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**Separate Parts In This Issue**



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**Reader Aids**
Consult the Reader Aids section at the end of this issue for phone numbers, online resources, finding aids, and notice of recently enacted public laws.

## CFR PARTS AFFECTED IN THIS ISSUE

A cumulative list of the parts affected this month can be found in the Reader Aids section at the end of this issue.

# Rules and Regulations

Federal Register

Vol. 91, No. 183

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## DEPARTMENT OF STATE

### 22 CFR Part 125 and 126

**[Public Notice: 13121]**

**RIN 1400–AG31**

## International Traffic in Arms Regulations: Clarifying Policies of Denial, Updating the Major Non-NATO Ally List, and Minor Corrections; Corrections

**AGENCY:** Department of State.

**ACTION:** Correcting amendments.

**SUMMARY:** On September 18, 2026, the Department of State revised the International Traffic in Arms Regulations (ITAR) to clarify certain policy-of-denial provisions, update country policies for Ethiopia and Somalia, add Saudi Arabia and Peru to the list of major non-NATO allies, and make other miscellaneous corrections. That document included incorrect amendatory instructions resulting in the inadvertent removal of regulatory text. This document corrects the final regulations.

**DATES:** This rule is effective on September 23, 2026.

**FOR FURTHER INFORMATION CONTACT:** Mr. Ryan Haddad, Foreign Affairs Officer, Office of Defense Trade Controls Policy, U.S. Department of State, telephone 771–204–7878; email *DDTCCustomerService@state.gov.* ATTN: Regulatory Change, ITAR Section 126.1 Clarification.

**SUPPLEMENTARY INFORMATION:** This document makes corrections to a final rulemaking published in the **Federal Register** on September 18, 2026 (91 FR 59059). Due to an error in amendatory instruction 7 (90 FR 59061), § 125.4 paragraphs (b)(10)(i) through (iii) were inadvertently removed by the failure of the amendatory instruction to limit the revision to paragraph (b)(10) introductory text. Similarly, due to an error in amendatory instruction 9.a. (90 FR 59061), § 126.1 paragraphs (a)(2) and (3) were inadvertently removed by the failure of the amendatory instruction to limit the revision to paragraph (a) introductory text and paragraph (a)(1). The Department now issues this correction to the regulations and reinserts § 125.4 paragraphs (b)(1)(i) through (iii) and § 126.1 paragraphs (a)(2) and (3) at their prior locations.

**List of Subjects**

*22 CFR Part 125*

Arms and munitions, Classified information, Exports.

*22 CFR Part 126*

Arms and munitions, Exports, Reporting and recordkeeping requirements, Technical assistance.

Accordingly, 22 CFR parts 125 and 126 are corrected by making the following correcting amendments:

## PART 125—LICENSES FOR THE EXPORT OF TECHNICAL DATA AND CLASSIFIED DEFENSE ARTICLES

■ 1. The authority citation for part 125 continues to read as follows:

**Authority:** Secs. 2 and 38, Pub. L. 90–629, 90 Stat. 744 (22 U.S.C. 2752, 2778); 22 U.S.C. 2651a; E.O. 13637, 78 FR 16129.

■ 2. Amend § 125.4 by revising paragraph (b)(10) to read as follows:

**§ 125.4 Exemptions of general applicability.**

* * * * *

(b) * * *

(10) Releases of unclassified technical data in the U.S. by U.S. institutions of higher learning to foreign persons who are their bona fide and full-time regular employees. This exemption is available only if:

(i) The employee's permanent abode throughout the period of employment is in the United States;

(ii) The employee is not a national of a country to which exports are prohibited pursuant to § 126.1 of this subchapter; and

(iii) The institution informs the individual in writing that the technical data may not be transferred to other foreign persons without the prior written approval of the Directorate of Defense Trade Controls;

* * * * *

## PART 126—GENERAL POLICIES AND PROVISIONS

■ 3. The authority citation for part 126 continues to read as follows:

**Authority:** 22 U.S.C. 287c, 2651a, 2752, 2753, 2776, 2778, 2779, 2779a, 2780, 2791, 2797, 10423; sec. 1225, Pub. L. 108–375, 118 Stat. 2091; sec. 7045, Pub. L. 112–74, 125 Stat. 1232; sec. 1250A, Pub. L 116–92, 133 Stat. 1665; sec. 205, Pub. L. 116–94, 133 Stat. 3052; and E.O. 13637, 78 FR 16129, 3 CFR, 2013 Comp., p. 223.

■ 4. Amend § 126.1 by revising paragraph (a) to read as follows:

**§ 126.1 Prohibited exports, imports, and sales to or from certain countries.**

(a) *General.* It is the policy of the United States to deny licenses and other approvals for exports, reexports, retransfers, and temporary imports of defense articles and defense services destined for, or originating in, certain countries. (For brokering activities, see § 129.7 of this subchapter, which imposes restrictions similar to those contained in this section.) No transfer of defense articles or defense services may be made pursuant to an exemption provided in this subchapter to or from any proscribed countries, areas, or persons as described in this section, except as follows:

(1) Transfers pursuant to § 123.17, § 125.4(b)(13), § 126.6, or § 126.18(e) of this subchapter;

(2) Transfers by or for the U.S. Government pursuant to the following sections:

(i) Section 126.4(a)(1) or (3);

(ii) Section 126.4(b)(1); or

(iii) Section 126.4(a)(2) or (b)(2) when the export is destined for Russia and in support of government space cooperation; or

(3) When the recipient is a U.S. Government department or agency.

* * * * *

**Alice M. Kottmyer,**

*Attorney-Adviser, Office of Management, Office of the Legal Adviser, U.S. Department of State.*

[FR Doc. 2026–19404 Filed 9–22–26; 8:45 am]

BILLING CODE 4710–25–P

**DEPARTMENT OF TRANSPORTATION**

**National Highway Traffic Safety Administration**

**23 CFR Part 1300**

**RIN 2127–AN12**

## Amendment to the Uniform Procedures for State Highway Safety Grant Programs

**AGENCY:** National Highway Traffic Safety Administration (NHTSA), U.S. Department of Transportation (DOT).

**ACTION:** Final rule.

**SUMMARY:** This action amends the uniform procedures implementing the State Highway Safety Grant Program to waive, for fiscal year (FY) 2027, the requirement that targets for the common performance measures be identical to targets in the Federal Highway Administration State Highway Safety Improvement Program.

**DATES:** This final rule is effective on September 23, 2026.

**ADDRESSES:** This document may be viewed online through the Federal eRulemaking portal at *www.regulations.gov* using the RIN number listed above. Electronic retrieval help and guidelines are available on the website. An electronic copy of this document may be downloaded by accessing the Office of the Federal Register's website at: *www.federalregister.gov* and the U.S. Government Publishing Office's website at: *www.GovInfo.gov.*

**FOR FURTHER INFORMATION CONTACT:**

*Program issues:* Barbara Sauers, Associate Administrator, Regional Operations and Program Delivery, National Highway Traffic Safety Administration, 1200 New Jersey Avenue SE, Washington, DC 20590; Email: *barbara.sauers@dot.gov.*

*Legal issues:* Megan Brown, Attorney-Advisor, Office of the Chief Counsel, National Highway Traffic Safety Administration, 1200 New Jersey Avenue SE, Washington, DC 20590; Email: *megan.brown@dot.gov.*

**SUPPLEMENTARY INFORMATION:**

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### I. Background

The National Highway Traffic Safety Administration (NHTSA) State Highway Safety Grant Program has used a performance-based planning process for many years. Initially, some States used performance measures as part of program planning on a voluntary basis. In 2012, Congress mandated the use of performance measures for all States.[1] The statute authorizing NHTSA's State Highway Safety Grant Program currently requires States to submit performance measures in the triennial Highway Safety Plan (HSP). 23 U.S.C. 402(k)(4)(A). NHTSA's regulation governing the grant program requires that the targets for three of the required performance measures—total fatalities, rate of fatalities, and total serious injuries—be identical to the targets that States report to the Federal Highway Administration (FHWA) in the Highway Safety Improvement Program (HSIP) annual report. See 23 CFR 1300.11(b)(3)(ii)(C). In 2021, the ''Infrastructure Investment and Jobs Act'' (IIJA)[2] amended the performance measure provisions to require that all performance targets submitted to NHTSA in the triennial HSP demonstrate constant or improved performance. 23 U.S.C. 402(k)(4)(A)(ii).

NHTSA published a final rule implementing the Highway Safety Grant Program under IIJA on February 6, 2023, at 88 FR 7780. The rule provides direction to States on procedures for meeting the statutory requirements governing their highway safety grant programs and applications. In addition to changing performance targets submitted to NHTSA in an annual HSP to a triennial HSP, the rule implemented the statutory requirement that States submit constant or improved targets for the common performance measures and continued the long-standing regulatory requirement that these targets be identical to the targets that are reported by the State DOT in the HSIP annual report. See 23 CFR 1300.11(b)(3)(ii)(B).

On June 5, 2023, NHTSA and FHWA issued a rulemaking in which NHTSA amended the uniform procedures implementing the State Highway Safety Grant Program to waive, for fiscal year 2024, the requirement that targets for common performance measures in the triennial HSP be identical to targets in the HSIP. 88 FR 36472. On January 25, 2024, FHWA released a notice of proposed rulemaking concerning its performance measures that addressed and sought comment on this issue. 89 FR 4857. On May 6, 2024, NHTSA and FHWA issued another joint regulation to address the identical targets requirement. 89 FR 37113. In that rulemaking, NHTSA amended the requirements for the Annual Grant Application to provide that States may amend common performance targets in the years between submission of their triennial HSPs only if necessary to submit identical performance targets to FHWA. *Id.*

[1] Moving Ahead for Progress in the 21st Century Act, Public Law 112–141, 31102, 126 Stat. 405, 736–737 (July 6, 2012).

[2] Public Law 117–58, 135 Stat. 429 (Nov. 15, 2021).

### II. Waiver of Identical Targets for Common Performance Measures

In this rulemaking, in response to stakeholder questions, NHTSA amends 23 CFR 1300.11 to waive the requirement that the targets for common performance measures submitted in the State's FY 2027 triennial HSP be identical to those in the HSIP annual report submitted August 31, 2026. Although this action affords States flexibility to continue to use non-identical targets for FY 2027, NHTSA encourages State Highway Safety Offices (HSOs) and State DOTs to continue to collaborate as they work together to implement a Safe System Approach and reduce deaths and serious injuries on our roadways.

### III. Waiver of Notice and Comment

NHTSA finds good cause to issue, without notice and comment, and to make effective immediately, this waiver of the requirement for identical targets, in accordance with 5 U.S.C. 553(b)(B) and 5 U.S.C. 553(d)(3). The Administrative Procedure Act provides that when an agency, for good cause, finds that notice and public comment are impractical, unnecessary, or contrary to the public interest, the agency may issue a final rule without providing notice and an opportunity for public comment (5 U.S.C. 553(b)(B)). For the same reason, the rule can become effective immediately (5 U.S.C. 553(d)(3)). The safety programs of NHTSA and FHWA are governed by different statutory provisions. IIJA requires States, for purposes of NHTSA's highway safety grant program, to submit performance targets that demonstrate constant or improved performance. 23 U.S.C. 402(k)(4)(A)(ii). FHWA's statute establishing safety performance measures for the purpose of carrying out the HSIP, 23 U.S.C. 150, and its corresponding regulation, 23 CFR 490, do not require constant or improved performance. NHTSA's regulations currently require that this performance target be identical to FHWA's performance target. FHWA is currently undertaking notice and comment rulemaking on the National Performance Management Measures since the passage of IIJA. NHTSA recognizes the importance of allowing time for States to provide comments on the FHWA program, but also recognizes that HSOs must meet the statutory July 1 deadline to submit their triennial HSPs for the NHTSA program. NHTSA further recognizes that State DOTs must meet the August 31 deadline to submit their safety performance targets in their HSIP annual reports. State efforts to develop their FY 2027 triennial HSPs are underway at this time, and it is critical that States be provided certainty about application criteria. With these considerations in mind, NHTSA finds it impracticable and not in the public interest to provide prior notice and opportunity for comment on this amendment to the regulation to clarify that NHTSA waives, for FY 2027, the requirement that the targets be identical. For these same reasons, NHTSA finds good cause to make this amendment effective immediately.

## IV. Regulatory Analyses and Notices

### *A. Executive Order 12866 (Regulatory Planning and Review)*

NHTSA has considered the impact of this rulemaking action under Executive Order (E.O.) 12866.[3] This rulemaking does not meet the criteria of a ''significant regulatory action'' under E.O. 12866. Therefore, the Office of Management and Budget (OMB) has not reviewed this proposed rule under that E.O.

States must submit performance measures in the triennial HSP to receive a highway safety grant. The revisions made by this rule do not remove the requirement to provide performance measures; instead, it merely allows States to submit performance measures that are not identical to the performance measures submitted to the FHWA. As a result, this action is not expected to impose any costs.

### *B. Executive Order 14192 (Unleashing Prosperity Through Deregulation)*

This rulemaking is an E.O. 14192[4] deregulatory action. The rulemaking provides increased flexibility and decreases administrative burden for States by removing the requirement that certain performance measures submitted in the triennial HSP be identical to measures submitted to FHWA in the HSIP annual report.

### *C. Regulatory Flexibility Act*

The Regulatory Flexibility Act (RFA) of 1980 (5 U.S.C. 601, *et seq.*) requires agencies to evaluate the potential effects of their proposed and final rules on small businesses, small organizations, and small governmental jurisdictions. Section 605 of the RFA allows an agency to certify a rule, in lieu of preparing an analysis, if the proposed rulemaking is not expected to have a significant economic impact on a substantial number of small entities. The Small Business Regulatory Enforcement Fairness Act of 1996 (Pub. L. 104–21, 110 Stat. 857) amended the RFA to require Federal Agencies to provide a statement of the factual basis for certifying that an action would not have a significant economic impact on a substantial number of small entities.

This final rule makes limited revisions to the uniform procedures implementing State highway safety grant programs, which were previously determined to not have a significant impact on a substantial number of small entities. The grant programs impacted by this rule will affect only State governments, which are not considered to be small entities as that term is defined by the RFA. Therefore, NHTSA certifies that this action will not have a significant impact on a substantial number of small entities and finds that the preparation of a Regulatory Flexibility Analysis is unnecessary.

### *D. Executive Order 13132 (Federalism)*

E.O. 13132, ''Federalism,'' requires NHTSA to develop an accountable process to ensure ''meaningful and timely input by State and local officials in the development of regulatory policies that have federalism implications.'' 64 FR 43255 (August 10, 1999). ''Policies that have federalism implications'' are defined in the E.O. to include regulations that 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.'' Under E.O. 13132, an agency may not issue a regulation with federalism implications that imposes substantial direct compliance costs not required by statute unless the Federal Government provides the funds necessary to pay the direct compliance costs incurred by State and local governments or the agency consults with State and local governments in the process of developing the proposed regulation. An agency also may not issue a regulation with federalism implications that preempts a State law without consulting with State and local officials.

NHTSA analyzed this rulemaking action in accordance with the principles and criteria set forth in E.O. 13132. The limited revisions made in this rulemaking provide flexibility to State applicants. NHTSA has therefore determined that this final rule would not have sufficient federalism implications as defined in the E.O. to warrant formal consultation with State and local officials or the preparation of a federalism summary impact statement.

### *E. Executive Order 12988 (Civil Justice Reform)*

With respect to the review of the promulgation of a new regulation, section 3(b)(2) of E.O. 12988, ''Civil Justice Reform'' (61 FR 4729, Feb. 7, 1996), requires that Executive agencies make every reasonable effort to ensure that the regulation: (1) clearly specifies the preemptive effect; (2) clearly specifies the effect on existing Federal law or regulation; (3) provides a clear legal standard for affected conduct, while promoting simplification and burden reduction; (4) clearly specifies the retroactive effect, if any; (5) adequately defines key terms; and (6) addresses other important issues affecting clarity and general draftsmanship under any guidelines issued by the Attorney General.

NHTSA has reviewed this rulemaking action and determined that it conforms to the applicable standards in section 3(b)(2) of E.O. 12988, Civil Justice Reform. The issue of preemption is discussed above in connection with E.O. 13132 (Federalism). NHTSA believes that this final rule specifies clearly the waiver of the requirement that certain performance measures submitted to NHTSA in the triennial HSP be identical to those submitted to FHWA in the HSIP annual report and the related technical changes to the regulatory text to reflect the change to the triennial HSP. The amendments do not take effect retroactively. NHTSA notes further that there is no requirement that a recipient submit a petition for reconsideration before they may file suit in court.

### *F. Paperwork Reduction Act*

Under the procedures established by the Paperwork Reduction Act of 1995 (PRA) (44 U.S.C. 3501, *et seq.*), Federal agencies must obtain approval from the OMB for each collection of information they conduct, sponsor, or require through regulations. A person is not required to respond to a collection of information by a Federal agency unless the collection displays a valid OMB control number. NHTSA has an existing information collection that covers State submissions under the Highway Safety Grant Program. The OMB Control Number for the information collection is 2127–0760. This rulemaking does not

[3] Regulatory Planning and Review, 58 FR 51735 (Oct. 4, 1993).

[4] Unleashing Prosperity through Deregulation, 90 FR 9065 (Feb. 6, 2025).

impact existing burden or cost estimates or establish any new information collection requirements.

*G. Unfunded Mandates Reform Act*

The Unfunded Mandates Reform Act of 1995 (Pub. L. 104–4) requires agencies to prepare a written assessment of the costs, benefits, and other effects of proposed or final rules that include a Federal mandate likely to result in expenditures by State, local or tribal governments, in the aggregate, or by the private sector, of more than $100 million annually (in 2025, $206 million adjusted for inflation with base year of 1995). This rulemaking would not result in annual State expenditures exceeding the minimum threshold. Further, this rulemaking action updates NHTSA's State highway safety grant program, a voluntary program, and States become eligible in part based on the choice to submit an application.

*H. National Environmental Policy Act*

The Department has analyzed the environmental impacts of this final rule pursuant to the National Environmental Policy Act of 1969 (NEPA) (42 U.S.C. 4321, *et seq.*). NHTSA has determined that this rule is categorically excluded pursuant to 23 CFR 771.118(c)(4). Categorical exclusions are categories of actions that the agency has determined normally do not significantly affect the quality of the human environment and therefore do not require either an environmental assessment (EA) or environmental impact statement (EIS). See DOT Order 5610.1D § 9. In analyzing the applicability of a categorical exclusion (CE), the agency must also consider whether extraordinary circumstances are present that would warrant the preparation of an EA or EIS. Id. § 9(b). A DOT Operating Administration (OA) may apply CEs established in another OA's procedures. Id. § 9(f). To do so, the OA ''must evaluate the action for extraordinary circumstances identified in the OA procedures in which the CE is established to determine if a normally excluded action may have a significant impact and coordinate with the originating OA to ensure that the CE is being applied correctly.'' Id.

This rulemaking, which waives the requirement for certain identical performance measures from the triennial HSP, is categorically excluded pursuant to 23 CFR 771.118(c)(4), ''Planning and administrative activities not involving or leading directly to construction, such as: Training, technical assistance and research; promulgation of rules, regulations, directives, or program guidance; approval of project concepts; engineering; and operating assistance to transit authorities to continue existing service or increase service to meet routine demand.'' NHTSA has coordinated with the Federal Transit Administration to ensure that this CE is being applied correctly. NHTSA does not anticipate any environmental impacts, and there are no extraordinary circumstances present in connection with this rulemaking.

*I. Executive Order 13175 (Consultation and Coordination With Indian Tribes)*

E.O. 13175 (65 FR 67249, Nov. 9, 2000) requires Federal agencies to consult and coordinate with Tribes on a government-to-government basis on policies that have Tribal implications, including regulations, legislative comments or proposed legislation, and other policy statements or actions that have substantial direct effects on one or more Indian Tribes, on the relationship between the Federal Government and Indian Tribes, or on the distribution of power and responsibilities between the Federal Government and Indian Tribes. NHTSA has assessed the impact of this rule on Indian Tribes and determined that this action would not have Tribal implications that require consultation under E.O. 13175.

*J. Congressional Review Act*

The Congressional Review Act, 5 U.S.C. 801, *et seq.,* as added by the Small Business Regulatory Enforcement Fairness Act of 1996, generally provides that before a rule may take effect, the agency promulgating the rule must submit a rule report, which includes a copy of the rule to each House of the Congress and to the Comptroller General of the United States. NHTSA will submit a report containing this rule and other required information to the U.S. Senate, the U.S. House of Representatives, and the Comptroller General of the United States prior to publication of this rule in the **Federal Register**. Because this rule does not meet the criteria in 5 U.S.C. 804(2) for a major rule, it will be effective upon publication in the **Federal Register**.

*K. Regulation Identifier Number (RIN)*

DOT assigns a regulation identifier number (RIN) to each regulatory action listed in the Unified Agenda of Federal Regulations. The Regulatory Information Service Center publishes the Unified Agenda twice a year. You may use the RIN contained in the heading at the beginning of this document to find this action in the Unified Agenda.

*L. Privacy Act*

In accordance with 5 U.S.C. 553(c), DOT solicits comments from the public to inform its rulemaking process. DOT posts these comments, without edit, to *www.regulations.gov,* as described in the system of records notice, DOT/ALL–14 FDMS, accessible through *www.dot.gov/privacy.* To facilitate comment tracking and response, NHTSA encourages commenters to provide their name, or the name of their organization; however, submission of names is optional. Anyone is able to search the electronic form of all comments received into any of our dockets by the name of the individual submitting the comment (or signing the comment, if submitted on behalf of an association, business, labor union, or other entity). For information on DOT's compliance with the Privacy Act, please visit *https://www.transportation.gov/privacy.*

**List of Subjects**

*23 CFR Part 490*

Bridges, Highway safety, Highways and roads, Reporting and recordkeeping requirements.

*23 CFR Part 1300*

Administrative practice and procedure, Alcohol abuse, Drug abuse, Grant programs—transportation, Highway safety, Intergovernmental relations, Motor vehicles—motorcycles, Reporting and recordkeeping requirements.

Issued in Washington, DC, under authority delegated in 49 CFR 1.81 and 1.95.

**Jonathan Morrison,**

*Administrator, National Highway Traffic Safety Administration.*

In consideration of the foregoing, NHTSA amends title 23, Code of Federal Regulations, part 1300 as follows:

## PART 1300—UNIFORM PROCEDURES FOR STATE HIGHWAY SAFETY GRANT PROGRAMS

■ 1. The authority citation for part 1300 continues to read as follows:

**Authority:** 23 U.S.C. 402; 23 U.S.C. 405; Sec. 1906, Pub. L. 109–59, 119 Stat. 1468, as amended by Sec. 25024, Pub. L. 117–58, 135 Stat. 879; delegation of authority at 49 CFR 1.95.

### Subpart B—Triennial Highway Safety Plan and Annual Grant Application

■ 2. Amend § 1300.11 by revising paragraph (b)(3)(iv) to read as follows:

* * * * *

(b) * * *

(3) * * *

(iv) For fiscal year 2027 only, the performance targets submitted for common performance measures under paragraph (b)(3)(ii)(C) of this section are not required to be identical to the State DOT targets reported in the HSIP annual report.

* * * * *

[FR Doc. 2026–19403 Filed 9–22–26; 8:45 am]

BILLING CODE 4910–59–P

## DEPARTMENT OF THE TREASURY

### Office of Foreign Assets Control

### 31 CFR Part 528

### Publication of International Criminal Court-Related Sanctions Regulations Web General License 12

**AGENCY:** Office of Foreign Assets Control, Treasury.

**ACTION:** Publication of a web general license.

**SUMMARY:** The Department of the Treasury's Office of Foreign Assets Control (OFAC) is publishing a general license (GL) issued pursuant to the International Criminal Court-Related Sanctions Regulations: GL 12. This GL was previously made available on OFAC's website.

**DATES:** GL 12 was issued on August 18, 2026. See **SUPPLEMENTARY INFORMATION** for additional relevant dates.

**FOR FURTHER INFORMATION CONTACT:** OFAC: Assistant Director for Regulatory Affairs, 202–622–4855; or *https://ofac.treasury.gov/contact-ofac.*

**SUPPLEMENTARY INFORMATION:**

#### Electronic Availability

This document and additional information concerning OFAC are available on OFAC's website: *https://ofac.treasury.gov.*

#### Background

On August 18, 2026, OFAC issued GL 12 to authorize certain transactions otherwise prohibited by the International Criminal Court-Related Sanctions Regulations, 31 CFR part 528. This GL expired on September 17, 2026. This GL was made available on OFAC's website (*https://ofac.treasury.gov*) when it was issued. The text of this GL is provided below.

**OFFICE OF FOREIGN ASSETS CONTROL**

**International Criminal Court-Related Sanctions Regulations**

**31 CFR Part 528**

**GENERAL LICENSE NO. 12**

**Authorizing the Wind Down of Transactions Involving Certain Persons Blocked on August 18, 2026**

(a) Except as provided in paragraph (b) of this general license, all transactions prohibited by the International Criminal Court-Related Sanctions Regulations (ICCSR), 31 CFR part 528, that are ordinarily incident and necessary to the wind down of any transaction involving one or more of the following blocked persons are authorized through 12:01 a.m. eastern daylight time, September 17, 2026, provided that any payment to a blocked person is made into a blocked interest-bearing account located in the United States, in accordance with the ICCSR:

(1) Abdoulaye Seye;

(2) Tomoko Akane; or

(3) Any entity in which one or more of the above persons own, directly or indirectly, individually or in the aggregate, a 50 percent or greater interest.

(b) This general license does not authorize any transactions otherwise prohibited by the ICCSR, including transactions involving any person blocked pursuant to the ICCSR other than the blocked persons described in paragraph (a) of this general license, unless separately authorized.

Bradley T. Smith,

*Director, Office of Foreign Assets Control.*

Dated: August 18, 2026.

**Bradley T. Smith,**

*Director, Office of Foreign Assets Control.*

[FR Doc. 2026–19421 Filed 9–22–26; 8:45 am]

BILLING CODE 4810–AL–P

## DEPARTMENT OF THE TREASURY

### Office of Foreign Assets Control

### 31 CFR Part 547

### Publication of the Democratic Republic of the Congo Sanctions Regulations Web General License 2

**AGENCY:** Office of Foreign Assets Control, Treasury.

**ACTION:** Publication of a web general license.

**SUMMARY:** The Department of the Treasury's Office of Foreign Assets Control (OFAC) is publishing a general license (GL) issued pursuant to the Democratic Republic of the Congo Sanctions Regulations: GL 2. This GL was previously made available on OFAC's website.

**DATES:** GL 2 was issued on July 10, 2026. See **SUPPLEMENTARY INFORMATION** for additional relevant dates.

**FOR FURTHER INFORMATION CONTACT:** OFAC: Assistant Director for Regulatory Affairs, 202–622–4855; or *https://ofac.treasury.gov/contact-ofac.*

**SUPPLEMENTARY INFORMATION:**

#### Electronic Availability

This document and additional information concerning OFAC are available on OFAC's website: *https://ofac.treasury.gov/.*

#### Background

On July 10, 2026, OFAC issued GL 2 to authorize certain transactions otherwise prohibited by the Democratic Republic of the Congo Sanctions Regulations, 31 CFR part 547. GL 2 was made available on OFAC's website (*https://ofac.treasury.gov*) when it was issued. The text of this GL is provided below.

**OFFICE OF FOREIGN ASSETS CONTROL**

**Democratic Republic of the Congo Sanctions Regulations**

**31 CFR Part 547**

**GENERAL LICENSE NO. 2**

**Authorizing Transactions Related to Agricultural Commodities, Medicine, Medical Devices, Replacement Parts and Components, Software Updates, or Clinical Trials**

(a) Except as provided in paragraph (c) of this general license, all transactions prohibited by the Democratic Republic of the Congo Sanctions Regulations, 31 CFR part 547 (DRCSR), that are ordinarily incident and necessary to: (1) the exportation or reexportation of agricultural commodities, medicine, medical devices, replacement parts and components for medical devices, or software updates for medical devices to the Democratic Republic of the Congo (DRC) or the Republic of Rwanda (Rwanda), or to persons in third countries purchasing specifically for provision to the DRC or Rwanda; (2) the prevention, diagnosis, or treatment of any disease or medical condition in the DRC or Rwanda; or (3) the conduct of clinical trials and other medical research activities in the DRC or Rwanda are authorized.

(b) For the purposes of this general license, agricultural commodities, medicine, and medical devices are defined as follows:

(1) *Agricultural commodities.* Agricultural commodities are products that fall within the term ''agricultural commodity'' as defined in section 102 of the Agricultural Trade Act of 1978 (7 U.S.C. 5602) and are intended for use as:

(i) Food for humans (including raw, processed, and packaged foods; live animals; vitamins and minerals; food additives or supplements; and bottled drinking water) or animals (including animal feeds);

(ii) Seeds for food crops;

(iii) Fertilizers or organic fertilizers; or

(iv) Reproductive materials (such as live animals, fertilized eggs, embryos, and semen) for the production of food animals.

(2) *Medicine.* Medicine is an item that falls within the definition of the term ''drug'' in section 201 of the Federal Food, Drug, and Cosmetic Act (21 U.S.C. 321).

(3) *Medical devices.* A medical device is an item that falls within the definition of ''device'' in section 201 of the Federal Food, Drug, and Cosmetic Act (21 U.S.C. 321).

(c) This general license does not authorize any transaction otherwise prohibited by the DRCSR, unless separately authorized.

**Note 1 to General License No. 2.** Nothing in this general license relieves any person from compliance with any other Federal laws or requirements of other Federal agencies.

**Note 2 to General License No. 2.** The authorizations in this general license include all transactions ordinarily incident to the provision of medical care and the operation of medical clinics or facilities.

Lisa M. Palluconi,

Deputy Director, Office of Foreign Assets Control.

Dated: July 10, 2026.

**Bradley T. Smith,**

*Director, Office of Foreign Assets Control.*

[FR Doc. 2026–19423 Filed 9–22–26; 8:45 am]

BILLING CODE 4810–AL–P

## DEPARTMENT OF THE TREASURY

## Office of Foreign Assets Control

## 31 CFR Part 591

## Publication of Venezuela Sanctions Regulations Web General Licenses 5X and 5Y

**AGENCY:** Office of Foreign Assets Control, Treasury.

**ACTION:** Publication of web general licenses.

**SUMMARY:** The Department of the Treasury's Office of Foreign Assets Control (OFAC) is publishing two general licenses (GLs) issued pursuant to the Venezuela Sanctions Regulations: GL 5X and 5Y, each of which was previously made available on OFAC's website.

**DATES:** GL 5X was issued on June 18, 2026. See **SUPPLEMENTARY INFORMATION** for additional relevant dates.

**FOR FURTHER INFORMATION CONTACT:** OFAC: Assistant Director for Regulatory Affairs, 202–622–4855; or *https://ofac.treasury.gov/contact-ofac.*

**SUPPLEMENTARY INFORMATION:**

### Electronic Availability

This document and additional information concerning OFAC are available on OFAC's website: *https://ofac.treasury.gov/.*

### Background

On June 18, 2026, OFAC issued GL 5X to authorize certain transactions otherwise prohibited by the Venezuela Sanctions Regulations, 31 CFR part 591. GL 5X replaced and superseded GL 5W. On August 3, 2026, OFAC issued GL 5Y, which replaced and superseded GL 5X. These GLs were made available on OFAC's website (*https://ofac.treasury.gov*) when they were issued. The text of these GLs is provided below.

### OFFICE OF FOREIGN ASSETS CONTROL

### Venezuela Sanctions Regulations

### 31 CFR Part 591

### GENERAL LICENSE NO. 5X

### Authorizing Certain Transactions Related to the Petróleos de Venezuela, S.A. 2020 8.5 Percent Bond on or After August 4, 2026

(a) Except as provided in paragraph (b) of this general license, on or after August 4, 2026, all transactions related to, the provision of financing for, and other dealings in the Petróleos de Venezuela, S.A. 2020 8.5 Percent Bond that would be prohibited by subsection l(a)(iii) of Executive Order (E.O.) 13835 of May 21, 2018, as amended by E.O. 13857 of January 25, 2019, and incorporated into the Venezuela Sanctions Regulations, 31 CFR part 591 (the VSR), are authorized.

(b) This general license does not authorize any transactions or activities otherwise prohibited by the VSR, or any other part of 31 CFR chapter V.

(c) Effective June 18, 2026, General License No. 5W, dated May 4, 2026, is replaced and superseded in its entirety by this General License No. 5X.

Lisa M. Palluconi,

*Deputy Director, Office of Foreign Assets Control.*

Dated: June 18, 2026.

### OFFICE OF FOREIGN ASSETS CONTROL

### Venezuela Sanctions Regulations

### 31 CFR Part 591

### GENERAL LICENSE NO. 5Y

### Authorizing Certain Transactions Related to the Petróleos de Venezuela, S.A. 2020 8.5 Percent Bond on or After September 17, 2026

(a) Except as provided in paragraph (b) of this general license, on or after September 17, 2026, all transactions related to, the provision of financing for, and other dealings in the Petróleos de Venezuela, S.A. 2020 8.5 Percent Bond that would be prohibited by subsection l(a)(iii) of Executive Order (E.O.) 13835 of May 21, 2018, as amended by E.O. 13857 of January 25, 2019, and incorporated into the Venezuela Sanctions Regulations, 31 CFR part 591 (the VSR), are authorized.

(b) This general license does not authorize any transactions or activities otherwise prohibited by the VSR, or any other part of 31 CFR chapter V.

(c) Effective August 3, 2026, General License No. 5X, dated June 18, 2026, is replaced and superseded in its entirety by this General License No. 5Y.

Bradley T. Smith,

*Director, Office of Foreign Assets Control.*

Dated: August 3, 2026.

**Bradley T. Smith,**

*Director, Office of Foreign Assets Control.*

[FR Doc. 2026–19422 Filed 9–22–26; 8:45 am]

BILLING CODE 4810–AL–P

## DEPARTMENT OF THE TREASURY

## Office of Foreign Assets Control

## 31 CFR Part 594

## Publication of Iran-Related Web General Licenses Y and Z

**AGENCY:** Office of Foreign Assets Control, Treasury.

**ACTION:** Publication of web general licenses.

**SUMMARY:** The Department of the Treasury's Office of Foreign Assets Control (OFAC) is publishing two Iran-related general licenses (GLs): GLs Y and Z. These GLs were previously made available on OFAC's website.

**DATES:** GL Y was issued on July 10, 2026. See **SUPPLEMENTARY INFORMATION** for additional relevant dates.

**FOR FURTHER INFORMATION CONTACT:**
OFAC: Assistant Director for Regulatory Affairs, 202–622–4855; or *https://ofac.treasury.gov/contact-ofac.*

**SUPPLEMENTARY INFORMATION:**

## Electronic Availability

This document and additional information concerning OFAC are available on OFAC's website: *https://ofac.treasury.gov/.*

## Background

On July 10, 2026, OFAC issued GL Y to authorize certain transactions otherwise prohibited by the Global Terrorism Sanctions Regulations, 31 CFR part 594 and Executive Order (E.O.) 13876 of June 24, 2019, ''Imposing Sanctions With Respect to Iran'' (83 FR 30573, June 26, 2019). On July 14, 2026, OFAC issued GL Z to authorize certain transactions otherwise prohibited by E.O. 13902 of January 10, 2020, ''Imposing Sanctions With Respect to Additional Sectors of Iran'' (85 FR 2003, January 14, 2020). GL Y expired August 9, 2026. GL Z expired on September 12, 2026. Both GLs were made available on OFAC's website (*https://ofac.treasury.gov*) when they were issued. The text of these GLs is provided below.

## OFFICE OF FOREIGN ASSETS CONTROL

## Global Terrorism Sanctions Regulations

## 31 CFR Part 594

## Executive Order 13876 of June 24, 2019 (''Imposing Sanctions With Respect to Iran'')

## GENERAL LICENSE Y

## Authorizing the Wind Down of Transactions Involving Smart Global Limited

(a) Except as provided in paragraph (b) of this general license, all transactions prohibited by the Global Terrorism Sanctions Regulations, 31 CFR part 594 (GTSR), and Executive Order (E.O.) 13876 that are ordinarily incident and necessary to the wind down of any transaction involving Smart Global Limited, or any entity in which Smart Global Limited owns, directly or indirectly, a 50 percent or greater interest, are authorized through 12:01 a.m. eastern daylight time, August 9, 2026, provided that any payment to a blocked person must be made into a blocked account in accordance with the GTSR.

(b) This general license does not authorize any transactions otherwise prohibited by the GTSR or E.O. 13876, including transactions involving any person blocked pursuant to the GTSR or E.O. 13876 other than the blocked persons described in paragraph (a) of this general license, unless separately authorized.

Lisa M. Palluconi,

*Deputy Director, Office of Foreign Assets Control.*

Dated: July 10, 2026.

## OFFICE OF FOREIGN ASSETS CONTROL

## Executive Order 13902 of January 10, 2020 (''Imposing Sanctions With Respect to Additional Sectors of Iran'')

## GENERAL LICENSE Z

## Authorizing Wind Down Activities, Limited Safety and Environmental Transactions, and the Offloading of Cargo Involving Certain Persons or Vessels Blocked on July 14, 2026

(a) Except as provided in paragraph (b) of this general license, all transactions prohibited by Executive Order (E.O.) 13902 that are ordinarily incident and necessary to one or more of the following activities involving the blocked persons listed in the Annex to this general license, and any entity in which those blocked persons own, directly or indirectly, individually or in the aggregate, a 50 percent or greater interest (collectively the ''Blocked Persons''), or the blocked vessels listed in the Annex to this general license (the ''Blocked Vessels''), are authorized through 12:01 a.m. eastern daylight time, September 12, 2026, provided that any payment to a blocked person must be made into a blocked interest-bearing account located in the United States:

(1) The wind down of any financial transaction involving the Blocked Persons or Blocked Vessels;

(2) The safe docking and anchoring in, and departure from, any port, excluding ports located in Iran or the Russian Federation, or under the control of the Government of Iran or the Government of the Russian Federation, of the Blocked Vessels;

(3) The preservation of the health or safety of the crew of any of the Blocked Vessels;

(4) Emergency repairs of any of the Blocked Vessels or environmental mitigation or protection activities relating to any of the Blocked Vessels; or

(5) The delivery and offloading of cargo involving the Blocked Vessels, provided that the cargo was loaded on or before July 14, 2026, and that the delivery and offloading of cargo does not occur at any port located in Iran or the Russian Federation or under the control of the Government of Iran or the Government of the Russian Federation.

**Note 1 to paragraph (a).** The authorization in paragraph (a) of this general license includes services such as vessel management, crewing, bunkering, piloting, registration, flagging, insurance, classification, and salvage.

