for the protection of investors, or otherwise in furtherance of the purposes of the Act. If the Commission takes such action, the Commission shall institute proceedings under Section 19(b)(2)(B)¹⁵ of the Act to determine whether the proposed rule change should be approved or disapproved.

IV. Solicitation of Comments

Interested persons are invited to submit written data, views and arguments concerning the foregoing, including whether the proposed rule change is consistent with the Act. Comments may be submitted by any of the following methods:

Electronic Comments

- Use the Commission's internet comment form (<https://www.sec.gov/rules/sro.shtml>); or
- Send an email to rule-comments@sec.gov. Please include file number SR–NYSE–2025–49 on the subject line.

Paper Comments

- Send paper comments in triplicate to Secretary, Securities and Exchange Commission, 100 F Street NE, Washington, DC 20549–1090.

All submissions should refer to file number SR–NYSE–2025–49. This file number should be included on the subject line if email is used. To help the Commission process and review your comments more efficiently, please use only one method. The Commission will post all comments on the Commission's internet website (<https://www.sec.gov/rules/sro.shtml>). Copies of the filing will be available for inspection and copying at the principal office of the Exchange. Do not include personal identifiable information in submissions; you should submit only information that you wish to make available publicly. We may redact in part or withhold entirely from publication submitted material that is obscene or subject to copyright protection.

All submissions should refer to file number SR–NYSE–2025–49 and should be submitted on or before January 23, 2026.

considered the proposed rule's impact on efficiency, competition, and capital formation. See 15 U.S.C. 78c(f).

¹⁵ 15 U.S.C. 78s(b)(2)(B).

⁴ See Securities Exchange Act Release No. 103693 (August 13, 2025), 90 FR 40106 (August 18, 2025) (SR–NYSE–2025–30) (Notice of Filing and Immediate Effectiveness of Proposed Rule Change To Amend Rule 7.37).

⁵ See *id.*

⁶ 15 U.S.C. 78f(b).

⁷ 15 U.S.C. 78f(b)(5).

For the Commission, by the Division of Trading and Markets, pursuant to delegated authority.¹⁶

Sherry R. Haywood,

Assistant Secretary.

[FR Doc. 2025–24136 Filed 12–31–25; 8:45 am]

BILLING CODE 8011–01–P

SURFACE TRANSPORTATION BOARD

[Docket No. FD 36377 (Sub-No. 12)]

BNSF Railway Company—Trackage Rights Exemption—Union Pacific Railroad Company

BNSF Railway Company (BNSF), a Class I rail carrier, has filed a verified notice of exemption under 49 CFR 1180.2(d)(7) to acquire restricted, local, trackage rights over two rail lines owned by Union Pacific Railroad Company (UP) between: (1) UP milepost 93.2 at Stockton, Cal., on UP's Oakland Subdivision, and UP milepost 219.4 at Elsey, Cal., on UP's Canyon Subdivision, a distance of 126.2 miles; and (2) UP milepost 219.4 at Elsey and UP milepost 280.7 at Keddie, Cal., on UP's Canyon Subdivision, a distance of 61.3 miles (collectively, the Lines).

Pursuant to a written temporary trackage rights agreement, UP has agreed to grant restricted trackage rights to BNSF over the Lines. The purpose of this transaction is to permit BNSF to move empty and loaded ballast trains to and from the ballast pit at Elsey, which is adjacent to the Lines. The agreement provides that the trackage rights are temporary and scheduled to expire on December 31, 2026.¹

The transaction may be consummated on or after January 16, 2026, the effective date of the exemption (30 days after the verified notice was filed).

As a condition to this exemption, any employees affected by the acquisition of the trackage rights will be protected by the conditions imposed in *Norfolk & Western Railway—Trackage Rights—Burlington Northern, Inc.*, 354 I.C.C. 605 (1978), as modified in *Mendocino Coast Railway—Lease & Operate—California Western Railroad*, 360 I.C.C. 653 (1980).

¹⁶ 17 CFR 200.30–3(a)(12).

¹ BNSF states that, because the trackage rights are for local rather than overhead traffic, it has not filed under the Board's class exemption for temporary overhead trackage rights under 49 CFR 1180.2(d)(8). Instead, BNSF has filed under the trackage rights class exemption at 49 CFR 1180.2(d)(7). BNSF concurrently filed a petition for partial revocation of this exemption in *BNSF Railway Company—Trackage Rights Exemption—Union Pacific Railroad Company*, Docket No. FD 36377 (Sub-No. 13), to permit these proposed trackage rights to expire at midnight on December 31, 2026, as provided in the agreement. The petition for partial revocation will be addressed in a subsequent decision in that docket.

If the verified notice contains false or misleading information, the exemption is void ab initio. Petitions to revoke the exemption under 49 U.S.C. 10502(d) may be filed at any time. The filing of a petition to revoke will not automatically stay the effectiveness of the exemption. Petitions for stay must be filed no later than January 9, 2026 (at least seven days before the exemption becomes effective).

All pleadings, referring to Docket No. FD 36377 (Sub-No. 12), must be filed with the Surface Transportation Board either via e-filing on the Board's website or in writing addressed to 395 E Street SW, Washington, DC 20423–0001. In addition, a copy of each pleading must be served on BNSF's representative, Peter W. Denton, Steptoe LLP, 1330 Connecticut Avenue NW, Washington, DC 20036.

According to BNSF, this action is categorically excluded from environmental review under 49 CFR 1105.6(c)(3) and from historic preservation reporting requirements under 49 CFR 1105.8(b)(3).

Board decisions and notices are available at www.stb.gov.

By the Board, Anika S. Cooper, Chief Counsel, Office of Chief Counsel.

Decided: December 23, 2025.

Kenyatta Clay,

Clearance Clerk.

[FR Doc. 2025–24144 Filed 12–31–25; 8:45 am]

BILLING CODE 4915–01–P

SUSQUEHANNA RIVER BASIN COMMISSION

Public Hearing

AGENCY: Susquehanna River Basin Commission.

ACTION: Notice.

SUMMARY: The Susquehanna River Basin Commission will hold a public hearing on January 29, 2026. The Commission will hold this hearing in person and telephonically. At this public hearing, the Commission will hear testimony on the projects and actions listed in the Supplementary Information section of this notice. Such projects and actions are intended to be scheduled for Commission action at its next business meeting, scheduled for March 12, 2026, which will be noticed separately. The public should note that this public hearing will be the only opportunity to offer oral comments to the Commission for the listed projects and actions. The deadline for the submission of written comments is February 9, 2026.

DATES: The public hearing will convene on January 29, 2026, at 5:00 p.m. The

public hearing will end at 8:00 p.m. or at the conclusion of public testimony, whichever is earlier. The deadline for submitting written comments is Monday, February 9, 2026.

ADDRESSES: This public hearing will be conducted in person and telephonically. You may attend in person at Susquehanna River Basin Commission, 4423 N Front St., Harrisburg, Pennsylvania, or join by telephone at Toll-Free Number 1–877–304–9269 and then enter the guest passcode 2619070 followed by #.

FOR FURTHER INFORMATION CONTACT:

Jason Oyler, General Counsel and Secretary to the Commission, telephone: (717) 238–0423 or joyler@srbc.gov.

Information concerning the project applications is available at the Commission's Water Application and Approval Viewer at <https://www.srbc.gov/waav>. The proposed updated Statement of Investment Policy, Objectives and Guidelines is available on the Commission's website at <https://www.srbc.gov/regulatory/public-participation/>. Additional supporting documents are available to inspect and copy in accordance with the Commission's Access to Records Policy at www.srbc.gov/regulatory/policies-guidance/docs/access-to-records-policy-2009-02.pdf.

SUPPLEMENTARY INFORMATION: The Commission is seeking comment on a proposed update to its Statement of Investment Policy, Objectives and Guidelines. The goal of this statement is to outline the parameters under which the Commission may invest its funds to mitigate risk while allowing growth of the Commission's fiscal resources. The public hearing will also cover the following projects:

Projects Scheduled for Action

1. *Project Sponsor:* Amazon Data Services, Inc. *Project Facility:* PHL100 Data Center Campus, Salem Township, Luzerne County, Pa. Modification to increase consumptive use by an additional 0.217 mgd (30-day average), for a total consumptive use of up to 0.277 mgd (30-day average) (Docket No. 20240901).

2. *Project Sponsor and Facility:* Bloomfield Borough Water Authority, Centre Township, Perry County, Pa. Application for renewal of groundwater withdrawal of up to 0.053 mgd (30-day average) from Well 2 (Docket No. 20011001).

3. *Project Sponsor and Facility:* Borough of Mifflinburg, West Buffalo Township, Union County, Pa. Application for renewal of groundwater withdrawal of up to 0.640 mgd (30-day

average) from Well PW-1 (Docket No. 19931104).

4. *Project Sponsor and Facility:* City of Oneonta, Otsego County, NY. Application for renewal of groundwater withdrawal of up to 0.689 mgd (30-day average) from Well 1 (Docket No. 19920303).

5. *Project Sponsor:* Galen Hall Holding Corp. *Project Facility:* Galen Hall Country Club, Inc., South Heidelberg Township, Berks County, Pa. Application for renewal of consumptive use of up to 0.249 mgd (30-day average) (Docket No. 20021017).

6. *Project Sponsor:* Heidelberg Materials Northeast LLC. *Project Facility:* Wrightsville Quarry, Hellam Township and Wrightsville Borough, York County, Pa. Application for consumptive use of up to 0.178 mgd (30-day average).

7. *Project Sponsor and Facility:* Highlands of Donegal LLC, East Donegal Township, Lancaster County, Pa. Application for renewal of consumptive use of up to 0.249 mgd (30-day average) (Docket No. 20020210).

8. *Project Sponsor and Facility:* Houtzdale Municipal Authority, Rush Township, Centre County, Pa. Applications for renewal of groundwater withdrawals (30-day averages) of up to 0.580 mgd from Well TH-4, 0.430 mgd from Well TH-5, and 1.150 mgd from Well TH-10 (Docket No. 19950101).

9. *Project Sponsor:* KH Holdings, LLC. *Project Facility:* KH Spring Waters, LLC, North Union Township, Schuylkill County, Pa. Application for consumptive use of up to 0.075 mgd (peak day).

10. *Project Sponsor:* Mott's LLP. *Project Facility:* Aspers Plant, Menallen Township, Adams County, Pa. Applications for renewal of groundwater withdrawals (30-day averages) of up to 0.181 mgd from Well 7, 0.165 mgd from Well 9, and 0.236 mgd from Well 10; renewal with modification to increase to 0.396 mgd from Well 11; and consumptive use of up to 0.990 mgd (peak day) (Docket Nos. 19940303 and 20010204).