(b) This general license does not authorize:

(1) The entry into any new commercial contracts involving the property or interests in property of any blocked persons, including the blocked persons described in paragraph (a) of this general license, except as authorized by paragraph (a); or

(2) Any transactions or activities prohibited by E.O. 13902, except as authorized by paragraph (a) of this general license, or any transaction or activity prohibited by any other E.O. or any part of 31 CFR chapter V, including any transaction or activity involving Iran, the Government of Iran, or Iranian-origin goods or services that is prohibited by the Iranian Transactions and Sanctions Regulations (31 CFR part 560).

Lisa M. Palluconi,

*Deputy Director, Office of Foreign Assets Control.*

Dated: July 14, 2026.

ANNEX—BLOCKED PERSONS AND VESSELS DESCRIBED IN PARAGRAPH (a) OF GENERAL LICENSE Z

| Blocked person | Blocked vessel name | IMO No. |
|---|---|---|
| Aare Lines Inc | NADIA | 9122461 |
| Ava Tarabar Darya Company | SEPEHR PAYAM | 9110535 |
| Hope 1 Shipping Inc | HOPE 1 | 9514339 |
| Kangri 1 Inc | CICCIO | 9192442 |
| Lubeck Shipping LLC | GEMMA | 9509097 |
| Nuvettro Shipping Inc | JADE | 9418999 |
| Ocean Searum One Limited | ELPINIKI (a.k.a. ''CORN'') | 9606015 |

ANNEX—BLOCKED PERSONS AND VESSELS DESCRIBED IN PARAGRAPH (a) OF GENERAL LICENSE Z—Continued

| Blocked person | Blocked vessel name | IMO No. |
|---|---|---|
| Sea Lead Shipping PTE. Ltd | PAYA LEBAR | 9134232 |
| Sea Lead Shipping PTE. Ltd | SHENTON WAY | 9146314 |
| Sea Lead Shipping PTE. Ltd | TANJONG PAGAR 1 | 9404508 |
| Veltrrivo Shipping Inc | OPAL | 9467158 |

**Bradley T. Smith,**

*Director, Office of Foreign Assets Control.*

[FR Doc. 2026–19424 Filed 9–22–26; 8:45 am]

**BILLING CODE 4810–AL–P**

## DEPARTMENT OF HOMELAND SECURITY

### Coast Guard

### 33 CFR Part 165

**[Docket No. USCG–2026–1137]**

### Safety Zone; Brandon Road Lock and Dam to Lake Michigan Including Des Plaines River, Chicago Sanitary and Ship Canal, Chicago River, and Calumet-Saganashkee Channel, Chicago, IL

**AGENCY:** Coast Guard, DHS.

**ACTION:** Notification of enforcement of regulation.

**SUMMARY:** The Coast Guard will enforce a moving safety zone on the South Branch of the Chicago River between South Damen Avenue at mile marker 321 and the Lake Street Bridge at mile marker 325.5 for the floating up of the bridge leaf for the CDOT Bridge repair. During the enforcement period, entry into, transiting, mooring, laying-up, or anchoring within the safety zone is prohibited unless authorized by the Captain of the Port Lake Michigan or a designated on-scene representative.

**DATES:** The regulations in 33 CFR 165.930(a)(2) and (3) will be enforced on September 26, 2026, 6:00 a.m. through 6:00 p.m., with alternate inclement weather dates and times of September 27, 2026, 6:00 a.m. through 6:00 p.m.; October 3, 2026, 6:00 a.m. through 6:00 p.m.; and October 4, 2026, 6:00 a.m. through 6:00 p.m.

**FOR FURTHER INFORMATION CONTACT:** If you have questions on this notice, call or email Lieutenant Michael Vega, Marine Safety Unit Chicago, U.S. Coast Guard; telephone 630–986–2155, email: *D09-SMB-MSUChicago-WWM@uscg.mil.*

**SUPPLEMENTARY INFORMATION:** The Coast Guard will enforce a portion of the safety zone regulations in 33 CFR 165.930(a)(2) and (3) on the South Branch of the Chicago River between South Damen Avenue (Mile Marker 321) and the Lake Street Bridge (Mile Marker 325.5) for the floating up of the CDOT bridge leaf from 6:00 a.m. until 6:00 p.m. on September 26th, 2026. This will be a moving safety zone creating a 500-foot buffer forward and aft of the vessel carrying the bridge leaf. This action is being taken to provide for the safety of life on the navigable waterway during the bridge leaf float up. Our regulation for marine events within the Great Lakes Coast Guard District, 33 CFR 165.930(c)(1), specifies that the Captain of the Port (COTP) may enforce this safety zone in whole, in segments, or by any combination of segments. The COTP Lake Michigan may suspend the enforcement of any segment of this safety zone for which notice of enforcement has been given. Pursuant to 33 CFR 165.930, during the enforcement period, entry into, transiting, or anchoring within safety zone is prohibited unless authorized by the COTP Lake Michigan or a designated on-scene representative. Vessels and persons granted permission to enter the safety zone must obey all lawful orders or directions of the COTP Lake Michigan designated representative. Upon being hailed by the Coast Guard by siren, radio, flashing light or other means, the operator of a vessel must proceed as directed.

In addition to this notification of enforcement in the **Federal Register**, the Coast Guard will provide the maritime community with notification of this enforcement period via Broadcast Notice to Mariners. The COTP Lake Michigan may be reached by contacting the Coast Guard Sector Lake Michigan Command Center at (833) 900–2247. An on-scene designated representative may be reached via VHF–FM Channel 16.

**R.N. Macon,**

*Captain, U.S. Coast Guard, Captain of the Port, Lake Michigan.*

[FR Doc. 2026–19428 Filed 9–22–26; 8:45 am]

**BILLING CODE 9110–04–P**

## DEPARTMENT OF HOMELAND SECURITY

### Coast Guard

### 33 CFR Part 165

**[Docket Number USCG–2026–0931]**

**RIN 1625–AA00**

### Safety Zone; Zach's Bay, Wantagh, NY

**AGENCY:** Coast Guard, Department of Homeland Security.

**ACTION:** Temporary final rule.

**SUMMARY:** The Coast Guard is establishing a temporary safety zone for certain navigable waters of Zach's Bay, near Wantagh, NY. The safety zone is needed to protect swimmers, personnel, vessels, and the marine environment from potential hazards created by a swim event at Jones Beach State Park. Entry of vessels or persons into this zone is prohibited unless specifically authorized by the Captain of the Port, Sector Long Island Sound, or their designated representative.

**DATES:** This rule is effective from 6 a.m. on September 25, 2026, through 4 p.m. on September 26, 2026. The rule will only be subject to enforcement, however, from 6 a.m. until 4 p.m. on September 25, 2026, and again during those same hours on September 26, 2026.

**ADDRESSES:** To view available documents, go to *https://www.regulations.gov* and search for USCG–2026–0931.

**FOR FURTHER INFORMATION CONTACT:** If you have questions about this rule, contact MST2 Tammy Zhong, Sector Long Island Sound Waterways Management Division, U.S. Coast Guard; telephone 866–299–8031, or email *SECLISSPWMarineEvent@uscg.mil.*

**SUPPLEMENTARY INFORMATION:**

### I. Table of Abbreviations

CFR Code of Federal Regulations
COTP Captain of the Port, Long Island Sound
DHS Department of Homeland Security
FR Federal Register
NPRM Notice of proposed rulemaking
§ Section

U.S.C. United States Code
WGS84 World Geodetic System

**II. Background and Authority**

On June 16, 2026, the Coast Guard received information from New York State Office of Parks, Recreation and Historic Preservation that they will be sponsoring the ''IRONMAN 70.3 at Jones Beach State Park.'' The open water swim portion will take place on Zach's Bay, near Wantagh, NY. The triathlon will include approximately 3,000 participants and the possibility of up to 10,000 spectators. The Captain of the Port, Sector Long Island Sound (COTP) has determined that potential hazards associated with the open water swim, such as the possibility that a vessel will hit a swimmer, are a safety concern for anyone within the area where the open water swim will take place. The COTP is issuing this rule under the authority in 46 U.S.C. 70034, to protect swimmers, personnel, vessels, and the marine environment in the navigable waters within the safety zone while the event is occurring.

The Coast Guard is issuing this rule without prior notice and comment. As is authorized by 5 U.S.C. 553(b)(B), the Coast Guard finds that good cause exists for not publishing a notice of proposed rulemaking (NPRM) with respect to this rule because it is impracticable to take and consider comments and publish a final rule within the time available prior to September 25, 2026, the date the rule must be in place to protect swimmers, personnel, vessels, and the marine environment.

For the same reason, the Coast Guard also finds that under 5 U.S.C. 553(d)(3), good cause exists for making this rule effective less than 30 days after publication in the **Federal Register**.

**III. Discussion of the Rule**

This rule establishes a safety zone in the Zach's Bay, near Wantagh, NY, area from 6 a.m. on September 25, 2026, through 4 p.m. on September 26, 2026. It will only be subject to enforcement, however, from 6 a.m. until 4 p.m. on September 25, 2026, and again during those same hours on September 26, 2026. The safety zone will cover all navigable waters of Zach's Bay south of a line connecting a point near the western entrance to Zach's Bay in position at 40°36′28.47″ N, 073°29′21.01″ W and 40°36′26.78″ N, 073°28′52.06″ W, and south of a line connecting a point near the eastern entrance of the bay in position at 40°36′32.18″ N, 073°28′37.45″ W and 40°36′32.65″ N, 073°28′21.00″ W. These coordinates are based on the World Geodetic System (WGS 84). Vessels and persons will not be allowed to enter the zone during this time, unless authorized by the COTP.

**IV. Regulatory Analyses**

We developed this rule after considering numerous statutes and Executive orders related to rulemaking. Below we summarize our analyses based on a number of these statutes and Executive orders.

*A. Impact on Small Entities*

The regulatory flexibility analysis provisions of the Regulatory Flexibility Act of 1980, 5 U.S.C. 601–612, do not apply to rules that are not subject to notice and comment. Because the Coast Guard has, for good cause, waived the notice and comment requirement that would otherwise apply to this rulemaking, the Regulatory Flexibility Act's flexibility analysis provisions do not apply here.

Under section 213(a) of the Small Business Regulatory Enforcement Fairness Act of 1996 (Pub. L. 104–121), if this rule will affect your small business, organization, or governmental jurisdiction and you have questions, contact the person listed in the **FOR FURTHER INFORMATION CONTACT** section.

Small businesses may send comments to the Small Business and Agriculture Regulatory Enforcement Ombudsman and the Regional Small Business Regulatory Fairness Boards by calling 1–888–REG–FAIR (1–888–734–3247). The Coast Guard will not retaliate against small entities that question or complain about this rule or any policy or action of the Coast Guard.

*B. Collection of Information*

This rule will not call for a new collection of information under the Paperwork Reduction Act of 1995 (44 U.S.C. 3501–3520).

*C. Federalism and Indian Tribal Governments*

We have analyzed this rule under Executive Order 13132, Federalism, and have determined that it is consistent with the fundamental federalism principles and preemption requirements described in that Order.

Also, this rule does not have tribal implications under Executive Order 13175, Consultation and Coordination with Indian Tribal Governments, because it does not have a substantial direct effect on one or more Indian tribes, on the relationship between the Federal Government and Indian tribes, or on the distribution of power and responsibilities between the Federal Government and Indian tribes.

*D. Unfunded Mandates Reform Act*

As required by The Unfunded Mandates Reform Act of 1995 (2 U.S.C. 1531–1538), the Coast Guard certifies that this rule will not result in an annual expenditure of $100,000,000 or more (adjusted for inflation) by a State, local, or tribal government, in the aggregate, or by the private sector.

*E. Environment*

We have analyzed this rule under Department of Homeland Security Directive 023–01, Rev. 1, associated implementing instructions, and Environmental Planning COMDTINST 5090.1 (series), which guide the Coast Guard in complying with the National Environmental Policy Act of 1969 (42 U.S.C. 4321 *et seq.*), and have determined that this action is one of a category of actions that do not individually or cumulatively have a significant effect on the human environment.

This rule is a safety zone. It is categorically excluded from further review under paragraph L60(a) of Appendix A, Table 1 of DHS Instruction Manual 023–01–001–01, Rev. 1. A Record of Environmental Consideration supporting this determination is available in the docket.

**List of Subjects in 33 CFR Part 165**

Harbors, Marine safety, Navigation (water), Reporting and recordkeeping requirements, Security measures, Waterways.

For the reasons discussed in the preamble, the Coast Guard amends 33 CFR part 165 as follows:

## PART 165—REGULATED NAVIGATION AREAS AND LIMITED ACCESS AREAS

■ 1. The authority citation for part 165 continues to read as follows:

**Authority:** 46 U.S.C. 70034, 70051, 70124; 33 CFR 1.05–1, 6.04–1, 6.04–6, and 160.5; Department of Homeland Security Delegation No. 00170.1, Revision No. 01.4.

■ 2. Add § 165.T01–0931 to read as follows:

**§ 165.T01–0931 Safety Zone; Zach's Bay, Wantagh, NY.**

(a) *Location.* The following area is a safety zone: All navigable waters of Zach's Bay south of a line connecting a point near the western entrance to Zach's Bay in position at 40°36′28.47″ N, 073°29′21.01″ W and 40°36′26.78″ N, 073°28′52.06″ W, and south of a line connecting a point near the eastern entrance of the bay in position at 40°36′32.18″ N, 073°28′37.45″ W and 40°36′32.65″ N, 073°28′21.00″ W. These coordinates are based on the World Geodetic System (WGS 84).

(b) *Definitions.* As used in this section, *designated representative* means a Coast Guard Patrol Commander, including a Coast Guard coxswain, petty officer, or other officer operating a Coast Guard vessel and a Federal, State, and local officer designated by or assisting the Captain of the Port Long Island Sound (COTP) in the enforcement of the safety zone.

(c) *Regulations.* (1) Under the general safety zone regulations in subpart C of this part, you may not enter the safety zone described in paragraph (a) of this section unless authorized by the COTP or the COTP's designated representative.

(2) To seek permission to enter, contact the COTP or the COTP's representative on VHF–FM channel 16 or by telephone at (866) 299–8031. Those in the safety zone must comply with all lawful orders or directions given to them by the COTP or the COTP's designated representative.

(d) *Effective dates and Enforcement period.* This rule is effective from 6 a.m. on September 25, 2026, through 4 p.m. on September 26, 2026. It will only be subject to enforcement, however, from 6 a.m. until 4 p.m. on September 25, 2026, and again during those same hours on September 26, 2026.

**Paul J. Mangini,**

*Captain, U.S. Coast Guard, Captain of the Port, Sector Long Island Sound.*

[FR Doc. 2026–19429 Filed 9–22–26; 8:45 am]

**BILLING CODE 9110–04–P**

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## ARCHITECTURAL AND TRANSPORTATION BARRIERS COMPLIANCE BOARD

### 36 CFR Part 1120

**[Docket No. ATBCB–2026–0004]**

**RIN 3014–AA51**

## Revision of Freedom of Information Act Regulations

**AGENCY:** Architectural and Transportation Barriers Compliance Board.

**ACTION:** Final rule.

**SUMMARY:** The Architectural and Transportation Barriers Compliance Board (Access Board or Board) is issuing this final rule to update its regulations under the Freedom of Information Act (FOIA). The Board replaces its existing FOIA regulations with this rule, which streamlines the language of several procedural provisions; updates procedures consistent with current technology; incorporates changes required by amendments to the FOIA under the OPEN Government Act of 2007 and the FOIA Improvement Act of 2016, and developments in case law; and conforms to Department of Justice guidelines for agency FOIA regulations.

**DATES:** The rule is effective on September 23, 2026.

**FOR FURTHER INFORMATION CONTACT:** Frances Spiegel, Attorney Advisor, (202) 272–0041, *foia@access-board.gov.*

**SUPPLEMENTARY INFORMATION:**

### I. Introduction and Legal Authority

The final rule will update the Access Board's regulations under the Freedom of Information Act (FOIA), 5 U.S.C. 552. The Board replaces its existing FOIA regulations with this rule, which streamlines the language of several procedural provisions; incorporates changes required by amendments to the FOIA under the OPEN Government Act of 2007, Public Law 110–175, 121 Stat. 2524, and the FOIA Improvement Act of 2016, Public Law 114–185, 130 Stat. 538 (enacted June 30, 2016); and conforms to Department of Justice's guidelines for agency FOIA regulations. This final rule follows a notice of proposed rulemaking (NPRM), 91 FR 49377, published on August 4, 2026.

The Board's FOIA regulations, 36 CFR part 1120—Public Availability of Information, were initially published in 1980, and revised in 1987 and 1990. *See* 45 FR 80976 (Dec. 8, 1980); 52 FR 43195 (Nov. 10, 1987); 55 FR 2521 (Jan. 25, 1990). While the Board has always administered its FOIA program consistent with the FOIA legislation and administrative directives, the Board now updates its FOIA regulations to reflect these changes.

The format and content of the Access Board's updated FOIA regulation is consistent with the Department of Justice's guidance for agencies on FOIA regulations. *See* U.S. Dept. of Justice, Guidance for Agency FOIA Regulations (June 26, 2019), *available at https://www.justice.gov/oip/oip-guidance/guidance-agency-foia-regulations.* In addition to achieving consistency with statutory and administrative authorities that dictate the substance of agency FOIA regulations, the content has been updated to reflect changes in the Access Board's FOIA procedures due to advances in technology since the original regulation was published.

### II. Comments Received and Changes to the Rule Text

The Access Board received eight comments in response to its NPRM. One was nonresponsive to the specific proposed rule text, and one took issue with the way the Access Board characterized its reasons for updating the regulation but provided no substantive suggestions. Another seemed to misunderstand the purpose of the rulemaking, expressing concern that the rulemaking would affect how individuals request Access Board services, which it does not. That comment, along with a fourth, expressed a general desire for the Access Board's FOIA program to be accessible to individuals with disabilities, a theme that is discussed below. The fourth comment also expressed general support for the rulemaking and a desire that the final rule result in a regulation that is fair and useable by the public.

The other comments raised substantive concerns, which the Access Board carefully considered. These concerns are described below, along with any resulting changes made to the final regulation.

*Timing of Initial Response*

One commenter indicated that the regulation lacks a restatement of the statutory timeframe for agencies to provide an initial response to FOIA requests. The Board agrees and has added a sentence in section 1120.5 indicating that the FOIA office will respond to requests within 20 working days unless the other circumstances delineated in that section apply.

Another commenter expressed concern that section 1120.3(b) does not explain how the statutory timeframe for response is affected when the agency must seek clarification from the requester regarding the request. The Board has clarified in section 1120.3(b) that the statutory timeframe will be tolled from when the agency seeks additional information from the requester until the information is provided.

*Consequences of Failure To Sufficiently Describe Records Sought*

In section 1120.3(b), the proposed rule text indicated that if the request did not reasonably describe the records sought, the agency's response may be delayed. A commenter expressed concern that this language understates the consequences of failing to reasonably describe the records sought. The Access Board agrees. The statutory time period for response will be tolled while the agency seeks clarification, which will delay the agency's response. However, if sufficient information is not provided in response to the agency's inquiries, ultimately the request must be denied. The Board has therefore revised section 1120.3(b) to clarify that if sufficient information is not provided to reasonably describe the records sought, or otherwise perfect the request, the request will be denied.

*Expedited Processing*

Two commenters took issue with the Board's proposed language of 1120.5(e)(1) as insufficiently specific. The proposed language stated that expedited processing will be granted upon demonstration of ''compelling need,'' and in ''other cases as determined by the agency.'' The commenters asserted that the ''other cases'' must be defined in the regulation. Unlike some other agencies, such as the Department of Justice, the Access Board can identify no class of records that it maintains other than those falling under the definition of ''compelling need'' at 5 U.S.C. 552(a)(6)(E)(i) that would warrant, as a category, expedited processing. In the NPRM preamble, the Board explained that it was leaving open the possibility that a unique situation could present a significant and substantiated level of urgency similar to a compelling need, such that the Board would expedite processing in that instance. However, after further consideration in light of the comment, the Board has removed the reference to ''other cases as determined by the agency.''

*Fees*

One commenter did not feel that the Board sufficiently substantiated its proposed fee schedule as reflective of the actual salaries of staff performing search and review for FOIA requests. The proposed fee schedule included search and review at the following rate categories, listed below with hourly rates from the 2026 federal salary scales with Washington D.C. locality pay for informational purposes: clerical personnel charged at a salary rate equivalent to a GS–9/step 5 ($38.35); professional/managerial personnel charged at a salary rate equivalent to a GS–14/step 5 ($78.15); senior executive [1] personnel and Board members charged at a salary rate equivalent to an EX-Level IV ($94.49).

Upon review of the pay grades of the individuals conducting FOIA searches, and in response to the comment received, in the final rule the Access Board has added the category of Information Technology personnel at the GS 13 Step 5 level ($66.14/hour). The Board had previously planned to include this type of personnel within the clerical category; however, IT staff have a significant role in many FOIA searches for electronic records and are paid at a salary well above the GS 9 Step 5 level. The Board has also renamed the clerical category as ''clerical/administrative'' to reflect the variety of positions whose work would be charged at this fee level.

Salary information upon which the fee schedule is based is as follows. FOIA searches at the Access Board are coordinated and conducted primarily by an attorney at the GS 14 Step 9 level ($87.35/hour). Initial email searches are run by an information technology staff person at the GS 13 Step 3 level ($62.24/hour), or an IT contractor for which the agency pays, overall, a higher hourly rate. In specific instances, managerial staff, administrative/clerical staff, Board members, and senior executives may also be called upon to assist with a search.

Managerial positions at the Access Board, other than senior executive personnel, are classified at the GS 15 level ($81.11 minimum per hour). The Access Board has only one clerical position: an executive assistant position previously hired at the GS 9 level but recently reclassified as a GS 11 position with additional duties ($40.94 minimum per hour). In addition to the executive assistant, other administrative staff at positions classified at the GS 11 level or above may be called on to provide clerical support for FOIA search or review.

Board members are paid at the Executive Level IV salary ($94.49 per hour), and both the General Counsel and the Executive Director earn salaries exceeding that level. Review is typically performed exclusively by attorneys at the GS 14 Step 9 level, and the General Counsel who is classified at the senior professional level; however, there may be instances where clerical support will be required from the agency's administrative staff.

The Board has set all the fee categories at the Step 5 level to account for variation in the specific step of the individual holding the position at any given time, and the variation of employees across categories, while providing clarity to requesters on the fees to be charged.

The fee schedule in section 1120.10 does not overestimate the direct costs incurred by the agency in responding to requests, and in many cases, significantly underestimates them. The Board does not find that these fees will exceed the actual cost to the agency of performing the work required to respond to FOIA requests.

One commenter objected to the Board's shift from an hourly fee published in the regulation to a fee schedule tied to the federal salary scales. That commenter proposed that the Access Board include the hourly rate in its FOIA regulation and then update the regulation annually as salaries change. The Board respectfully declines this suggestion. Federal salary scales are publicly available and easily searchable on the Office of Personnel Management website.

In the final rule, the Board clarifies in section 1120.10(c)(1)(ii) that the salaries listed in the fee schedule will be calculated with Washington, D.C. locality pay, which reflects actual costs to the agency. The Board has also revised section 1120.10(a) to clarify that the FOIA office may provide an electronic means to pay FOIA fees.

*Submitter Objections*

Two commenters expressed concern that under section 1120.7, the Board would defer to the opinions of submitters of confidential commercial information. The Board does not find that the language of 1120.7 would lead the agency to this result and thus declines to revise this section. The Board highlights that section 1120.7 provides the submitter with notice and an opportunity to be heard with respect to whether information provided by the submitter is lawfully withheld under FOIA Exemption 4. Ultimately, as stated in section 1120.7(f), the agency is only required to ''consider'' the submitter's objections; it need not defer to a submitter's preference if the Board does not concur that Exemption 4 is applicable. Further, section 1120.7(g) provides a notification process when the Board decides to disclose information ''over the objection of a submitter.'' The language of the section clearly indicates that the Board will make an independent determination as to whether information should be withheld under FOIA Exemption 4 upon consideration of all relevant information, including any information provided by the submitter.

*Content of Denial*

Where the FOIA officer has made an adverse determination, section 1120.6(e)(2) requires the agency to provide in a denial letter a brief statement of the reasons for the denial, including any FOIA exemption applied by the agency in denying the request. One commenter requested that section 1120.6(e)(2) explicitly require the agency to specify in a denial letter an explanation of the ''foreseeable harm'' the agency expects from each disclosure

[1] ''Senior executive'' as used in this rule refer to Senior Executive Service positions, and senior professional positions, such as SL (senior level) or ST (scientific and technical).

of information withheld under a discretionary exemption. The Board declines to make this change. The Access Board makes withholding decisions consistent with the requirements of the FOIA statute, including the requirement that an agency withhold information only where the agency reasonably foresees that disclosure would harm an interest protected by an exemption or the disclosure is prohibited by law. 5 U.SC. 552(a)(8)(A). The FOIA statute does not require an agency in an initial denial letter to provide a detailed analysis for each piece of information withheld. The statute provides for an appeal process should a requester wish to challenge the agency's decision with respect to a specific withholding.

*Accessibility of Records*

Three commenters remarked on the accessibility of requested records, with one commenter specifically requesting that the regulation contain a provision under section 1120.6(f) requiring that markings identifying withheld material not be conveyed solely through visual formatting, and another commenter generally requesting that responsive records be furnished in an accessible format without a requester needing to describe or document a disability. The Access Board appreciates these comments, as accessibility for people with disabilities is central to its mission.

With respect to these comments, the Board notes that letters from the agency describing a determination under FOIA are agency official communications that must be accessible pursuant to regulations issued under section 508 of the Rehabilitation Act, 36 CFR 1194, Appendix A, E205.3(B), and requested records are required to be made accessible under section 504 of the Rehabilitation Act to individuals upon request and based on their specific disability. As accessibility of FOIA determinations and requested records already falls under regulations issued under the Rehabilitation Act, the Access Board declines to require specific accessibility in its regulation issued under the FOIA, noting that the FOIA statute is silent as to accessibility requirements. *See generally* 5 U.S.C. 552. Access Board staff are always available to work with requesters on accessibility needs.

## III. Regulatory Process Matters

*Regulatory Review (E.O. 12866):* The Office of Management and Budget has determined that this rule is not a ''significant regulatory action'' under Executive Order 12866, § 3(f), Regulatory Planning and Review, and accordingly this rule has not been reviewed by that Office.

*Regulatory Flexibility Act:* In accordance with the Regulatory Flexibility Act (5 U.S.C. 605(b)), the Access Board certifies that this regulation will not have a significant economic impact on a substantial number of small entities. This rule will affect those who make requests for access to information under the provisions of the FOIA. Under the FOIA, agencies may recover only the direct costs of searching for, reviewing, and duplicating the records processed for requesters, and only for certain classes of requester and when particular conditions are satisfied. In satisfying these conditions, the Access Board typically does not charge fees for processing FOIA requests. While the Access Board has not updated its FOIA regulation since 1990, it has nevertheless been following the current statutory requirements of the FOIA and related administrative directives as reflected in DOJ's FOIA regulations template. Thus, other than revising the fee schedule, this rulemaking simply serves to codify existing practice, which is already required by law and administrative authorities.

*Unfunded Mandates Reform Act of 1995:* This rule will not result in the expenditure by State, local, and Tribal governments, in the aggregate, or by the private sector, of $100,000,000 or more in any one year, and it will not significantly or uniquely affect small governments. Therefore, no actions were deemed necessary under the provisions of the Unfunded Mandates Reform Act of 1995.

*Paperwork Reduction Act:* This regulation contains no information collection requirements subject to review by the Office of Management and Budget under the Paperwork Reduction Act. *See* 44 U.S.C. 3501, *et seq.*

## List of Subjects in 36 CFR Part 1120

Administrative practice and procedure; Freedom of Information Act; Privacy.

Approved by vote of the Access Board.

**Christopher Kuczynski,**

*General Counsel.*

■ For the reasons stated in the preamble, the Access Board amends title 36, chapter XI, of the Code of Federal Regulations by revising and republishing part 1120 to read as follows:

## PART 1120—PROCEDURES FOR DISCLOSURE OF RECORDS UNDER THE FREEDOM OF INFORMATION ACT

Sec.



**Authority:** 5 U.S.C. 552, the Freedom of Information Act, as amended.

### § 1120.1 General provisions.

This part contains the rules that the Architectural and Transportation Barriers Compliance Board (''U.S. Access Board,'' ''Access Board,'' or ''agency'') follows in processing requests for records under the Freedom of Information Act (''FOIA''), 5 U.S.C. 552. The rules in this part should be read in conjunction with the text of the FOIA and the Uniform Freedom of Information Fee Act Schedule and Guidelines published by the Office of Management and Budget (''OMB Guidelines''). Requests made by individuals for records about themselves under the Privacy Act of 1974, 5 U.S.C. 552a, are processed under 36 CFR 1121 as well as under this part.

### § 1120.2 Proactive disclosure of agency records.

Records that are required by the FOIA to be made available for public inspection in an electronic format may be accessed through the Access Board's website at *www.access-board.gov.*

### § 1120.3 Requirements for making requests.

(a) *General information.* (1) Requests for records must be submitted in writing. The Access Board has a central FOIA office that processes all records requests for the agency. To make a request for Access Board records, a requester should send an email to *foia@access-board.gov* or submit a request to the Access Board through the *FOIA.gov*portal (*www.foia.gov*). Alternatively, requesters may send requests to FOIA Officer, U.S. Access Board, 1331 F Street NW, Suite 1000, Washington, DC 20004.

(2) The agency's FOIA Officer and FOIA Public Liaison are available to assist requesters. Contact information for these individuals is available on the agency's website at *www.access-board.gov.*

(3) A requester who is making a request for records about himself or herself must comply with verification of

identity procedures specified by the FOIA officer.

(4) Where a request for records pertains to a third party, a requester may receive greater access by submitting either a notarized authorization signed by that individual or a declaration made in compliance with the requirements set forth in 28 U.S.C. 1746 by that individual authorizing disclosure of the records to the requester, or by submitting proof that the individual is deceased (*e.g.,* a copy of a death certificate or an obituary). As an exercise of administrative discretion, the agency can require a requester to supply additional information if necessary in order to verify that a particular individual has consented to disclosure.

(b) *Description of records sought.* Requesters must describe the records sought in sufficient detail to enable agency personnel to locate them with a reasonable amount of effort. To the extent possible, requesters should include specific information that may assist the agency in identifying the requested records, such as the date, title or name, author, recipient, subject matter of the record, case number, file designation, or reference number. In general, requesters should include as much detail as possible about the specific records or the types of records that they are seeking. Before submitting their requests, requesters may contact the agency's FOIA officer or FOIA Public Liaison to discuss the records they are seeking and to receive assistance in describing the records. If after receiving a request the agency determines that it does not reasonably describe the records sought, the agency shall inform the requester what additional information is needed or why the request is otherwise deficient. The timeframe for response described in 1120.5(a) will be tolled upon notification to the requester that additional information is needed to process the request until sufficient information is received by the agency such that the request can be processed. If sufficient information is not subsequently provided by the requester to reasonably describe the records sought or otherwise perfect the request, the request will be denied.

**§ 1120.4 Responsibility for responding to requests.**

(a) *In general.* Except in the instances described in paragraph (c) of this section, the agency's FOIA office is responsible for responding to the request. Only the agency's Chief FOIA Officer or designee is authorized to grant or to deny any requests for agency records.

(b) *Re-routing of misdirected requests.* Where a request for records is received by agency personnel other than FOIA office personnel, the receiving personnel shall route the request to the FOIA office for processing.

(c) *Consultation, referral, and coordination.* When reviewing records located in response to a request, FOIA office personnel shall assess whether another agency of the Federal Government is better able to determine whether the record is exempt from disclosure under the FOIA. As to any such record, the agency shall proceed in one of the following ways:

(1) *Consultation.* When records originated with the Access Board, but contain within them information of interest to another agency or other Federal Government office, FOIA office personnel should typically consult with that other agency or office prior to making a release determination.

(2) *Referral.* (i) When FOIA office personnel conclude that a different agency or other Federal Government office is best able to determine whether to disclose the record, the Access Board will typically refer the responsibility for responding to the request regarding that record, as long as the referral is to an agency or office that is subject to the FOIA. Ordinarily, the agency or office that originated the record will be presumed to be best able to make the disclosure determination. However, if the Access Board and the originating agency or office jointly agree that the Access Board is in the best position to respond regarding the record, then the record may be handled as a consultation.

(ii) Whenever the Access Board refers any part of the responsibility for responding to a request to another agency or office, it shall document the referral, maintain a copy of the record that it refers, and notify the requester of the referral and inform the requester of the name of the agency or office to which the record was referred.

(3) *Coordination.* The standard referral procedure is not appropriate where disclosure of the identity of the agency to which the referral would be made could harm an interest protected by an applicable exemption, such as the exemptions that protect personal privacy or national security interests. In such instances, in order to avoid harm to an interest protected by an applicable exemption, the agency should coordinate with the originating agency to seek its views on the disclosability of the record. The release determination for the record that is the subject of the coordination should then be conveyed to the requester by the Access Board.

(d) *Agreements regarding consultations and referrals.* The Access Board may establish agreements with other agencies to eliminate the need for consultations or referrals with respect to particular types of records.

**§ 1120.5 Timing of responses to requests.**

(a) *In general.* The FOIA office will provide an initial response to the requester within 20 working days of receipt of the request, except as otherwise provided in this section. The FOIA office will typically respond to requests according to their order of receipt. In instances involving misdirected requests that are re-routed pursuant to § 1120.4(b), the response time will commence on the date that the request is received by the FOIA office, but in any event not later than 10 working days after the request is first received by an agency employee.

(b) *Multitrack processing.* The FOIA office may designate additional processing tracks that distinguish between simple and more complex requests based on the estimated amount of work or time needed to process the request. Among the factors the FOIA office may consider are the number of pages involved in processing the request and the need for consultations or referrals. If multitrack processing has been established for the fiscal year at the time a request is filed, the FOIA officer shall advise the requester of the track into which the request falls and, when appropriate, shall offer the requester an opportunity to narrow the request so that it can be placed in a different processing track. Requests that are granted expedited processing in accordance with the standards set forth in paragraph (e) of this section shall be placed in a separate track for expedited processing regardless of whether multitrack processing has otherwise been established.

(c) *Unusual circumstances.* Whenever the statutory time limit for processing a request cannot be met because of "unusual circumstances," as defined in the FOIA, and the agency extends the time limit on that basis, the agency shall notify the requester in writing of the unusual circumstances involved and of the date by which processing of the request can be expected to be completed. Where the extension exceeds 10 working days, the agency shall, as described by the FOIA, provide the requester with an opportunity to modify the request or arrange an alternative time period for processing. The agency shall make available its FOIA officer and its FOIA Public

Liaison for this purpose. The agency will notify the requester of the availability of the Office of Government Information Services to provide dispute resolution services.

(d) *Aggregating requests.* For the purposes of satisfying unusual circumstances under the FOIA, the agency may aggregate requests in cases where it reasonably appears that multiple requests, submitted either by a requester or by a group of requesters acting in concert, constitute a single request that would otherwise involve unusual circumstances. The agency shall not aggregate multiple requests that involve unrelated matters.

(e) *Expedited processing.* (1) The Access Board will process requests and appeals on an expedited basis when the requester demonstrates a compelling need. A compelling need exists when:

(i) lack of expedited processing could reasonably be expected to pose an imminent threat to the life or physical safety of an individual; or

(ii) there is an urgency to inform the public about an actual or alleged Federal Government activity, if the request is made by a person who is primarily engaged in disseminating information.

(2) A request for expedited processing may be made at any time.

(3) A requester who seeks expedited processing must submit a statement, certified to be true and correct, explaining in detail the basis for making the request for expedited processing. For example, under paragraph (e)(1)(ii) of this section, a requester who is not a full-time member of the news media must establish that the requester is a person whose primary professional activity or occupation is information dissemination, though it need not be the requester's sole occupation. Such a requester also must establish a particular urgency to inform the public about the government activity involved in the request—one that extends beyond the public's right to know about government activity generally. The existence of numerous articles published on a given subject can be helpful in establishing the requirement that there be an ''urgency to inform'' the public on the topic. As a matter of administrative discretion, the agency may waive the formal certification requirement.

(4) The agency shall notify the requester within 10 calendar days of the receipt of a request for expedited processing of its decision whether to grant or deny expedited processing. If expedited processing is granted, the request shall be given priority, placed in the processing track for expedited requests, and shall be processed as soon as practicable. If a request for expedited processing is denied, any appeal of that decision shall be acted on expeditiously.

**§ 1120.6 Responses to requests.**

(a) *In general.* The agency will communicate with requesters primarily via electronic mail and telephone, unless a physical mailing address is the only contact information provided.

(b) *Tracking numbers.* The FOIA office shall assign a request an individualized tracking number if it will take longer than 10 working days to process.

(c) *Grants of requests.* Once the agency makes a determination to grant a request in full or in part, it shall notify the requester in writing. The agency also shall inform the requester of any fees charged under § 1120.10 and shall disclose the requested records to the requester promptly upon payment of any applicable fees. The agency shall inform the requester of the availability of the FOIA Public Liaison to offer assistance.

(d) *Adverse determinations of requests.* The agency shall notify the requester of an adverse determination denying a request in any respect in writing. Adverse determinations, or denials of requests, include decisions that: the requested record is exempt, in whole or in part; the request does not reasonably describe the records sought; the information requested is not a record subject to the FOIA; the requested record does not exist, cannot be located, or has been destroyed; or the requested record is not readily reproducible in the form or format sought by the requester. Adverse determinations also include denials involving fees or fee waiver matters or denials of requests for expedited processing.

(e) *Content of denial.* The denial shall be signed by the agency's Chief FOIA Officer, or designee, and shall include:

(1) The name and title or position of the person responsible for the denial;

(2) A brief statement of the reasons for the denial, including any FOIA exemption applied by the agency in denying the request;

(3) An estimate of the volume of any records or information withheld, such as the number of pages or some other reasonable form of estimation, although such an estimate is not required if the volume is otherwise indicated by deletions marked on records that are disclosed in part or if providing an estimate would harm an interest protected by an applicable exemption;

(4) A statement that the denial may be appealed under § 1120.8(a), and a description of the requirements set forth therein; and

(5) A statement notifying the requester of the assistance available from the Agency's FOIA Public Liaison and the dispute resolution services offered by the Office of Government Information Services.

(f) *Markings on released documents.* Markings on released documents must be clearly visible to the requester. Records disclosed in part shall be marked to show the amount of information deleted and the exemption under which the deletion was made unless doing so would harm an interest protected by an applicable exemption. The location of the information deleted shall also be indicated on the record, if technically feasible.

**§ 1120.7 Confidential commercial information.**

(a) *Definitions.* (1) *Confidential commercial information* means commercial or financial information obtained by the agency from a submitter that may be protected from disclosure under Exemption 4 of the FOIA, 5 U.S.C. 552(b)(4).