11. *Project Sponsor and Facility:* PEI Power LLC, Archbald Borough, Lackawanna County, Pa. Applications for renewal of surface water withdrawals (peak day) of up to 0.530 mgd from White Oak Run and 0.530 mgd from Laurel Run, and consumptive use of up to 0.530 mgd (peak day) (Docket No. 20010406).

12. *Project Sponsor:* Pennsylvania—American Water Company. *Project Facility:* Philipsburg/Moshannon District, Rush Township, Centre County, Pa. Applications for renewal of

groundwater withdrawals (30-day averages) of up to 0.530 mgd from Trout Run Well 1 and 0.720 mgd from Trout Run Well 2 (Docket No. 20010202).

13. *Project Sponsor and Facility:* Town of Erwin, Steuben County, NY. Applications for renewal of groundwater withdrawals (30-day averages) of up to 0.576 mgd from Well 2 and 0.576 mgd from Well 3 (Docket No. 20070602).

14. *Project Sponsor:* Tyoga Inc. *Project Facility:* Tyoga Golf Course, Delmar Township, Tioga County, Pa. Application for renewal of consumptive use of up to 0.249 mgd (30-day average) (Docket No. 20011010).

15. *Project Sponsor:* Veolia Water Pennsylvania, Inc. *Project Facility:* Newberry Operation, Newberry Township, York County, Pa. Application for renewal of groundwater withdrawal of up to 0.121 mgd (30-day average) from the Paddletown Well (Docket No. 20090917).

16. *Project Sponsor:* Victaulic Company. *Project Facility:* Lawrenceville Facility, Lawrence Township, Tioga County, Pa. Application for renewal of consumptive use of up to 0.200 mgd (30-day average) (Docket No. 19960901).

Opportunity To Appear and Comment

Interested parties may appear or call into the hearing to offer comments to the Commission on any business listed above required to be the subject of a public hearing. Given the nature of the meeting, the Commission strongly encourages those members of the public wishing to provide oral comments to pre-register with the Commission by emailing Jason Oyler at joyler@srbc.gov before the hearing date. The presiding officer reserves the right to limit oral statements in the interest of time and to control the course of the hearing otherwise. Access to the hearing via telephone will begin at 5:45 p.m. Guidelines for the public hearing are posted on the Commission's website, www.srbc.gov, before the hearing for review. The presiding officer reserves the right to modify or supplement such guidelines at the hearing. Written comments on any business listed above required to be the subject of a public hearing may also be mailed to Mr. Jason Oyler, Secretary to the Commission, Susquehanna River Basin Commission, 4423 North Front Street, Harrisburg, Pa. 17110-1788, or submitted electronically through <https://www.srbc.gov/meeting-comment/default.aspx?type=2&cat=7>. Comments mailed or electronically submitted must be received by the Commission on or before Monday, February 9, 2026.

Authority: Pub. L. 91-575, 84 Stat. 1509 *et seq.*, 18 CFR parts 806, 807, and 808.

Dated: December 30, 2025.

Jason E. Oyler,

General Counsel and Secretary to the Commission.

[FR Doc. 2025-24201 Filed 12-31-25; 8:45 am]

BILLING CODE 7040-01-P

OFFICE OF THE UNITED STATES TRADE REPRESENTATIVE

Procurement Thresholds for Implementation of the Trade Agreements Act of 1979

AGENCY: Office of the United States Trade Representative.

ACTION: Notice.

SUMMARY: The U.S. Trade Representative has determined the U.S. dollar procurement thresholds to implement certain U.S. trade agreement obligations, as of January 1, 2026, for calendar years 2026 and 2027.

DATES: This notice is applicable on January 1, 2026, for calendar years 2026 and 2027.

FOR FURTHER INFORMATION CONTACT: Kate Psillos, Deputy Assistant U.S. Trade Representative for WTO and Multilateral Affairs, at (202) 395-9581 or Kathryn.W.Psillos@ustr.eop.gov.

SUPPLEMENTARY INFORMATION: Executive Order 12260 requires the U.S. Trade Representative to set the U.S. dollar thresholds for application of Title III of the Trade Agreements Act of 1979, as amended (19 U.S.C. 2511 *et seq.*). These obligations apply to covered procurements valued at or above specified U.S. dollar thresholds. Due to a lapse in appropriations, the Bureau of Labor Statistics (BLS) has delayed the release of certain data required to calculate the thresholds for the following agreements: (1) The United States-Australia Free Trade Agreement; (2) The United States-Bahrain Free Trade Agreement; (3) The United States-Chile Free Trade Agreement; (4) The United States-Colombia Trade Promotion Agreement; (5) The Dominican Republic-Central American-United States Free Trade Agreement; (6) The United States-Mexico-Canada Agreement (USMCA); (7) The United States-Oman Free Trade Agreement; and (8) The United States-Singapore Free Trade Agreement. The thresholds for these agreements will be updated via a subsequent **Federal Register** notice following the release of the necessary BLS data in January 2026. Until such

time, the existing thresholds for these agreements shall remain in place.

In conformity with the provisions of Executive Order 12260, and in order to carry out U.S. trade agreement obligations, the U.S. Trade Representative has determined the U.S. dollar procurement thresholds, effective on January 1, 2026, for calendar years 2026 and 2027 are as follows:

I. World Trade Organization (WTO) Agreement on Government Procurement

A. Central Government Entities listed in U.S. Annex 1:

- (1) Procurement of goods and services—\$174,000; and
- (2) Procurement of construction services—\$6,683,000.