(2) *Submitter* means any person or entity, including a corporation, State, or foreign government, but not including another Federal Government entity, that provides information, either directly or indirectly to the Federal Government.

(b) *Designation of confidential commercial information.* A submitter of confidential commercial information must use good faith efforts to designate by appropriate markings, either at the time of submission or within a reasonable time thereafter, any portion of its submission that it considers to be protected from disclosure under Exemption 4. These designations shall expire 10 years after the date of the submission unless the submitter requests and provides justification for a longer designation period.

(c) *When notice to submitters is required.* (1) The agency shall promptly provide written notice to a submitter of confidential commercial information whenever records containing such information are requested under the FOIA if, after reviewing the request, the responsive records, and any appeal by the requester, the agency determines that it may be required to disclose the records, provided:

(i) The requested information has been designated in good faith by the submitter as information considered protected from disclosure under Exemption 4; or

(ii) The agency has a reason to believe that the requested information may be protected from disclosure under Exemption 4, but has not yet determined whether the information is protected from disclosure under that exemption or any other applicable exemption.

(2) The notice shall either describe the commercial information requested or include a copy of the requested records or portions of records containing the information. In cases involving a voluminous number of submitters, notice may be made by posting or publishing the notice in a place or manner reasonably likely to accomplish it.

(d) *Exceptions to submitter notice requirements.* The notice requirements of this section shall not apply if:

(1) The agency determines that the information is exempt under the FOIA;

(2) The information has been lawfully published or has been officially made available to the public;

(3) Disclosure of the information is required by a statute other than the FOIA or by a regulation issued in accordance with the requirements of Executive Order 12600 of June 23, 1987; or

(4) The designation made by the submitter under paragraph (b) of this section appears obviously frivolous, except that, in such a case, the agency shall give the submitter written notice of any final decision to disclose the information and must provide that notice within a reasonable number of days prior to a specified disclosure date.

(e) *Opportunity to object to disclosure.* (1) The agency will specify a reasonable time period within which the submitter must respond to the notice referenced above. If a submitter has any objections to disclosure, it should provide the agency a detailed written statement that specifies all grounds for withholding the particular information under any exemption of the FOIA. In order to rely on Exemption 4 as basis for nondisclosure, the submitter must explain why the information constitutes a trade secret or commercial or financial information that is privileged or confidential.

(2) A submitter who fails to respond within the time period specified in the notice shall be considered to have no objection to disclosure of the information. Information received by the agency after the date of any disclosure decision will not be considered by the agency. Any information provided by a submitter under this subpart may itself be subject to disclosure under the FOIA.

(f) *Analysis of objections.* The agency will consider a submitter's objections and specific grounds for nondisclosure in deciding whether to disclose the requested information.

(g) *Notice of intent to disclose.* Whenever the agency decides to disclose information over the objection of a submitter, the agency will provide the submitter written notice, including:

(1) A statement of the reasons why each of the submitter's disclosure objections was not sustained;

(2) A description of the information to be disclosed; and

(3) A specified disclosure date, which shall be a reasonable time subsequent to the notice.

(h) *Notice of FOIA lawsuit.* Whenever a requester files a lawsuit seeking to compel the disclosure of confidential commercial information, the agency will promptly notify the submitter.

(i) *Requester notification.* The agency will notify a requester whenever it provides the submitter with notice and an opportunity to object to disclosure; whenever it notifies the submitter of its intent to disclose the requested information; and whenever a submitter files a lawsuit to prevent the disclosure of the information.

**§ 1120.8 Administrative appeals.**

(a) *Requirements for making an appeal.* A requester may appeal any adverse determinations. Appeals can be submitted by email to *FOIA@access-board.gov* or by regular mail to: Chief FOIA Officer, Office of General Counsel, U.S. Access Board, 1331 F. Street NW, Suite 1000, Washington, D.C. 20004. Examples of adverse determinations are provided in § 1120.6(d). The requester must make the appeal in writing and to be considered timely it must be postmarked, or in the case of electronic submissions, transmitted, within 90 calendar days after the date of the response. The appeal should clearly identify the agency's determination that is being appealed and the assigned request number. To facilitate handling, the requester should mark both the appeal letter and envelope, or subject line of the electronic transmission, ''Freedom of Information Act Appeal.''

(b) *Adjudication of appeals.* (1) The agency's Chief FOIA Officer or designee will adjudicate appeals.

(2) An appeal ordinarily will not be adjudicated if the request becomes a matter of FOIA litigation.

(c) *Decisions on appeals.* A decision on an appeal must be made in writing. A decision that upholds the initial determination will contain a statement that identifies the reasons for the affirmance, including any FOIA exemptions applied. The decision will provide the requester with notification of the statutory right to file a lawsuit and will inform the requester of the mediation services offered by the Office of Government Information Services of the National Archives and Records Administration as a non-exclusive alternative to litigation. If the initial decision is modified on appeal, the requester will be notified of that determination in writing. The FOIA office will thereafter further process the request in accordance with that appeal determination and respond directly to the requester.

(d) *Engaging in dispute resolution services provided by OGIS.* Mediation is a voluntary process. If the agency agrees to participate in the mediation services provided by the Office of Government Information Services, it will actively engage as a partner to the process in an attempt to resolve the dispute.

(e) *When appeal is required.* Before seeking review by a court of the agency's adverse determination, a requester generally must first submit a timely administrative appeal.

**§ 1120.9 Preservation of records.**

The agency shall preserve all correspondence pertaining to the requests that it receives under this subpart, as well as copies of all requested records, until disposition or destruction is authorized pursuant to title 44 of the United States Code or the General Records Schedule 14 of the National Archives and Records Administration. Records shall not be disposed of or destroyed while they are the subject of a pending request, appeal, or lawsuit under the FOIA.

**§ 1120.10 Fees.**

(a) *In general.* The Access Board shall charge for processing requests under the FOIA in accordance with the provisions of this section and with the OMB Guidelines. In order to resolve any fee issues that arise under this section, the FOIA office may contact a requester for additional information. The agency shall ensure that searches, review, and duplication are conducted in the most efficient and the least expensive manner. The Access Board ordinarily will collect all applicable fees before sending copies of records to a requester. Requesters must pay fees by check or money order made payable to the Treasury of the United States, or by a method of electronic payment specified by the FOIA office.

(b) *Definitions.* For purposes of this section:

(1) *Commercial use request* is a request that asks for information for a

use or a purpose that furthers a commercial, trade, or profit interest, which can include furthering those interests through litigation. The agency's decision to place a requester in the commercial use category will be made on a case-by-case basis based on the requester's intended use of the information.

(2) *Direct costs* are those expenses that an agency incurs in searching for and duplicating (and, in the case of commercial use requests, reviewing) records in order to respond to a FOIA request. For example, direct costs include the salary of the employee performing the work (*i.e.,* the basic rate of pay for the employee, plus 16 percent of that rate to cover benefits) and the cost of operating computers and other electronic equipment, such as photocopiers and scanners. Direct costs do not include overhead expenses such as the costs of space, and of heating or lighting a facility.

(3) *Duplication* is reproducing a copy of a record, or of the information contained in it, necessary to respond to a FOIA request. Copies can take the form of paper, audiovisual materials, or electronic records, among others.

(4) *Educational institution* is any school that operates a program of scholarly research. A requester in this fee category must show that the request is made in connection with the requester's role at the educational institution. The Access Board may seek assurance from the requester that the request is in furtherance of scholarly research and will advise requesters of their placement in this category.

(i) *Example 1.* A request from a professor of geology at a university for records relating to soil erosion, written on letterhead of the Department of Geology, would be presumed to be from an educational institution.

(ii) *Example 2.* A request from the same professor of geology seeking drug information from the Food and Drug Administration in furtherance of a murder mystery he is writing would not be presumed to be an institutional request, regardless of whether it was written on institutional stationery.

(iii) *Example 3.* A student who makes a request in furtherance of the student's coursework or other school-sponsored activities and provides a copy of a course syllabus or other reasonable documentation to indicate the research purpose for the request, would qualify as part of this fee category.

(5) *Noncommercial scientific institution* is an institution that is not operated on a ''commercial'' basis, as defined in paragraph (b)(1) of this section and that is operated solely for the purpose of conducting scientific research the results of which are not intended to promote any particular product or industry. A requester in this category must show that the request is authorized by and is made under the auspices of a qualifying institution and that the records are sought to further scientific research and are not for a commercial use.

(6) *Representative of the news media* is any person or entity that actively gathers information of potential interest to a segment of the public, uses its editorial skills to turn the raw materials into a distinct work, and distributes that work to an audience. The term ''news'' means information that is about current events or that would be of current interest to the public. Examples of news media entities include television or radio stations that broadcast ''news'' to the public at large and publishers of periodicals that disseminate ''news'' and make their products available through a variety of means to the general public, including news organizations that disseminate solely on the internet. A request for records supporting the news-dissemination function of the requester shall not be considered to be for a commercial use. ''Freelance'' journalists who demonstrate a solid basis for expecting publication through a news media entity shall be considered as a representative of the news media. A publishing contract would provide the clearest evidence that publication is expected; however, the agency shall also consider a requester's past publication record in making this determination.

(7) *Review* is the examination of a record located in response to a request in order to determine whether any portion of it is exempt from disclosure. Review time includes processing any record for disclosure, such as doing all that is necessary to prepare the record for disclosure, including the process of redacting the record and marking the appropriate exemptions. Review costs are properly charged even if a record ultimately is not disclosed. Review time also includes time spent both obtaining and considering any formal objection to disclosure made by a confidential commercial information submitter under § 1120.7, but it does not include time spent resolving general legal or policy issues regarding the application of exemptions.

(8) *Search* is the process of looking for and retrieving records or information responsive to a request. Search time includes page-by-page or line-by-line identification of information within records and the reasonable efforts expended to locate and retrieve information from electronic records.

(c) *Charging fees.* In responding to FOIA requests, the Access Board will charge the following fees unless a waiver or reduction of fees has been granted under paragraph (k) of this section. The fee amounts provided below include the direct costs associated with a given fee type.

(1) *Search.* (i) Requests made by educational institutions, noncommercial scientific institutions, or representatives of the news media are not subject to search fees. Search fees shall be charged for all other requesters, subject to the restrictions of paragraph (d) of this section. The agency may properly charge for time spent searching even if they do not locate any responsive records or if they determine that the records are entirely exempt from disclosure.

(ii) Search fees, including for electronic searches that do not require new programming, will be calculated based on the Washington, DC. Locality Pay Area hourly rates (basic pay plus 16% for benefits) of the personnel conducting the search, rounded down to the nearest full hour, as follows:

(A) Searches by clerical/administrative personnel will be charged at a salary rate equivalent to a GS–9/step 5;

(B) Searches by information technology personnel will be charged at a salary rate equivalent to a GS–13/step 5;

(C) Searches by professional/managerial personnel will be charged at a salary rate equivalent to a GS–14/step 5; and

(D) Searches by senior executive personnel and Board members will be charged at a salary rate equivalent to an EX-Level IV.

(iii) Requesters shall be charged the direct costs associated with conducting any search that requires the creation of a new computer program to locate the requested records. Requesters shall be notified of the costs associated with creating such a program and must agree to pay the associated costs before the costs may be incurred.

(iv) For requests that require the retrieval of records stored by the agency at a Federal records center operated by the National Archives and Records Administration (NARA), additional costs shall be charged in accordance with the Transactional Billing Rate Schedule established by NARA.

(2) *Duplication.* Duplication fees shall be charged to all requesters, subject to the restrictions of paragraph (d) of this section. The agency will honor a requester's preference for receiving a

record in a particular form or format where it is readily reproducible by the agency in the form or format requested. Where photocopies are supplied, the agency will provide one copy per request at a cost of $0.20 per page. For copies of records produced on tapes, disks, or other media, the agency will charge the direct costs of producing the copy, including operator time. Where paper documents must be scanned in order to comply with a requester's preference to receive the records in an electronic format, the requester shall pay the direct costs associated with scanning those materials. For other forms of duplication, the agency will charge the direct costs.

(3) *Review.* Review fees shall be charged to requesters who make commercial use requests. Review fees shall be assessed in connection with the initial review of the record, *i.e.,* the review conducted by the agency to determine whether an exemption applies to a particular record or portion of a record. No charge will be made for review at the administrative appeal stage of exemptions applied at the initial review stage. However, if a particular exemption is deemed to no longer apply, any costs associated with the re-review of the records in order to consider the use of other exemptions may be assessed as review fees. Review fees shall be charged at the same rates as those charged for a search under paragraph (c)(1)(ii) of this section.

(d) *Restrictions on charging fees.* (1) No search fees will be charged for requests by educational institutions (unless the records are sought for a commercial use), noncommercial scientific institutions, or representatives of the news media.

(2) If the agency fails to comply with the FOIA's time limits in which to respond to a request, it may not charge search fees, or, in the instances of requests from requesters described in paragraph (d)(1) of this section, may not charge duplication fees, except as described in paragraphs (d)(2)(i) through (iii) of this section.

(i) If the agency has determined that unusual circumstances as defined by the FOIA apply and the agency provided timely written notice to the requester in accordance with the FOIA, a failure to comply with the time limit shall be excused for an additional 10 days.

(ii) If the agency has determined that unusual circumstances as defined by the FOIA apply, and more than 5,000 pages are necessary to respond to the request, the agency may charge search fees, or, in the case of requesters described in paragraph (d)(1) of this section, may charge duplication fees if the following steps are taken. The agency must have provided timely written notice of unusual circumstances to the requester in accordance with the FOIA and the agency must have discussed with the requester via written mail, email, or telephone (or made not less than three good-faith attempts to do so) how the requester could effectively limit the scope of the request in accordance with 5 U.S.C. 552(a)(6)(B)(ii). If this exception is satisfied, the agency may charge all applicable fees incurred in the processing of the request.

(iii) If a court has determined that exceptional circumstances exist as defined by the FOIA, a failure to comply with the time limits shall be excused for the length of time provided by the court order.

(3) Except for requesters seeking records for a commercial use, the agency will provide without charge:

(i) The first 100 pages of duplication (or the cost equivalent for other media); and

(ii) The first two hours of search.

(4) When, after first deducting the 100 free pages (or its cost equivalent) and the first two hours of search, a total fee calculated under paragraph (c) of this section is $25.00 or less for any request, no fee will be charged.

(5) No fees will be charged if the costs of routine collection and processing of the fee are likely to equal or exceed the amount of the fee.

(e) *Notice of anticipated fees in excess of $25.00.* (1) When the agency determines or estimates that the fees to be assessed in accordance with this section will exceed $25.00, the agency will notify the requester of the actual or estimated amount of the fees, including a breakdown of the fees for search, review or duplication, unless the requester has indicated a willingness to pay fees as high as those anticipated. If only a portion of the fee can be estimated readily, the agency will advise the requester accordingly. If the requester is a noncommercial use requester, the notice will specify that the requester is entitled to the statutory entitlements of 100 pages of duplication at no charge and, if the requester is charged search fees, two hours of search time at no charge, and will advise the requester whether those entitlements have been provided.

(2) In cases in which a requester has been notified that the actual or estimated fees are in excess of $25.00, the request will not be considered received and further work will not be completed until the requester commits in writing to pay the actual or estimated total fee, or designates some amount of fees the requester is willing to pay, or in the case of a noncommercial use requester who has not yet been provided with the requester's statutory entitlements, designates that the requester seeks only that which can be provided by the statutory entitlements. The requester must provide the commitment or designation in writing, and must, when applicable, designate an exact dollar amount the requester is willing to pay. The agency is not required to accept payments in installments.

(3) If the requester has indicated a willingness to pay some designated amount of fees, but the agency estimates that the total fee will exceed that amount, the agency will toll the processing of the request when it notifies the requester of the estimated fees in excess of the amount the requester has indicated a willingness to pay. The agency will inquire whether the requester wishes to revise the amount of fees the requester is willing to pay or modify the request. Once the requester responds, the time to respond will resume from where it was at the date of the notification.

(4) The Access Board's FOIA officer and FOIA Public Liaison is available to assist any requester in reformulating a request to meet the requester's needs at a lower cost.

(f) *Charges for other services.* Although not required to provide special services, if the agency chooses to do so as a matter of administrative discretion, the direct costs of providing the service will be charged. Examples of such services include certifying that records are true copies, providing multiple copies of the same document, or sending records by means other than first class mail.

(g) *Charging interest.* The agency may charge interest on any unpaid bill starting on the 31st day following the date of billing the requester. Interest charges will be assessed at the rate provided in 31 U.S.C. 3717 and will accrue from the billing date until payment is received by the agency. The Access Board will follow the provisions of the Debt Collection Act of 1982 (Pub. L. 97–365, 96 Stat. 1749), as amended, and its administrative procedures, including the use of consumer reporting agencies, collection agencies, and offset.

(h) *Aggregating requests.* When the agency reasonably believes that a requester or a group of requesters acting in concert is attempting to divide a single request into a series of requests for the purpose of avoiding fees, the agency may aggregate those requests and charge accordingly. The agency may presume that multiple requests of this type made within a 30-day period have been made in order to avoid fees. For requests separated by a longer period, the agency will aggregate them only where there is a reasonable basis for determining that aggregation is warranted in view of all the circumstances involved. Multiple requests involving unrelated matters shall not be aggregated.

(i) *Advance payments.* (1) For requests other than those described in paragraphs (i)(2) or (i)(3) of this section, the Access Board will not require the requester to make an advance payment before work commences or is continued on a request. Payment owed for work already completed (*i.e.,* payment before copies are sent to a requester) is not an advance payment.

(2) When the agency determines or estimates that a total fee to be charged under this section will exceed $250.00, it may require that the requester make an advance payment up to the amount of the entire anticipated fee before beginning to process the request. The agency may elect to process the request prior to collecting fees when it receives a satisfactory assurance of full payment from a requester with a history of prompt payment.

(3) Where a requester has previously failed to pay a properly charged FOIA fee within 30 calendar days of the billing date, the agency may require that the requester pay the full amount due, plus any applicable interest on that prior request, and may require that the requester make an advance payment of the full amount of any anticipated fee before the agency begins to process a new request or continues to process a pending request or any pending appeal. Where the agency has a reasonable basis to believe that a requester has misrepresented the requester's identity in order to avoid paying outstanding fees, it may require that the requester provide proof of identity.

(4) In cases in which the agency requires advance payment, the request shall not be considered received and further work will not be completed until the required payment is received. If the requester does not pay the advance payment within 30 calendar days after the date of the agency's fee determination, the request will be closed.

(j) *Other statutes specifically providing for fees.* The fee schedule of this section does not apply to fees charged under any statute that specifically requires an agency to set and collect fees for particular types of records. In instances where records responsive to a request are subject to a statutorily-based fee schedule program, the agency shall inform the requester of the contact information for that program.

(k) *Requirements for waiver or reduction of fees.* (1) Requesters may seek a waiver of fees by submitting a written application demonstrating how disclosure of the requested information is in the public interest because it is likely to contribute significantly to public understanding of the operations or activities of the government and is not primarily in the commercial interest of the requester.

(2) The agency will furnish records responsive to a request without charge or at a reduced rate when it determines, based on all available information, that disclosure of the requested information is in the public interest because it is likely to contribute significantly to public understanding of the operations or activities of the government and is not primarily in the commercial interest of the requester. In deciding whether this standard is satisfied, the agency will consider the factors described in paragraphs (k)(2)(i) through (iii) of this section:

(i) Disclosure of the requested information would shed light on the operations or activities of the government. The subject of the request must concern identifiable operations or activities of the Federal Government with a connection that is direct and clear, not remote or attenuated.

(ii) Disclosure of the requested information would be likely to contribute significantly to public understanding of those operations or activities. This factor is satisfied when the following criteria are met:

(A) Disclosure of the requested records must be meaningfully informative about government operations or activities. The disclosure of information that already is in the public domain, in either the same or a substantially identical form, would not be meaningfully informative if nothing new would be added to the public's understanding.

(B) The disclosure must contribute to the understanding of a reasonably broad audience of persons interested in the subject, as opposed to the individual understanding of the requester. A requester's expertise in the subject area as well as the requester's ability and intention to effectively convey information to the public must be considered. The agency will presume that a representative of the news media will satisfy this consideration.

(iii) The disclosure must not be primarily in the commercial interest of the requester. To determine whether disclosure of the requested information is primarily in the commercial interest of the requester, the agency will consider the following criteria:

(A) Whether the requester has any commercial interest that would be furthered by the requested disclosure. A commercial interest includes any commercial, trade, or profit interest. Requesters must be given an opportunity to provide explanatory information regarding this consideration.

(B) If there is an identified commercial interest, whether that is the primary interest furthered by the request. A waiver or reduction of fees is justified when the requirements of paragraphs (k)(2)(i) and (ii) of this section are satisfied and any commercial interest is not the primary interest furthered by the request. The agency ordinarily will presume that when a news media requester has satisfied the requirements of paragraphs (k)(2)(i) and (ii) of this section, the request is not primarily in the commercial interest of the requester. Disclosure to data brokers or others who merely compile and market government information for direct economic return will not be presumed to primarily serve the public interest.

(3) Where only some of the records to be released satisfy the requirements for a waiver of fees, a waiver shall be granted for those records.

(4) Requests for a waiver or reduction of fees should be made when the request is first submitted and should address the criteria referenced above. A requester may submit a fee waiver request at a later time so long as the underlying record request is pending or on administrative appeal. When a requester who has committed to pay fees subsequently asks for a waiver of those fees and that waiver is denied, the requester shall be required to pay any costs incurred up to the date the fee waiver request was received.

**§ 1120.11 Other rights and services.**

Nothing in this part shall be construed to entitle any person, as of right, to any service or to the disclosure of any record to which such person is not entitled under the FOIA.

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**DEPARTMENT OF HEALTH AND HUMAN SERVICES**

**45 CFR Part 155**

**[CMS–9872–IFC]**

**RIN 0938–AW26**

## Patient Protection and Affordable Care Act; Temporary Moratoria on Certain Agent and Broker Registration To Participate in the Exchanges

**AGENCY:** Centers for Medicare & Medicaid Services (CMS), Department of Health and Human Services (HHS).

**ACTION:** Interim final rule with comment period.

**SUMMARY:** This interim final rule with comment period (IFC) codifies the Department of Health and Human Services' (HHS) authority to impose a temporary moratorium pausing the registration of agents and brokers that do not have a current Plan Year registration with the Federally-facilitated Exchanges at the time the moratorium is effective and are seeking to enter into Exchange agreements with the Centers for Medicare & Medicaid Services (CMS) to assist consumers with enrollment through the Federally-facilitated Exchange (FFE) and State-based Exchanges that use the Federal platform (SBE–FPs) (hereinafter collectively referred to as the ''Federally-facilitated Exchanges''). HHS is issuing this rule on an interim final basis. For the reasons explained in this rule, HHS finds good cause under the Administrative Procedure Act (APA) to waive prior notice and comment because providing advance notice would be contrary to the public interest and impracticable. HHS further finds good cause under the APA for this rule to become effective immediately upon publication. HHS nevertheless invites public comment and will consider comments in determining whether to retain, modify, or rescind the codified authority established by this rule. Further, CMS provides notice that, on behalf of HHS, the agency is immediately imposing a temporary moratorium to pause the registration of agents and brokers that do not have Plan Year 2026 Exchange agreements with the Federally-facilitated Exchanges and are seeking to enter into agreements with CMS to assist consumers with enrollment through the Federally-facilitated Exchanges for Plan Year 2027. This temporary moratorium does not affect registrations on the State-based Exchanges (SBEs). This moratorium will be in place while CMS implements enhanced program-integrity safeguards designed to prevent instances of noncompliance and fraud, waste, and abuse perpetrated by agents and brokers, including unauthorized enrollment activity, misuse of consumer personally identifiable information (PII), and other conduct that does not comply with Exchange standards and threatens consumers and the integrity of the Federally-facilitated Exchanges. Agents and brokers that do not have Plan Year 2026 Exchange agreements with CMS will not be able to complete registration with the Federally-facilitated Exchanges for Plan Year 2027 until the moratorium ends on February 1, 2027.

**DATES:**

*Effective date:* This IFC is effective on September 22, 2026.

*Comment date:* To be assured consideration, comments must be received at one of the addresses provided below, by November 21, 2026.

*Moratorium period:* This moratorium is effective on September 22, 2026. The temporary moratorium for which CMS provides notice here will remain in effect until February 1, 2027, unless CMS lifts it earlier, extends it further, or otherwise modifies it through subsequent notice in the **Federal Register**.

**ADDRESSES:** In commenting, please refer to file code CMS–9872–IFC. Comments, including mass comment submissions, must be submitted in one of the following three ways (please choose only one of the ways listed):

1. *Electronically.* You may submit electronic comments on this regulation to *https://www.regulations.gov/docket/CMS-2026-3202.* Follow the ''Submit a comment'' instructions.

2. *By regular mail.* You may mail written comments to the following address ONLY: Centers for Medicare & Medicaid Services, Department of Health and Human Services, Attention: CMS–9872–IFC, P.O. Box 8016, Baltimore, MD 21244–8016.

Please allow sufficient time for mailed comments to be received before the close of the comment period.

3. *By express or overnight mail.* You may send written comments to the following address ONLY: Centers for Medicare & Medicaid Services, Department of Health and Human Services, Attention: CMS–9872–IFC, Mail Stop C4–26–05, 7500 Security Boulevard, Baltimore, MD 21244–1850.

For information on viewing public comments, see the beginning of the **SUPPLEMENTARY INFORMATION** section.

**FOR FURTHER INFORMATION CONTACT:** Jeff Wu by email at *FFMProducer-AssisterHelpDesk@cms.hhs.gov,* for general information.

**SUPPLEMENTARY INFORMATION:**

*Inspection of Public Comments:* All comments received before the close of the comment period are available for viewing by the public, including any personally identifiable or confidential business information that is included in a comment. We post all comments received before the close of the comment period on the following website as soon as possible after they have been received: *http://www.regulations.gov.* Follow the search instructions on that website to view public comments. HHS will not post on *Regulations.gov*public comments that make threats to individuals or institutions or suggest that the commenter will take actions to harm an individual. HHS continues to encourage individuals not to submit duplicative comments. We will post acceptable comments from multiple unique commenters even if the content is identical or nearly identical to other comments. We encourage commenters to include supporting facts, research, and evidence in their comments. When doing so, commenters are encouraged to provide citations to the published materials referenced, including active hyperlinks. Likewise, commenters who reference materials which have not been published are encouraged to upload relevant data collection instruments, data sets, and detailed findings as a part of their comment. Providing such citations and documentation will assist us in analyzing the comments.

### I. Background

#### *A. Statutory Framework*

The Patient Protection and Affordable Care Act (Affordable Care Act) establishes a framework for the establishment and operation of Exchanges through which qualified individuals and qualified employers may obtain coverage under qualified health plans (QHPs). The Affordable Care Act assigns the Secretary of HHS (Secretary) responsibility for establishing standards governing Exchange operations and specifically authorizes the Secretary to establish procedures governing the participation of agents, brokers, and web-brokers in Exchange enrollment activities. HHS also has responsibilities related to the effective administration and operation of the Federally-facilitated Exchanges.

##### 1. Section 1312(e) of the Affordable Care Act

Section 1312(e) of the Affordable Care Act directs the Secretary to establish procedures under which a State may allow agents, brokers, or web-brokers to enroll qualified individuals in QHPs offered through an Exchange and to assist individuals in applying for advance payments of the premium tax credit (APTC) and cost-sharing reductions (CSRs) for QHPs sold through an Exchange.[1]

Section 1312(e) of the Affordable Care Act therefore assigns the Secretary responsibility for establishing the Federal procedures governing agent, broker, and web-broker assistance to Exchange consumers with submission of applications for enrollment in QHPs and to seek Federal financial assistance. Consistent with that authority, HHS has established requirements governing agents, brokers, and web-brokers[2] that seek to facilitate enrollment through an Exchange, including requirements relating to registration, training, execution of Exchange agreements, use of Exchange systems, protection of PII, standards of conduct, and compliance with applicable Federal and State requirements.

HHS has implemented section 1312(e) primarily through 45 CFR 155.220. Section 155.220 establishes standards governing the ability of agents, brokers, and web-brokers to assist qualified individuals, qualified employers, and qualified employees with enrollment in QHPs and, where applicable, to assist individuals with applications for APTC and CSRs. The authority to establish procedures governing agent, broker, and web-broker assistance to Exchange consumers necessarily includes authority to establish reasonable registration, verification, and program integrity safeguards applicable to persons seeking to assist Exchange consumers in FFE and SBE–FP States. HHS considers such safeguards particularly important because agents, brokers, and web-brokers have access to sensitive consumer information, as well as Federal Exchange systems, and facilitate transactions affecting QHP enrollment and eligibility for Federal financial assistance.

2. Section 1321 of the Affordable Care Act: Exchange Standards and Federal Administration

Section 1321(a) of the Affordable Care Act directs the Secretary to issue regulations setting standards for meeting the requirements of title I of the Affordable Care Act with respect to, among other matters, the establishment and operation of Exchanges.[3] Section 1321(c) of the Affordable Care Act further provides for the Secretary to establish and operate an Exchange within a State when the State does not elect to establish an Exchange or does not have an Exchange that meets applicable Federal requirements.[4] These provisions give HHS responsibility for the effective administration and operation of the Exchange in FFE and SBE–FP States.

In carrying out those responsibilities, HHS establishes standards governing access to and use of Federal Exchange systems, including standards applicable to agents, brokers, and web-brokers that seek to conduct enrollment transactions or otherwise assist consumers submitting applications or enrollments through those systems. Those standards are necessary to protect consumers, safeguard PII, preserve the integrity and security of Federal information systems, and ensure the proper administration of Federally-facilitated Exchange enrollment and financial-assistance functions.

3. Section 1313(a)(5)(A) of the Affordable Care Act: Fraud and Abuse

Section 1313(a)(5)(A) of the Affordable Care Act directs the Secretary to provide for the efficient and nondiscriminatory administration of Exchange activities and to implement measures or procedures that the Secretary determines appropriate to reduce fraud and abuse in the administration of title I of the Affordable Care Act.

This authority is particularly pertinent where HHS identifies vulnerabilities related to Exchange consumers and information systems that may facilitate fraudulent or unauthorized activity. Congress expressly contemplated and granted broad authority to the Secretary to establish measures and procedures to reduce fraud and abuse in the administration of the Exchange provisions of the Affordable Care Act. HHS therefore has authority not only to respond to particular instances of agent, broker, or web-broker misconduct, but also to adopt reasonable proactive safeguards designed to reduce opportunities for fraud and abuse in administration and operation of Exchanges.

*B. Executive Summary*

Healthcare fraud, waste, and abuse is a pervasive issue that this Administration is tackling in an unprecedented fashion. For example, on March 16, 2026, President Trump issued Executive Order 14395, establishing the White House Task Force to Eliminate Fraud. Under § 3(ii) of Executive Order 14395, the Task Force shall develop appropriate controls that operate before funds are obligated or disbursed to prevent improper payments in Federal benefits programs, including by coordinating agency action to determine when ongoing fraud or potential fraud require proactively pausing certain types of funding until such controls can be established. Consistent with the Administration's focus on preventing and eradicating fraud from healthcare programs, including this Program, this IFC codifies at 45 CFR 155.220(o) the authority and framework for HHS to impose temporary moratoria on the registration of certain agents and brokers seeking to enter into Exchange agreements[5] with CMS to assist consumers with submission of applications and enrollments through the Federally-facilitated Exchanges. Concurrently, notice is also being provided that CMS is immediately imposing a temporary moratorium on the registration of agents and brokers that do not have Plan Year 2026 Exchange agreements and are seeking to enter into agreements with CMS to assist consumers with submission of applications and enrollments through Federally-facilitated Exchanges for Plan Year 2027. The temporary moratorium will remain in effect until February 1, 2027, unless otherwise modified or rescinded. The authority and framework codified in this IFC and the concurrent notice immediately imposing a temporary moratorium do not apply to registration of web-brokers with the Federally-facilitated Exchanges.

## II. Provisions of the IFC for Agent and Broker Moratoria (§ 155.220) and Notice of a Temporary Moratorium

*A. Imposition of Moratoria*

Protecting Exchange consumers is a core responsibility of HHS as provided for in the Affordable Care Act. Consistent with that responsibility, we are adding 45 CFR 155.220(o) to codify

[1] *See* 42 U.S.C. 18032(e).

[2] *See* 45 CFR 155.20. Web-broker is a subset of agents and brokers defined as "an individual agent, broker, or web-broker, group of agents, brokers, or web-brokers, or business entity registered with an Exchange under § 155.220(d)(1) that develops and hosts a non-Exchange website that interfaces with an Exchange to assist consumers with direct enrollment in QHPs offered through the Exchange as described in § 155.220(c)(3) or § 155.221. The term also includes an agent, broker, or web-broker direct enrollment technology provider."

[3] *See* 42 U.S.C. 18041(a).

[4] *See* 42 U.S.C. 18041(c).

[5] Consistent with § 155.220(d), there are currently three Exchange agreements with CMS that extend to agents, brokers, and web-brokers assisting consumers in the FFEs and SBE–FPs: (1) the Agent Broker General Agreement for Individual Market FFEs and SBE–FPs, (2) the Agent Broker Privacy and Security Agreement for Individual Market FFEs and SBE–FPs, and optionally, (3) the Agent Broker SHOP Privacy and Security Agreement.

the process for implementing moratoria on agent and broker registrations with the Federally-facilitated Exchanges in certain circumstances in accordance with authority conferred by Congress under sections 1312(e), 1321, and 1313(a)(5)(A) of the Affordable Care Act. Current data, as discussed in more detail in section II.B of this IFC, supports additional safeguards to codify the authority to impose a temporary moratorium on agents and brokers is appropriate. At this time, CMS has determined additional regulation on web-brokers is unnecessary. Agents and brokers generally enter into 1-year Exchange agreements with CMS that go into effect beginning with the applicable plan year's Open Enrollment period, and those Exchange agreements automatically terminate prior to the following plan year's Open Enrollment Period. Prior to entering into Exchange agreements, agents and brokers must complete annual registration, which includes creating a CMS account, passing identity proofing,[6] accessing and setting up a profile for registration, completing required training, and executing Exchange agreements for the plan year. Section 155.220(o) provides that HHS may impose temporary moratoria on the registration of certain agents and brokers seeking to enter into Exchange agreements when CMS determines that certain agents' or brokers' conduct poses an unacceptable risk to the accuracy of the Federally-facilitated Exchanges' eligibility determinations, operations, applicants, or enrollees, or Federally-facilitated Exchange information technology systems, including risk related to noncompliance with the standards of conduct under § 155.220(j) and the privacy and security standards under § 155.260. Specifically, HHS may impose a temporary moratorium pausing certain agent and broker registrations with the Exchange under § 155.220(d)(1) for agents and brokers that do not have a current Plan Year registration with the Federally-facilitated Exchanges at the time the moratorium is effective. Agents and brokers that are subject to a moratorium would be prevented from completing training and registration, including executing the Exchange agreements, until the moratorium is lifted. A moratorium under § 155.220(o) does not prevent registration with the Federally-facilitated Exchanges for agents and brokers that do not have a current Plan Year registration with the Federally-facilitated Exchanges at the time a moratorium is effective due to (1) a termination under § 155.220(g) or (2) a denial of the right to enter into Exchange agreements with the Federally-facilitated Exchanges in future years under § 155.220(k)(1)(i) when such a termination or denial is subsequently reversed, or the agent's or broker's Exchange agreements are reinstated while the moratorium is in place. When imposing a moratorium on registrations with the Federally-facilitated Exchanges for agents and brokers, CMS will publish a notice in the **Federal Register** indicating the date on which the moratorium on registrations will take effect, the reasons for imposing the moratorium on registrations, and the duration of the moratorium.

Agents and brokers who help consumers enroll in individual QHPs typically earn a per-member-per-month commission from health insurance issuers for each active enrollment, meaning their compensation is tied directly to the number of consumers they enroll in plans. Because more enrollments and plan switches translate into more compensation (including commission income, bonuses, etc.), some unscrupulous agents and brokers have a financial incentive to create enrollments for fictitious persons, enroll consumers without consent, sign them up for coverage they did not request, or switch them between plans to generate additional compensation.

CMS has made strides in strengthening program integrity across the Federally-facilitated Exchanges, as discussed in detail in the Patient Protection and Affordable Care Act, HHS Notice of Benefit and Payment Parameters for 2027; and Basic Health Program (91 FR 29526, 29530). The addition of § 155.220(o), which establishes a process for HHS to implement a temporary moratorium on certain agent and broker registrations, supplements and complements HHS' existing enforcement options under § 155.220(g) to terminate Exchange agreements and under 155.220(k)(3) to immediately suspend an individual agent's or broker's ability to transact information with the Exchanges in certain circumstances. Specifically, § 155.220(o) authorizes HHS to implement temporary moratoria on registration when HHS agent or broker, or web-broker conduct systemically poses an unacceptable risk to the accuracy of the Exchange's eligibility determinations, Exchange operations, applicants, or enrollees, or Exchange information technology systems. Section 155.220(g) permit HHS to address risks presented by individual agents, brokers, or web-brokers, § 155.220(o) provides a broader mechanism to temporarily restrict certain agent and broker registrations at a systemic level when existing deemed by HHS insufficient to address identified vulnerabilities associated with agent and broker access to Federal Exchange systems, enrollment functions, and consumer. This authority enables HHS to take prompt, program-wide action, to protect applicants, enrollees, Federally-facilitated Exchange operations, and Federal Exchange systems while the identified vulnerabilities are addressed. As discussed in more detail in section II.B of this IFC, even with efforts to enhance program integrity across the Federally-facilitated Exchanges, CMS has observed a substantial increase in allegations and confirmed instances of unauthorized facilitated enrollments on the Federally-facilitated Exchanges and other non-compliant practices involving agents and brokers. From 2023 through 2025, CMS received over 624,000 consumer complaints attesting to unauthorized enrollments or unauthorized plan switching in the Federally-facilitated Exchanges by agents or brokers and confirmed by issuer review; approximately 300,000 of the 624,000 consumer complaints were received in 2025 alone.[7] We further discussed these concerns in the 2027 Notice of Benefit and Payment Parameters (91 FR 29526) where we stated that overall, HHS observed an increase in the number of unauthorized enrollment complaints made in 2025 compared to 2024 while acknowledging that data from the beginning of 2026 already demonstrates a substantial decrease. However, as discussed throughout this IFC, we continue to be concerned about the unauthorized enrollments and believe that more action is needed to address the issue at this time. Federal investigations have shown that some Federally-facilitated Exchange eligibility applications submitted by agents and brokers include

[6] National Institute of Standards and Technology (NIST) defines ''identity proofing'' as ''the process of establishing a relationship between a subject accessing online services and a real-life person to some degree of assurance.'' NIST Special Publication 800–63A; *https://pages.nist.gov/800-63-4/sp800-63a/introduction/.*

[7] *See* GAO. (2025 Dec.) Patient Protection and Affordable Care Act: Preliminary Results from Ongoing Review Suggest Fraud Risks in the Advance Premium Tax Credit Persist, GAO–26–108742. *https://www.gao.gov/products/gao-26-108742* (explaining, ''Based on our preliminary analyses, we identified at least 30,000 applications in plan year 2023 and at least 160,000 applications in plan year 2024 that had likely unauthorized changes.''). *See also* GAO. (2026 July) Health Insurance Marketplaces: CMS Needs Stronger Controls to Prevent Unauthorized Actions by Agents and Brokers, GAO–26–108297. *https://www.gao.gov/products/gao-26-108297.*

income amounts that are inaccurate and avoid Medicaid and CHIP eligibility determinations, while increasing the amount of APTC for which a consumer is eligible.[8]

CMS has been taking proactive steps using existing enforcement authorities to terminate Exchange agreements and prohibit registrations of non-compliant agents and brokers. For example, in July 2026, CMS issued Notices of Intent to Terminate to the top 100 agents and brokers whose Federally-facilitated Exchange enrollment activity shows potential violations of Exchange standards of conduct, including repeatedly submitting applications without required applicant identification information, such as Social Security Numbers, at an implausible rate.[9] Additionally, in late August 2026, CMS issued an additional 469 Notices of Intent to Terminate Exchange agreements to agents and brokers that submitted statistically implausible rates of plan year 2026 applications without identifying applicant information, such as a Social Security Number. A retrospective approach, however, is insufficient to address the scope and level of non-compliant practices involving agents and brokers and identified program vulnerabilities. While existing safeguards and enforcement efforts address many aspects of agent and broker oversight, additional measures are needed to address vulnerabilities associated with agents and brokers while CMS completes implementation of enhanced identity-verification, authentication, monitoring, and other program-integrity controls.

Without additional measures, consumers are at greater risk of losing their desired coverage, having their coverage changed inappropriately, and taxpayers are at greater risk of inappropriate expenditures of APTC, which hinders the efficient operation of the Federally-facilitated Exchanges. Existing enforcement tools under § 155.220(g) and § 155.220(k)(3) operate only after an agent or broker is already registered and conducting transactions. Additional safeguards are necessary as current enforcement mechanisms do not prevent harm at the point of entry. A temporary, prospective pause on new registrations allows CMS to enhance identity-verification, authentication, monitoring, and other program-integrity controls before additional agent and broker entrants begin assisting consumers. Therefore, we are codifying at § 155.220(o) the ability for HHS to implement temporary moratoria on agent and broker registrations with the Federally-facilitated Exchanges.

Under § 155.220(o), HHS may impose a temporary moratorium pausing registrations with the Federally-facilitated Exchanges under § 155.220(d)(1) of agents and brokers that do not have a current Plan Year registration with the Federally-facilitated Exchanges at the time a moratorium is effective. However, a moratorium under this paragraph does not prevent registration with the Federally-facilitated Exchanges for agents and brokers that do not have a current Plan Year registration with the Federally-facilitated Exchanges at the time a moratorium is effective due to a termination under § 155.220(g) or a denial of the right to enter into Exchange agreements with the Federally-facilitated Exchanges in future years under § 155.220(k)(1)(i), when such a termination or denial is subsequently reversed, or the agent or, broker's Exchange agreement is reinstated while the moratorium is in place. In balancing the need to take immediate action to implement measures to reduce fraud, waste, and abuse in response to identified program vulnerabilities against allowing agents and brokers that do not have a current Plan Year registration with the Federally-facilitated Exchanges at the time the moratorium is effective to complete the registration process and assist consumers, we determined it was appropriate through the notice in this rulemaking to temporarily pause registration for certain agents and brokers. Under § 155.220(o), the current moratorium will apply to agents and brokers that do not have current Plan Year 2026 Exchange agreements, which includes agents and brokers who would be new entrants for Plan Year 2027. This approach reflects the enrollment data trends observed by CMS which demonstrate that newly registered agents and brokers disproportionately represent agents and brokers found to have engaged in unauthorized enrollments and other non-compliant practices as described in section II.B of this IFC below.

Additionally, when imposing a moratorium on registrations for agents and brokers under § 155.220(o), HHS will publish a document in the **Federal Register** indicating the date on which the moratorium on registrations will take effect, the reasons for imposing the moratorium on registrations, and the duration of the moratorium. We determined these elements were appropriate to align with other CMS programs' procedures related to implementing moratoria,[10] and to provide transparency into the circumstances HHS determined necessitated implementing a moratorium on certain agent and broker registrations.

Concurrent with the publication in section II.B below, we are providing notice here for the current moratorium on new agent and broker entrants for Plan Year 2027 who do not have a Plan Year 2026 Exchange agreement.

Allowing agents and brokers subject to a reinstatement or reversal of either (1) a termination under § 155.220(g), or (2) a denial to enter into Exchange agreements with the Federally-facilitated Exchanges in future years under § 155.220(k)(1)(i) to register during a moratorium is appropriate as a general exception during a moratorium because, once reinstated, these agents and brokers are again in good standing with the Federally-facilitated Exchanges, stand in the same position as other agents and brokers not subject to the moratorium, and are not new entrants to the Federally-facilitated Exchanges.

### *B. Notice and Applicability of a Temporary Moratorium for Plan Year 2027*

In accordance with the regulatory provisions described in section II.A of this IFC, CMS is providing notice of a temporary moratorium on registration with the Federally-facilitated Exchanges of agents and brokers hat do not have Plan Year 2026 Exchange agreements as of the effective date of this IFC which

[8] *See, for example, United States* v. *Cory Lloyd et al.* Criminal Division | *United States* v. *Cory Lloyd et al.* United States Department of Justice. (2026, April 14). (''Defendants plead guilty to targeting vulnerable, low-income persons and persons experiencing homelessness, unemployment, and mental health and substance use disorders and encouraged them to enroll in subsidized Affordable Care Act Plans using falsified income and other information, and resulting in restitution of 133,900,000.00.''). See also DOJ (2026, April 7) National Partnership of Insurance Brokers and its Former Subsidiary Agree to Pay Over $135 Million For Affordable Care Act Enrollment Fraud Scheme. *https://www.justice.gov/opa/pr/national-partnership-insurance-brokers-and-its-former-subsidiary-agree-pay-over-135-million;* DOJ (2026, February 18) President of Insurance Brokerage Firm and CEO of Marketing Company Sentenced in $233M Affordable Care Act Enrollment Fraud Scheme that Preyed on Vulnerable Consumers. *https://www.justice.gov/opa/pr/president-insurance-brokerage-firm-and-ceo-marketing-company-sentenced-233m-affordable-care.*

[9] CMS Administrator Dr. Oz, Facebook (July 30, 2026), *https://www.facebook.com/DrOzCMS/posts/accountability-is-comingcms-is-issuing-notices-of-intent-to-terminate-to-the-top/122198741282832696/.*

[10] *See, e.g.,* 42 CFR 424.570 (detailing moratoria on newly enrolling Medicare providers and suppliers).

will remain in effect until February 1, 2027. CMS has determined that immediate action is necessary because existing safeguards do not adequately address identified vulnerabilities associated with agent and broker access to Federal Exchange systems, enrollment functions, and consumer PII. Onboarding of agents and brokers new to the Federally-facilitated Exchanges before enhanced identity-verification, authentication, monitoring, and other program-integrity controls are implemented would increase the risk of harm to consumers and the efficient operation of Federally-facilitated Exchanges, and result in improper APTC expenditures. Current trends would continue resulting in further consumer harm, including unauthorized enrollment and changes in coverage, which put consumers at greater risk of losing their desired coverage. The Federally-facilitated Exchanges and issuers would need to continue spending considerable resources investigating and reversing unauthorized enrollments and changes in coverage. Those not discovered would result in improper expenditures of APTC. CMS has therefore determined it is an appropriate program integrity measure to temporarily pause registration of agents and brokers that do not have Plan Year 2026 Exchange agreements with CMS on the Federally-facilitated Exchanges as of the effective date of this rule.

The moratorium does not prevent registration with the Federally-facilitated Exchanges for agents and brokers that do not have a 2026 Plan Year agreement with the Federally-facilitated Exchanges as of the effective date of this IFC due to (1) a termination under § 155.220(g), or (2) a denial of the right to enter into Exchange agreements with the Federally-facilitated Exchanges in future years under § 155.220(k)(1)(i), when such a termination or denial is subsequently reversed or their Exchange agreements are reinstated while the moratorium is in place. For example, if an agent's Plan Year 2026 Exchange agreements are terminated for cause under § 155.220(g) such that the agent or broker does not have active Plan Year 2026 Exchange agreements as of September 22, 2026, but that agent subsequently receives a favorable decision from the CMS Administrator following a request for reconsideration under § 155.220(h), that agent would not be prevented from registering during the imposed moratorium. The moratorium also does not affect agents and brokers seeking to register on the SBEs.

Agents and brokers subject to the moratorium will not be able to complete the Federally-facilitated Exchanges registration process for Plan Year 2027 until the moratorium expires on February 1, 2027 or is otherwise lifted.

1. Reasons for Imposing the Moratorium on New Agent Broker Registrations With the Federally-Facilitated Exchanges

Protecting Exchange consumers and safeguarding Exchange operations are core responsibilities of CMS as the administrator and operator of the Federally-facilitated Exchanges. CMS has observed a substantial increase in allegations and confirmed instances of unauthorized enrollments, unauthorized plan switching, and other noncompliant practices involving newly-registered agents and brokers on the Federally-facilitated Exchanges.

In particular, CMS data indicate that agents and brokers who first registered with the Federally-facilitated Exchanges for Plan Year 2026 are disproportionately represented among agents and brokers whose Federally-facilitated Exchange enrollment activity raised significant compliance concerns. Although these newly registered agents and brokers represent approximately 11 percent of all registered agents and brokers with at least one active enrollment for Plan Year 2026,[11] they account for approximately 30 percent of the 569 agents and brokers who received Notices of Intent to Terminate Exchange agreements in July and August of 2026 based on their Federally-facilitated Exchange enrollment activity showing potential violations of Exchange standards of conduct or statistically implausible rates of plan year 2026 applications without identifying applicant information, such as a Social Security Number. Since newly registered agents and brokers generally constitute about a tenth of the total agent and broker population with active enrollments on the Federally-facilitated Exchanges in this period and newly registered agents and brokers generally constitute more than a quarter of the total agents and brokers found noncompliant in this period, we conclude that newly registered agents and brokers are, on average, about three times more likely to engage in noncompliance than agents and brokers who registered prior to 2026 and have operated on the Federally-facilitated Exchanges in the past. These investigations have identified noncompliant conduct, including the submission of applications without required applicant identification information, such as Social Security Numbers,[12] at rates that CMS determined were sufficiently implausible and raise significant compliance concerns.[13]

Agents and brokers newly registered in Plan Year 2026 exhibited higher rates than the general agent and broker population across several factors tied to unauthorized enrollments or noncompliant practices, when compared to agents and brokers registered before Plan Year 2026 (*i.e.* who were not new agents or brokers), because they indicate that the agents and brokers did not provide the Federally-facilitated Exchanges with correct information as required under § 155.220(j)(2)(ii):

- 2.8 times higher rate of enrollments with unresolved income verification data matching issues (DMIs);
- 2.7 times higher rate of enrollments without Social Security Numbers;
- 2.6 times higher rate of enrollments with unresolved citizenship or immigration status verification DMIs;
- 1.6 times higher rate of enrollments that use special enrollment periods (SEPs) that are not subject to verification;
- 1.4 times higher rate of enrollments that include Medicaid denial attestations; and
- 1.4 times higher rate of enrollments that were matched in Medicaid/CHIP periodic data matching that may mean individuals were enrolled in coverage for which they were not eligible.

Each of the above factors represent a point in the enrollment application that is self-attested or unverified, which

[11] In Plan Year 2026, of the 84,012 total registered agents and brokers with active enrollments in the FFE or SBE–FPs, 8,937 were agents and brokers who newly registered for Plan Year 2026 and had an active enrollment for the Plan Year, 6,956 of whom had at least one active enrollment during Open Enrollment.

[12] When an agent, broker, or web-broker assists a consumer with an Exchange application and identifies themselves by providing their name and National Producer Number (NPN), 45 CFR 155.220(j)(2)(ii) requires that the agent, broker, or web-broker provide the FFEs with correct information about the applicants. This obligation includes asking for and providing each applicant's SSN, when the applicant has one. *See* 45 CFR 155.310(a)(3)(i). Absent compliant documentation that the consumer or the consumer's authorized representative reviewed the application information (including the applicant's SSN) and confirmed it to be accurate, an agent, broker, or web-broker may be found noncompliant with the standard of conduct under 45 CFR 155.220(j)(2)(ii).

[13] Less than 1 percent of PY 2026 policies submitted through the FFEs without the assistance of agents, brokers, or web-brokers did not include applicant SSNs or immigration document numbers, indicating that the overwhelming majority of applicants provided either an SSN or an immigration document number. Against this backdrop, it's statistically implausible that agents, brokers, and web-brokers that submitted an unusually high rate and volume of policies without applicant SSNs or immigration document numbers were submitted with correct applicant information.

creates an opening for agents and brokers to submit or alter enrollment data without a genuine, informed decision from the consumer. CMS tracks patterns associated with these factors specifically because they correlate strongly with confirmed cases of unauthorized enrollment schemes reported through the FFE complaint and audit processes. CMS has worked to identify noncompliant agents and brokers and bring enforcement action against them, such as suspensions and terminations of Exchange agreements. To date, CMS has issued final terminations to 160 agents and brokers for non-compliant behavior in Plan Year 2026, with 11 percent of them being agents and brokers newly registered in 2026. The higher rates of noncompliance by new agents and brokers described above put consumers at greater risk of losing their desired coverage, having their coverage changed inappropriately, and putting taxpayers at greater risk of inappropriate expenditures of APTC.

As a result, CMS has determined that immediate action is necessary while CMS implements enhanced program-integrity safeguards designed to prevent fraud, unauthorized enrollment activity, misuse of consumer PII, and other conduct that threatens consumers and the integrity of the Exchanges. The disproportionate representation of newly registered agents and brokers among the agents and brokers subject to these enforcement actions indicates that newly entering agents and brokers present a distinct and heightened program-integrity risk. Temporarily pausing the registration of new agents and brokers narrowly targets the category of agents and brokers that CMS has determined warrant additional scrutiny, while allowing CMS time to implement additional safeguards designed to prevent unauthorized enrollments and other noncompliant practices before new agents and brokers begin assisting consumers on the Federally-facilitated Exchanges.

2. Applicability of Moratorium for Plan Year 2027

CMS is temporarily pausing the registration process with the Federally-facilitated Exchanges for new agents and brokers that do not have Plan Year 2026 Exchange agreements with the Federally-facilitated Exchanges. During the duration of the moratorium, CMS will not execute the applicable Plan Year 2027 Exchange agreements with these new agents and brokers to participate in the Federally-facilitated Exchanges, including:

- Agent Broker General Agreement for Individual Market Federally-facilitated Exchanges and State-Based Exchanges on the Federal Platform;
- Privacy and Security Agreement between Agent Broker and the Centers for Medicare & Medicaid Services for Individual Market Federally-facilitated Exchanges and State-Based Exchanges on the Federal Platform; and/or
- Privacy and Security Agreement between Agent Broker and the Centers for Medicare & Medicaid Services for the Small Business Health Options Programs of The Federally-facilitated Exchanges and State-Based Exchanges on the Federal Platform.

As such, these new agents and brokers will not be able to complete the registration process until the moratorium ends on February 1, 2027, or is otherwise lifted. This action reflects CMS' determination that temporarily pausing the agent and broker registration processes for new agents and brokers is a reasonable, appropriate, and necessary program integrity measure to reduce fraud, waste, and abuse and support the efficient, nondiscriminatory administration of the Federally-facilitated Exchanges. CMS is in the process of implementing various program integrity measures for Plan Year 2027 to address the identified vulnerabilities associated with new agents' and brokers' access to the Federally-facilitated Exchanges systems and enrollment functions, however, more time is needed for full realization of these efforts. Thus, CMS has determined that allowing new agents and brokers to assist consumers during the upcoming 2027 Open Enrollment Period—when most agents and brokers enrollment activity occurs—creates an unacceptable risk of harm to consumers and the Federally-facilitated Exchanges operations, including improper eligibility determinations, unauthorized enrollments, and increased improper APTC payments. Further, for Plan Year 2026, there were 84,012 total registered agents and brokers with active enrollments in the Federally-facilitated Exchanges. While not all of these previously registered agents and brokers will return to register for Plan Year 2027, CMS believes that the volume of potential returning agents and brokers will provide consumers with adequate access to enrollment assistance. Implementing this temporary moratorium provides CMS with the opportunity to implement enhanced program integrity measures such as enhanced identity-proofing, strengthen consumer authorization protocols, and take steps to respond to anomalous enrollment activity.

3. Regulatory Impact Statement

*A. Need for Regulatory Action*

CMS, on behalf of HHS, is immediately imposing a temporary moratorium to pause the registration of agents and brokers that do not have Plan Year 2026 Exchange agreements and are seeking to enter into agreements with CMS to assist consumers with submitting applications and/or enrollments through the Federally-facilitated Exchanges for Plan Year 2027. This moratorium will be in place while CMS implements enhanced program-integrity safeguards designed to prevent fraud and abuse, including unauthorized enrollment activity, misuse of consumer PII, and other conduct that does not comply with Exchange standards that threatens consumers and the integrity of the Federally-facilitated Exchanges. These agents and brokers will not be able to complete registration for Plan Year 2027 until the moratorium ends on February 1, 2027, unless CMS lifts it earlier or extends or modifies it through subsequent notice.

Based on our impact estimates, the Office of Management and Budget's (OMB) Office of Information and Regulatory Affairs (OIRA) has determined that this regulatory action is ''significant'' per section 3(f)(1) of Executive Order 12866 (''Regulatory Planning and Review'').

A regulatory impact statement (RIS) has been prepared for this regulatory action in keeping with Executive Order 12866. Pursuant to Subtitle E of the Small Business Regulatory Enforcement Fairness Act of 1996 (also known as the Congressional Review Act), OIRA has also determined that this regulatory action is major as it meets the criteria set forth in 5 U.S.C. 804(2). Executive Order 14192 (''Unleashing Prosperity Through Deregulation'') requires 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.'' This regulatory action is exempt from otherwise-applicable requirements under Executive Order 14192, per footnote 1 of OMB's Accounting Methods.[14]

*B. Overall Impact*

This regulatory action, which will impose a temporary moratorium to pause the registration of agents and

[14] *https://www.reginfo.gov/public/pdf/eo14192/Accounting_Methods_under_EO_14192.pdf.*

brokers who do not have Plan Year 2026 Exchange agreements and are seeking to enter into agreements with CMS to assist consumers with submitting applications and/or enrollments through the Federally-facilitated Exchanges for Plan Year 2027, is expected to directly affect agents and brokers facilitating enrollment in coverage offered through the Federally-facilitated Exchanges, individuals, employers, and employees working with an agent or broker to enroll in coverage offered through the Federally-facilitated Exchanges, and issuers offering individual or small group coverage through the Federally-facilitated Exchanges that work with agents and brokers.

Regarding the benefits (or transfers) associated with this regulatory action, we expect that it will prevent improper expenditures of APTC of an estimated range from approximately $48 million to $877 million annually.[15] We further expect that it will prevent consumer administrative burden caused by unauthorized enrollment and plan switching of an estimated value ranging from approximately $280,000 to $1.1 million annually.[16] We also expect it will have several non-quantified benefits, including promotion of the integrity of the Federally-facilitated Exchanges.

Regarding the costs associated with this regulatory action, we expect that it will lead to a temporary reduction in agent and broker competition and the number of agents and brokers available to enroll consumers in coverage offered through the Federally-facilitated Exchanges. We further expect that it could lead to potential operational losses for agencies and brokerages and potential job losses for the agents and brokers who do not have Plan Year 2026 Exchange agreements.

Lastly, this regulatory action is expected to lead to a transfer ranging in value from approximately $71 million to $98 million in commission revenue from agents and brokers that do not have Plan Year 2026 Exchange agreements to existing agents and brokers that have Plan Year 2026 Exchange agreements.[17]

We seek comment on all aspects of this RIS.

## III. Good Cause for Proceeding With an IFC

The APA), at 5 U.S.C. 553(b), generally requires the agency to publish a notice of the proposed rule in the **Federal Register** that includes a reference to the legal authority under which the rule is proposed and the terms and substance of the proposed rule or a description of the subjects and issues involved. Section 553(c) further requires the agency to give interested parties the opportunity to participate in the rulemaking through public comment before the provisions of the rule take effect. Section 553(b)(B) provides an exception to notice-and-comment requirements, however, if the agency finds good cause that notice-and-comment would be impracticable, unnecessary, or contrary to the public interest and incorporates a statement of the finding and its reasons in the rule issued.

Section 553(d) ordinarily requires a 30-day delay in the effective date of a final rule from the date of its publication in the **Federal Register**. However, similar to the good cause exception for notice-and-comment requirements, § 553(d)(3) excepts a rule from the 30-day delay requirement if the agency finds good cause that the delay is impracticable, unnecessary, or contrary to the public interest. Similarly, subtitle E of the Small Business Regulatory Enforcement Fairness Act of 1996 (also known as the Congressional Review Act or CRA) also allows an agency to issue a rule that would otherwise be subject to a 60-day delayed effective date requirement for major rules (per 5 U.S.C. 804(2)) with an immediate effective date in circumstances where notice and public procedure thereon are impractical, unnecessary, or contrary to the public interest (5 U.S.C. 808(2)).

Based on the totality of the circumstances described below, CMS is forgoing the usual notice-and-comment procedures and delay in the effective date for this rule because following such requirements would be impracticable and contrary to the public interest. Instead, we have determined that an IFC is the appropriate mechanism to establish the authority for CMS to impose a temporary moratorium for agents and brokers that do not have a current Plan Year registration with the Federally-facilitated Exchanges, and to implement a moratorium under this authority, effective immediately. Although this IFC is effective immediately, comments are solicited from interested members of the public on all aspects of the IFC. We will consider these comments in deciding the next steps following this IFC, including whether these regulations should be modified or rescinded.

### *A. Need for Prompt Action*

CMS has identified an ongoing pattern of unauthorized enrollment, unauthorized plan switching, and other fraudulent, unauthorized, or noncompliant enrollment activity involving a subset of agents and brokers participating in the Federally-facilitated Exchanges. While CMS has taken a number of steps to address this conduct, the conduct has persisted.

For example, on August 31, 2026, in accordance with CMS' processes for unauthorized enrollments, CMS cancelled approximately 315,000 Plan Year 2026 policies covering over 760,000 individuals that were enrolled with agent or broker assistance without verified citizenship or immigration documentation and for whom issuers were unable to identify claims or establish consumer contact.[18]

Similarly, since January 2026, CMS has terminated Exchange agreements for hundreds of non-compliant agents and brokers. More recently, in July and August 2026, CMS issued 569 Notices of Intent to Terminate Exchange agreements to agents and brokers that submitted statistically implausible rates of plan year 2026 applications without identifying applicant information, such as a Social Security Number, at an implausible rate. CMS continues to investigate and issue Notices of Intent to Terminate Exchange agreements to agents and brokers that are noncompliant with Exchange standards, and work with State departments of insurance and issuers in their own efforts to identify and take action on noncompliant agents and brokers.

In addition to the above actions, CMS is in the process of implementing several new system changes and protections against agent and broker fraud for Plan Year 2027 but those changes are not yet final. First, CMS is implementing system changes that require all agents and brokers to renew their identity proofing and use *Login.gov* in alignment with OMB Memorandum M–26–18[19] or ID.me to connect their account to CMS systems. Second, CMS is implementing system changes requiring that all applications involving an agent or broker must include verifiable Social Security Numbers or immigration document numbers that CMS can verify for all non-newborn applicants. Third, CMS is

[15] See section VIII.E. of this preamble.

[16] *Id.*

[17] See section VIII.G. of this preamble.

[18] *CMS.gov Newsroom. https://www.cms.gov/about-cms/contact/newsroom.*

[19] ''Scaling Use of *Login.gov* to Deliver a Universal Sign-on for Public Services;'' OMB Memorandum M–26–18; 8/31/2026; *https://www.whitehouse.gov/wp-content/uploads/2026/08/M-26-18-Scaling-Use-of-Login.gov-to-Deliver-a-Universal-Sign-on-for-Public-Services.pdf.*

updating the system to prevent agents and brokers from being added to applications that consumers should be completing on their own through HealthCare.gov. Fourth, CMS is requiring approved Enhanced Direct Enrollment (EDE) partners to implement changes that require electronic consumer authorization before an agent or broker can take any action on an application or enrollment. CMS will closely monitor agent and broker activity to ensure these system enhancements are working as intended.

While existing safeguards and CMS' enforcement actions address some of the noncompliant enrollment activity caused by agents and brokers, vulnerabilities associated with new agents and brokers remain, including increased risk of unauthorized plan switching, unauthorized enrollment, and other fraudulent, unauthorized, or noncompliant enrollment activity. Agents and brokers terminated in a prior year may be able to establish new corporate entities and register as new agents and brokers. The consequences of such conduct are substantial. Consumers remain at greater risk of losing their desired coverage or having their coverage changed inappropriately. If an unauthorized plan replaces or overlaps with an existing plan, the consumer could lose active coverage they were relying on or face a gap in coverage. A consumer's new plan may not cover the consumer's regular doctors, specialists, or prescription drugs, leading to denied claims, unexpected medical bills, or delayed treatment. Further, if the unauthorized enrollment or plan switch is undiscovered, consumers may become responsible for premium payments or cost-sharing they did not anticipate and face unexpected tax liability for incorrect premium tax credits.

Furthermore, fraudulent, unauthorized, and noncompliant enrollments also impose operational and financial costs on the Federal Government and, ultimately, taxpayers. For example, improper APTC payments to issuers on behalf of individuals who did not authorize the coverage, or on behalf of purported consumers who do not exist, result in Federal expenditures that do not provide the intended benefit. When enrollments are based on inaccurate eligibility information, the Federal Government may also make APTC payments in amounts greater than would have been made based on accurate information.

This conduct also interferes with the efficient operation of the Federally-facilitated Exchanges. Both CMS and issuers expend significant time, manpower, and resources to review and investigate the hundreds of thousands of suspected unauthorized enrollments and consumer complaints that result in the cancellation of these policies associated with unauthorized enrollments [20] and unauthorized plan switching. Identifying and recovering improper payments from these unauthorized enrollments consumes government and issuer resources and may require CMS to undertake payment reconciliation, recoupment, investigative, and other administrative activities.

Moreover, fraudulent, unauthorized, and noncompliant enrollments also have negative impacts on the health insurance market, such as increasing uncertainty around who is enrolled which undermines issuers' ability to project future claims. This level of uncertainty will continue to make pricing difficult, impact the stability of the risk pool, and may ultimately lead to higher premiums. High levels of unauthorized enrollments make it difficult for issuers to accurately price plans, since they cannot reliably distinguish genuine risk profiles from artificially inflated enrollment numbers when setting premiums. This uncertainty destabilizes the risk pool by skewing the balance of healthy and sick enrollees, and issuers typically respond to that unpredictability by raising premiums across the board to protect against unforeseen losses.

While CMS completes implementation of enhanced identity-verification, authentication, monitoring, and other program-integrity controls, many of the enforcement efforts undertaken by CMS—such as policy cancellations and agent and broker terminations—operate only after an agent or broker is already registered and conducting transactions. Additional safeguards are necessary as many of these enforcement mechanisms do not properly prevent harm at the point of entry to protect consumers. Further safeguards are necessary to prevent CMS and issuers from expending significant time and resources necessary to cancel unauthorized enrollments and remove non-compliant agents and brokers. A temporary pause on new registrations allows CMS to enhance these program-integrity controls before additional agent and broker entrants begin assisting consumers.

These concerns are particularly acute as CMS approaches the Plan Year 2027 Open Enrollment Period, which begins on November 1, 2026. The misconduct and noncompliance identified by CMS are ongoing, and the opportunity for improper and unauthorized enrollment activity will increase as the Open Enrollment Period approaches. Waiting to implement the temporary moratorium until completion of notice-and-comment rulemaking would leave the existing registration framework in place during the Open Enrollment Period and would permit new agents and brokers to enter into Exchange agreements and operate on the Federally-facilitated Exchanges before CMS has fully implemented program integrity measures to address these concerns.

### *B. Prior Notice and Comment Would Be Impracticable*

CMS finds that providing notice and an opportunity for public comment before implementing the temporary moratorium would be impracticable and contrary to the public interest under the particular circumstances presented here. The effectiveness of the moratorium depends in substantial part on it taking effect before prospective agents and brokers who are subject to the moratorium have an opportunity to alter their conduct in response to advance notice of the impending restriction. Publishing a proposed rule announcing that CMS intends, after completion of notice and comment, to suspend new registrations would therefore create both an incentive and an opportunity for persons who otherwise would be subject to the moratorium to accelerate their registrations before the restriction takes effect. A prospective registrant who learns that registration will soon be temporarily unavailable has an obvious reason to complete the process while it remains open. The entire process for an agent or broker under § 155.220(d), including completing training, to register with the Exchange takes less than 30 calendar days. Historic data indicates there is generally a surge in new agent and broker registration each year when plan year training and registration becomes available (usually August or September) through October (in advance of the November 1 beginning of Open Enrollment) and additional new agent and broker registrations continue throughout Open Enrollment and into February.[21] Given

[20] For example, from January 2024 through August 2024, CMS received 90,863 complaints that consumers had their FFE plan changed without their consent. CMS (2024, October). *CMS Update on Action to Prevent Unauthorized Agent and Broker Marketplace Activity. https://www.cms.gov/newsroom/press-releases/cms-update-actions-prevent-unauthorized-agent-and-broker-marketplace-activity.*

[21] In Plan Year 2024, 20,113 new agents and brokers registered before February 2024. In Plan Year 2025, 16,479 new agents and brokers

this trend, we would expect that, absent the temporary moratorium, approximately 19,000 new agents and brokers would have registered during the period of the temporary moratorium.

Notice-and-comment rulemaking would not simply postpone the benefits of the moratorium, it would affirmatively undermine the purpose and goals of the moratorium. Registrations completed in response to announcement of the impending moratorium would increase the population of newly registered agents and brokers immediately before the moratorium begins. Because the moratorium operates prospectively, those registrations could not subsequently be prevented by the moratorium. Thus, by the time the notice-and-comment process concluded, the population the moratorium is intended to temporarily prevent from entering the Exchange program could be materially larger than it was when CMS determined that a pause in new registrations was necessary. A notice-and-comment period, even if only 30 calendar days, would notify prospective agents and brokers to complete the registration process before a moratorium can become effective given that registration takes less than the comment period. As explained in more detail in section II.B of this IFC, in recent years, newly registered agents and brokers have disproportionately represented agents and brokers whose Federally-facilitated Exchange enrollment activity raised significant compliance concerns. Therefore, by operation a notice-and-comment period would affirmatively undermine the purpose and goals of codifying the authority and framework for HHS to impose temporary moratoria on the registration of certain agents and brokers. Section 155.220(o) provides HHS with a framework to immediately implement a temporary moratorium, pausing registration of agents and brokers that do not have a current Plan Year registration with the Federally-facilitated Exchanges at the time the moratorium is effective, when agent or broker conduct poses an unacceptable risk to the accuracy of the Federally-facilitated Exchanges' eligibility determinations, operations, applications, enrollees, or Federal Exchange information technology systems.

Moreover, given CMS' ongoing and evolving enforcement efforts to address unauthorized enrollments by agents and brokers, it would not have been feasible for CMS to begin the rulemaking process earlier. Although CMS has been addressing unauthorized enrollment and plan switching activity for several years, the need for the temporary moratorium adopted in this rule became apparent only after CMS had an opportunity to assess the effectiveness of the measures previously implemented and to analyze more recent enrollment and enforcement data. As explained above, CMS initially responded to unauthorized activity through measures specifically targeting the conduct that had been identified, including enhanced monitoring and enforcement, suspension and termination of noncompliant agents and brokers, changes to Exchange systems designed to prevent unauthorized changes to existing enrollments, and additional enrollment safeguards. Those measures produced meaningful improvements and reasonably supported CMS' decision to pursue targeted interventions rather than restrict new agent and broker participation more broadly.

More recent experience, however, has demonstrated a remaining vulnerability that those measures do not adequately address: individuals who newly enter the Exchange as registered agents or brokers may obtain access to Federally-facilitated Exchanges enrollment functionality before CMS' monitoring and post-registration enforcement mechanisms can identify and address problematic conduct. As detailed earlier in this rule, when compared to agents and brokers registered before Plan Year 2026, agents and brokers newly registered in Plan Year 2026 exhibited higher rates across several factors tied to unauthorized enrollments or noncompliant practices. This information materially changed CMS' understanding of both the source of the remaining risk and the adequacy of existing safeguards. In particular, it demonstrated that measures directed principally at addressing misconduct after registration do not fully address the risk presented at the point of entry.

CMS therefore determined that a temporary, prospective pause in new registration is necessary while the agency completes the additional identity-verification, consumer authorization, and other program integrity controls described above. CMS did not previously impose such a moratorium because the information then available did not establish that temporarily barring otherwise eligible agents and brokers from registration was necessary or appropriately tailored to address the identified misconduct. As noted above, given the scope of unauthorized enrollments and the recent CMS data showing that agents and brokers who first registered for Plan Year 2026 are disproportionately represented among agents and brokers whose Exchange enrollment activity raised significant compliance concerns, CMS has only recently recognized the need to adopt reasonable prospective safeguards such as a temporary moratorium on new agent and broker registrations for Plan Year 2027. The more recent data, considered together with the proximity of the Plan Year 2027 Open Enrollment Period and the time required to complete the additional system safeguards, now support that determination.

The circumstances requiring immediate action are not based solely on the longstanding existence of unauthorized enrollment activity. Rather, as described above, CMS' recent analysis of Plan Year 2026 enrollment and enforcement data has identified a specific vulnerability associated with newly registered agents and brokers that is not addressed by CMS' existing controls. That analysis, together with the approaching Plan Year 2027 Open Enrollment Period and the fact that CMS' additional preventive system controls will not be fully operational before that period begins, creates a time-limited gap in CMS' program-integrity protections. The identified pattern of unauthorized enrollment, unauthorized plan changes, and other noncompliant enrollment activity conducted by a subset of agents and brokers is ongoing despite the above-referenced steps taken by the agency to address this misconduct. Absent intervention, this activity is likely to continue or escalate during the pendency of notice-and-comment rulemaking, especially as the Plan Year 2027 Open Enrollment Period is set to begin on November 1, 2026. Because the harm is active and accruing in real time, the delay associated with pre-promulgation notice-and-comment—which would leave the current registration and access framework in place for the duration of that process—is impracticable in light of the immediate risk to consumers, Federal Exchange information systems, and the efficient operation of the Federally-facilitated Exchanges. Accelerating the rulemaking process was also not a viable option for CMS for the same reasons discussed above about why it would be impracticable—namely that it would create both an incentive and an opportunity for persons to accelerate their registration.

Publishing this rule as a notice of proposed rulemaking and providing

registered before February 2025. In Plan Year 2026, 19,982 new agents and brokers registered during this period. *See* CMS, Marketplace Agent/Broker Registration Completion List, available at *https://data.healthcare.gov/ab-registration-completion-list.*

advance notice of the moratorium would create an incentive for bad actors to take advantage of the notice-and-comment period and before the measure would take effect. Such bad actors could use the additional time to register, access training, and enter into Exchange agreements for the upcoming plan year, use the 2027 Open Enrollment Period to flood the Federally-facilitated Exchanges with improper, incomplete or unauthorized enrollment applications in an attempt to collect commission payments, and benefit from the delays in CMS' post-hoc enforcement efforts. Advance notice would effectively provide a window during which the very conduct this rule is designed to prevent could be undertaken with full knowledge that the opportunity to do so was closing. This would directly undermine the purpose of the rule and would be contrary to the public interest in protecting consumers and the integrity of the Federally-facilitated Exchanges' operations.

## IV. Waiver of the 30-Day Effective Date

Due to the systemic nature of the agent and broker misconduct identified by CMS, delaying the promulgation of this rulemaking and notice outlined in this rule would prevent CMS from implementing a program integrity tool that can significantly mitigate conduct that can result in serious medical, financial, and administrative harm to consumers. If an unauthorized plan replaces or overlaps with an existing plan, the consumer could lose active coverage they were relying on or face a gap in coverage. For example, a consumer's new plan may not cover the consumer's regular doctors, specialists, or prescription drugs, leading to denied claims, unexpected medical bills, or delayed treatment. Further, if the unauthorized enrollment or plan switch is undiscovered, consumers may become responsible for premium payments or cost-sharing they did not anticipate and face unexpected tax liability for incorrect premium tax credits.

Delaying the promulgation of this rule would be contrary to the goal of protecting consumers and detrimental to both the overall stability and premium pricing of the individual market, while CMS implements additional safeguards to Federal Exchange systems and enrollment functions. Moreover, if CMS were to provide advance notice of the IFC and the concurrent temporary moratorium on registration of new agents and brokers for Plan Year 2027, it could undermine the goal of the temporary moratorium by allowing new agents and brokers to complete Plan Year 2027 registrations with the Federally-facilitated Exchanges and Exchange agreements before the rule and moratorium is effective. Therefore, we find good cause to waive the notice of proposed rulemaking and to issue this final rule on an interim basis, effective immediately.

This rule is effective September 22, 2026. The APA ordinarily requires a 30-day delay in the effective date of a final rule from the date of its publication in the **Federal Register**.[22] This 30-day delay in effective date can be waived, however, if an agency finds good cause to support an earlier effective date.[23] Additionally, Subtitle E of the Small Business Regulatory Enforcement Fairness Act of 1996 (also known as the Congressional Review Act or CRA) requires a 60-day delay in the effective date for major rules unless an agency finds good cause that notice and public procedure are impracticable, unnecessary, or contrary to the public interest, in which case the rule shall take effect at such time as the agency determines.

HHS has also determined that there is good cause to waive the APA's and CRA's delayed effective date requirements for the provisions at 45 CFR 155.220(o) because delay of the effective date for such provisions would be impracticable and contrary to public interest for the reasons explained above.

For the foregoing reasons, HHS has found good cause to waive the APA's and CRA's delayed effective date requirements and determined that the provisions of 45 CFR 155.220(o) finalized in this rule are effective as of September 22, 2026.