B. Sub-Central Government Entities listed in U.S. Annex 2:

- (1) Procurement of goods and services—\$474,000; and
- (2) Procurement of construction services—\$6,683,000.

C. Other Entities listed in U.S. Annex 3:

- (1) Procurement of goods and services—\$535,000; and
- (2) Procurement of construction services—\$6,683,000.

II. Chapter 17 of the United States-Korea Free Trade Agreement

A. Central Government Entities listed in the U.S. Schedule to Annex 17-A, Section A:

- (1) Procurement of construction services—\$6,683,000.

III. Chapter 9 of the United States-Morocco Free Trade Agreement

A. Central Government Entities listed in the U.S. Schedule to Annex 9-A-1:

- (1) Procurement of goods and services—\$174,000; and
- (2) Procurement of construction services—\$6,683,000.

B. Sub-Central Government Entities listed in the U.S. Schedule to Annex 9-A-2:

- (1) Procurement of goods and services—\$474,000; and
- (2) Procurement of construction services—\$6,683,000.

C. Other Entities listed in the U.S. Schedule to Annex 9-A-3:

- (1) Procurement of goods and services for List B Entities—\$535,000; and
- (2) Procurement of construction services—\$6,683,000.

IV. Chapter 9 of the United States-Panama Trade Promotion Agreement

A. Central Government Entities listed in the U.S. Schedule to Annex 9.1, Section A:

- (1) Procurement of goods and services—\$174,000; and

(2) Procurement of construction services—\$6,683,000.

B. Sub-Central Government Entities listed in the U.S. Schedule to Annex 9.1, Section B:

- (1) Procurement of goods and services—\$474,000; and
- (2) Procurement of construction services—\$6,683,000.

C. Other Entities listed in the U.S. Schedule to Annex 9.1, Section C:

- (1) Procurement of goods and services for List B Entities—\$535,000; and
- (2) Procurement of construction services—\$6,683,000.

D. Autoridad del Canal de Panamá

- (1) Procurement of goods and services—\$537,000.

V. Chapter 9 of the United States-Peru Trade Promotion Agreement

A. Central Government Entities listed in the U.S. Schedule to Annex 9.1, Section A:

- (1) Procurement of goods and services—\$174,000; and
- (2) Procurement of construction services—\$6,683,000.

B. Sub-Central Government Entities listed in the U.S. Schedule to Annex 9.1, Section B:

- (1) Procurement of goods and services—\$474,000; and
- (2) Procurement of construction services—\$6,683,000.

C. Other Entities listed in the U.S. Schedule to Annex 9.1, Section C:

- (1) Procurement of goods and services for List B Entities—\$535,000; and
- (2) Procurement of construction services—\$6,683,000.

Neil Beck,

Assistant U.S. Trade Representative for WTO and Multilateral Affairs, Office of the United States Trade Representative.

[FR Doc. 2025-24130 Filed 12-31-25; 8:45 am]

BILLING CODE 3390-F4-P

DEPARTMENT OF TRANSPORTATION

National Highway Traffic Safety Administration

[Docket No. NHTSA-2021-0065; Notice 2]

Goodyear Tire & Rubber Company, Formerly Cooper Tire & Rubber Company, Denial of Petition for Decision of Inconsequential Noncompliance

AGENCY: National Highway Traffic Safety Administration (NHTSA), Department of Transportation (DOT).

ACTION: Denial of petition.

SUMMARY: Goodyear Tire & Rubber Company (Goodyear), which acquired

Cooper Tire & Rubber Company (Cooper Tire), has determined that certain Cooper Discoverer SRX replacement passenger car tires do not fully comply with Federal Motor Vehicle Safety Standard (FMVSS) No. 139, *New Pneumatic Radial Tires for Light Vehicles*. Cooper Tire filed a noncompliance report dated August 19, 2021, and amended it on August 24, 2021. Additionally, Goodyear petitioned NHTSA on August 20, 2021 for a decision that the subject noncompliance is inconsequential as it relates to motor vehicle safety. This notice announces and explains the denial of Goodyear's petition.

FOR FURTHER INFORMATION CONTACT:

Jayton Lindley, General Engineer, NHTSA, Office of Vehicle Safety Compliance, (325) 655-0547, jayton.lindley@dot.gov.

SUPPLEMENTARY INFORMATION:

I. Overview: Goodyear has determined that certain Cooper Discoverer SRX passenger car tires do not fully comply with 49 CFR 574.5—and therefore also the requirements of paragraph S5.5.1(b) of FMVSS No. 139, *New Pneumatic Radial Tires for Light Vehicles* (49 CFR 571.139). Cooper Tire filed a noncompliance report dated August 19, 2021, and amended it on August 24, 2021, under 49 CFR part 573, *Defect and Noncompliance Responsibility and Reports*. Goodyear additionally petitioned NHTSA on August 20, 2021, for an exemption from the notification and remedy requirements of 49 U.S.C. Chapter 301 on the basis that this noncompliance is inconsequential as it relates to motor vehicle safety, under 49 U.S.C. 30118(d) and 30120(h) and 49 CFR part 556, *Exemption for Inconsequential Defect or Noncompliance*.

Notice of receipt of Goodyear's petition was published with a 30-day public comment period on April 18, 2024, in the **Federal Register** (89 FR 27831). No comments were received. To view the petition and all supporting documents log onto the Federal Docket Management System (FDMS) website at <https://www.regulations.gov/>. Then follow the online search instructions to locate docket number "NHTSA-2021-0065."