Pursuant to the provisions established in this IFC at § 155.220(o), temporary moratorium on the registration of new agents and brokers without Plan Year 2026 Exchange agreements seeking to enter into Exchange agreements with CMS to assist consumers on the Federally-facilitated Exchanges with enrollment through the Exchanges for Plan Year 2027 is effective September 22, 2026. As such, new agents and brokers without Plan Year 2026 Exchange Agreements will not be able to complete the registration process until the moratorium ends on February 1, 2027, unless CMS terminates it earlier or extends or modifies it through subsequent notice.

## V. Severability

The provisions promulgated in this IFC and the various applications thereof, are distinct and severable. If any provision of this rule or notice or the application thereof to any person or circumstances is held invalid, such invalidity shall not affect other provisions in this rule or in the notice in this rule or application of such provision to other persons or circumstances which can be given effect without the invalid provision or application.

[22] 5 U.S.C. 553(d).

[23] 5 U.S.C. 533(d)(3).

## VI. Collection of Information Requirements

This document does not impose information collection requirements, that is, reporting, recordkeeping or third-party disclosure requirements. While OMB Control Number 0938–1204 covers the Agent/Broker Data Collection in Federally-facilitated Health Insurance Exchanges (Form CMS–10464) and OMB Control Number 0938–1463 covers other applicable requirements for web-brokers (CMS–10877), no changes to these information collections are necessitated by this rulemaking or notice. Consequently, there is no need for review by the Office of Management and Budget under the authority of the Paperwork Reduction Act of 1995 (44 U.S.C. 3501 *et seq.*).

## VII. Response to Comments

Because of the large number of public comments we normally receive on **Federal Register** documents, we are not able to acknowledge or respond to them individually. We will consider all comments we receive by the date and time specified in the **DATES** section of this preamble, and, if we proceed with a subsequent document, we will respond to the comments in the preamble to that document.

## VIII. Regulatory Impact Analysis

### *A. Need for Regulatory Action*

This IFC codifies the authority and framework for HHS to impose a temporary moratorium pausing the registration of agents and brokers that do not have a current Plan Year registration with the Federally-facilitated Exchanges at the time the moratorium is effective that are seeking to enter into Exchange agreements with CMS to assist consumers with submission of Exchange applications and enrollments through FFEs and SBE–FPs (''Federally-facilitated Exchanges'').

This IFC further provides notice that CMS, on behalf of HHS, is immediately imposing a temporary moratorium to pause the registration of agents and brokers that do not have Plan Year 2026 Exchange agreements and are seeking to enter into agreements with CMS to assist consumers with submitting applications and/or enrollments through the Federally-facilitated Exchanges for Plan Year 2027. This moratorium will be in place while CMS implements enhanced program-integrity safeguards designed to prevent fraud and abuse, including unauthorized enrollment activity, misuse of consumer PII, and other conduct that does not comply with Exchange standards that threatens consumers and the integrity of the Federally-facilitated Exchanges. These agents and brokers will not be able to complete registration for Plan Year 2027 until the moratorium ends on February 1, 2027, unless CMS lifts it earlier or extends or modifies it through subsequent notice.

We have determined that this regulatory action is necessary because existing and new safeguards do not yet adequately address identified vulnerabilities associated with agent and broker access to Federal Exchange systems and enrollment functions. Continued onboarding of additional new agents and brokers while enhanced identity-verification, authentication, monitoring, and other program-integrity controls are implemented would increase the risk of consumer harm, unauthorized enrollment activity, improper changes in coverage, and improper expenditures of APTC.

We have examined the effects of this IFC as required by Executive Order 12866, ''Regulatory Planning and Review''; Executive Order 13132, ''Federalism''; Executive Order 13563, ''Improving Regulation and Regulatory Review''; Executive Order 14192, ''Unleashing Prosperity Through Deregulation''; the Regulatory Flexibility Act (RFA) (Pub. L. 96–354); section 1102(b) of the Social Security Act; section 202 of the Unfunded Mandates Reform Act of 1995 (Pub. L. 104–4); and the Congressional Review Act (5 U.S.C. 804(2)).

*B. Executive Orders 12866 and 13563*

Executive Orders 12866 and 13563 direct agencies to assess all costs and benefits of available regulatory alternatives and, if regulation is necessary, to select those regulatory approaches that maximize net benefits (including potential economic, environmental, public health and safety, and other advantages, and distributive impacts). Section 3(f) of Executive Order 12866 defines a ''significant regulatory action'' as any regulatory action that is likely to result in a rule that may: (1) have an annual effect on the economy of $100 million or more or adversely affect in a material way the economy, a sector of the economy, productivity, competition, jobs, the environment, public health or safety, or State, local, or tribal governments or communities; (2) create a serious inconsistency or otherwise interfere with an action taken or planned by another agency; (3) materially alter the budgetary impact of entitlements, grants, user fees, or loan programs or the rights and obligations of recipients thereof; or (4) raise novel legal or policy issues arising out of legal mandates, or the President's priorities.

Based on our estimates, the Office of Management and Budget's (OMB) Office of Information and Regulatory Affairs (OIRA) has determined that this rulemaking is ''significant'' per section 3(f)(1) of Executive Order 12866. A regulatory impact analysis (RIA) has been prepared for this IFC in keeping with Executive Order 12866. Pursuant to Subtitle E of the Small Business Regulatory Enforcement Fairness Act of 1996 (also known as the Congressional Review Act), OIRA has also determined that this rule is major as it meets the criteria set forth in 5 U.S.C. 804(2).

We have prepared an RIA that, to the best of our ability, presents the costs and benefits of this IFC.

*C. Summary of Impacts*

As required by OMB Circular A–4 (available at *https://www.whitehouse.gov/wp-content/uploads/2025/08/CircularA-4.pdf*), we have prepared an accounting statement in Table 1 showing the classification of the impacts associated with this IFC.

TABLE 1—ACCOUNTING TABLE

| Benefits or transfers: | Estimate ($) | Year dollar | Discount rate (%) | Period covered |
|---|---|---|---|---|
| Annualized Monetized (/year) | 334.3 million<br>334.3 million | 2025<br>2025 | 7<br>3 | 2027–2031<br>2027–2031 |
| Quantified:<br>• Prevention of improper expenditures of APTC of an estimated range from approximately 48 million to 877 million (average across four scenarios considered: 333.6 million) annually associated with the temporary moratorium on the registration of certain new agents and brokers in place for Plan Year 2026..<br>• Prevention of consumer administrative burden caused by unauthorized enrollment and plan switching of an estimated value ranging from approximately 280,000 to 1.1 million (average: 700,000) annually associated with the temporary moratorium on the registration of certain new agents and brokers in place for Plan Year 2026.. | | | | |
| Non-Quantified:<br>• Prevention of fraud and misuse of consumer PII.<br>• Reduction in unauthorized enrollment activity.<br>• Prevention of improper changes in coverage and subsequent consumer harm.<br>• Promotion of the integrity of the Federally-facilitated Exchanges.<br>• Prevention of improper expenditures of APTC associated with moratoria on registration of certain new agents and brokers who do not have current Plan Year Exchange agreements when future moratoria are in place. | | | | |
| Costs: | | | | |
| Annualized Monetized ($/year) | 260,156 | 2025 | 7 | 2027–2031 |

TABLE 1—ACCOUNTING TABLE—Continued

| Benefits or transfers: | Estimate ($) | Year dollar | Discount rate (%) | Period covered |
|---|---|---|---|---|
| | 241,962 | 2025 | 3 | 2027–2031 |
| Quantified:<br>• One-time regulatory review costs of approximately $1,141,359. | | | | |
| Non-Quantified:<br>• Temporary reduction in agent and broker competition and the number of agents and brokers available to enroll consumers in coverage offered through the Federally-facilitated Exchanges when a moratorium on registration of certain new agents and brokers is in place.<br>• Potential operational losses for agencies and brokerages when a moratorium on registration of certain new agents and brokers is in place.<br>• Potential job losses for certain new agents and brokers when a moratorium on registration of certain new agents and brokers is in place. | | | | |
| Other Transfers:<br>Annualized Monetized (/year) | 19.2 million | 2025 | 7 | 2027–2031 |
| | 17.9 million | 2025 | 3 | 2027–2031 |
| Quantified:<br>• Transfer of approximately $71 million to $98 million (average: $84.3 million) in commission revenue that would have been received by agents and brokers that do not have Plan Year 2026 Exchange agreements to existing agents and brokers that have Plan Year 2026 Exchange agreements associated with the temporary moratorium for Plan Year 2027. | | | | |
| Non-Quantified:<br>• Potential transfer of commission revenue that would have been received by agents and brokers who do not have current Plan Year Exchange agreements to existing agents and brokers who have current Plan Year Exchange agreements if and when moratoria on registration of new agents and brokers are in place during Plan Years from 2028 to 2031. | | | | |

*D. Number of Affected Entities*

This IFC is expected to affect agents and brokers facilitating enrollment in coverage offered through the Federally-facilitated Exchanges, individuals, employers, and employees working with an agent or broker to enroll in coverage offered through the Federally-facilitated Exchanges, and issuers offering individual or small group coverage through the Federally-facilitated Exchanges that work with agents and brokers. We seek comment on the number of entities that will be affected by this IFC, as discussed in this section.

1. Agents and Brokers

This IFC will directly impact agents and brokers who are unable to register with the Federally-facilitated Exchanges at the time a moratorium is effective.

There is generally a surge in new agent and broker registration each year when plan year training and registration becomes available (usually August or September) through October (in advance of the November 1 beginning of Open Enrollment) and additional new agent and broker registrations continue throughout Open Enrollment and into February. In Plan Year 2024, 20,113 new agents and brokers registered before February 2024. In Plan Year 2025, 16,479 new agents and brokers registered before February 2025. In Plan Year 2026, 19,982 new agents and brokers registered during this period.[24] Not all new agents and brokers registered ultimately have active enrollments, however; in Plan Year 2026, of the 84,012 total registered agents and brokers with active enrollments in the Federally-facilitated Exchanges, 8,937 were agents and brokers that newly registered for Plan Year 2026, and 6,956 of these newly registered agents and brokers with active enrollments had at least one enrollment during Open Enrollment. In developing the impact estimates later in this section, we use this figure (6,956 agents and brokers) as a proxy for the number of agents and brokers that might be impacted by a temporary moratorium in effect in a given Plan Year.

2. Individuals, Employers, and Employees

This IFC will also impact individuals, employers, and employees working with an agent or broker to enroll in coverage offered through the Federally-facilitated Exchanges. As of February 2026, there are 12,406,195 enrollees with individual health insurance coverage across the Federally-facilitated Exchanges.[25]

Due to limited data reporting, we are unable to estimate the number of employers that provide health and/or dental insurance coverage to their employees through the Small Business Health Options Program (SHOP) in the FFE States.

[24] CMS, Marketplace Agent/Broker Registration Completion List, available at *https://data.healthcare.gov/ab-registration-completion-list.*

[25] CMS, Health Insurance Exchanges Monthly Effectuated Enrollment (as of February 2026), available at *https://data.cms.gov/summary-statistics-on-beneficiary-enrollment/health-insurance-marketplace/health-insurance-exchanges-monthly-effectuated-enrollment.*

3. Issuers of Individual or Group Coverage

Lastly, this IFC will impact issuers of individual or group coverage operating in the Federally-facilitated Exchanges. As of Plan Year 2026, there are 346 issuers in the FFE and SBE–FP States that offer an on-Exchange qualified health plan or standalone dental plan.[26]

*E. Benefits or Transfers*

This IFC is expected to prevent fraud and the misuse of consumer PII, reduce the risk of consumer harm (including from loss of coverage or having coverage changed inappropriately), reduce unauthorized enrollment activity, prevent improper expenditures of APTC, and reduce or prevent other conduct that threatens consumers and the integrity of the Federally-facilitated Exchanges.

In seeking to quantify the benefits associated with curbing improper payments incurred due to the actions of noncompliant agents and brokers, we present two methodologies that estimate high and low estimates for the impact of agent and broker noncompliance resulting in unauthorized enrollments.[27] The resulting figures are roughly $6.6 billion and $1.5 billion, respectively.[28]

One way to calculate the scope of this issue is to look at plans with zero utilization (that is, no claims filed across an entire plan year). While zero utilization is not, on its face, indicative of an unauthorized enrollment (healthy individuals may go an extended period without filing a claim, for example), on-Exchange plans purchased through the Federal platform were more likely (34 percent versus 23 percent) than unsubsidized, off-Exchange plans to have zero utilization in Plan Year 2024.[29] This 11 percentage point differential between on-Exchange and off-Exchange zero utilization is notable and may be indicative of unauthorized enrollment (since consumers enrolled in plans without their knowledge or consent would not be expected to utilize those plans). To the extent this differential applies to enrollment in Plan Year 2026, this would mean that (on the high end) unauthorized enrollment could result in up to $6.6 billion in improper Federal spending.[30] This may be an overestimate since other differences between on-Exchange and off-Exchange enrollments may partially explain some of this differential.[31] Further, program integrity measures undertaken since Plan Year 2024 have likely reduced this differential; for example, over 550,000 enrollees had their APTC ended in 2025 after CMS identified concurrent enrollments in *HealthCare.gov* States.[32] CMS expects that such improper Federal spending will be largely prevented in future years as enhanced program-integrity safeguards are implemented.

Another way to calculate the scope of this issue is to look at GAO's July 2026 report. This report found that there were 299,604 consumer complaints tied to confirmed unauthorized enrollments and plan switches on the Federal platform in 2025.[33] Using this estimate as a proxy for potential unauthorized enrollment and plan switching that would be avoided in Plan Year 2027 through the moratorium on registration of certain new agents and brokers in Plan Year 2026, this would mean that (on the low end) this fraud could result in about $1.5 billion in wasteful Federal spending if unaddressed.[34] CMS again expects that such improper Federal spending will be largely prevented in future years as enhanced program-integrity safeguards are implemented.

Since, as noted earlier in this preamble, newly registered agents and brokers generally constitute about a tenth of the total agent and broker population and generally constitute about a third of the total agents and brokers found noncompliant, we conclude that newly registered agents and brokers are, on average, about three times more likely to engage in noncompliance than agents and brokers that have been registered and operated on the Exchanges in the past. As a result, we expect that this IFC will help curb the scale of improper payments on the Federally-facilitated Exchanges.

Table 2 shows the approximate per-broker average improper Federal spending levels that are implied by the new-to-returning improper activity ratios of 1.4 to 2.8 discussed in section II.B. of this preamble when combined with potential baseline Federal improper spending, as discussed above.[35] It additionally shows the aggregate reduction that would be achieved if this IFC eliminates the new-to-returning differential across the activity of roughly 6,956 avoided new brokers with active enrollments, yielding a range of avoided improper spending from approximately $48 million to $877 million.

[26] CMS, 2026 Health Insurance Exchange Public Use Files, available at *https://www.cms.gov/marketplace/resources/data/public-use-files* and CMS, 2026 Qualified Health Plan Landscape Files, available at *https://www.healthcare.gov/plan-data/*.

[27] Noncompliance includes, but is not limited to, unauthorized enrollments. To the extent that illicit activity is addressed by issuance of the temporary moratorium, categorizing resulting effects as benefits, rather than as transfers (shifts of value among individuals within society), is consistent with Zerbe, R.O. (1998), ''Is Cost-Benefit Analysis Legal? Three Rules,'' *Journal of Policy Analysis and Management* 17(3): 419–456. Categorizing effects is more ambiguous where underlying circumstances are improper but not criminal.

[28] We note that the average duration of unauthorized enrollments is more likely to exceed the 8-month average cited later in this section since the consumer is unlikely to cancel such enrollments. This likely contributes to a tendency to underestimate the total amount of fraud.

[29] Analysis found that 34 percent (from Plan Year 2023 through Plan Year 2024) of on-Exchange silver enrollments were associated with no claims as compared to off-Exchange silver enrollments (18 to 23 percent from Plan Year 2019 through Plan Year 2024). This comes to a rough differential of at least 11 percentage points. Patient Protection and Affordable Care Act, HHS Notice of Benefit and Payment Parameters for 2027; and Basic Health Program; 2/11/26; 91 FR 29526.

[30] Based on the CMS Health Insurance Exchanges 2026 Open Enrollment Report, approximately 90 percent of *HealthCare.gov* consumers selected plans with APTC for Plan Year 2026 and the average monthly APTC for these consumers was $674 or $5,392 for eight months (the average duration of an on-Exchange enrollment in the FFE based on CMS analysis of preliminary 2025 Enrollee-Level External Data Gathering Environment (EDGE) data). 1,364,681 enrollments represent about 11 percent of the 12,406,195 FFE and SBE–FP enrollees as of February 2026, based on the CMS Health Insurance Exchanges Monthly Effectuated Enrollment data. This comes to about $6.6 billion in Federal spending (calculated as 1,364,681 enrollees × 0.9 × $5,392).

[31] These differences could include the average duration of enrollment on-Exchange versus off-Exchange and on-Exchange plans being more attractive for younger, healthier enrollees due to lower premiums (as on-Exchange plans are subsidized unlike off-Exchange plans).

[32] See ''CMS Actions to Protect Consumers and Strengthen Exchange Program Integrity,'' available at *https://www.cms.gov/newsroom/fact-sheets/cms-actions-protect-consumers-strengthen-exchange-program-integrity*.

[33] GAO (2026). ''Health Insurance Marketplaces: CMS Needs Stronger Controls to Prevent Unauthorized Actions by Agents and Brokers,'' available at *https://www.gao.gov/products/gao-26-108297*.

[34] Based on the CMS Health Insurance Exchanges 2026 Open Enrollment Report, approximately 90 percent of *HealthCare.gov* consumers selected plans with APTC for Plan Year 2026 and the average monthly APTC for these consumers was $674 or $5,392 for eight months (the average duration of an on-Exchange enrollment in the FFE based on CMS analysis of preliminary 2025 Enrollee-Level External Data Gathering Environment (EDGE) data). For 299,604 enrollments, this comes to about $1.5 billion in Federal spending (calculated as 299,604 enrollees × 0.9 × $5,392).

[35] Estimates are derived so as to satisfy the following equations (in which $I_b$ is baseline annual improper Federal spending; $I_r$ is average improper spending per returning agent or broker; $I_n$ is average improper spending per new agent or broker; $AB_r$ is the number of returning agents or brokers; $AB_n$ is 6,956, a baseline number of agents or brokers with active enrollments during Open Enrollment; and k equals 1.4 or 2.8): $I_b = I_r \times AB_r + I_n \times AB_n = I_r \times AB_r + (k \times I_r) \times AB_n$.

TABLE 2—APPROXIMATE RANGES OF PER-BROKER AVERAGE IMPROPER FEDERAL SPENDING AND AGGREGATE REDUCTION THAT WOULD BE ACHIEVED IF THE IFC ELIMINATES THE NEW-TO-RETURNING DIFFERENTIAL

| Inputs | New-to-returning improper activity ratio = 1.4 | New-to-returning improper activity ratio = 2.8 |
|---|---|---|
| $6.6 billion baseline annual improper Federal spending (based on zero utilization differential). | $78,000 (returning)<br>$109,000 (new)<br>$217 million (aggregate if differential eliminated). | $70,000 (returning).<br>$196,000 (new).<br>$877 million (aggregate if differential eliminated). |
| $1.5 billion baseline annual improper Federal spending (based on unauthorized enrollment/unauthorized plan switching). | $17,000 (returning)<br>$24,000 (new)<br>$48 million (aggregate if differential eliminated). | $15,000 (returning).<br>$43,000 (new).<br>$193 million (aggregate if differential eliminated). |

Another benefit of this moratorium will be consumer protection. When an agent or broker switches a consumer's plan without their knowledge or consent, the consumer could lose active coverage they were relying on or face a gap in coverage. A consumer's new plan may not cover the consumer's regular doctors, specialists, or prescription drugs, leading to denied claims, unexpected medical bills, or delayed treatment.

When noncompliant agents and brokers enroll consumers without their knowledge or consent, they can create unexpected tax liabilities for consumers. This consumer risk is especially acute since Section 71305 of the Working Families Tax Cut legislation (P.L. 119–21) eliminated the limitation on recapture of excess APTC. This means that consumers who are enrolled without their knowledge or consent are likely to face an unexpected tax liability as a result of agent and broker noncompliance.

If a consumer is enrolled in an plan through the Federally-facilitated Exchanges without their knowledge or consent by a noncompliant agent or broker, then that consumer may only learn of this coverage upon receipt of a Form 1095–A from the Marketplace at tax time, or upon rejection of their federal tax return by the IRS for not reconciling premium tax credits. At that point the consumer would need to contact the Marketplace Call Center to report the unauthorized enrollment, cancel the coverage, potentially initiate a CMS fraud investigation, and request a voided or zeroed-out Form 1095–A to include with their federal tax return. Based on our operational experience and review of relevant information collections approved under the Paperwork Reduction Act (for example, HHS–CMS OMB Control Number 0938–1191 and UST–IRS OMB Control Number 1545–2232), we expect that this process could take 1 hour.

A small portion of these affected consumers (we estimate 7 percent) [36] are likely to incur additional administrative burden reporting this unauthorized enrollment through official governmental channels for reporting identity theft, such as law enforcement or a report on the FTC's *IdentityTheft.gov* website. Consumers need 15 minutes, on average, to complete the *IdentityTheft.gov* reporting form, create an *IdentityTheft.gov* account, and review their personalized recovery plan. A larger portion of these affected consumers (67 percent) [37] are likely to report identity theft to their financial institutions. We estimate that such reporting will also require, on average, 15 minutes.

Finally, some portion of these affected consumers may fail to rectify the erroneous Form 1095–A and may incur a tax liability. If the consumer received a PTC subsidy in line with the $674 average monthly subsidy for 12 months [38] and the consumer was ineligible for the entire amount then this liability could be more than $8,000. Failure to file the IRS Form 8962 to reconcile APTC incurred due to unauthorized enrollment could result in the IRS withholding tax refund or trigger a Treasury Offset Program collection. More likely, however, is that the affected consumers in such a situation would incur the additional paperwork burden of filing an amended tax return, which is estimated to take 9 hours on average and could also include tax preparation service fees and/or mailing costs.[39] Using the $24.05 wage rate we calculate below, such consumers who need to file an amended return could incur $216.45 in additional administrative expense. We are unable to estimate what portion of consumers will face these greater burdens and costs, however.

In 2025, there were 299,604 consumer complaints tied to confirmed unauthorized enrollments and plan switches on the Federal platform.[40] We estimate that affected consumers would, therefore, incur 355,031 hours of administrative burden associated with unauthorized enrollments and plan switches, as shown in Table 3.

[36] DOJ (2023), ''Victims of Identity Theft, 2021,'' available at *https://bjs.ojp.gov/press-release/victims-identity-theft-2021.*

[37] *Id.*

[38] For *HealthCare.gov* consumers. See CMS, Health Insurance Exchanges 2026 Open Enrollment Report, available at *https://www.cms.gov/files/document/health-insurance-exchanges-2026-open-enrollment-report.pdf.*

[39] See IRS, ''Instructions for Form 1040–X,'' available at *https://www.irs.gov/pub/irs-pdf/i1040x.pdf.*

[40] GAO (2026). ''Health Insurance Marketplaces: CMS Needs Stronger Controls to Prevent Unauthorized Actions by Agents and Brokers,'' available at *https://www.gao.gov/products/gao-26-108297.*

TABLE 3—ESTIMATED CONSUMER ADMINISTRATIVE BURDEN ASSOCIATED WITH AGENT AND BROKER NONCOMPLIANCE

| Affected consumers | Hours per respondent | Total hours |
|---|---|---|
| Process correction (100 percent) | 1 | 299,604 |
| Report to financial institution (67 percent) | 0.25 | 50,184 |
| Report to enforcement institution (7 percent) | 0.25 | 5,243 |
| Total | ........................ | 355,031 |

To calculate the cost of this administrative burden, we adopt an hourly value of time based on after-tax wages to quantify the opportunity cost of changes in time use for unpaid activities. This approach matches the default assumptions for valuing changes in time use for individuals undertaking administrative and other tasks on their own time, which are outlined in an Assistant Secretary for Planning and Evaluation (ASPE) report on ''Valuing Time in U.S. Department of Health and Human Services Regulatory Impact Analyses: Conceptual Framework and Best Practices.'' [41] We started with a measurement of the usual weekly earnings of wage and salary workers of $1,159. We divided this weekly rate by 40 hours to calculate an hourly pre-tax wage rate of approximately $28.98. We adjusted this hourly rate downwards by an estimate of the effective tax rate for median income households of about 17 percent, resulting in a post-tax hourly wage rate of approximately $24.05. We adopt this as our estimate of the hourly value of time for changes in time use for unpaid activities. Using this figure, we estimate that the total value of administrative burden caused by unauthorized enrollment is $8,538,496.

Table 4 shows the approximate consumer administrative burden caused by unauthorized enrollment expressed as a per-broker average as implied by new-to-returning improper activity ratios of 1.4 to 2.8 when combined with the potential baseline value of administrative burden, as discussed above. It additionally shows the aggregate burden reduction that would be achieved if this IFC eliminates the new-to-returning differential across the activity of roughly 6,956 brokers, yielding a range of avoided consumer administrative burden from approximately $280,000 to $1.1 million annually.

TABLE 4—APPROXIMATE RANGES OF PER-BROKER AVERAGE CONSUMER ADMINISTRATIVE BURDEN CAUSED BY UNAUTHORIZED ENROLLMENT AND AGGREGATE REDUCTION THAT WOULD BE ACHIEVED IF THIS IFC ELIMINATES THE NEW-TO-RETURNING DIFFERENTIAL

| Inputs | New-to-returning improper activity ratio = 1.4 | New-to-returning improper activity ratio = 2.8 |
|---|---|---|
| $8,538,496 baseline value of consumer administrative burden caused by unauthorized enrollment or plan switching. | $100 (returning)<br>$140 (new)<br>$280,000 (aggregate if differential eliminated) | $90 (returning).<br>$250 (new).<br>$1.1 million (aggregate if differential eliminated). |

We seek comment on the expected benefits associated with this IFC.

*F. Costs*

This IFC is expected to temporarily reduce competition among agents and brokers and the total number of agents and brokers available to enroll consumers in coverage offered through the Federally-facilitated Exchanges when a moratorium is in place.

When a moratorium is in place, consumers will be unable to utilize the services of agents and brokers that would otherwise have registered during the period of the moratorium. Agents and brokers help consumers navigate, compare, and enroll in Exchange coverage typically at no direct extra cost to the consumer. While the loss of new agents and brokers may affect consumers' ability to utilize these services, we expect that overall enrollment in the Federally-facilitated Exchanges will remain stable for Plan Year 2027. As anyone registered in Plan Year 2026 is eligible to return, we anticipate there will be a similar number, or potentially a slight decrease, in the number of agents and brokers available to assist Federally-facilitated Exchanges consumers and we do not anticipate consumers will face a shortage of service from agents and brokers. We estimate based on historical experience that approximately 80 percent of agents and brokers that were registered for Plan Year 2026 will return and complete Plan Year 2027 registration and training but note that this estimate is uncertain. Additionally, some consumers may passively auto re-enroll into coverage or actively re-enroll for Plan Year 2027 coverage without the assistance of an agent or broker.

We understand that agencies and brokerages may begin hiring new agents and brokers during the summer and fall in preparation for the Plan Year 2027 Open Enrollment Period. We estimate that approximately half of the estimated 19,982 new agents and brokers whose registrations will be affected by this IFC in the first year of its implementation might be affiliated with agencies (that is, hired by agencies in preparation for the Plan Year 2027 Open Enrollment Period). In anticipation of the regularly recurring Open Enrollment Period, established agencies and brokerages have likely incurred routine business expenses associated with building the capacity necessary to handle the high volume of enrollments that occur during this period. These costs can include investments in human resources such as recruiting, hiring, training, licensing, and preparing new agents and brokers to

[41] *https://aspe.hhs.gov/reports/valuing-time-us-department-health-human-services-regulatory-impact-analyses-conceptual-framework.*

conduct business on the Federally-facilitated Exchanges. Because the temporary moratorium is being announced in September, these investments have already occurred and because these new agents and brokers cannot be registered to do business on the Federally-facilitated Exchanges for Plan Year 2027 while the moratorium is in place, these investments by agencies and brokerages are lost.

A temporary moratorium could also lead to job losses for agents and brokers that do not have current Plan Year Exchange agreements, to the extent their incomes and employment by agencies and brokerages are primarily derived from facilitating applications and enrollment in coverage offered through the Federally-facilitated Exchanges. Based on the commission revenue transfer estimate in section VIII.G. of this preamble ($71 million to $98 million in commission revenue transferred from new agents and brokers who do not have Plan Year 2026 Exchange agreements to existing agents and brokers that have Plan Year 2026 Exchange agreements), across the 6,956 agents and brokers that will be affected by the temporary moratorium in the first year of implementation of this IFC, the foregone (transferred) commission revenue could range from approximately $10,000 to $14,000 per agent and broker.

We seek comment on the expected costs associated with this IFC, including the magnitude of the potential operational losses for agencies and brokerages and the potential for job losses for agents and brokers who do not have current Plan Year Exchange Agreements.

*G. Other Transfers*

The temporary moratorium is expected to lead to a transfer of commission revenue associated with enrollment in coverage for Plan Year 2027 that would have been received by certain new agents and brokers that do not have Plan Year 2026 Exchange agreements in the absence of the temporary moratorium on registration to existing agents and brokers that have Plan Year 2026 Exchange agreements.

As noted in section VIII.D.1. of this preamble, we would expect that, absent the temporary moratorium, 19,982 agents and brokers would have registered during the period of the temporary moratorium for Plan Year 2027, of which 6,956 would have had active enrollments during Open Enrollment. New agents and brokers enrolled about 490,000 total consumers during the Plan Year 2026 Open Enrollment Period and earned about $18 to $25 in commission per member per month (PMPM).[42] The average FFE and/or SBE–FP enrollee remains on their plan for about 8 months.[43] As a result, we estimate that agents and brokers unable to register due to the temporary moratorium will forego approximately $71 million to $98 million in commissions. However, we expect that much of the compensation for newly registered agents and brokers, is paid through agencies they are affiliated with and services will instead be provided by other agents and brokers, within the agency, or by another agent or broker. As a result, the producer surplus portion of this aggregate commission is a transfer of value within society, rather than a societal cost.

This IFC could also lead to transfers of commission revenue from certain new agents and brokers that do not have current Plan Year Exchange agreements to existing agents and brokers who have current Plan Year Exchange agreements if and when future moratoria on registration of certain new agents and brokers are in place. However, we are unable to quantify the magnitudes of these potential future transfers due to uncertainty regarding the timing and parameters for future moratoria.

We seek comment on the expected transfers associated with this IFC.

*H. Regulatory Review Cost Estimation*

Due to the uncertainty involved with accurately quantifying the number of reviewers that will review this IFC, we use the estimated number of reviewers of the 2027 Payment Notice final rule (14,292) as a proxy for the approximate number of reviewers of this IFC. We acknowledge that this assumption may understate or overstate the number of reviewers that will actually review this IFC. Nevertheless, we view this to be a reasonable proxy for the number of reviewers that might review this IFC.

Using wage information from the Bureau of Labor Statistics, for Business Operations Specialists, All Other (Code 13–1199), to account for median labor costs (including a 100 percent increase of the median hourly wage to account for the cost of fringe benefits and other indirect costs), we estimate that the cost of reviewing this IFC will be approximately $79.86 per hour.[44] We estimate that it will take each reviewing individual approximately 1 hour to review this IFC assuming an average reading speed of 250 words per minute. Therefore, we estimate that the total one-time cost of reviewing this IFC will be approximately $1,141,359 (14,292 individuals × $79.86 per individual).

We seek comment on the estimated regulatory review costs associated with this IFC.

*I. Regulatory Alternatives Considered*

In codifying at § 155.220(o) the process for implementing moratoria on agent and broker registrations, we considered creating a provision that would place a moratorium on all agent and broker registrations and thereby fully block all agent and broker participation in the Federally-facilitated Exchanges in PY 2027. In balancing the need to codify a moratorium policy that provided an effective system and procedural safeguards against consumer support received through agents and brokers, we determined it was appropriate to limit agents and brokers that do not have current Plan Year registrations with the Federally-facilitated Exchanges at the time the moratorium is effective and does not prohibit registration for agents and brokers. As discussed in section II.B. of this IFC, enrollment data trends demonstrate that newly registered agents and brokers disproportionately represent agents and brokers subject to confirmed instances of unauthorized Federal platform enrollments and other noncompliant practice, which indicates that newly entering agents and brokers present a distinct and heightened program-integrity risk.

Additionally, we considered a range of different factors that HHS could utilize to determine whether implementing a moratorium is appropriate. For example, we considered codifying that HHS would impose a moratorium when it identified a trend in agent or broker conduct that could result in fraud and abuse. Such trends could include rapid increases in, or disproportionate rates of agent and broker assisted enrollments relative to applications submitted without the assistance of an agent or broker, including attesting to eligibility to a special enrollment period in accordance with using § 155.420(d) as the basis for the special enrollment period; attesting that applicants are not eligible for Medicaid in accordance § 155.305(c); or enrollments that later result in consumer- or Exchange-initiated terminations pursuant to §§ 155.4300(b)(1)(iv)(B)–(C) and 155.430(b)(2)(vi). We determined,

[42] KFF, ''Broker Fees and Direct Sales by Health Insurance Market'' (as of 2024), available at *https://www.kff.org/health-costs/state-indicator/health-insurance-broker-compensation/.*

[43] Based on CMS analysis of preliminary 2025 EDGE data.

[44] U.S. Bureau of Labor Statistics (2025). Occupational Employment and Wage Statistics (OEWS) Tables, Occupational Profiles national estimates, available at *https://www.bls.gov/oes/tables.htm.*

however, that leveraging the existing foundation of § 155.220(k)(3) that reflects our authority to suspend an agent's or broker's ability to transact information with the Federally-facilitated Exchanges in certain circumstance was more appropriate, particularly since the existing foundation of § 155.220(k)(3) already reflects these types of trend factors at an overall level.

We also considered whether a temporary moratorium on agent and broker participation could be limited to particular geographic areas where data indicated heightened program integrity risks. A geographically targeted approach could, in principle, have focused restrictions on areas experiencing disproportionate levels of suspected fraud, unauthorized enrollments, or other problematic agent and broker activity, while permitting new agents and brokers to continue entering the Marketplace in other areas.

After considering this approach, HHS determined that a geographically based moratorium would not provide an effective or sufficiently durable means of addressing the current underlying program-integrity concerns. Agent and broker activity in the Federally-facilitated Exchanges is not necessarily confined to the geographic location in which an agent or broker resides or maintains a business. Agents and brokers may assist consumers remotely and may operate across multiple States, subject to applicable State licensure requirements. As a result, restricting new participation based on a particular geographic area based on current conditions could shift noncompliant activity to other locations rather than prevent it and could create opportunities to circumvent the restriction.

HHS also considered the potential effect of a geographically targeted moratorium on legitimate agents and brokers and on consumer access to enrollment assistance. Agents and brokers play a substantial role in helping consumers understand coverage options and enroll in Marketplace coverage. A geographic restriction could prevent otherwise compliant new agents and brokers from participating solely because they operate in, or serve consumers in, an area identified as presenting heightened program integrity concerns, even where there was no indication that those particular individuals pose a risk. At the same time, differences in agent availability and consume reliance on broker assistance across markets could cause a geographically targeted restriction to have uneven effects on consumers' access to enrollment assistance.

In addition, determining and maintaining appropriate geographic boundaries would present significant operational and program integrity challenges. Patterns of suspected improper activity can change over time and may not correspond neatly to State, county, or other geographic boundaries. Geographic targeting therefore could require HHS to continually reassess which areas should be subject to a moratorium and could create arbitrary distinctions between similarly situated agents, brokers, and consumers on opposite sides of a geographic boundary.

We seek comment on the regulatory alternatives considered in the course of developing this rulemaking.

*J. Regulatory Flexibility Act (RFA)*

The RFA requires agencies to analyze options for regulatory relief of small entities and to prepare a regulatory flexibility analysis to describe the impact of a rule on small entities, unless the head of the agency can certify that the rule will not have a significant economic impact on a substantial number of small entities. The RFA generally defines a ''small entity'' as (1) a proprietary firm meeting the size standards of the Small Business Administration (SBA), (2) a not-for-profit organization that is not dominant in its field, or (3) a small government jurisdiction with a population of less than 50,000. States and individuals are not included in the definition of ''small entity.'' Because this IFC is not preceded by a general notice of proposed rulemaking, the RFA does not apply to this IFC.

*K. 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 rule that includes any Federal mandate that may result in expenditures in any 1 year by State, local, or Tribal governments, in the aggregate, or by the private sector, of $100 million in 1995 dollars, updated annually for inflation. Adjusted for inflation, that threshold is approximately $193 million in 2026. As suggested by the analysis of the impact of the temporary moratorium, this IFC is not expected to result in expenditures by State, local, or Tribal governments, in the aggregate, or by the private sector above the threshold.

*L. Federalism*

Executive Order 13132 outlines fundamental principles of federalism. It requires adherence to specific criteria by Federal agencies in formulating and implementing policies that have ''substantial direct effects'' on the States, the relationship between the national government and States, or on the distribution of power and responsibilities among the various levels of government. Federal agencies issuing regulations that have these federalism implications must consult with State and local officials and describe the extent of their consultation and the nature of the concerns of State and local officials in the preamble to these proposed rules.

While this IFC is not expected to have federalism implications, we seek comment on any potential federalism implications of this IFC.

*M. Executive Order 14192*

Executive Order 14192 entitled, ''Unleashing Prosperity Through Deregulation,'' was issued on January 31, 2025, and requires 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.'' This IFC is exempt from otherwise-applicable requirements under Executive Order 14192, per footnote 1 of OMB's Accounting Methods.[45]

*N. Congressional Review Act*

This IFC is subject to the Congressional Review Act provisions of the Small Business Regulatory Enforcement Fairness Act of 1996 (5 U.S.C. 801 *et seq.*) and has been transmitted to the Congress and the Comptroller General for review.

Mehmet Oz, Administrator of the Centers for Medicare & Medicaid Services, approved this document on September 21, 2026.

**List of Subjects in 45 CFR Part 155**

Administrative practice and procedure, Advertising, Brokers, Conflict of interests, Consumer protection, Grants administration, Grant programs-health, Health care, Health insurance, Health maintenance organizations (HMO), Health records, Hospitals, Indians,Individuals with disabilities, Intergovernmental relations, Loan programs-health, Medicaid, Organization and functions (Government agencies), Public assistance programs, Reporting and

[45] *https://www.reginfo.gov/public/pdf/eo14192/Accounting_Methods_under_EO_14192.pdf.*

recordkeeping requirements, Technical assistance, Women and youth.

For the reasons set forth in the preamble, the Department of Health and Human Services amends 45 CFR part 155 as set forth below:

## PART 155—EXCHANGE ESTABLISHMENT STANDARDS AND OTHER RELATED STANDARDS UNDER THE AFFORDABLE CARE ACT

■ 1. The authority citation for part 155 continues to read as follows:

**Authority:** 42 U.S.C. 18021–18024, 18031–18033, 18041–18042, 18051, 18054, 18071, and 18081–18083.

■ 2. Section 155.220 is amended by adding paragraph (o), to read as follow:

### § 155.220 Ability of States to permit agents, brokers, and web-brokers to assist qualified individuals, qualified employers, or qualified employees enrolling in QHPs.

* * * * *

(o) *Moratoria on registrations with the Federally-facilitated Exchanges for agents and brokers.* When HHS determines that agent and broker conduct poses an unacceptable risk to the accuracy of the Exchange's eligibility determinations, Exchange operations, applicants, enrollees, or Exchange information technology systems, including risk related to noncompliance with the standards of conduct under paragraph (j) of this section and the privacy and security standards under § 155.260, HHS may impose a temporary moratorium pausing agent and broker registrations with the Federally-facilitated Exchanges under paragraph (d)(1) of this section of agents and brokers that do not have a current Plan Year registration with the Federally-facilitated Exchanges at the time the moratorium is effective. A moratorium under this paragraph (o) does not prevent registration with the Federally-facilitated Exchanges for agents and brokers that do not have a current Plan Year registration with the Federally-facilitated Exchanges at the time a moratorium is effective due to a termination under paragraph (g) of this section or a denial of the right to enter into Exchange agreements with the Federally-facilitated Exchanges in future years under paragraph (k)(1)(i) of this section when such a termination or denial is subsequently reversed, or the agent's or broker's Exchange agreements are reinstated while the moratorium is in place. When imposing a moratorium on registrations for agents and brokers, HHS will publish a document in the **Federal Register** indicating the date the moratorium will take effect, the reasons for imposing the moratorium, and the duration of the moratorium.

**Robert F. Kennedy, Jr.,**

*Secretary, Department of Health and Human Services.*

[FR Doc. 2026–19493 Filed 9–22–26; 8:45 am]

BILLING CODE 4169–69–P

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## DEPARTMENT OF COMMERCE

## National Oceanic and Atmospheric Administration

## 50 CFR Part 622

**[Docket No. 1710319998630–02; RTID 0648–XG084]**

## Fisheries of the South Atlantic; 2026 South Atlantic Red Snapper Recreational Fishing Season

**AGENCY:** National Marine Fisheries Service (NMFS), National Oceanic and Atmospheric Administration (NOAA), Commerce.

**ACTION:** Temporary rule; recreational fishing season.

**SUMMARY:** For the 2026 fishing year, NMFS announces the red snapper recreational fishing season dates in the South Atlantic exclusive economic zone (EEZ). Announcing the opening and closing dates of the red snapper recreational season is an accountability measure (AM) for the recreational sector and allows fishers the opportunity to harvest the recreational annual catch limit (ACL) while also managing harvest to protect the red snapper resource.

**DATES:** The South Atlantic red snapper 2026 recreational fishing season opens at 12:01 a.m., local time, October 9, 2026, and closes at 12:01 a.m., local time, on October 12, 2026.

**FOR FURTHER INFORMATION CONTACT:** Nikhil Mehta, NMFS Southeast Regional Office, 727–824–5305, *nikhil.mehta@noaa.gov.*

**SUPPLEMENTARY INFORMATION:** The South Atlantic snapper-grouper fishery includes red snapper and is managed under the Fishery Management Plan for the Snapper-Grouper Fishery of the South Atlantic Region (FMP). The FMP was prepared by the South Atlantic Fishery Management Council and NMFS, was approved by the Secretary of Commerce, and is implemented by NMFS through regulations at 50 CFR part 622 under the authority of the Magnuson-Stevens Fishery Conservation and Management Act (Magnuson-Stevens Act).

The South Atlantic red snapper recreational ACL is 22,797 fish and the length of the recreational fishing season serves as the recreational AM. During the red snapper recreational open fishing season the recreational bag limit is one red snapper per person, per day, and there is no red snapper minimum or maximum recreational size limit.

Consistent with the regulations in 50 CFR 622.183(b)(5), for the 2026 fishing year, the red snapper recreational season opens at 12:01 a.m., local time, on October 9, 2026, and closes at 12:01 a.m., local time, on October 12, 2026. During the recreational open fishing season, the recreational bag limit is one red snapper per person, per day. After the closure of the recreational sector in the South Atlantic EEZ, the recreational bag and possession limits for red snapper are zero.

NMFS notes that the red snapper commercial sector in the South Atlantic EEZ closed on August 24, 2026, and remains closed through December 31, 2026 (91 FR 54246, August 21, 2026).

On August 10, NMFS announced in the **Federal Register** the receipt of three applications for exempted fishing permits (EFP) from the Florida Fish and Wildlife Conservation Commission, Georgia Department of Natural Resources, and South Carolina Department of Natural Resources (91 FR 51467, August 10, 2026). NMFS issued these EFPs in September 2026 and they allow participants to fish for red snapper, under the specified terms and conditions, from October 9, 2026, through October 22, 2026. The EFPs exempt the participating fishermen from specific Federal regulations applicable to the recreational harvest of red snapper in the South Atlantic off their respective states. These EFPs will allow each applicant to test a state-led data collection and management strategy for red snapper during an extended recreational fishing season in Federal waters off their respective state. Participants in any of these EFP projects must land or possess recreationally harvested red snapper under their state's respective EFP, and cannot participate in the recreational season announced in this temporary rule. For more information about the issued EFPs, see *https://www.fisheries.noaa.gov/southeast/recreational-fishing-data/south-atlantic-red-snapper-state-data-collection-and-management.*

North Carolina did not apply for an EFP for the 2026 fishing season. Therefore, NMFS projected the Federal red snapper recreational season length based on North Carolina landings and catch rates from previous years. NMFS expects the resulting 3-day Federal recreational season to provide recreational fishing opportunities in

2026 while constraining overall recreational harvest of red snapper to the recreational ACL.

## Classification

NMFS issues this action pursuant to section 305(d) of the Magnuson-Stevens Act. This action is required by 50 CFR 622.183(b)(5)(i) and 622.193(y), which were issued pursuant to section 304(b) of the Magnuson-Stevens Act, and is exempt from review under Executive Order 12866.

Pursuant to 5 U.S.C. 553(b)(B), there is good cause to waive prior notice and an opportunity for public comment on this action, as notice and comment would be unnecessary and contrary to the public interest. Such procedures are unnecessary because the rule establishing the requirement to announce the red snapper recreational fishing season dates and the red snapper recreational ACL and AM has already been subject to notice and comment, and all that remains is to notify the public of the recreational fishing season dates. Such procedures are contrary to the public interest because announcing the opening and closing dates of the recreational season as soon as practicable allows recreational sector participants and businesses to better plan their activities to harvest red snapper.

For the aforementioned reasons, there is good cause under 5 U.S.C. 553(d)(3) to waive the 30-day delay in the effectiveness of this action.

**Authority:** 16 U.S.C. 1801 *et seq.*

Dated: September 21, 2026.

**Shannon Bettridge,**

*Acting Director, Office of Sustainable Fisheries, National Marine Fisheries Service.*

[FR Doc. 2026–19456 Filed 9–21–26; 4:15 pm]

BILLING CODE 3510–22–P

# Proposed Rules

Federal Register
Vol. 91, No. 183
Wednesday, September 23, 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 TRANSPORTATION

### Federal Aviation Administration

### 14 CFR Part 39

**[Docket No. FAA–2026–8818; Project Identifier AD–2025–01766–A]**

**RIN 2120–AA64**

## Airworthiness Directives; Textron Aviation, Inc. (Type Certificate Previously Held by Cessna Aircraft Company) Airplanes

**AGENCY:** Federal Aviation Administration (FAA), DOT.

**ACTION:** Notice of proposed rulemaking (NPRM).

**SUMMARY:** The FAA proposes to supersede Airworthiness Directive (AD) 2015–07–03, which applies to certain Cessna Aircraft Company (Cessna) (type certificate currently held by Textron Aviation, Inc.) (Textron) Model 402C and 414A airplanes. Since the FAA issued AD 2015–07–03, there have been additional reports of cracking and multi-site cracking in areas of engine beams that are difficult to access. This proposed AD would require repetitive inspections of the engine beam for cracks and applicable on-condition actions. This proposed AD would also add a new life-limit to affected engine beams and require replacement when engine beams reach this life-limit. The FAA is proposing this AD to address the unsafe condition on these products.

**DATES:** The FAA must receive comments on this proposed AD by November 9, 2026.

**ADDRESSES:** You may send comments, using the procedures found in 14 CFR 11.43 and 11.45, by any of the following methods:

- *Federal eRulemaking Portal:* Go to *regulations.gov*. Follow the instructions for submitting comments.
- *Fax:* (202) 493–2251.
- *Mail:* U.S. Department of Transportation, Docket Operations, M–30, West Building Ground Floor, Room W12–140, 1200 New Jersey Avenue SE, Washington, DC 20590.
- *Hand Delivery:* Deliver to Mail address above between 9 a.m. and 5 p.m., Monday through Friday, except Federal holidays.

*AD Docket:* You may examine the AD docket at *regulations.gov* under Docket No. FAA–2026–8818; 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 NPRM, any comments received, and other information. The street address for Docket Operations is listed above.

*Material Incorporated by Reference:*

- For Cessna and Cessna Aircraft Company material identified in this proposed AD, contact Textron, One Cessna Blvd., Wichita, KS 67215; phone: (316) 517–0061; email: *structures@txtav.com;* website: *support.cessna.com.*
- You may view this material at the FAA, Airworthiness Products Section, Operational Safety Branch, 1100 Main, Kansas City, MO 64105. For information on the availability of this material at the FAA, call (817) 222–5110.

**FOR FURTHER INFORMATION CONTACT:** Margot I. Perez Sosa, Aviation Safety Engineer, FAA, 1801 South Airport Road, Wichita, KS 67209; phone: (316) 941–1287; email: *CCB-COS@faa.gov.*

**SUPPLEMENTARY INFORMATION:**

### Comments Invited

The FAA invites you to send any written relevant data, views, or arguments about this proposal. Send your comments using a method listed under the **ADDRESSES** section. Include ''Docket No. FAA–2026–8818; Project Identifier AD–2025–01766–A'' at the beginning of your comments. The most helpful comments reference a specific portion of the proposal, explain the reason for any recommended change, and include supporting data. The FAA will consider all comments received by the closing date and may revise this proposal because of those comments.

Except for Confidential Business Information (CBI) as described in the following paragraph, and other information as described in 14 CFR 11.35, the FAA will post all comments received, without change, to *regulations.gov*, including any personal information you provide. The agency will also post a report summarizing each substantive verbal contact received about this NPRM.

### Confidential Business Information

CBI is commercial or financial information that is both customarily and actually treated as private by its owner. Under the Freedom of Information Act (FOIA) (5 U.S.C. 552), CBI is exempt from public disclosure. If your comments responsive to this NPRM contain commercial or financial information that is customarily treated as private, that you actually treat as private, and that is relevant or responsive to this NPRM, it is important that you clearly designate the submitted comments as CBI. Please mark each page of your submission containing CBI as ''PROPIN.'' The FAA will treat such marked submissions as confidential under the FOIA, and they will not be placed in the public docket of this NPRM. Submissions containing CBI should be sent to Margot I. Perez Sosa, Aviation Safety Engineer, FAA, 1801 South Airport Road, Wichita, KS 67209. Any commentary that the FAA receives which is not specifically designated as CBI will be placed in the public docket for this rulemaking.

### Background

The FAA issued AD 2015–07–03, Amendment 39–18131 (80 FR 19017, April 9, 2015) (AD 2015–07–03), for certain Cessna (type certificate currently held by Textron) Model 402C and 414A airplanes. AD 2015–07–03 was prompted by reports of cracks found across the engine beams. AD 2015–07–03 requires repetitively inspecting the engine beams for cracks and contacting Cessna for an FAA-approved corrective action if any cracks are found. AD 2015–07–03 also requires sending an inspection report to the FAA and to Cessna. The FAA issued AD 2015–07–03 to prevent failure of the engine beams.

### Actions Since AD 2015–07–03 Was Issued

Since the FAA issued AD 2015–07–03, there have been additional reports of cracks found in hard-to-access areas of engine beams, and multi-site cracking has also been detected. Further investigation revealed that current engine beam inspection methods are insufficient, and that a life-limit is needed for certain affected engine beams. As a result, Textron published updated Cessna supplemental inspection material for the Model 402C and Model 414A airplanes, which adds a new life-limit for certain affected engine beams. The FAA is proposing this AD to prevent failure of the engine beam. This condition, if not addressed, could result in engine separation, loss of power, and loss of control of the airplane.

**FAA's Determination**

The FAA is issuing this NPRM after determining that the unsafe condition described previously is likely to exist or develop on other products of the same type design.

**Material Incorporated by Reference Under 1 CFR Part 51**

The FAA reviewed Cessna Model 402C Maintenance Manual, Supplemental Inspection Number: 54–10–04, Temporary Revision Number 5–7, dated April 15, 2019; and Cessna Model 414A Supplemental Inspection Document, Supplemental Inspection Number: 54–10–04, Temporary Revision Number 21, dated April 15, 2019. This material provides the engine beam life-limits for certain affected engine beams and specifies procedures for replacement of certain affected engine beams.

This proposed AD would also require Cessna Aircraft Company Multi-engine Service Letter No. MEL–54–01, dated March 20, 2015, which the Director of the Federal Register approved for incorporation by reference as of April 24, 2015 (80 FR 19017, April 9, 2015).

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.

**Proposed AD Requirements in This NPRM**

This proposed AD would retain certain requirements of AD 2015–07–03. This proposed AD would require repetitive inspections of the engine beam for cracks and applicable on-condition actions. This proposed AD would also add a new life-limit to certain affected engine beams and require replacement when engine beams reach this life-limit.

**Costs of Compliance**

The FAA estimates that this AD, if adopted as proposed, would affect 476 airplanes of U.S. registry.

The FAA estimates the following costs to comply with this proposed AD:

ESTIMATED COSTS

| Action | Labor cost | Parts cost | Cost per product | Cost on U.S. operators |
|---|---|---|---|---|
| Prepare airplane for inspections | 3 work-hours × $85 per hour = $255 | $0 | $255 | $121,380 |
| Visual inspection of the engine beams (four engine beams per airplane). | 1 work-hour × $85 per hour = $85 | 0 | 85 | 40,460 |
| Eddy current inspection of the engine beams (four engine beams per airplane). | 1 work-hour contracted service x $600 per hour = $600. | 0 | 600 | 285,600 |
| X-ray inspection of the engine beams (four engine beams per airplane). | 8 work-hours × $85 per hour = $680 | 400 | 1,080 | 514,080 |
| Replacement of all engine beams | 348 work-hours × $85 per hour = $29,580. | 22,063 | 51,643 | 24,582,068 |

The FAA has no way of knowing the extent of cracks that may be found during the required inspections. Therefore, the FAA has no way of determining the cost of the corrective action.

**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**

The FAA determined that this proposed AD would not have federalism implications under Executive Order 13132. This proposed AD would 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 the proposed regulation:

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

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

(3) Would 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 Proposed Amendment**

Accordingly, under the authority delegated to me by the Administrator, the FAA proposes to amend 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:

■ a. Removing Airworthiness Directive 2015–07–03, Amendment 39–18131 (80 FR 19017, April 9, 2015); and

■ b. Adding the following new airworthiness directive:

**Textron Aviation, Inc.:** Docket No. FAA–2026–8818; Project Identifier AD–2025–01766–A.

**(a) Comments Due Date**

The FAA must receive comments on this airworthiness directive (AD) by November 9, 2026.

**(b) Affected ADs**

This AD replaces AD 2015–07–03, Amendment 39–18131 (80 FR 19017, April 9, 2015) (AD 2015–07–03).

**(c) Applicability**

This AD applies to all Textron Aviation, Inc. (Textron) (type certificate previously held by Cessna Aircraft Company) Model 402C and 414A airplanes, certificated in any category.

**(d) Subject**

Joint Aircraft System Component (JASC) Code 5400, Nacelle/Pylon Structure.

**(e) Unsafe Condition**

This AD was prompted by additional reports of cracking and multi-site cracking in areas of engine beams that are difficult to access. The FAA is issuing this AD to prevent failure of the engine beam. The unsafe condition, if not addressed, could result in engine separation, loss of power, and loss of control of the airplane.

**(f) Compliance**

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

**(g) Inspect Engine Beam**

(1) For each engine beam that has accumulated less than 20,000 hours TIS, inspect each engine beam using radiographic (x-ray), eddy current, and visual methods in accordance with the Accomplishment Instructions in Cessna Aircraft Company Multi-engine Service Letter No. MEL–54–01, dated March 20, 2015, initially at whichever of the compliance times in paragraph (g)(1)(i) or (ii) of this AD that occurs later and repetitively thereafter at intervals not to exceed 200 hours TIS as long as no cracks are found. If total hours TIS on an engine beam is unknown, use the airplane's total hours TIS.

(i) At or before the accumulation of 15,000 hours TIS on each engine beam; or

(ii) Within the next 100 hours TIS after April 24, 2015 (the effective date of AD 2015–07–03) or within 90 days after April 24, 2015 (the effective date of AD 2015–07–03), whichever occurs first.

(2) If any cracks are found during any inspection required by paragraph (g)(1) of this AD, before further flight, either remove the engine beam from service or repair the engine beam using a method approved as specified in paragraph (j) of this AD. Contact the Manager, Central Certification Branch, FAA; or Textron Aviation, Inc., at the address specified in paragraph (l)(5) of this AD, for an FAA-approved corrective action developed specifically for this AD, and do that action.

**(h) Replace Engine Beam**

At the applicable compliance time specified in paragraph (h)(1) or (2) of this AD, replace the engine beams with a part eligible for installation in accordance with the Accomplishment Instructions in Cessna Model 414A Supplemental Inspection Document, Supplemental Inspection Number: 54–10–04, Temporary Revision Number 21, dated April 15, 2019, or Cessna Model 402C Maintenance Manual, Supplemental Inspection Number: 54–10–04, Temporary Revision Number 5–7, dated April 15, 2019, as applicable to airplane model.

(1) For engine beams that have accumulated 19,700 hours TIS or less as of the effective date of this AD, before accumulating 20,000 hours TIS.

(2) For engine beams that have accumulated more than 19,700 hours TIS as of the effective date of this AD, whichever of the following is applicable:

(i) For engine beams that have accumulated less than 23,000 hours TIS as of the effective date of this AD, within 300 hours TIS or 3 years, whichever occurs first after the effective date of this AD.

(ii) For engine beams that have accumulated 23,000 hours TIS or more as of the effective date of this AD, within 110 hours TIS or 1 year, whichever occurs first after the effective date of this AD.

**(i) No Reporting Requirement**

Although Cessna Aircraft Company Multi-engine Service Letter No. MEL–54–01, dated March 20, 2015, specifies to submit inspection findings to the manufacturer, this AD does not include that requirement.

**(j) Alternative Methods of Compliance (AMOCs)**

(1) The Manager, Central Certification 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 Central Certification 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.

(3) An AMOC that provides an acceptable level of safety may be used for any repair, modification, or alteration required by this AD if it is approved by a Textron Aviation, Inc. Unit Member (UM) of the Textron Organization Designation Authorization (ODA), that has been authorized by the Manager, Central Certification Branch, to make those findings. To be approved, the repair, modification, or alteration must meet the certification basis of the airplane, and the approval must specifically refer to this AD.

(4) Global AMOC dated September 2, 2015, Letter # L115W–15–587 approved for AD 2015–07–03, is approved as an AMOC for the corresponding provisions of this AD.

**(k) Additional Information**

Margot I. Perez Sosa, Aviation Safety Engineer, FAA, 1801 South Airport Road, Wichita, KS 67209; phone: (316) 941–1287; email: *CCB-COS@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.

(3) The following material was approved for IBR on [DATE 35 DAYS AFTER PUBLICATION OF THE FINAL RULE].

(i) Cessna Model 402C Maintenance Manual, Supplemental Inspection Number: 54–10–04, Temporary Revision Number 5–7, dated April 15, 2019.

(ii) Cessna Model 414A Supplemental Inspection Document, Supplemental Inspection Number: 54–10–04, Temporary Revision Number 21, dated April 15, 2019.

(4) The following material was approved for IBR on April 24, 2015 (80 FR 19017, April 9, 2015).

(i) Cessna Aircraft Company Multi-engine Service Letter No. MEL–54–01, dated March 20, 2015.

(ii) [Reserved]

(5) For Cessna and Cessna Aircraft Company material identified in this AD, contact Textron Aviation, Inc., One Cessna Blvd., Wichita, KS 67215; phone: (316) 517–0061; email: *structures@txtav.com;* website: *support.cessna.com.*

(6) You may view this material at the FAA, Airworthiness Products Section, Operational Safety Branch, 1100 Main, Kansas City, MO 64105. For information on the availability of this material at the FAA, call (817) 222–5110.

(7) 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 September 18, 2026.

**Hollister B. Thorson,**

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

[FR Doc. 2026–19411 Filed 9–22–26; 8:45 am]

BILLING CODE 4910–13–P

## DEPARTMENT OF JUSTICE

## Drug Enforcement Administration

## 21 CFR Part 1308

**[Docket No. DEA1715]**

## Schedules of Controlled Substances: Placement of 4-Hydroxy-N,N-Diisopropyltryptamine (4-OH-DiPT), 5-Methoxy-alpha-Methyltryptamine (5-MeO-AMT), 5-Methoxy-N-Methyl-N-Isopropyltryptamine (5-MeO-MiPT), 5-Methoxy-N,N-Diethyltryptamine (5-MeO-DET), and N,N-Diisopropyltryptamine (DiPT) Into Schedule I

**AGENCY:** Drug Enforcement Administration, Department of Justice.

**ACTION:** Notice of proposed rulemaking.

**SUMMARY:** The Drug Enforcement Administration proposes placing five tryptamine hallucinogens, 4-hydroxy-*N,N*-diisopropyltryptamine (other names: 4-OH-DiPT; 3-(2-(diisopropylamino)ethyl)-1*H*-indol-4-

ol), 5-methoxy-*alpha*-methyltryptamine (other names: 5-MeO-AMT; 1-(5-methoxy-1*H*-indol-3-yl)propan-2-amine), 5-methoxy-*N*-methyl-*N*-isopropyltryptamine (other names: 5-MeO-MiPT; *N*-(2-(5-methoxy-1*H*-indol-3-yl)ethyl)-*N*-methylpropan-2-amine), 5-methoxy-*N,N*-diethyltryptamine (other names: 5-MeO-DET; *N,N*-diethyl-2-(5-methoxy-1*H*-indol-3-yl)ethanamine), and *N,N*-diisopropyltryptamine (other names: DiPT; *N*-(2-(1*H*-indol-3-yl)ethyl)-*N*-isopropylpropan-2-amine), including their salts, isomers, and salts of isomers whenever the existence of such salts, isomers, and salts of isomers is possible, in schedule I of the Controlled Substances Act. If finalized, this action would impose the regulatory controls and administrative, civil, and criminal sanctions applicable to schedule I controlled substances on persons who handle (manufacture, distribute, reverse distribute, import, export, engage in research, conduct instructional activities or chemical analysis with, or possess) or propose to handle these five specific tryptamine hallucinogens.

**DATES:** Comments must be submitted electronically or postmarked on or before October 23, 2026. The electronic Federal Docket Management System will not accept comments after 11:59 p.m. Eastern Time on the last day of the comment period.

Interested persons may file a request for a hearing or waiver of hearing pursuant to 21 CFR 1308.44 and in accordance with 21 CFR 1316.47 and/or 1316.49, as applicable. Requests for a hearing and waivers of an opportunity for a hearing or to participate in a hearing, together with a written statement of position on the matters of fact and law involved in the hearing, must be received on or before October 23, 2026.

**ADDRESSES:** Interested persons may file written comments on this rulemaking in accordance with 21 CFR 1308.43(g). To ensure proper handling of comments, please reference ''Docket No. DEA1715'' on all correspondence, including any attachments.

• *Electronic comments:* The Drug Enforcement Administration (DEA) encourages commenters to submit all comments electronically through the Federal eRulemaking Portal, which provides the ability to type short comments directly into the comment field on the web page or attach a file for lengthier comments. Please go to *https://www.regulations.gov* and follow the online instructions at that site for submitting comments. Upon completion of your submission, you will receive a Comment Tracking Number for your comment. Submitted comments are not instantaneously available for public view on *Regulations.gov.* If you have received a Comment Tracking Number, your comment has been successfully submitted and there is no need to resubmit the same comment. Commenters should be aware that the electronic Federal Docket Management System will not accept comments after 11:59 p.m. Eastern Time on the last day of the comment period.

• *Paper comments:* Paper comments that duplicate electronic submissions are not necessary and are discouraged. Should you wish to mail a paper comment *in lieu* of an electronic comment, it should be sent via regular or express mail to: Drug Enforcement Administration, Attn: DEA Federal Register Representative/DPW, 8701 Morrissette Drive, Springfield, Virginia 22152.

• *Hearing requests:* All requests for a hearing and waivers of participation, together with a written statement of position on the matters of fact and law asserted in the hearing, must be filed with the DEA Administrator, who will make the determination of whether a hearing will be needed to address such matters of fact and law in the rulemaking. Such requests must be sent to: Drug Enforcement Administration, Attn: Administrator, 8701 Morrissette Drive, Springfield, Virginia 22152. For informational purposes, a courtesy copy of requests for hearing and waivers of participation should also be sent to: (1) Drug Enforcement Administration, Attn: Hearing Clerk/OALJ, 8701 Morrissette Drive, Springfield, Virginia 22152; and (2) Drug Enforcement Administration, Attn: DEA Federal Register Representative/DPW, 8701 Morrissette Drive, Springfield, Virginia 22152.

**FOR FURTHER INFORMATION CONTACT:** Dr. Terrence L. Boos, Drug and Chemical Evaluation Section, Diversion Control Division, Drug Enforcement Administration; Telephone: (571) 362–3249.

As required by 5 U.S.C. 553(b)(4), a summary of this rule may be found in the docket for this rulemaking at *www.regulations.gov.*

**SUPPLEMENTARY INFORMATION:** The Drug Enforcement Administration (DEA) proposes to schedule the following five substances in schedule I of the Controlled Substances Act (CSA), including their salts, isomers, and salts of isomers whenever the existence of such salts, isomers, and salts of isomers is possible within the specific chemical designation:

• 4-Hydroxy-*N,N*-diisopropyltryptamine (other names: 4-OH-DiPT;3-(2-(diisopropylamino)ethyl)-1*H*-indol-4-ol),

• 5-Methoxy-*alpha*-methyltryptamine (other names: 5-MeO-AMT;1-(5-methoxy-1*H*-indol-3-yl)propan-2-amine),

• *N*-Isopropyl-5-methoxy-*N*-methyltryptamine (other names: 5-MeO-MiPT; *N*-(2-(5-methoxy-1*H*-indol-3-yl)ethyl)-*N*-methylpropan-2-amine),

• *N,N*-Diethyl-5-methoxytryptamine (other names: 5-MeO-DET; *N,N*-diethyl-2-(5-methoxy-1*H*-indol-3-yl)ethanamine), and

• *N,N*-Diisopropyltryptamine (other names: DiPT; *N*-(2-(1*H*-indol-3-yl)ethyl)-*N*-isopropylpropan-2-amine).

**Posting of Public Comments**

All comments received in response to this docket are considered part of the public record. DEA will make comments available for public inspection online at *https://www.regulations.gov,* unless reasonable cause is given. Such information includes personal or business identifiers (such as name, address, state or federal identifiers, etc.) voluntarily submitted by the commenter.

Commenters submitting comments which include personal identifying information (PII), confidential, or proprietary business information that the commenter does not want to be made publicly available should submit two copies of the comment. One copy must be marked ''CONTAINS CONFIDENTIAL INFORMATION'' and should clearly identify all PII or business information the commenter does not want to be made publicly available, including any supplemental materials. DEA will review this copy, including the claimed PII and confidential business information, in its consideration of comments. The second copy should be marked ''TO BE PUBLICLY POSTED'' and must have all claimed confidential PII and business information already redacted. DEA will post only the redacted comment on *https://www.regulations.gov* for public inspection. DEA generally will not redact additional information contained in the comment marked ''TO BE PUBLICLY POSTED.'' The Freedom of Information Act applies to all comments received.

For easy reference, an electronic copy of this document and supplemental information to this proposed rule are available at *https://www.regulations.gov.*

**Request for Hearing or Appearance; Waiver**

Pursuant to 21 U.S.C. 811(a), this action is a formal rulemaking ''on the record after opportunity for a hearing.'' Such proceedings are conducted pursuant to the provisions of the Administrative Procedure Act (APA).[1] Interested persons, as defined in 21 CFR 1300.01(b), may file requests for a hearing in conformity with the requirements of 21 CFR 1308.44(a) and 1316.47(a), and such requests must:

(1) state with particularity the interest of the person in the proceeding;

(2) state with particularity the objections or issues concerning which the person desires to be heard; and

(3) state briefly the position of the person regarding the objections or issues.

Any interested person may file a waiver of an opportunity for a hearing or to participate in a hearing in conformity with the requirements of 21 CFR 1308.44(c), together with a written statement of position on the matters of fact and law involved in any hearing.[2]

All requests for a hearing and waivers of participation, together with a written statement of position on the matters of fact and law involved in such hearing, must be sent to DEA using the address information provided above. The decision whether a hearing will be needed to address such matters of fact and law in the rulemaking will be made by the Administrator. If a hearing is needed, DEA will publish a notice of hearing on the proposed rulemaking in the **Federal Register**.[3] Further, once the Administrator determines a hearing is needed to address such matters of fact and law in rulemaking, he will then designate an Administrative Law Judge (ALJ) to preside over the hearing. The ALJ's functions shall commence upon designation, as provided in 21 CFR 1316.52.

In accordance with 21 U.S.C. 811 and 812, the purpose of a hearing would be to determine whether 4-OH-DiPT, 5-MeO-AMT, 5-MeO-MiPT, 5-MeO-DET, or DiPT meet the statutory criteria for placement in schedule I, as proposed in this rulemaking.

## Legal Authority

The CSA provides that proceedings for the issuance, amendment, or repeal of the scheduling of any drug or other substance may be initiated by the Attorney General (delegated to the Administrator of DEA pursuant to 28 CFR 0.100) on his own motion, at the request of the Secretary of Health and Human Services (HHS), or on the petition of an interested party.[4] This proposed action is initiated on the Administrator's own motion and supported by, *inter alia,* a recommendation from the Assistant Secretary for Health of the Department of HHS (Assistant Secretary) and an evaluation of all other relevant data by DEA. If finalized, this action would impose the regulatory controls and administrative, civil, and criminal sanctions applicable to schedule I controlled substances on persons who handle or propose to handle 4-OH-DiPT, 5-MeO-AMT, 5-MeO-MiPT, 5-MeO-DET, and DiPT.

Pursuant to 21 U.S.C. 811(a)(1), the Attorney General (as delegated to the Administrator of DEA) may, by rule, add to such a schedule or transfer between such schedules any drug or other substance, if he finds that such drug or other substance has a potential for abuse, and makes with respect to such drug or other substance the findings prescribed by 21 U.S.C. 812(b) for the schedule in which such drug or other substance is to be placed.

## Background

4-OH-DiPT, 5-MeO-AMT, 5-MeO-MiPT, 5-MeO-DET, and DiPT are tryptamine hallucinogens. These five tryptamines have no known medical use in the United States and are not marketed internationally as approved drug products. They have all been reported as drugs of abuse in the United States by law enforcement authorities and have been identified in seizures.

## Proposed Determination to Schedule 4-OH-DiPT, 5-MeO-AMT, 5-MeO-MiPT, 5-MeO-DET, and DiPT

In response to reports of abuse and trafficking, pursuant to 21 U.S.C. 811(b), DEA gathered and reviewed the available information regarding the pharmacology, chemistry, trafficking, actual abuse, pattern of abuse, and the relative potential for abuse and dependence of 4-OH-DiPT, 5-MeO-AMT, 5-MeO-MiPT, 5-MeO-DET, and DiPT. On December 19, 2008, DEA sent this data review document to the then-Assistant Secretary for Health of the Department of HHS[5] with a request to provide scientific and medical evaluations and scheduling recommendations for these five tryptamine hallucinogens. On March 29, 2012, May 17, 2012, and August 14, 2012, HHS provided to DEA five separate scientific and medical evaluations and scheduling recommendations for these substances.[6] Following consideration of the eight factors and findings related to each of the substances' abuse potential, lack of legitimate medical use, and lack of accepted safety for use under medical supervision, HHS recommended that 4-OH-DiPT, 5-MeO-AMT, 5-MeO-MiPT, 5-MeO-DET, and DiPT and their respective salts be controlled in schedule I of the CSA under 21 U.S.C. 812(b).

Based on the scientific and medical evaluations and recommendations that HHS provided to DEA, and all other relevant data, DEA published a Notice of Proposed Rulemaking in the **Federal Register** on January 14, 2022, which proposed to place the five tryptamines in schedule I of the CSA and invited interested persons to submit comments and requests for a hearing.[7] On July 6, 2022, DEA published an announcement of hearing on the five tryptamines.[8] Upon further consideration, DEA determined that it was appropriate to submit a new request to HHS for an updated scientific and medical evaluation and scheduling recommendations for these substances.

[1] 5 U.S.C. 551–559. 21 CFR 1308.41–1308.45; 21 CFR part 1316, subpart D.

[2] 21 CFR 1316.49.

[3] 21 CFR 1308.44(b), 1316.53.

[4] 21 U.S.C. 811(a).

[5] As discussed in a memorandum of understanding entered into by the U.S. Food and Drug Administration (FDA) and the National Institute on Drug Abuse (NIDA), FDA acts as the lead agency within HHS in carrying out the Secretary's scheduling responsibilities under the CSA, with the concurrence of NIDA. *Memorandum of Understanding with the National Institute on Drug Abuse,* 50 FR 9518 (Mar. 8, 1985). The Secretary of HHS has delegated to the Assistant Secretary for Health of HHS the authority to make domestic drug scheduling recommendations. *Comprehensive Drug Abuse Prevention and Control Act of 1970, Public Law 91–513, As Amended; Delegation of Authority,* 58 FR 35460 (July 1, 1993).

[6] The scientific and medical evaluations were titled: (1) ''Basis for the Recommendation to Control 4-Hydroxy-N,N-diisopropyltryptamine (4-OH-DIPT) and its Salts in Schedule I of the Controlled Substances Act (CSA);'' (2) ''Basis for the Recommendation to Control 5-Methoxy-alphamethyltryptamine (5-MeO-AMT) and its Salts in Schedule I of the Controlled Substances Act (CSA);'' (3) ''Basis for the Recommendation to Control N-Isopropyl-5-Methoxy-N-Methyltryptamine (5-MeO-MIPT) and its Salts in Schedule I of the Controlled Substances Act (CSA);'' (4) ''Basis for the Recommendation to Control N,N-Diethyl-5-methoxytryptamine (5-MeO-DET) and its Salts in Schedule I of the Controlled Substances Act (CSA);'' and (5) ''Basis for the Recommendation to Control N,N-Diisopropyltryptamine (DIPT) and its Salts in Schedule I of the Controlled Substances Act (CSA).''

[7] *Schedules of Controlled Substances: Placement of 4-hydroxy-N,N-diisopropyltryptamine (4-OH-DiPT), 5-methoxy-alpha-methyltryptamine (5-MeO-AMT), 5-methoxy-N-methyl-N-isopropyltryptamine (5-MeO-MiPT), 5-methoxy-N,N-diethyltryptamine (5-MeO-DET), and N,N-diisopropyltryptamine (DiPT) in Schedule I,* 87 FR 2376 (Jan. 14, 2022).

[8] *Schedules of Controlled Substances: Placement of 4-hydroxy-N,N-diisopropyltryptamine (4-OH-DiPT), 5-methoxy-alpha-methyltryptamine (5-MeO-AMT), 5-methoxy-N-methyl-N-isopropyltryptamine (5-MeO-MiPT), 5-methoxy-N,N-diethyltryptamine (5-MeO-DET), and N,N-diisopropyltryptamine (DiPT) in Schedule I; Announcement of Hearing,* 87 FR 40167 (July 6, 2022).

Accordingly, DEA withdrew the proposed rule and notice of hearing.[9]

On November 16, 2023, DEA requested the updated scientific and medical evaluation and scheduling recommendation for the five tryptamines. On April 2, 2026, HHS provided to DEA the scientific and medical evaluation titled ''Basis for the Recommendation to Control *N,N*-Diisopropyltryptamine (DiPT), 4-Hydroxy-*N,N*-Diisopropyltryptamine (4-OH-DiPT), 5-Methoxy-Alpha-Methyltryptamine (5-MeO-AMT), 5 Methoxy-*N*-Methyl-*N*-Isopropyltryptamine (5-MeO-MiPT), and 5-Methoxy-*N,N*-Diethyltryptamine (5-MeO-DET) and Their Salts in Schedule I of the Controlled Substances Act.'' As communicated in the April 2, 2026 letter to DEA, following consideration of the eight factors determinative of control under 21 U.S.C. 811(c), HHS recommended that DiPT, 4-OH-DiPT, 5-MeO-AMT, 5-MeO-MiPT, and 5-MeO-DET and their respective salts be controlled in schedule I of the CSA under 21 U.S.C. 812(b).

In response to the HHS communications in 2012 and 2026, DEA reviewed the scientific and medical evaluation and scheduling recommendations provided by HHS, and all other relevant data, and completed its own eight-factor analysis in August 2021 and updated in May 2026 in accordance with 21 U.S.C. 811(c). Included below is a brief summary of each factor as analyzed by HHS and DEA in their respective eight-factor analyses, and as considered by DEA in this proposed scheduling determination. Please note that both the DEA and HHS analyses, including the evaluation of the eight factors determinative of control along with their supporting data and citations, are available in their entirety under the tab ''Supporting Documents'' of the public docket for this proposed rule at *https://www.regulations.gov* under docket number ''DEA1715.''