II. Tires Involved: Approximately 730 Cooper Discoverer SRX, size 255/55R20 110H XL, replacement passenger car tires, manufactured between March 28, 2021 and April 24, 2021.

III. Noncompliance: Goodyear explains that the tires are noncompliant because the Tire Information Number (TIN) on the subject tires exceeds the number of symbols allowed and

therefore does not fully comply with Part 574.5(g), as required by S5.5.1 of FMVSS No. 139. Specifically, the 4-symbol curing press ID (C13R) was transposed with the 4-symbol numeric date code resulting in a TIN that appears to contain 15 symbols—more symbols than allowed by 49 CFR 574.5(g) for tire manufacturers previously assigned two-symbol plant codes.

IV. Rule Requirements: Paragraph S5.5.1(b) of FMVSS No. 139, and section 49 CFR 574.5(g) include the requirements relevant to this petition. Tires manufactured after September 1, 2009 must be labeled with the TIN required by 49 CFR 574 on the intended outboard sidewall of a tire. 49 CFR 571.139 S5.5.1(b). For all tires other than retreads, the opposite sidewall must also show either the full TIN or a partial TIN that includes all characters except the date code and, optionally, any manufacturer-chosen code. *Id.* Under section 49 CFR 574.5(g)(3), manufacturers or retreaders may optionally include a third group of up to four symbols in the TIN to describe significant tire characteristics. If a tire is produced for a brand name owner, one of the functions of this grouping must be to identify the brand name owner. *Id.* Manufacturers or retreaders using this grouping must maintain detailed records of any descriptive brand name owner code used, which it must provide to NHTSA upon request. *Id.*

V. Summary of Goodyear's Petition: The following views and arguments presented in this section, "Summary of Goodyear's Petition," are the views and arguments provided by Goodyear. They do not reflect the views of the NHTSA. Goodyear describes the subject noncompliance and contends that the noncompliance is inconsequential as it relates to motor vehicle safety.

Goodyear first asserts that "[t]he subject tires were manufactured as designed and meet or exceed all applicable Federal Motor Vehicle Safety performance standards and will have no impact on the safety of vehicles on which they have been installed."

Goodyear then states that "[t]he date code portion of the TIN, though transposed with the curing press ID slug, is still visible on the sidewall of the tire following the DOT symbol. The date code becomes important in the event of a field action by enabling the consumer to identify the subject tires. In the unlikely event that a field action is required for the subject tires, the consumer notification letter could include the mismarked TIN information including the photograph above that clearly displays the mismarked TIN as it appears on the tire sidewall

(including the date code). This would enable a consumer to easily identify if their tires are involved in the field action."

Goodyear cites two previously granted inconsequentiality petitions that it asserts should inform the Agency's decision on the subject noncompliance:

- *Bridgestone Firestone North America Tire, LLC, Grant of Petition for Decision of Inconsequential Noncompliance*, 71 FR 4396 (January 26, 2006). Goodyear states this petition involved tires missing a date code and was granted because the Agency determined that a consumer notification could be accomplished by reference to the TIN.

- *Cooper Tire & Rubber Company, Grant of Application for Decision of Inconsequential Noncompliance*, 63 FR 29059 (May 27, 1998). Goodyear states this petition also involved tires missing the date code and was granted because the Agency similarly determined that the tires' TIN would allow the manufacturer to notify purchasers in the event of a recall.

Goodyear concludes that the subject noncompliance is inconsequential as it relates to motor vehicle safety and that its petition to be exempted from providing notification of the noncompliance, as required by 49 U.S.C. 30118, and a remedy for the noncompliance, as required by 49 U.S.C. 30120, should be granted.

VI. NHTSA's Analysis: In determining inconsequentiality of a noncompliance, NHTSA focuses on the safety risk to individuals who experience the type of event against which the recall would otherwise protect.¹ In general, NHTSA does not consider the absence of complaints or injuries as evidence that the issue is inconsequential to safety. The absence of complaints does not mean consumers have not experienced a safety issue, nor does it mean that there will not be safety issues in the future.²

¹ See, e.g., *Gen. Motors, LLC; Grant of Petition for Decision of Inconsequential Noncompliance*, 78 FR 35355 (June 12, 2013) (finding noncompliance had no effect on occupant safety because it had no effect on the proper operation of the occupant classification system and the correct deployment of an air bag); *Osram Sylvania Prods. Inc.; Grant of Petition for Decision of Inconsequential Noncompliance*, 78 FR 46000 (July 30, 2013) (finding occupant using noncompliant light source would not be exposed to significantly greater risk than occupant using similar compliant light source).

² See *Morgan 3 Wheeler Limited; Denial of Petition for Decision of Inconsequential Noncompliance*, 81 FR 21663, 21666 (Apr. 12, 2016); see also *United States v. Gen. Motors Corp.*, 565 F.2d 754, 759 (D.C. Cir. 1977) (finding defect poses an unreasonable risk when it "results in hazards as potentially dangerous as sudden engine

Arguments that only a small number of vehicles or items of motor vehicle equipment are affected do not justify granting of an inconsequentiality petition.³ Similarly, mere assertions that only a small percentage of vehicles or items of equipment are likely to actually exhibit a noncompliance are unpersuasive. The percentage of potential consumers that could be adversely affected by a noncompliance is not relevant to whether the noncompliance poses an inconsequential risk to safety. Rather, NHTSA focuses on the consequence to a consumer who is exposed to the noncompliance.⁴

Certain labeling or marking noncompliances can lead to unsafe conditions or user behaviors. Regarding the noncompliance at issue here, the Agency recognizes that the TIN marking is important for several reasons, including serving as the primary identifier that both manufacturers and consumers use to identify potentially defective tires and remove them from service. Successful tire registration can be critical to a successful tire safety recall campaign—allowing for direct communication to the consumer—and TIN errors can impede the ability of consumers to register their tires and avail themselves of such communication.