*1. Their Actual or Relative Potential for Abuse*

In addition to considering the information HHS provided in its scientific and medical evaluation documents for 4-OH-DiPT, 5-MeO-AMT, 5-MeO-MiPT, 5-MeO-DET, and DiPT, DEA also considered all other relevant data regarding actual or relative potential for abuse of 4-OH-DiPT, 5-MeO-AMT, 5-MeO-MiPT, 5-MeO-DET, and DiPT. The term ''abuse'' is not defined in the CSA; however, the legislative history of the CSA suggests the consideration of the following four criteria in determining whether a particular drug or substance has a potential for abuse:[10]

*a. There is evidence that individuals are taking the drug or drugs containing such a substance in amounts sufficient to create a hazard to their health or to the safety of other individuals or of the community; or*

*b. There is significant diversion of the drug or other substance from legitimate drug channels; or*

*c. Individuals are taking the drug or drugs containing such a substance on their own initiative rather than on the basis of medical advice from a practitioner licensed by law to administer such drugs in the course of his professional practice; or*

*d. The drug or drugs containing such a substance are new drugs so related in their action to a drug or drugs already listed as having a potential for abuse to make it likely that the drug will have the same potentiality for abuse as such drugs, thus making it reasonable to assume that there may be significant diversions from legitimate channels, significant use contrary to or without medical advice, or that it has a substantial capability of creating hazards to the health of the user or to the safety of the community.*

As stated previously, DEA reviewed the scientific and medical evaluation provided by HHS and all other data relevant to the abuse potential of 4-OH-DiPT, 5-MeO-AMT, 5-MeO-MiPT, 5-MeO-DET, and DiPT. These data as presented below demonstrate that these five tryptamine hallucinogens have a high potential for abuse.

*a. There is evidence that individuals are taking the drug or drugs containing such a substance in amounts sufficient to create a hazard to their health or to the safety of other individuals or to the community.*

Data show that 4-OH-DiPT, 5-MeO-AMT, 5-MeO-MiPT, 5-MeO-DET, and DiPT have been encountered by law enforcement in the United States (see Factor 5 below, discussing evidence of abuse in the United States), indicating 4-OH-DiPT, 5-MeO-AMT, 5-MeO-MiPT, 5-MeO-DET, and DiPT are available for abuse. Further, HHS noted that some of the five tryptamines have been found in America's Poison Centers, National Poison Data System (NPDS). In aggregate, there have been 65 exposures to at least one of the five tryptamines between 2000–2021, and the majority of exposures were single-substance cases. Some of the adverse effects reported were tachycardia, hallucinations, agitation, and hypertension. Thus, HHS determined that there is evidence of abuse with ''deleterious clinical effects'' and further stated that based on available data, these substances have the potential to be consumed in amounts sufficient to create a hazard to the health of individuals who consume them.

*b. There is significant diversion of the drug or substance from legitimate drug channels.*

4-OH-DiPT, 5-MeO-AMT, 5-MeO-MiPT, 5-MeO-DET, and DiPT are not U.S. Food and Drug Administration (FDA)-approved drugs in the United States, and they are not legally marketed in any country. Therefore, legitimate drug channels are limited to research conducted with the drugs, manufacturing facilities, and to the supply chain that produces the drug for legitimate research. However, HHS noted that FDA is not aware of any diversion from research or legitimate manufacturing activities for 4-OH-DiPT, 5-MeO-AMT, 5-MeO-MiPT, 5-MeO-DET, and DiPT. Therefore, this characteristic of abuse is not applicable.

*c. Individuals are taking the substance on their own initiative rather than on the basis of medical advice from a practitioner licensed by law to administer such substance.*

4-OH-DiPT, 5-MeO-AMT, 5-MeO-MiPT, 5-MeO-DET, and DiPT are not approved for medical use, are not formulated or available for clinical use, and practitioners may not legally prescribe these substances. Therefore, individuals are taking 4-OH-DiPT, 5-MeO-AMT, 5-MeO-MiPT, 5-MeO-DET, and DiPT on their own initiative, rather than based on medical advice from a practitioner licensed by law to administer drugs. This is consistent with the data from law enforcement seizures, the NPDS database, and case reports indicating that individuals are taking 4-OH-DiPT, 5-MeO-AMT, 5-MeO-MiPT, 5-MeO-DET, and DiPT on their own initiative rather than on the medical advice of a licensed practitioner. Therefore, it is assumed that individuals are taking these five substances on their own initiative, rather than based on medical advice from a practitioner licensed by law to administer drugs.

[9] *Schedules of Controlled Substances: Placement of 4-hydroxy-N,N-diisopropyltryptamine (4-OH-DiPT), 5-methoxy-alpha-methyltryptamine (5-MeO-AMT), 5-methoxy-N-methyl-N-isopropyltryptamine (5-MeO-MiPT), 5-methoxy-N,N-diethyltryptamine (5-MeO-DET), and N,N-diisopropyltryptamine (DiPT) in Schedule I; Withdrawal of Proposed Rule and Notice of Hearing,* 87 FR 45076 (July 27, 2022).

[10] Comprehensive Drug Abuse Prevention and Control Act of 1970, H.R. Rep. No. 91–1444, 91st Cong., 2nd Sess. (1970) reprinted in 1970 U.S.C.C.A.N. 4566, 4603.

*d. The drug or substance is so related in its action to a drug or other substance already listed as having a potential for abuse to make it likely that the drug or substance will have the same potential for abuse as such drugs, thus making it reasonable to assume that there may be significant diversion from legitimate channels, significant use contrary to or without medical advice, or that it has a substantial capability of creating hazards to the health of the user or to the safety of the community.*

4-OH-DiPT, 5-MeO-AMT, 5-MeO-MiPT, 5-MeO-DET, and DiPT are structurally related to schedule I hallucinogens of the tryptamine class and produce similar pharmacological effects to other natural and synthetic schedule I hallucinogens. According to HHS, these five tryptamine hallucinogens elicit pharmacological responses similar to the schedule I substances both in *in vitro* and *in vivo* studies as well as anecdotal reports, to include stimulation of the 2A subtype of serotonin (5-HT) receptors (5-$HT_{2A}$) and substitution in the drug discrimination assay, as well as reports in the NPDS database.

Given the similarities to certain schedule I hallucinogens, the five tryptamine hallucinogens are expected to have clinical effects and risks to the public health similar to that of tryptamines currently controlled in schedule I (*e.g.,* 4-hydroxy-*N,N*-dimethyltryptamine [4-OH-DMT, also known as psilocyn, the active metabolite of psilocybin]; *N,N*-dimethyltryptamine [DMT]; alpha-methyltryptamine [AMT]; 5- methoxy-*N,N*-diisopropyltryptamine [5-MeO-DiPT]; *N,N*-diethyltryptamine [DET]) as well as a phenethylamine hallucinogen (4-methyl-2,5-dimethoxy-amphetamine [DOM]) and an ergotamine hallucinogen (lysergic acid diethylamide [LSD]). The indicators of abuse potential for the five tryptamine hallucinogens suggest that they have a relative potential for abuse that is comparable to other hallucinogenic substances already controlled in schedule I of the CSA.

### *2. Scientific Evidence of Their Pharmacological Effects, If Known*

The five tryptamine hallucinogens are structurally related to and share pharmacological properties with schedule I tryptamine hallucinogens. Based on non-clinical *in vitro* studies, the neurochemical effects of 4-OH-DiPT, 5-MeO-AMT, 5-MeO-MiPT, 5-MeO-DET, and DiPT mainly involve the serotonergic system in the central nervous system (CNS). Tryptamine hallucinogens are believed to produce their characteristic effects primarily through stimulation of the 5-$HT_{2A}$ receptor. Similar to schedule I hallucinogens that are also mediated by serotonin receptors, such as DMT, DET, DOM, and LSD, the five tryptamine hallucinogens have binding affinity for and act as agonists at the 5-$HT_{2A}$ receptor. There have been reports of partial involvement by activation of the serotonin 1A-subtype (5-$HT_{1A}$). 4-OH-DiPT, 5-MeO-AMT, 5-MeO-MiPT, 5-MeO-DET, and DiPT also bind to and functioned as agonists at 5-$HT_{1A}$ receptors.

Other potential targets include the 5-$HT_{2C}$ receptor subtype and monoamine transporters (serotonin transporter [SERT], norepinephrine [NE] transporter [NET] and dopamine [DA] transporter [DAT]). At the 5-$HT_{2C}$ receptor, 5-MeO-AMT displayed the highest affinity and displayed full agonist activity. All others bound to the 5-$HT_{2C}$ receptor with varying affinities and fully activated the receptor. 5-MeO-AMT, 5-MeO-MiPT, and 5-MeO-DET had weak or no significant affinity for SERT, NET, and DAT and did not induce the release of NE, 5-HT, or DA. However, 4-OH-DiPT and DiPT had greater affinity for SERT, but did not have significant affinity for DAT or NET.

As concluded by HHS and DEA, the complex pharmacology of 4-OH-DiPT, 5-MeO-AMT, 5-MeO-MiPT, 5-MeO-DET, and DiPT involve multiple serotonin sites, one of which (5-$HT_{2A}$ receptor) is likely to mediate their hallucinogenic effects. All five tryptamine hallucinogens bind to the 5-$HT_{2A}$ receptor and behave as full or partial agonists like DMT and psilocyn. Based on *in vitro* data the five tryptamine hallucinogens are expected to have hallucinogenic properties and potential toxicities, though they may differ by potency.

Non-clinical *in vivo* studies indicate 4-OH-DiPT, 5-MeO-AMT, 5-MeO-MiPT, 5-MeO-DET, and DiPT produce similar pharmacological profiles to that of serotonin-mediated hallucinogens controlled in schedule I of the CSA as assessed via drug discrimination, locomotor activity, and head twitch assays.

Clinical studies to evaluate the effects of 4-OH-DiPT, 5-MeO-DET, and DiPT using formal clinical protocols under institutional settings have not been reported in the published scientific literature. However, subjective effects in humans for these three tryptamines have been reported through individual case reports or summaries of anecdotal reports usually on internet forums. There are limited published clinical studies for 5-MeO-AMT and 5-MeO-DiPT. In humans, the five tryptamines produced changes in mood, cognition, and perceptions. These substances are orally active and may differ in regard to potency, onset of action, duration of effects, and psychoactive and physiological effects. Hence, based on available pharmacology information the five tryptamines are expected to have significant overlap in effects with schedule I hallucinogenic substances such as DMT, psilocybin, and others.

### *3. The State of Current Scientific Knowledge Regarding the Drugs or Other Substances*

4-OH-DiPT, 5-MeO-AMT, 5-MeO-MiPT, 5-MeO-DET, and DiPT are part of the tryptamine family of hallucinogens and share the core tryptamine structure with substitutions at various positions. All five substances contain an indole ring with a substituted ethylamino sidechain. 4-OH-DiPT, 5-MeO-AMT, 5-MeO-MiPT, 5-MeO-DET, and DiPT share structural similarities with schedule I tryptamine hallucinogens such as DMT, DET, AMT, and psilocyn.

Limited metabolism studies have been conducted for 5-MeO-MiPT and other tryptamine hallucinogens. Data indicate that tryptamine hallucinogens undergo metabolism through oxidative deamination, *N*-demethylation, *O*-demethylation, and *N*-oxidation with *N*-oxides as major metabolites. Additionally, various cytochrome P450 and monoamine oxidase enzymes have been reported to play a role in the metabolism. It is expected that these five tryptamine hallucinogens would undergo similar metabolism.

There are no well-controlled clinical studies showing safety or efficacy for these substances. In addition, there is no evidence by qualified experts that 4-OH-DiPT, 5-MeO-AMT, 5-MeO-MiPT, 5-MeO-DET, and DiPT are accepted as having therapeutic uses. Thus, DEA concludes that 4-OH-DiPT, 5-MeO-AMT, 5-MeO-MiPT, 5-MeO-DET, and DiPT have no currently accepted medical use in treatment in the United States.

### *4. Their History and Current Pattern of Abuse*

In the United States, law enforcement entities initially encountered 5-MeO-AMT and DiPT in 2003, 5-MeO-MiPT in 2004, 5-MeO-DET in 2006, and 4-OH-DiPT in 2009, according to the National Forensic Laboratory Information System-Drug (NFLIS-Drug).[11] Each of

[11] NFLIS-Drug represents an important resource in monitoring illicit drug trafficking, including the diversion of legally manufactured pharmaceuticals into illegal markets. NFLIS-Drug is a comprehensive information system that includes data from forensic laboratories that handle more than 96 percent of an

these tryptamines is encountered in various forms (*e.g.,* powder, tablets, capsules, liquid, or on blotter paper). The abuser population of these substances is commonly comprised of young adults. These substances are generally purchased from internet-based companies in addition to being purchased from dealers.

4-OH-DiPT, 5-MeO-AMT, 5-MeO-MiPT, 5-MeO-DET, and DiPT do not have a currently accepted medical use in treatment in the United States. Anecdotal reports from users of these substances indicate that these substances produce classical hallucinogenic properties, such as perceptual distortions and pleasurable physical effects. Users report oral administration as the most common route of administration. Other routes of administration such as insufflation, smoking, and rectal administration have been reported. 5-MeO-MiPT has been mentioned to cause a wide range of effects including: euphoria, mood lift, intensification of tactile sensations and smell, sexual interest, emotional opening, relaxation, powerful ''rushing'' sensation (smoked), immersive experiences (smoked), feelings of body and muscle energy, buzzing, visual distortions, color intensification, disorientation, and sometimes dissociation, tremor, emotional lability, possible stomach discomfort, gas and vomiting, anxious stimulation muscle tension/discomfort, and difficulty sleeping for 4 to 8 hours after peak effects in some people.

*5. The Scope, Duration, and Significance of Abuse*

According to NFLIS-Drug, in the United States, there has been availability, trafficking, and abuse of a number of tryptamines including 4-OH-DiPT, 5-MeO-AMT, 5-MeO-MiPT, 5-MeO-DET, and DiPT. This is evidenced by a cumulative total of 518 encounters of these tryptamines by United States law enforcement in several states and the District of Columbia. Additionally, there have been international encounters of 5-MeO-AMT, 5-MeO-MiPT and 5-MeO-DET between 2006-2017, as well as detection of 4-OH-DiPT in hair samples in China and urine samples in Italy.[12]

According to HHS' 2026 review, based on data from the America's Poison Centers' NPDS database, there were 65 exposure cases from January 1, 2003, to December 31, 2021, involving one or more of the five tryptamines. Over 61 percent of cases were single-substance cases, 84 percent were classified as ''abuse,'' and healthcare facilities reported over 89 percent of exposure cases. The substances most identified were 5-MeO-AMT (25), 5-MeO-DET (23), and 5-MeO-MiPT (14). Two single-substance cases of intentional abuse were reported for DiPT, whereas there was only one multi-substance case involving 4-OH-DiPT. While most cases resulted in minor to moderate related medical effects, moderate effects were the most frequently reported within single-substance cases. Further, four cases were reported as major medical effect (three of which were caused by 5-MeO-AMT). No single-substance exposure cases involving the five tryptamines resulted in death. As stated by HHS, NPDS only captures a small fraction of exposures resulting in death because drug exposures that result in unattended, or out-of-hospital death are unlikely to be reported to a United States Poison Control Center. See HHS review for further information on the NPDS analysis and potential caveats and limitations related to reporting.

*6. What, if Any, Risk There is to the Public Health*

Available evidence indicates that 4-OH-DiPT, 5-MeO-AMT, 5-MeO-MiPT, 5-MeO-DET, and DiPT pose a risk to public health due to their hallucinogenic properties that usually occur quickly after drug administration and may cause impairing effects on the user's judgment and lead to dangerous behavior. The risks could be to the individual user or to the community, especially when the user is operating a motor vehicle. Several adverse effects were reported in animal studies and in humans from internet forums for all five tryptamine hallucinogens. Published and anecdotal reports have described various adverse effects associated with these five hallucinogens including agitation, confusion, psychological distress, and one death in the case of 5-MeO-AMT in 2004. The toxicology report also reported alcohol and the presence of an antidepressant, bupropion. Some users of 4-OH-DiPT reported that the hallucinations were intense and the psychological and physiological effects were frightening or disturbing. An adolescent non-lethal poisoning was reported in 2005 after ingesting an alleged combination of 5-MeO-MiPT and harmaline, a CNS stimulant.

*7. Their Psychic or Physiological Dependence Liability*

Assessing psychological dependence potential of 4-OH-DiPT, 5-MeO-AMT, 5-MeO-MiPT, 5-MeO-DET, and DiPT was limited due to lack of available data. From NPDS data, there is evidence individuals are using these substances. The majority of the cases were classified as ''abuse'' cases.

Serotonin-mediated hallucinogens are not usually associated with physical dependence and the physiological dependence liability in animals or humans has not been reported in scientific and medical literature for these five substances. At this time, it is not possible to determine whether 4-OH-DiPT, 5-MeO-AMT, 5-MeO-MiPT, 5-MeO-DET, and DiPT produce physiological dependence following either acute or chronic administration.

*8. Whether the Substances Are an Immediate Precursor of Substances Already Controlled Under the CSA*

4-OH-DiPT, 5-MeO-AMT, 5-MeO-MiPT, 5-MeO-DET, and DiPT are not immediate precursors of any controlled substance of the CSA, as defined by 21 U.S.C. 802(23).

Conclusion

Based on consideration of the scientific and medical evaluation and accompanying recommendation of HHS, and on DEA's own eight-factor analysis, DEA finds that the facts and all relevant data constitute substantial evidence of potential for abuse of 4-OH-DiPT, 5-MeO-AMT, 5-MeO-MiPT, 5-MeO-DET, and DiPT. As such, DEA hereby proposes to schedule 4-OH-DiPT, 5-MeO-AMT, 5-MeO-MiPT, 5-MeO-DET, and DiPT as schedule I controlled substances under the CSA.

estimated 1 million distinct annual federal, state, and local drug analysis cases. NFLIS-Drug includes drug chemistry results from completed analyses only. While NFLIS-Drug data are not direct evidence of abuse, these can lead to an inference that a drug has been diverted and abused. *See Schedules of Controlled Substances: Placement of Carisoprodol Into Schedule IV,*76 FR 77330, 77332 (Dec. 12, 2011). NFLIS-Drug data were queried on April 7, 2026.

[12] Göl E, Çok I. (2019). New psychoactive substances in Turkey: Narcotics cases assessed by the Council of Forensic Medicine between 2016 and 2017 in Ankara, Turkey. *Forensic Sci Int* 294:113–123; Shi Y, Wang R, Yuan S, Qiang H, Shen M, Shen B, Drummer OH, Yu Z, Zhao Y, Xiang P (2020). UHPLC-MS/MS method for simultaneously detecting 16 tryptamines and their metabolites in human hair and applications to real forensics cases. *J Chromatogr B Analyt Technol Biomed Life Sci* 1159:122392; Pichini S, Pujadas M, Marchei E, Pellegrini M, Fiz J, Pacifici R, Zuccaro P, Farré M, de la Torre R (2008). Liquid chromatography-atmospheric pressure ionization electrospray mass spectrometry determination of ''hallucinogenic designer drugs'' in urine of consumers. *J Pharm Biomed Anal* 47(2):335–42.

**Proposed Determination of Appropriate Schedule**

The CSA establishes five schedules of controlled substances known as schedules I, II, III, IV, and V. The CSA also outlines the findings required to place a drug or other substance in any particular schedule.[13] After consideration of the analysis and recommendation of the Assistant Secretary for Health of HHS and review of all other available data, the Administrator of DEA, pursuant to 21 U.S.C. 811(a) and 21 U.S.C. 812(b)(1), finds that:

*1. The Drugs Have a High Potential for Abuse*

4-OH-DiPT, 5-MeO-AMT, 5-MeO-MiPT, 5-MeO-DET, and DiPT elicit pharmacological effects qualitatively similar to those of schedule I hallucinogens, discussed below. These effects are marked by hallucinations and CNS stimulation. Law enforcement reported a number of encounters with these substances. Law enforcement first encountered 5-MeO-AMT and DiPT in 2003, 5-MeO-MiPT in 2004, 5-MeO-DET in 2006, and 4-OH-DiPT in 2009. NPDS data from 2003 to 2021 show sporadic cases of the five tryptamines, mostly classified as abuse with minor to moderate outcomes.

The available data indicate that 4-OH-DiPT, 5-MeO-AMT, 5-MeO-MiPT, 5-MeO-DET, and DiPT have high potential for abuse that is similar to that of schedule I tryptamine hallucinogens DET (5-MeO-AMT) and DMT (5-MeO-DET, 5-MeO-MiPT, and DiPT), the phenethylamine hallucinogen DOM (4-OH-DiPT, 5-MeO-DET, 5-MeO-MiPT, and DiPT), and the ergotamine hallucinogen LSD (5-MeO-AMT, 4-OH-DiPT, 5-MeO-DET, 5-MeO-MiPT).

*2. The Drugs Have No Currently Accepted Medical Use in Treatment in the United States*

According to HHS, 4-OH-DiPT, 5-MeO-AMT, 5-MeO-MiPT, 5-MeO-DET, and DiPT lack FDA-approval for any therapeutic indication. In addition, there are no adequate and well-controlled clinical studies or well-defined dosage forms for any of the five tryptamine hallucinogens. DEA notes that there are no therapeutic applications for these five tryptamine hallucinogens accepted by qualified experts, nor are there adequate and well-controlled studies proving safety or efficacy for any medical use. Thus, there is no evidence that 4-OH-DiPT, 5-MeO-AMT, 5-MeO-MiPT, 5-MeO-DET, and DiPT have currently accepted medical uses in treatment in the United States.[14]

3. There Is a Lack of Accepted Safety for Use of the Drugs Under Medical Supervision

Because 4-OH-DiPT, 5-MeO-AMT, 5-MeO-MiPT, 5-MeO-DET, and DiPT have no approved medical use and have not been thoroughly investigated as new drugs, their safety for use under medical supervision is not determined. Thus, there is a lack of accepted safety for use of these substances under medical supervision.

Based on these findings, the Administrator concludes that 4-OH-DiPT, 5-MeO-AMT, 5-MeO-MiPT, 5-MeO-DET, and DiPT warrant control in schedule I of the CSA. More precisely, because of their hallucinogenic effects, DEA proposes to place 4-OH-DiPT, 5-MeO-AMT, 5-MeO-MiPT, 5-MeO-DET, and DiPT, including their salts, isomers, and salts of isomers whenever the existence of such salts, isomers, and salts of isomers is possible within the specific chemical description, in 21 CFR 1308.11(d) (the hallucinogens category of schedule I).

**Requirements for Handling 4-OH-DiPT, 5-MeO-AMT, 5-MeO-MiPT, 5-MeO-DET, and DiPT**

If this rule is finalized as proposed, 4-OH-DiPT, 5-MeO-AMT, 5-MeO-MiPT, 5-MeO-DET, or DiPT would be subject to the CSA's schedule I regulatory controls and administrative, civil, and criminal sanctions applicable to the manufacture, distribution, reverse distribution, dispensing, import, export, engagement in research, conduct of instructional activities or chemical analysis with, and possession of schedule I controlled substances, including the following:

*1. Registration.* Any person who handles (manufactures, distributes, reverse distributes, dispenses, imports, exports, engages in research, or conducts instructional activities or chemical analysis with, or possesses), or who desires to handle 4-OH-DiPT, 5-MeO-AMT, 5-MeO-MiPT, 5-MeO-DET, or DiPT would need to be registered with DEA to conduct such activities pursuant to 21 U.S.C. 822, 823, 957, and 958, and in accordance with 21 CFR parts 1301 and 1312.

Any person who currently handles 4-OH-DiPT, 5-MeO-AMT, 5-MeO-MiPT, 5-MeO-DET, or DiPT and is not registered with DEA to conduct research with a schedule I controlled substance must submit an application for registration and may not continue to handle 4-OH-DiPT, 5-MeO-AMT, 5-MeO-MiPT, 5-MeO-DET, or DiPT, unless DEA has approved that application for registration pursuant to 21 U.S.C. 822, 823, 957, 958, and in accordance with 21 CFR parts 1301 and 1312.

Notwithstanding the foregoing, pursuant to 21 U.S.C. 822(h), if, on the date the final rule is effectuated, a person is conducting research on 4-OH-DiPT, 5-MeO-AMT, 5-MeO-MiPT, 5-MeO-DET, or DiPT and is already registered to conduct research with another controlled substance in schedule I, the person may continue to conduct research on 4-OH-DiPT, 5-MeO-AMT, 5-MeO-MiPT, 5-MeO-DET, or DiPT if they submit a completed application for registration or modification of existing registration, as applicable, to conduct research with 4-OH-DiPT, 5-MeO-AMT, 5-MeO-MiPT, 5-MeO-DET, or DiPT not later than 90 calendar days after the date of effectuation of the final rule. The person may continue to conduct such research until the person withdraws the application or the Administrator serves on the person an order to show cause proposing denial of the application pursuant to 21 U.S.C. 824(c) and in

[13] 21 U.S.C. 812(b).

[14] Pursuant to 21 U.S.C. 812(b)(1)(B), when placing a drug or other substance in schedule I, DEA must consider whether the substance has a currently accepted medical use in treatment in the United States. First, DEA looks to whether the drug or substance has FDA approval. When no FDA approval exists, DEA has traditionally applied a five-part test to determine whether a drug or substance has a currently accepted medical use: (1) the drug's chemistry must be known and reproducible; (2) there must be adequate safety studies; (3) there must be adequate and well-controlled studies proving efficacy; (4) the drug must be accepted by qualified experts; and (5) the scientific evidence must be widely available. *See Marijuana Scheduling Petition; Denial of Petition; Remand,* 57 FR 10499 (Mar. 26, 1992), pet. for rev. denied, *Alliance for Cannabis Therapeutics* v. *Drug Enforcement Admin.,* 15 F.3d 1131, 1135 (D.C. Cir. 1994). DEA and HHS applied the traditional five-part test for currently accepted medical use in this matter and concluded the test was not satisfied. In a published letter in a different context, HHS applied a two-part test to determine currently accepted medical use for substances that do not satisfy the five-part test: (1) whether there exists widespread, current experience with medical use of the substance by licensed health care practitioners operating in accordance with implemented jurisdiction-authorized programs, where medical use is recognized by entities that regulate the practice of medicine, and, if so, (2) whether there exists some credible scientific support for at least one of the medical conditions for which part (1) is satisfied. On April 11, 2024, the Department of Justice's Office of Legal Counsel (OLC) issued an opinion, which, among other things, concluded that HHS' two-part test would be sufficient to establish that a drug has a currently accepted medical use. Office of Legal Counsel, Memorandum for Merrick B. Garland, Attorney General, Re: Questions Related to the Potential Rescheduling of Marijuana at 3 (April 11, 2024). For purposes of this proposed rule, there is no evidence that health care providers have widespread experience with medical use of 4-OH-DiPT, 5-MeO-AMT, 5-MeO-MiPT, 5-MeO-DET, or DiPT, or that the use of 4-OH-DiPT, 5-MeO-AMT, 5-MeO-MiPT, 5-MeO-DET, or DiPT are recognized by entities that regulate the practice of medicine, so the two-part test also is not satisfied.

accordance with 21 CFR 1301.37. If the Administrator serves an order to show cause proposing denial of the application or modification, the person may not continue to conduct research with 4-OH-DiPT, 5-MeO-AMT, 5-MeO-MiPT, 5-MeO-DET, or DiPT and may not receive or otherwise obtain additional 4-OH-DiPT, 5-MeO-AMT, 5-MeO-MiPT, 5-MeO-DET, or DiPT. If an order to show cause is served and the person requests a hearing in accordance with 21 CFR 1301.37(d), the hearing shall be held in accordance with 21 CFR 1301.41–1301.46 on an expedited basis and not later than 45 calendar days after the request is made, except that the hearing may be held at a later time if so requested by the person. If the person sends a copy of the application to a manufacturer or distributor of 4-OH-DiPT, 5-MeO-AMT, 5-MeO-MiPT, 5-MeO-DET, or DiPT, receipt of the copy by the manufacturer or distributor constitutes sufficient evidence that the person is authorized to receive 4-OH-DiPT, 5-MeO-AMT, 5-MeO-MiPT, 5-MeO-DET, or DiPT pursuant to 21 U.S.C. 822(h)(4). Continuation of research under 21 U.S.C. 822(h) does not authorize any other handling (*e.g.,* distribution) of 4-OH-DiPT, 5-MeO-AMT, 5-MeO-MiPT, 5-MeO-DET, or DiPT.

Retail sales of schedule I controlled substances to the general public are not allowed under the CSA. Possession of any quantity of a schedule I controlled substance in a manner not authorized by the CSA is unlawful and those in possession of any quantity may be subject to prosecution pursuant to the CSA.

2. *Disposal of Stocks.* Any person unwilling or unable to obtain a schedule I registration must surrender or transfer all quantities of currently held 4-OH-DiPT, 5-MeO-AMT, 5-MeO-MiPT, 5-MeO-DET, or DiPT to a person registered with DEA before the effective date of the final scheduling action in accordance with all applicable Federal, State, local, and Tribal laws. 4-OH-DiPT, 5-MeO-AMT, 5-MeO-MiPT, 5-MeO-DET, or DiPT must be disposed of in accordance with 21 CFR part 1317, in addition to all other applicable Federal, State, local, and Tribal laws.

3. *Security.* 4-OH-DiPT, 5-MeO-AMT, 5-MeO-MiPT, 5-MeO-DET, or DiPT would be subject to schedule I security requirements and must be handled and stored pursuant to 21 U.S.C. 821 and 823, and in accordance with 21 CFR 1301.71-1301.76. Non-practitioners handling this substance also would need to comply with the screening requirements of 21 CFR 1301.90–1301.93.

*4. Labeling and Packaging.* All labels, labeling, and packaging for commercial containers of 4-OH-DiPT, 5-MeO-AMT, 5-MeO-MiPT, 5-MeO-DET, or DiPT would need to comply with 21 U.S.C. 825 and 958(e) and be in accordance with 21 CFR part 1302.

*5. Quota.* Generally, only registered manufacturers would be permitted to manufacture 4-OH-DiPT, 5-MeO-AMT, 5-MeO-MiPT, 5-MeO-DET, or DiPT in accordance with a quota assigned pursuant to 21 U.S.C. 826, and in accordance with 21 CFR part 1303.

*6. Inventory.* Every DEA registrant who would handle 4-OH-DiPT, 5-MeO-AMT, 5-MeO-MiPT, 5-MeO-DET, or DiPT must have an initial inventory of all stocks of controlled substances including 4-OH-DiPT, 5-MeO-AMT, 5-MeO-MiPT, 5-MeO-DET, or DiPT on hand on the date the registrant first engages in the handling of controlled substances pursuant to 21 U.S.C. 827 and 958, and in accordance with 21 CFR 1304.03, 1304.04, and 1304.11.

After the initial inventory, every DEA registrant would need to take an inventory of all controlled substances (including 4-OH-DiPT, 5-MeO-AMT, 5-MeO-MiPT, 5-MeO-DET, or DiPT) on hand every two years, pursuant to 21 U.S.C. 827 and 958(e), and in accordance with 21 CFR 1304.03, 1304.04, and 1304.11.

*7. Records and Reports.* Every DEA registrant would need to maintain records and submit reports with respect to 4-OH-DiPT, 5-MeO-AMT, 5-MeO-MiPT, 5-MeO-DET, or DiPT, pursuant to 21 U.S.C. 827, 832(a), and 958(e), and in accordance with 21 CFR 1301.74 and 1301.76, and parts 1304, 1312, and 1317. Manufacturers and distributors would need to submit reports regarding 4-OH-DiPT, 5-MeO-AMT, 5-MeO-MiPT, 5-MeO-DET, or DiPT to the Automated Reports and Consolidated Ordering System pursuant to 21 U.S.C. 827, and in accordance with 21 CFR parts 1304 and 1312.

*8. Order Forms.* Every DEA registrant who distributes 4-OH-DiPT, 5-MeO-AMT, 5-MeO-MiPT, 5-MeO-DET, or DiPT would need to comply with the order form requirements, pursuant to 21 U.S.C. 828 and 21 CFR part 1305.

*9. Importation and Exportation.* All importation and exportation of 4-OH-DiPT, 5-MeO-AMT, 5-MeO-MiPT, 5-MeO-DET, or DiPT would need to comply with 21 U.S.C. 952, 953, 957, and 958, and in accordance with 21 CFR part 1312.

*10. Liability.* Any activity involving 4-OH-DiPT, 5-MeO-AMT, 5-MeO-MiPT, 5-MeO-DET, or DiPT not authorized by, or in violation of, the CSA or its implementing regulations would be unlawful, and may subject the person to administrative, civil, and/or criminal sanctions.

## Regulatory Analyses

### *Executive Orders 12866, 13563, 14192, and 14294*

In accordance with 21 U.S.C. 811(a), this proposed scheduling action is subject to formal rulemaking procedures performed ‘‘on the record after opportunity for a hearing,’’ which are conducted pursuant to the provisions of 5 U.S.C. 556 and 557. The CSA sets forth the procedures and criteria for scheduling a drug or other substance. Such actions are exempt from review by the Office of Management and Budget (OMB) pursuant to section 3(d)(1) of Executive Order (E.O.) 12866 and the principles reaffirmed in E.O. 13563. DEA scheduling actions promulgated by formal rulemaking are not regulatory actions under E.O. 14192, Unleashing Prosperity Through Deregulation, and are not subject to E.O. 14294, Fighting Overcriminalization in Federal Regulations.

### *Executive Order 12988, Civil Justice Reform*

This proposed regulation meets the applicable standards set forth in sections 3(a) and 3(b)(2) of E.O. 12988 to eliminate drafting errors and ambiguity, minimize litigation, provide a clear legal standard for affected conduct, and promote simplification and burden reduction.

### *Executive Order 13132, Federalism*

This proposed rulemaking does not have federalism implications warranting the application of E.O. 13132. The proposed rule does 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.

### *Executive Order 13175, Consultation and Coordination With Indian Tribal Governments*

This proposed rule does not have Tribal implications warranting the application of E.O. 13175. It does not have substantial direct effects on one or more Indian tribes, on the relationship between the Federal government and Indian tribes, or on the distribution of power and responsibilities between the Federal government and Indian tribes.

### *Paperwork Reduction Act*

This proposed rule would require compliance with the following existing OMB collections: 1117–0003, 1117–

0004, 1117–0006, 1117–0008, 1117–0009, 1117–0010, 1117–0012, 1117–0014, 1117–0021, and 1117–0056. An agency may not conduct or sponsor, and a person is not required to respond to a collection of information unless it displays a currently valid OMB control number.

*Regulatory Flexibility Act*

The Administrator, in accordance with the Regulatory Flexibility Act, 5 U.S.C. 601–612, has reviewed this proposed rule, and by approving it, certifies that it will not have a significant economic impact on a substantial number of small entities.

DEA proposes placing the substances 4-OH-DiPT, 5-MeO-AMT, 5-MeO-MiPT, 5-MeO-DET, and DiPT, including their salts, isomers, and salts of isomers whenever the existence of such salts, isomers, and salts of isomers is possible within the specific chemical designation, in schedule I of the CSA. If finalized, this action would impose the regulatory controls and administrative, civil, and criminal sanctions applicable to schedule I controlled substances on persons who handle or propose to handle 4-OH-DiPT, 5-MeO-AMT, 5-MeO-MiPT, 5-MeO-DET, or DiPT.

The entities affected by this rule include the manufacturers, distributors, importers, exporters, and researchers of 4-OH-DiPT, 5-MeO-AMT, 5-MeO-MiPT, 5-MeO-DET, or DiPT. DEA determined the North American Industry Classification System (NAICS) industries that best represent these business activities. Table 1 lists the business activities and corresponding NAICS industries.[15]

TABLE 1—BUSINESS ACTIVITY AND CORRESPONDING NAICS INDUSTRIES

| Business activity | NAICS code | NAICS industry description |
|---|---|---|
| Manufacturer | 325412 | Pharmaceutical Preparation Manufacturing. |
| Distributor, Importer, Exporter | 424210 | Drugs and Druggists' Sundries Merchant Wholesalers. |
| | 424690 | Other Chemical and Allied Products Merchant Wholesalers. |
| Researcher | 541715 | Research and Development in the Physical, Engineering, and Life Sciences (except Nanotechnology and Biotechnology). |
| | 611310 | Colleges, Universities and Professional Schools. |

From Statistics of U.S. Businesses (SUSB) data, DEA determined the number of firms and small firms for each of the affected industries, and by comparing the number of affected small entities to the number of small entities for each industry, DEA determined whether a substantial number of small entities are affected in any of the industries. Table 2 lists the number of firms, small firms, and percent small firms in each affected industry.

TABLE 2—PERCENT SMALL ENTITIES BY INDUSTRY

| NAICS industry | Firms[16] | SBA size standard [17] | Small firms [18] | Percent small entities (%) |
|---|---|---|---|---|
| 325412–Pharmaceutical Preparation Manufacturing | 1,179 | 1,300 employees | 1,099 | 93.2 |
| 424210–Drugs and Druggists' Sundries Merchant Wholesalers | 7,012 | 250 employees | 6,703 | 95.6 |
| 424690–Other Chemical and Allied Products Merchant Wholesalers | 5,487 | 175 employees | 5,197 | 94.7 |
| 541715–Research and Development in the Physical, Engineering, and Life Sciences (except Nanotechnology and Biotechnology). | 10,042 | 1,000 employees | 9,599 | 95.6 |
| 611310–Colleges, Universities and Professional Schools | 2,494 | $34.5 million | 1,515 | 60.8 |

Based on the American Chemical Society's SciFinder database,[19] DEA identified 25 domestic entities supplying 4-OH-DiPT, 5-MeO-AMT, 5-MeO-MiPT, 5-MeO-DET, or DiPT across these industries. Suppliers include NAICS code 325412, 424210, and 424690 industries. Even if all affected suppliers were small entities, they would account for only 0.18 percent of the small entities in those industries, not a substantial number.[20] Additionally, DEA expects the number of researchers working with 4-OH-DiPT, 5-MeO-AMT, 5-MeO-MiPT, 5-MeO-DET, or DiPT is small because 4-OH-DiPT, 5-MeO-AMT, 5-MeO-MiPT, 5-MeO-DET, and DiPT lack current marketing approval under a new drug application or an abbreviated new drug application, and is not subject to an investigational new drug application as noted in the HHS review. Also, DEA believes the researchers working with 4-OH-DiPT, 5-MeO-AMT, 5-MeO-MiPT, 5-MeO-DET, or DiPT may also work with other controlled substances; hence, they have probably already registered with DEA and are qualified to handle controlled substances. For these reasons DEA believes the number of affected researchers that are small entities is not a substantial number of small entities in NAICS code 541715 and 611310 industries.

In summary, an insubstantial number of small entities will be affected by this proposed rule. As such, the proposed rule, if finalized, is not expected to result in a significant economic impact on a substantial number of small entities.

[15] Executive Office of the President Office of Management and Budget, North American Industry Classification System, United States, 2022, *https://www.census.gov/naics/reference_files_tools/2022_NAICS_Manual.pdf.* (Accessed 2/5/2026).

[16] Statistics of U.S. Businesses, 2022 SUSB Annual Data Tables by Establishment Industry, *https://www.census.gov/data/tables/2022/econ/susb/2022-susb-annual.html* (Accessed 2/5/2026).

[17] U.S. Small Business Administration, Table of size standards, Version March 2023, Effective: March 17, 2023, *https://www.sba.gov/document/support-table-size-standards.* (Accessed 2/5/2026) Size standards are based on the number of employees or annual receipts depending on industry.