That is the case here. The Agency attempted to register one of the subject tires (that, due to the noncompliance, appears to have a 15-digit TIN) on the Cooper Tire registration website, and was unable to do so because the TIN exceeds 13 characters. At the time of NHTSA's evaluation, Cooper Tire's registration system was apparently limited to accepting only a 13-character alpha numeric string. The subject tires, which appear to have a 15-character

fire, and where there is no dispute that at least some such hazards, in this case fires, can definitely be expected to occur in the future").

³ See *Mercedes-Benz, U.S.A., L.L.C.; Denial of Application for Decision of Inconsequential Noncompliance*, 66 FR 38342 (July 23, 2001) (rejecting argument that noncompliance was inconsequential because of the small number of vehicles affected); *Aston Martin Lagonda Ltd.; Denial of Petition for Decision of Inconsequential Noncompliance*, 81 FR 41370 (June 24, 2016) (noting that situations involving individuals trapped in motor vehicles—while infrequent—are consequential to safety); *Morgan 3 Wheeler Ltd.; Denial of Petition for Decision of Inconsequential Noncompliance*, 81 FR 21663, 21664 (Apr. 12, 2016) (rejecting argument that petition should be granted because the vehicle was produced in very low numbers and likely to be operated on a limited basis).

⁴ See *Gen. Motors Corp.; Ruling on Petition for Determination of Inconsequential Noncompliance*, 69 FR 19897, 19900 (Apr. 14, 2004); *Cosco Inc.; Denial of Application for Decision of Inconsequential Noncompliance*, 64 FR 29408, 29409 (June 1, 1999).

TIN, could not be successfully registered, and NHTSA would expect that some consumers would give up if their first attempt to register their tires proved unsuccessful. In short, the subject TIN marking error causes an impediment to tire registration, which impairs the execution of any necessary tire safety recall campaign.

Goodyear cites in support two previous decisions granting inconsequentiality petitions (63 FR 29059 and 71 FR 4396) involving tires from which the TIN's date code was missing entirely. In 63 FR 29059, the Agency observed that the tires at issue were capable of being registered, and the manufacturer would be able to notify purchasers of the tires if they were properly registered. *See id.* (observing that "in the case of a tire mislabeling noncompliance . . . the true measure of its inconsequentiality to motor vehicle safety is, if the tires were to be recalled for a performance-related noncompliance . . . whether the mislabeling would affect the manufacturer's ability to locate them."). And in the grant notice for 71 FR 4396, the noncompliant tires contained an incorrect size designation in the TIN. Despite the error, NHTSA found that "the incorrect marking does not affect the ability to identify the tires in the event of a recall." 71 FR 4396. Thus, the Agency agreed with the petitioner in observing that the noncompliance was inconsequential to safety because "a consumer notification of a recall of the tires could be accomplished by referring to the TIN." *Id.*

In the subject tires, there is not a missing code, but rather additional characters that elongate a TIN such that online registration would be unsuccessful. Because tire registration facilitates identification of tires subject to safety recalls and, therefore, increases the effectiveness of safety recalls, and a purported means to register the tires here would be unsuccessful and potentially discourage future attempts, Goodyear has not established that the noncompliance is inconsequential to safety. Its petition is therefore denied.

VII. NHTSA's Decision: In consideration of the foregoing, NHTSA has decided that Goodyear has not met its burden of persuasion that the subject FMVSS No. 139 noncompliance is inconsequential to motor vehicle safety. Accordingly, Goodyear's petition is hereby denied and Goodyear is consequently obligated to provide notification of and a free remedy for that noncompliance under 49 U.S.C. 30118 and 30120.

(Authority: 49 U.S.C. 30118, 30120; delegations of authority at 49 CFR 1.95 and 501.8.)

Eileen Sullivan,

Associate Administrator for Enforcement.

[FR Doc. 2025-24206 Filed 12-31-25; 8:45 am]

BILLING CODE 4910-59-P

DEPARTMENT OF THE TREASURY

Fiscal Service

Bureau of the Fiscal Service

Notice of Rate To Be Used for Federal Debt Collection, and Discount and Rebate Evaluation

AGENCY: Bureau of the Fiscal Service, Fiscal Service, Treasury.

ACTION: Notice of rate to be used for Federal debt collection, and discount and rebate evaluation.

SUMMARY: The Secretary of the Treasury is responsible for computing and publishing the percentage rate that is used in assessing interest charges for outstanding debts owed to the Government (The Debt Collection Act of 1982, as amended). This rate is also used by agencies as a comparison point in evaluating the cost-effectiveness of a cash discount. In addition, this rate is used in determining when agencies should pay purchase card invoices when the card issuer offers a rebate. Notice is hereby given that the applicable rate for calendar year 2026 is 4.00 percent.

DATES: January 1, 2026, through December 31, 2026.

FOR FURTHER INFORMATION CONTACT:

Department of the Treasury, Bureau of the Fiscal Service, Disbursing and Debt Management, Alternative Payments Division, 3201 Pennsy Drive, Building E, Landover, MD 20785 (Telephone: 202-874-6224).

SUPPLEMENTARY INFORMATION: The rate reflects the current value of funds to the Treasury for use in connection with Federal Cash Management systems and is based on investment rates set for purposes of Public Law 95-147, 91 Stat. 1227 (October 28, 1977), as calculated by the Department of the Treasury's Office of Debt Management. The annual Interest Rate Factors used in determining the Current Value of Funds Rate are based on weekly average Fed funds less 25 basis points for the 12-month period ending every September 30, rounded to the nearest whole percentage, for applicability effective each January 1. Quarterly revisions are made if the annual

average, on a moving basis, changes by 2 percentage points. The rate for calendar year 2026 reflects the average investment rates for the 12-month period that ended September 30, 2025.

(Authority: 31 U.S.C. 3717)

Linda Claire Chero,

Assistant Commissioner, Disbursing & Debt Management and Chief Disbursing Officer.

[FR Doc. 2025-24143 Filed 12-31-25; 8:45 am]

BILLING CODE 4810-AS-P

DEPARTMENT OF THE TREASURY

Office of Foreign Assets Control

Notice of OFAC Sanctions Action

AGENCY: Office of Foreign Assets Control, Treasury.

ACTION: Notice.

SUMMARY: The U.S. Department of the Treasury's Office of Foreign Assets Control (OFAC) is publishing the names of one or more persons that have been placed on OFAC's Specially Designated Nationals and Blocked Persons List (SDN List) based on OFAC's determination that one or more applicable legal criteria were satisfied. All property and interests in property subject to U.S. jurisdiction of these persons are blocked, and U.S. persons are generally prohibited from engaging in transactions with them.

DATES: This action was issued on December 30, 2025. See **SUPPLEMENTARY INFORMATION** for relevant dates.

FOR FURTHER INFORMATION CONTACT:

OFAC: Associate Director for Global Targeting, 202-622-2420; Assistant Director for Licensing, 202-622-2480; Assistant Director for Sanctions Compliance, 202-622-2490 or <https://ofac.treasury.gov/contact-ofac>.

SUPPLEMENTARY INFORMATION:

Electronic Availability

The SDN List and additional information concerning OFAC sanctions programs are available on OFAC's website: <https://ofac.treasury.gov>.

Notice of OFAC Action

On December 30, 2025, OFAC determined that the property and interests in property subject to U.S. jurisdiction of the following persons are blocked under the relevant sanctions authorities listed below.

Individuals

1. GHAFFARI, Mehdi, Tehran, Iran; DOB 21 Sep 1977; nationality Iran; Additional Sanctions Information—Subject to Secondary Sanctions; Gender

Male; National ID No. 0558674577 (Iran) (individual) [NPWMD] [IFSR] (Linked To: KAVOSHGARAN ASMAN MOJ GHADIR COMPANY).

Designated pursuant to section 1(a)(iv) of Executive Order (E.O.) 13382 of June 28, 2005, "Blocking Property of Weapons of Mass Destruction Proliferators and Their Supporters," 70 FR 38567, 3 CFR, 2005 Comp., p. 170 (E.O. 13382), for being owned or controlled by, or acting or purporting to act for or on behalf of, directly or indirectly, KAVOSHGARAN ASMAN MOJ GHADIR COMPANY, a person whose property and interests in property are blocked pursuant to E.O. 13382.

2. QAYSARI, Erfan (a.k.a. GHEISARI, Erfan), Tehran, Iran; DOB 18 Sep 1978; nationality Iran; Additional Sanctions Information—Subject to Secondary Sanctions; Gender Male; National ID No. 0069298262 (Iran) (individual) [NPWMD] [IFSR] (Linked To: KAVOSHGARAN ASMAN MOJ GHADIR COMPANY).

Designated pursuant to section 1(a)(iv) of E.O. 13382 for being owned or controlled by, or acting or purporting to act for or on behalf of, directly or indirectly, KAVOSHGARAN ASMAN MOJ GHADIR COMPANY, a person whose property and interests in property are blocked pursuant to E.O. 13382.

3. REZAEI, Bahram (a.k.a. RIZAI, Bahram), Tehran, Iran; DOB 24 Feb 1982; nationality Iran; Additional Sanctions Information—Subject to Secondary Sanctions; Gender Male; National ID No. 0451423968 (Iran) (individual) [NPWMD] [IFSR] (Linked To: FANAVARI ELECTRO MOJ MOBIN COMPANY).

Designated pursuant to section 1(a)(iv) of E.O. 13382 for being owned or controlled by, or acting or purporting to act for or on behalf of, directly or indirectly, FANAVARI ELECTRO MOJ MOBIN COMPANY, a person whose property and interests in property are blocked pursuant to E.O. 13382.

4. ROSTAMI SANI, Mostafa (a.k.a. ROSTAMI THANI, Mustafa), Iran; DOB 27 Apr 1974; POB Tehran, Iran; nationality Iran; Additional Sanctions Information—Subject to Secondary Sanctions; Gender Male; National ID No. 0066637007 (Iran) (individual)

[NPWMD] [IFSR] (Linked To: PARCHIN CHEMICAL INDUSTRIES).

Designated pursuant to section 1(a)(iii) of E.O. 13382 for having provided, or attempted to provide, financial, material, technological or other support for, or goods or services in support of, PARCHIN CHEMICAL INDUSTRIES, a person whose property and interests in property are blocked pursuant to E.O. 13382.

5. URDANETA GONZALEZ, Jose Jesus, Venezuela; DOB 16 Jan 1971; nationality Venezuela; Gender Male; Tax ID No. V9658315 (Venezuela) (individual) [IRAN-CON-ARMS-E.O.] (Linked To: EMPRESA AERONAUTICA NACIONAL SA).

Designated pursuant to section 1(a)(v) of Executive Order 13949 of September 21, 2020, "Blocking Property of Certain Persons With Respect to the Conventional Arms Activities of Iran," 85 FR 60043 ("E.O. 13949"), for being owned or controlled by, or having acted or purported to act for or on behalf of, directly or indirectly, EMPRESA AERONAUTICA NACIONAL SA, a person whose property and interests in property are blocked pursuant to E.O. 13949.

6. ZAREPOUR TARAGHI, Reza (a.k.a. ZARE PORTORCHI, Reza; a.k.a. ZAREPUR TORCHI, Reza), Iran; DOB 28 Jul 1985; POB Mashhad, Iran; nationality Iran; Additional Sanctions Information—Subject to Secondary Sanctions; Gender Male; National ID No. 0944825303 (Iran) (individual) [NPWMD] [IFSR] (Linked To: PARDISAN REZVAN SHARGH INTERNATIONAL PRIVATE JOINT STOCK COMPANY).

Designated pursuant to section 1(a)(iv) of E.O. 13382 for being owned or controlled by, or acting or purporting to act for or on behalf of, directly or indirectly, PARDISAN REZVAN SHARGH INTERNATIONAL PRIVATE JOINT STOCK COMPANY, a person whose property and interests in property are blocked pursuant to E.O. 13382.

Entities

1. EMPRESA AERONAUTICA NACIONAL SA (a.k.a. "EANSA"), Av. Principal Paramaconi, Local Hangar 03, Sector Base Aerea Libertador, Palo Negro, Aragua, Venezuela; Organization Established Date 05 Mar 2020; Tax ID

No. G200162368 (Venezuela) [IRAN-CON-ARMS-E.O.] (Linked To: QODS AVIATION INDUSTRIES).

Designated pursuant to section 1(a)(iv) of E.O. 13949 for having materially assisted, sponsored, or provided financial, material, or technological support for, or goods or services to or in support of, QODS AVIATION INDUSTRIES, a person whose property and interests in property are blocked pursuant to E.O. 13949.

2. FANAVARI ELECTRO MOJ MOBIN COMPANY (a.k.a. ELECTRO WAVE TECHNOLOGY COMPANY; a.k.a. FANAVARI ELECTROMOJ MOBIN CO LLC), First Floor, Number 7, Ghaem Street, Eighteen Meter, East Ghaem 1st Street, Railway Town, Tehran, Tehran 1494953881, Iran; Additional Sanctions Information—Subject to Secondary Sanctions; Organization Established Date 12 Sep 2011; National ID No. 10320647554 (Iran); Registration Number 412630 (Iran) [NPWMD] [IFSR] (Linked To: RAYAN FAN KAV ANDISH CO).

Designated pursuant to section 1(a)(iv) of E.O. 13382 for being owned or controlled by, or acting or purporting to act for or on behalf of, directly or indirectly, RAYAN FAN KAV ANDISH CO, a person whose property and interests in property are blocked pursuant to E.O. 13382.

3. KAVOSHGARAN ASMAN MOJ GHADIR COMPANY (a.k.a. KAVOSHGARAN ASMAN MOJ GHADIR PRIVATE JOINT STOCK COMPANY), Unit 2, First Floor, No. 63, Sabzevar Acacia Street, Sarvestan, Eighty Meter Street, Railway Town, Central District, Tehran County, Tehran, Tehran 1494934943, Iran; Additional Sanctions Information—Subject to Secondary Sanctions; Organization Established Date 26 Sep 2016; National ID No. 14006195595 (Iran); Registration Number 498898 (Iran) [NPWMD] [IFSR] (Linked To: REZAEI, Bahram).

Designated pursuant to section 1(a)(iv) of E.O. 13382 for being owned or controlled by, or acting or purporting to act for or on behalf of, directly or indirectly, REZAEI, Bahram, a person whose property and interests in property are blocked pursuant to E.O. 13382.

4. PARDISAN REZVAN SHARGH INTERNATIONAL PRIVATE JOINT STOCK COMPANY (Arabic: بين المللى پرديسان رضوان شرق) (a.k.a. INTERNATIONAL PARDISAN RIZVAN SHARQ), Ground Floor, Mohammad Ghasemi, Plate 0, Rah Ahan Street, Amin Zeraati Street, Imam Reza, Central District, Behshahr County, Rostamkola, Mazandaran, Iran; Additional Sanctions Information - Subject to Secondary Sanctions; Organization Established Date 15 Sep 2015; National ID No. 14005229091 (Iran); Registration Number 4058 (Iran) [NPWMD] [IFSR] (Linked To: ROSTAMI SANI, Mostafa).

Designated pursuant to section 1(a)(iv) of E.O. 13382 for being owned or controlled by, or acting or purporting to act for or on behalf of, directly or

indirectly, ROSTAMI SANI, Mostafa, a person whose property and interests in property are blocked pursuant to E.O. 13382.

(Authority: E.O. 13382; E.O. 13949.)

Bradley T. Smith,

Director, Office of Foreign Assets Control.

[FR Doc. 2025-24219 Filed 12-31-25; 8:45 am]

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This table is used by the Office of the Federal Register to compute certain dates, such as effective dates and comment deadlines, which appear in agency documents. In computing these

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When a date falls on a weekend or holiday, the next Federal business day is used. (See 1 CFR 18.17)

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