[18] Based on the estimated number of firms below the SBA size standard for each industry.

[19] SciFinder; Chemical Abstracts Service: Columbus, OH; *https://scifinder.cas.org* (accessed 5/15/2026).

[20] 25 / (1,179 + 7,012 + 5,487) = 0.02%.

*Unfunded Mandates Reform Act of 1995*

In accordance with the Unfunded Mandates Reform Act (UMRA) of 1995, 2 U.S.C. 1532, DEA has determined and certifies that this proposed action would not result in any Federal mandate that may result ''in the expenditure by State, local, and Tribal governments, in the aggregate, or by the private sector, of $100,000,000 or more (adjusted annually for inflation) in any 1 year. . . .'' Therefore, neither a Small Government Agency Plan nor any other action is required under UMRA of 1995.

**List of Subjects in 21 CFR Part 1308**

Administrative practice and procedure, Drug traffic control, Reporting and recordkeeping requirements.

For the reasons set out above, 21 CFR part 1308 is proposed to be amended as follows:

## PART 1308—SCHEDULES OF CONTROLLED SUBSTANCES

■ 1. The authority citation for 21 CFR part 1308 continues to read as follows:

**Authority:** 21 U.S.C. 811, 812, 871(b), 956(b), unless otherwise noted.

■ 2. In § 1308.11:

■ a. Add new paragraphs (d)(118) to (122) to read as follows:

**§ 1308.11 Schedule I.**

* * * * *

(d) * * *

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| | |
|---|---|
| (118) 4-hydroxy-*N,N*-diisopropyltryptamine (Other names: 4-OH-DiPT; 3-(2-(diisopropylamino)ethyl)-1*H*-indol-4-ol) | 7516 |
| (119) 5-methoxy-*alpha*-methyltryptamine (Other names: 5-MeO-AMT; 1-(5-methoxy-1*H*-indol-3-yl)propan-2-amine) | 7506 |
| (120) 5-methoxy-*N*-methyl-*N*-isopropyltryptamine (Other names: 5-MeO-MiPT; *N*-(2-(5-methoxy-1*H*-indol-3-yl)ethyl)-*N*-methylpropan-2-amine) | 7512 |
| (121) 5-methoxy-*N,N*-diethyltryptamine (Other names: 5-MeO-DET; *N,N*-diethyl-2-(5-methoxy-1*H*-indol-3-yl)ethanamine) | 7525 |
| (122) *N,N*-diisopropyltryptamine (Other names: DiPT; *N*-(2-(1*H*-indol-3-yl)ethyl)-*N*-isopropylpropan-2-amine) | 7522 |

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**Signing Authority**

This document of the Drug Enforcement Administration was signed on September 11, 2026, by DEA Administrator Terrance C. Cole. That document with the original signature and date is maintained by DEA. For administrative purposes only, and in compliance with requirements of the Office of the Federal Register, the undersigned DEA Federal Register Liaison Officer has been authorized to sign and submit the document in electronic format for publication, as an official document of DEA. This administrative process in no way alters the legal effect of this document upon publication in the **Federal Register**.

**Heather Achbach,**

*Federal Register Liaison Officer, Drug Enforcement Administration.*

[FR Doc. 2026–19400 Filed 9–22–26; 8:45 am]

**BILLING CODE 4410–09–P**

## DEPARTMENT OF HOMELAND SECURITY

### Coast Guard

### 33 CFR Part 165

**[Docket Number USCG–2026–1071]**

**RIN 1625–AA00**

## Safety Zone; Massachusetts Bay, Boston, MA

**AGENCY:** Coast Guard, Department of Homeland Security.

**ACTION:** Notice of proposed rulemaking.

**SUMMARY:** The Coast Guard is proposing to establish a temporary safety zone for a certain navigable water of Massachusetts Bay, 22 miles northeast of Boston, MA. The safety zone is needed to protect personnel, vessels, and the maritime public from potential hazards created by subsea demolition operations. This proposed rulemaking would prohibit persons and vessels from entering the safety zone unless specifically authorized by the Captain of the Port Sector Boston or a designated representative. We invite your comments on this proposed rulemaking.

**DATES:** Comments and related material must be received by the Coast Guard on or before October 23, 2026.

**ADDRESSES:** To submit comments and view available documents, go to *https://www.regulations.gov* and search for USCG–2026–1071.

**FOR FURTHER INFORMATION CONTACT:** If you have questions about this proposed rule, contact Mr. Timothy W. Chase, Sector Boston Waterways Management Division, U.S. Coast Guard; telephone (617) 447–1620, or email *Timothy.w.chase@uscg.mil.*

**SUPPLEMENTARY INFORMATION:**

### I. Table of Abbreviations

CFR Code of Federal Regulations
COTP Captain of the Port, Sector Boston
MA Massachusetts
MARAD Maritime Administration
DHS Department of Homeland Security
FR Federal Register
NPRM Notice of proposed rulemaking
TFR Temporary Final Rule
§ Section
U.S.C. United States Code

### II. Background and Authority

On August 7, 2026, Neptune LNG LLC notified the Coast Guard that final approval was granted by the Maritime Administration (MARAD) to conduct decommissioning efforts of the Neptune LNG LLC Deepwater Port in Massachusetts Bay, located approximately 22 miles northeast of Boston, Massachusetts. The project is extensive and will require specialized equipment utilized by divers working on the sea floor. The planned physical removal framework involves taking out two submerged turret loading buoys, three transition manifolds, 16 wire rope and chain mooring lines and connecting infrastructure while partially abandoning buried pipeline in place. The Captain of the Port (COTP) Sector Boston has determined that potential hazards associated with complex subsea demolition are a safety concern for anyone within a 500-meter radius of the decommissioning activities. The COTP is proposing this rule under the authority in 46 U.S.C. 70034 to protect personnel, vessels, and the marine environment in the navigable waters within the safety zone.

### III. Discussion of the Rule

This proposed rule would establish a safety zone from 11:59 p.m. February 28, 2027, through 8 a.m. September 30, 2027. The safety zone will cover all the navigable waters of the Massachusetts Bay in a 500-meter radius of position approximate 42°28′52.1″ N, 070°46′16.9″

W, which is approximately 22 miles northeast of Boston, MA. The duration of the zone is intended to protect the maritime public, marine contractors, deep-sea divers and their support vessels conducting the decommissioning of the Neptune deepwater port facility. Support vessels used by the contractor will include a 140-meter construction vessel, multiple tugs and barges, underwater remote operated vehicles, and divers to conduct the operation. No vessel or person will be permitted to enter the safety zone without obtaining permission from the COTP or a designated representative.

This rule will remain in effect through September 30, 2027, which should accommodate the possibility of project delays due to unforeseen circumstances. If the project is completed before September 30, 2027, enforcement of the safety zone will be suspended, and notice will be provided via the Local Notice to Mariners.

The Coast Guard Northeast District Local Notice to Mariners can be found at: *https://www.navcen.uscg.gov/maritime-safety-information.*

The regulatory text we are proposing appears at the end of this document.

## IV. Regulatory Analyses

We developed this proposed rule after considering numerous statutes and executive orders related to rulemaking. Below we summarize our analyses based on a number of these statutes and executive orders.

### *A. Impact on Small Entities*

The Regulatory Flexibility Act of 1980, 5 U.S.C. 601–612, as amended, requires Federal agencies to consider the potential impact of regulations on small entities during rulemaking. The term ''small entities'' comprises small businesses, not-for-profit organizations that are independently owned and operated and are not dominant in their fields, and governmental jurisdictions with populations of less than 50,000. 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. The Coast Guard certifies under 5 U.S.C. 605(b) that this proposed rule would not have a significant economic impact on a substantial number of small entities for the following reasons.

Vessel traffic will be able to safely transit around this regulated area. This regulation will only impact a small area of Massachusetts Bay. In addition, the Coast Guard will issue a Broadcast Notice to Mariners via VHF FM marine channel 16, which will allow small entities to adjust their transit plans, and the rule allows vessels to request permission to enter the regulated area from the COTP.

If you think that your business, organization, or governmental jurisdiction qualifies as a small entity and that this proposed rule would have a significant economic impact on it, please submit a comment (see **ADDRESSES**) explaining why you think it qualifies, and how and to what degree this proposed rule would economically affect it.

Under section 213(a) of the Small Business Regulatory Enforcement Fairness Act of 1996 (Pub. L. 104–121), if this proposed rule will affect your small business, organization, or governmental jurisdiction and you have questions, contact the person listed in the **FOR FURTHER INFORMATION CONTACT** section. Small businesses may send comments to the Small Business and Agriculture Regulatory Enforcement Ombudsman and the Regional Small Business Regulatory Fairness Boards by calling 1–888–REG–FAIR (1–888–734–3247).

### *B. Collection of Information*

This proposed rule will not call for a new collection of information under the Paperwork Reduction Act of 1995 (44 U.S.C. 3501–3520).

### *C. Federalism and Indian Tribal Governments*

We have analyzed this proposed rule under Executive Order 13132, Federalism, and have determined that it is consistent with the fundamental federalism principles and preemption requirements described in that Order.

Also, this proposed rule does not have tribal implications under Executive Order 13175, Consultation and Coordination with Indian Tribal Governments, because it does not have a substantial direct effect on one or more Indian tribes, on the relationship between the Federal Government and Indian tribes, or on the distribution of power and responsibilities between the Federal Government and Indian tribes.

### *D. Unfunded Mandates Reform Act*

As required by The Unfunded Mandates Reform Act of 1995 (2 U.S.C. 1531–1538), the Coast Guard certifies that this proposed rule will not result in an annual expenditure of $100,000,000 or more (adjusted for inflation) by a State, local, or tribal government, in the aggregate, or by the private sector.

### *E. Environment*

We have analyzed this proposed rule under Department of Homeland Security Directive 023–01, Rev. 1, associated implementing instructions, and Environmental Planning COMDTINST 5090.1 (series), which guide the Coast Guard in complying with the National Environmental Policy Act of 1969 (42 U.S.C. 4321 *et seq.*), and have determined that this action is one of a category of actions that do not individually or cumulatively have a significant effect on the human environment.

This proposed rule is a safety zone. It is categorically excluded from further review under paragraph L60(a) of Appendix A, Table 1 of DHS Instruction Manual 023–01–001–01, Rev. 1. A Record of Environmental Consideration is available for viewing in the docket.

## V. Public Participation and Request for Comments

We view public participation as essential to effective rulemaking and will consider all comments and material received during the comment period. Your comment can help shape the outcome of this rulemaking. If you submit a comment, please include the docket number for this rulemaking, indicate the specific section of this document to which each comment applies, and provide a reason for each suggestion or recommendation.

*Submitting comments.* We encourage you to submit comments at *https://www.regulations.gov.* To do so, go to *https://www.regulations.gov,* type USCG–2026–1071 in the search box and click ''Search.'' Next, look for this document in the Search Results column, and click on it. Then click on the Comment option. If you cannot submit your material by using *https://www.regulations.gov,* call or email the person in the **FOR FURTHER INFORMATION CONTACT** section of this proposed rule for alternate instructions.

*Viewing material in the docket.* To view available documents, find the docket as described in the previous paragraph, and then select ''Supporting & Related Material'' in the Document Type column. We will post public comments in our online docket. Additional information is on the *https://www.regulations.gov* Frequently Asked Questions web page.

*Personal information.* We accept anonymous comments. Comments we post to *https://www.regulations.gov* will include any personal information you have provided. For more about privacy and submissions to the docket in response to this document, see DHS's eRulemaking System of Records notice (85 FR 14226, March 11, 2020).

**List of Subjects in 33 CFR Part 165**

Harbors, Marine safety, Navigation (water), Reporting and recordkeeping requirements, Security measures, Waterways.

For the reasons discussed in the preamble, the Coast Guard is proposing to amend 33 CFR part 165 as follows:

## PART 165—REGULATED NAVIGATION AREAS AND LIMITED ACCESS AREAS

■ 1. The authority citation for part 165 continues to read as follows:

**Authority:** 46 U.S.C. 70034, 70051, 70124; 33 CFR 1.05–1, 6.04–1, 6.04–6, and 160.5; Department of Homeland Security Delegation No. 00170.1, Revision No. 01.4.

■ 2. Add § 165.T01–1071 to read as follows:

**§ 165.T01–1071 Safety Zone; Massachusetts Bay, Boston MA.**

(a) *Location.* The following area is a safety zone: all navigable waters of a portion of Massachusetts Bay in a 500-meter radius of position approximate 42°28′52.1″ N, 070°46′16.9″ W approximately 22 miles northeast of Boston, MA. Positions provided are expressed in Degrees (°) Minutes (′) Seconds (″) (DMS) based on North American Datum 1983 (NAD 83).

(b) *Definitions.* As used in this section, *designated representative* means a Coast Guard Patrol Commander, including a Coast Guard coxswain, petty officer, or other officer operating a Coast Guard vessel and a Federal, State, and local officer designated by or assisting the Captain of the Port Sector Boston (COTP) in the enforcement of the safety zone.

(c) *Regulations.* (1) Under the general safety zone regulations in paragraph (c) of this section, you may not enter the safety zone described in paragraph (a) of this section unless authorized by the COTP or the COTP's designated representative.

(2) To seek permission to enter, contact the COTP or the COTP's representative on VHF–FM channel 16 or by telephone at (833) 449–0539. Those in the safety zone must comply with all lawful orders or directions given to them by the COTP or the COTP's designated representative.

(d) *Enforcement period.* This section will be enforced from 11:59 p.m. February 28, 2027, through 8 a.m. September 30, 2027. If the project this safety zone supports is completed before September 30, 2027, enforcement of the safety zone will be suspended, and notice will be provided via the Local Notice to Mariners.

Dated: September 18, 2026.

**J.C. Frederick,**

*Captain, U.S. Coast Guard, Captain of the Port Sector Boston.*

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## ENVIRONMENTAL PROTECTION AGENCY

## 40 CFR Part 52

**[EPA–R04–OAR–2025–0223; FRL–13259–01–R4]**

## Air Plan Approval; North Carolina; Charlotte-Rock Hill Area Maintenance Plan for the 2008 8-Hour Ozone NAAQS

**AGENCY:** Environmental Protection Agency (EPA).

**ACTION:** Proposed rule.

**SUMMARY:** On February 28, 2025, the State of North Carolina, through the North Carolina Department of Environmental Quality, Division of Air Quality (NCDAQ), submitted a request for the U.S. Environmental Protection Agency (EPA) to approve a State Implementation Plan (SIP) revision containing the State's plan for maintaining the 2008 ozone National Ambient Air Quality Standard (NAAQS) through 2035 for the North Carolina portion of the bi-state Charlotte-Rock Hill, North Carolina-South Carolina 2008 8-hour ozone nonattainment area (the entire area is hereinafter referred to as the ''bi-state Charlotte Area'' and the North Carolina portion is hereinafter referred to as the ''Charlotte Area''). The EPA is proposing to approve and incorporate North Carolina's second 10-year maintenance plan to maintain attainment of the 2008 8-hour ozone NAAQS in the bi-state Charlotte Area, including the 2018 and 2035 motor vehicle emission budgets (budgets) for nitrogen oxides ($NO_X$) and volatile organic compounds (VOC) for the Charlotte Area, into the SIP. The EPA is also notifying the public of the status of the EPA's adequacy determination for the sub-area budgets for the Charlotte Area.

**DATES:** Comments must be received on or before October 23, 2026.

**ADDRESSES:** Submit your comments, identified by Docket ID No. EPA–R04–OAR–2025–0223 at *regulations.gov.* Follow the online instructions for submitting comments. Once submitted, comments cannot be edited or removed from *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.*

**FOR FURTHER INFORMATION CONTACT:** Nelsha Athauda, Multi Air Pollutant Coordination Section, Air Planning and Implementation Branch, Air and Radiation Division, U.S. Environmental Protection Agency, Region 4, 61 Forsyth Street SW, Atlanta, Georgia 30303–8960. The telephone number is (404)-562–9360. Ms. Athauda can also be reached via electronic mail at *athauda.nelsha@epa.gov.*

**SUPPLEMENTARY INFORMATION:**

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### I. Summary of the EPA's Proposed Action

In accordance with the Clean Air Act (CAA or Act), the EPA is proposing to approve the second 10-year Charlotte Area maintenance plan for the 2008 8-hour ozone NAAQS, submitted by NCDAQ as a revision to the North Carolina SIP on February 28, 2025.[1] The

[1] NCDAQ submitted a version of the submittal correcting a minor subsection numbering issue via email, on February 28, 2025. Both versions of the

Continued

Charlotte Area includes all of Mecklenburg County and portions of Cabarrus, Gaston, Iredell, Lincoln, Rowan, and Union Counties.[2]

The February 28, 2025, submittal is designed to maintain the 2008 8-hour ozone NAAQS within the Charlotte Area through the end of the second 10-year portion of the maintenance period beyond redesignation. The EPA is proposing to approve the plan because it meets all applicable requirements under CAA sections 110 and 175A. The EPA is also proposing to approve the 2018 and 2035 $NO_X$ and VOC sub-area budgets in the Charlotte Area Maintenance Plan because the sub-area budgets meet the applicable transportation conformity requirements under 40 CFR 93.118(e).

## II. Background

On March 12, 2008, the EPA promulgated a revised 8-hour ozone NAAQS of 0.075 parts per million (ppm) to provide increased protection of public health and the environment.[3] Under the EPA's regulations at 40 CFR part 50, the 2008 8-hour ozone NAAQS is attained when the 3-year average of the annual fourth-highest daily maximum 8-hour average ambient air quality ozone concentrations is less than or equal to 0.075 ppm.[4] Ambient air quality monitoring data for the 3-year period must meet a data completeness requirement. The ambient air quality monitoring data completeness requirement is met when the average percent of days with valid ambient monitoring data is greater than 90 percent, and no single year has less than 75 percent data completeness as determined in Appendix I of part 50.

Upon promulgation of a new or revised NAAQS, section 107(d)(1) of the CAA requires the EPA to designate as nonattainment any area that is violating the NAAQS, based on the three most recent years of complete, quality-assured, and certified ambient air quality data at the conclusion of the designation process. The bi-state Charlotte Area was designated nonattainment for the 2008 8-hour ozone NAAQS on May 21, 2012, effective July 20, 2012, using 2009–2011 ambient air quality data.[5] At the time of designation, the bi-state Charlotte Area was classified as a marginal nonattainment area for the 2008 8-hour ozone NAAQS. In the final implementation rule for the 2008 8-hour ozone NAAQS,[6] the EPA established ozone nonattainment area attainment dates based on Table 1 of CAA section 181(a). This rule established an attainment date three years after the July 20, 2012, effective date for areas classified as marginal areas for the 2008 8-hour ozone nonattainment designations. Therefore, the bi-state Charlotte Area's attainment date was July 20, 2015. In 2015, the Charlotte Area was redesignated to attainment for the 2008 8-hour ozone NAAQS, the first 10-year maintenance plan was approved, and the public was notified that the EPA found the 2014 and 2026 sub-area budgets for $NO_X$ and VOC adequate.[7]

The primary guidance on maintenance plans and redesignation requests is the September 4, 1992, memorandum from John Calcagni, titled ''Procedures for Processing Requests to Redesignate Areas to Attainment'' (Calcagni Memo).[8] The Calcagni Memo outlines the key elements of a maintenance plan, which include the following: attainment emissions inventory, maintenance demonstration, monitoring network requirements, verification of continued attainment, and contingency plan elements.

Since 2015, three SIP revisions to the first 10-year maintenance plan have been approved. Two supplements updated the 2026 budgets for $NO_X$ and VOC,[9] and one supplement revised the motor vehicle model year coverage of the emissions inspection and maintenance program (I/M).[10]

The EPA has revised the ozone NAAQS once since the 2008 standards were finalized. On October 1, 2015, the Agency revised both the primary and secondary NAAQS for ozone to a level of 0.070 ppm (annual fourth-highest daily maximum 8-hour average concentration, averaged over 3 years).[11] On November 16, 2017, the EPA published a final rule establishing initial area designations for the 2015 8-hour ozone NAAQS.[12] The bi-state Charlotte Area was designated attainment for that standard with an effective date of August 3, 2018.[13]

## III. North Carolina's SIP Submittal

On February 28, 2025, NCDAQ submitted a second 10-year maintenance plan to the EPA as a revision to the North Carolina SIP. The submittal includes the maintenance plan, air monitor data, emissions inventory information, and appendices.[14] Appendices include emissions inventory documentation for onroad, nonroad, point, and nonpoint (area) source emissions, as well as documentation of public notice, comments received, and comment responses.

## IV. The EPA's Evaluation of North Carolina's SIP Submittal

The EPA has reviewed the second 10-year maintenance plan for the Charlotte Area, which is designed to maintain the 2008 8-hour ozone NAAQS within the bi-state Charlotte Area through the end of the 20-year period beyond redesignation, as required under CAA section 175A(b). The following is a summary of the EPA's interpretation of the section 175A requirements[15] and the Agency's evaluation of how each requirement is met.

### *A. Attainment Emissions Inventory*

As discussed above, the EPA determined in 2015 that the bi-state Charlotte Area had attained the 2008 8-hour ozone NAAQS at the time that it redesignated the Charlotte Area to attainment.[16] The bi-state Charlotte Area continues to attain the 2008 8-hour ozone NAAQS. For the second 10-year

State's submittal can be found in the docket for this action, including a copy of the email correspondence providing the corrected submittal.

[2] In the February 28, 2025, submittal NCDAQ refers to the ''Charlotte-Rock Hill, North Carolina-South Carolina Area'' as the ''Charlotte-Gastonia-Rock Hill, North Carolina-South Carolina Area.''

[3] *See* 73 FR 16436 (March 27, 2008).

[4] *See* 40 CFR 50.15(b). For a detailed explanation of the calculation of the 3-year 8-hour average, see 40 CFR part 50, appendix P.

[5] *See* 77 FR 30088 (May 21, 2012).

[6] This rule, titled ''Implementation of the 2008 National Ambient Air Quality Standards for Ozone: State Implementation Plan Requirements'' and published at 80 FR 12264 (March 6, 2015), addresses a range of nonattainment area SIP requirements for the 2008 ozone NAAQS, including requirements pertaining to attainment demonstrations, reasonable further progress (RFP), reasonably available control technology (RACT), reasonably available control measures (RACM), major new source review (NSR), emission inventories, and the timing of SIP submissions and of compliance with emission control measures in the SIP. This rule also addresses the revocation of the 1997 ozone NAAQS and the anti-backsliding requirements that apply when the 1997 ozone NAAQS are revoked.

[7] The EPA redesignated the South Carolina portion of the bi-state Charlotte Area to attainment and approved South Carolina's associated maintenance plan on December 11, 2015. *See* 80 FR 76865. *See* also 80 FR 44873 (July 28, 2015).

[8] ''Procedures for Processing Requests to Redesignate Areas to Attainment,'' Memorandum from John Calcagni, Director, Air Quality Management Division, September 4, 1992. Available at *https://www.epa.gov/ground-level-ozone-pollution/procedures-processing-requests-redesignate-areas-attainment.*

[9] *See* 86 FR 47387 (August 25, 2021) and 89 FR 50227 (June 13, 2024).

[10] *See* 84 FR 47889 (September 11, 2019).

[11] *See* 80 FR 65296 (October 26, 2015).

[12] *See* 82 FR 54232.

[13] *See* 83 FR 25776 (June 4, 2018).

[14] Due to size and compatibility limitations of the Federal Docket Management System, the supporting modeling files are instead available at the EPA Region 4 office. To request these files, please contact the person listed in this NPRM under the section titled FOR FURTHER INFORMATION CONTACT.

[15] *See* Calcagni memo.

[16] *See* 80 FR 44873 (July 28, 2015).

maintenance plan, NCDAQ selected 2018 as the base year (*i.e.,* attainment emissions inventory year) for developing a comprehensive emissions inventory for $NO_X$ and VOC, for which projected emissions could be developed for 2026 and 2035. The attainment inventory identifies a level of emissions in the bi-state Charlotte Area that is sufficient to attain the 2008 8-hour ozone NAAQS. North Carolina began development of the attainment inventory by first generating a baseline emissions inventory for the State's portion of the bi-state Charlotte Area. The projected summer day emission inventories have been estimated using projected rates of growth in population, traffic, economic activity, and other parameters. In addition to comparing the final year of the plan (2035) to the base year (2018), North Carolina compared an interim year (2026) to the baseline to demonstrate that the years in between are also expected to show continued maintenance of the 2008 8-hour ozone standard.

The emissions inventory is composed of four major types of sources: point, nonpoint (area), onroad mobile, and nonroad mobile. The complete descriptions of how the inventories were developed are discussed in Appendices A, B, C, and D of the February 28, 2025, submittal, which can be found in the docket for this proposed action.

i. Point Sources

Point sources are those large, stationary (non-mobile), identifiable sources of emissions that release pollutants into the atmosphere. Point source emissions are tabulated from data collected by direct on-site measurements of emissions or from mass balance calculations utilizing emission factors from the EPA's AP–42 or stack test results. Emission data are collected for each point source at a facility and reported to NCDAQ through its online system.

For Electricity Generating Units (EGUs) with a Continuous Emissions Monitoring System (CEMS), 2018 base year $NO_X$ emissions for July were obtained from the EPA's Clean Air Markets Division (CAMD) database for the G.G. Allen Steam Station in Gaston County, Lincoln County Combustion Turbine Station in Lincoln County, and Buck Steam Station and Plant Rowan in Rowan County. Base year 2018 summer day VOC emissions were calculated for each unit using annual emissions that Duke Energy Carolinas reported to NCDAQ. Duke Energy Carolinas provided NCDAQ with 2026 and 2035 July day $NO_X$ and VOC emissions forecasts for Lincoln Combustion Turbine Station and Buck Steam Station.[17] For Plant Rowan, NCDAQ used the Eastern Regional Technical Advisory Committee (ERTAC) model v22.0 AEO2023 reference case's July 2026 and July 2035 $NO_X$ emissions forecast to develop summer day $NO_X$ emissions. NCDAQ calculated 2018 to 2026 and 2018 to 2035 summer day $NO_X$ emission growth rates and applied the growth rates to 2018 VOC summer day emissions to estimate VOC emissions for 2026 and 2035.

NCDAQ compiled annual $NO_X$ and VOC emissions from the 2022 North Carolina point source inventory for the list of relevant non-CEMS EGUs, and these emissions were used to estimate emissions in 2026. For 2018 and 2035, NCDAQ compiled annual 2018 and 2032 VOC and $NO_X$ emissions from the 2018v2 Emissions Modeling Platform (EMP) [18] for the non-CEMS EGUs included in this plan. Given the proximity of 2032 to 2035 and the lack of emission projections for 2035,[19] the 2032 projections were used to represent 2035 emissions. For non-EGU point sources, aircraft, and wild/prescribed/agricultural fires, the 2018 inventory reflects county emissions from the EPA's 2018v2 EMP.[20] Emissions for 2026 were estimated by interpolating between the 2018 and 2032 emission estimates provided in the 2018v2 EMP.

ii. Nonpoint Sources

Nonpoint sources collectively represent individual sources that have not been inventoried as specific point or mobile sources. These individual sources treated collectively as nonpoint sources are typically too small, numerous, or difficult to inventory using the methods for the other classes of sources. In general, emissions for nonpoint sources are estimated by multiplying an emission factor by some known indicator of collective activity such as production, number of employees, or population. These types of emissions are estimated at the county level. North Carolina's nonpoint source emissions inventory is based on the EPA's 2018v2 EMP. Given the proximity of 2032 to 2035 and the lack of emission projections for 2035, the 2018v2 EMP projections for 2032 are used to represent 2035 emissions. Emissions for 2026 were estimated by interpolating between the 2018 and 2032 emission estimates provided in the 2018v2 EMP.

iii. Onroad Sources

Onroad mobile sources are vehicles licensed to operate on public roadways, including a wide range of vehicle types, from motorcycles and passenger cars to the largest buses and trucks. For these sources, historical input data were used for modeling 2018 emissions, whereas 2026 and 2035 emissions were modeled using the EPA's MOtor Vehicle Emissions Simulator (MOVES) 4.0.1 mobile model. Modeling inputs were developed by projecting the latest available data to the needed future years. NCDAQ used local county-level, partial county-level, and State model input data in lieu of the MOVES4.0.1 default data, wherever possible, to represent local vehicle fleet and emissions characteristics more accurately.

On February 12, 2026, the EPA finalized the rescission of the GHG Endangerment Finding and repealed all greenhouse gas (GHG) emission standards for light-duty, medium-duty, and heavy-duty vehicles and engines (''Endangerment Finding Rescission Rule'').[21] Due to this action, aspects of the State's planning assumptions from the EPA's MOVES model versions 4 MOVES4.0.1 are no longer entirely consistent with the latest information. The EPA recognizes that States have relied on MOVES4 and MOVES5, including the national default electric vehicle (EV) projections tied in part to the implementation of these now-repealed standards, in developing some SIP actions that have been submitted to the EPA.

This action was developed using MOVES4 and the latest EPA guidance on the use of MOVES in SIP development that was available at the time. Per the EPA's MOVES Policy Guidance, States ''should use the latest

[17] Emissions forecasts were not generated for the Duke Energy Carolinas G.G. Allen Steam Station (Facility ID: 3600039) as the remaining two coal units have both retired. Retirement notices for Unit 1 and Unit 5, were received by the EPA Region 4 on January 13, 2025, and October 18, 2024, respectively. These notices are available in the docket for this proposed action.

[18] *See* ''Technical Support Document (TSD): Preparation of Emissions Inventories for the 2018v2 North American Emissions Modeling Platform,'' from the EPA's Office of State Air Partnerships (formerly the 'Office of Air Quality Planning and Standards'), September 2023, for more details on the 2018v2 EMP. The TSD is available at *https://www.epa.gov/system/files/documents/2024-02/2018v2_emismod_tsd_sep2023_508_0.pdf.*

[19] The EPA's 2018v2 EMP only contains base year emissions inventories for 2018 and projected emissions for the year 2032. *See https://www.epa.gov/air-emissions-modeling/2018v2-emissions-modeling-platform*

[20] North Carolina included aircraft, wildfire, prescribed fire, and agricultural fire emissions in its non-EGU point source inventory. See the February 28, 2025, submittal for additional information.

[21] Rescission of the Greenhouse Gas Endangerment Finding and Motor Vehicle Greenhouse Gas Emission Standards Under the Clean Air Act, 91 FR 7686.

version of MOVES that is available at the time that a SIP is developed.'' [22] In this guidance, the EPA also stated that an earlier version of MOVES can be used in SIP development if significant work has already been completed on a SIP using that earlier version.[23] Therefore, the State developed this SIP based on an emissions model that the EPA expected States to use. In addition, the EPA indicated that for fuel type distributions for onroad vehicles that include estimates of EVs, States should use local data if available and could rely on the default information within the model as planning assumptions.[24] Therefore, based on the EPA's statements in the Agency's MOVES Policy and Technical Guidance, the State reasonably relied on the assumptions in MOVES4.

As a general principle, the SIP is an iterative document, subject to various revisions over time. This is because the SIP revision process is cyclical by nature per the different obligations under the CAA. The EPA acknowledges the significant amount of time and resources required by States to develop a SIP revision. In the evaluation of this SIP submittal, the EPA is considering the modeling and information provided by North Carolina and affirming that North Carolina relied on the latest EPA model and guidance information available at the time it developed the SIP. To acknowledge and accommodate reliance interests States may have had in MOVES4 based on the EPA's statements in Agency's MOVES Policy and Technical Guidance, and to treat all States consistently that submitted SIPs prior to or shortly after the Endangerment Finding Rescission Rule where significant work had been completed, the EPA is proposing to find that North Carolina appropriately estimated onroad mobile source emissions for this SIP based on MOVES4.

iv. Nonroad Sources

The nonroad mobile source inventory contains emissions from mobile vehicles and equipment not licensed for use on public roadways. Emissions of $NO_X$ and VOC were estimated by running the nonroad mobile source module of MOVES4.0.1. Model runs were performed for each county and year of interest. The default data were used for the input files used in the MOVES4.01 Nonroad model. The MOVES RunSpec file (wherein all modeling variables are set) was tailored to reflect North Carolina-specific information. NCDAQ estimated 2026 emissions values by interpolating between the 2018 and 2032 emissions estimates.

The 2018 $NO_X$ and VOC emissions for the Charlotte Area, as well as the emissions for other years, were developed with methods consistent with the EPA guidance and are summarized in Tables 1 through 3 of the following subsection.

*B. Maintenance Demonstration*

The maintenance plan includes a maintenance demonstration that:

(i) Shows compliance with and maintenance of the 2008 8-hour ozone NAAQS by providing information to support the demonstration that current and future emissions of $NO_X$ and VOC remain at or below 2018 emissions levels through 2035, the end of the second 10-year portion of the maintenance period.

(ii) Uses 2018 as the attainment year and includes future emissions inventory projections for 2026 and 2035.

(iii) Per 40 CFR part 93, $NO_X$ and VOC sub-area budgets were established for the last year (2035) of the maintenance plan (*see* section V below). Additionally, NCDAQ opted to establish sub-area budgets for an interim year (2018).

(iv) Provides actual (2018) and projected emissions inventories, in tons per ozone season day (tons/summer day), for the Charlotte Area, as shown in Tables 1 through 3, below.

TABLE 1—ACTUAL AND PROJECTED ANNUAL $NO_X$ EMISSIONS (TONS/SUMMER DAY) FOR THE CHARLOTTE AREA

| Sector | 2018 | 2026 | 2035 |
|---|---|---|---|
| Point | 19.45 | 16.43 | 16.54 |
| Nonpoint | 2.50 | 2.80 | 3.01 |
| Onroad | 57.07 | 29.46 | 13.45 |
| Nonroad | 13.74 | 9.81 | 9.71 |
| Total | 92.76 | 58.50 | 42.71 |

TABLE 2—ACTUAL AND PROJECTED ANNUAL VOC EMISSIONS (TONS/SUMMER DAY) FOR THE CHARLOTTE AREA

| Sector | 2018 | 2026 | 2035 |
|---|---|---|---|
| Point | 10.33 | 10.81 | 11.26 |
| Nonpoint | 48.81 | 53.16 | 56.27 |
| Onroad | 29.64 | 20.44 | 15.88 |
| Nonroad | 16.18 | 16.26 | 17.51 |
| Total | 104.96 | 100.67 | 100.92 |

TABLE 3—EMISSION ESTIMATES (TONS/SUMMER DAY) FOR THE CHARLOTTE AREA

| Year | $NO_X$ | VOC |
|---|---|---|
| 2018 | 92.76 | 104.96 |
| 2026 | 58.50 | 100.67 |

[22] *See* Section 6 ''Use of MOVES4 in SIPs'' on page 8 of ''Policy Guidance on the Use of MOVES4 for State Implementation Plan Development, Transportation Conformity, General Conformity, and Other Purposes'' (EPA–420–B–23–009, August 2023).

[23] *Id.*

[24] *See* Section of 4.8.3 (page 54) of ''MOVES4 Technical Guidance: Using MOVES to Prepare Emission Inventories for State Implementation Plans and Transportation Conformity'' (EPA–420–B–23–011, August 2023).

TABLE 3—EMISSION ESTIMATES (TONS/SUMMER DAY) FOR THE CHARLOTTE AREA—Continued

| Year | $NO_X$ | VOC |
|---|---|---|
| 2035 | 42.71 | 100.92 |
| Difference from 2018 to 2035 | 50.05 | 4.04 |

Tables 1 through 3 summarize the 2018 and future projected emissions of $NO_X$ and VOC from the Charlotte Area. In situations where local emissions are the primary contributor to nonattainment, the NAAQS should not be violated in the future as long as emissions from within the area remain at or below the baseline with which attainment was achieved. North Carolina has projected emissions as described previously and determined that emissions in the Charlotte Area will remain below those in 2018—the attainment year inventory for the duration of the maintenance plan.

A safety margin is the difference between the attainment level of emissions from all source categories (*i.e.,* point, nonpoint, onroad, and nonroad) and the projected level of emissions in the maintenance plan from all source categories.[25] The attainment level of emissions is the level of emissions during one of the years in which the area met the NAAQS. NCDAQ selected 2018 as the attainment emissions inventory year for the Charlotte Area and calculated safety margins for the years 2018, 2026, and 2035. Table 4 displays the established safety margins for the Charlotte Area in tons per ozone season day (tons/summer day).

TABLE 4—SAFETY MARGINS FOR THE CHARLOTTE AREA

[Tons/summer Day]

| Year | $NO_X$ | VOC |
|---|---|---|
| 2018 | N/A | N/A |
| 2026 | 34.26 | 4.29 |
| 2035 | 50.05 | 4.04 |

The State has decided to allocate a portion of the available safety margin to the 2035 budgets to allow for unanticipated growth in Vehicle Miles Traveled, changes, and uncertainty in vehicle mix assumptions, and uncertainty associated with mobile modeling. NCDAQ developed and implemented a five-step approach for determining a factor to use to calculate the amount of safety margin to allocate to the budgets for 2035. Based on this approach, NCDAQ allocated 50 percent of the total $NO_X$ safety margin emissions and 100 percent of the total VOC safety margin emissions to the 2035 budgets. After allocation of the available safety margin, the remaining safety margin was calculated as 25.03 tons/summer day for $NO_X$ and 0.0 tons/summer day for VOC. This allocation and the resulting available safety margin for the Charlotte Area are discussed further in section V of this notice of proposed rulemaking, along with the sub-area budgets to be used for transportation conformity purposes.

*C. Monitoring Network*

There are currently five ozone monitors in the bi-State Charlotte Area: one in Lincoln County, North Carolina; two in Mecklenburg County, North Carolina; one in Rowan County, North Carolina; and one in Union County, North Carolina.[26] No monitors are located within the South Carolina portion of the bi-state Charlotte Area. Table 5 presents the design values (DV)[27] (in ppm) for the currently active monitors in the bi-state Charlotte Area over the 2012–2025 period.

TABLE 5—8-HOUR OZONE NAAQS DESIGN VALUES (ppm) FOR MONITORS IN THE BI-STATE CHARLOTTE AREA FOR THE 2012–2025 TIME PERIOD

| Monitor name | County | AQS Site ID | 2010–2012 DV | 2011–2013 DV | 2012–2014 DV | 2013–2015 DV | 2014–2016 DV | 2015–2017 DV | 2016–2018 DV | 2017–2019 DV | 2018–2020 DV | 2019–2021 DV | 2020–2022 DV | 2021–2023 DV | 2022–2024 DV | 2023–2025 DV |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| Crouse | Lincoln, NC. | 37–109–0004 | 0.075 | 0.072 | 0.068 | 0.065 | 0.067 | 0.067 | 0.065 | 0.064 | 0.060 | 0.061 | 0.061 | 0.065 | 0.064 | 0.063 |
| Garinger | Mecklenburg, NC. | 37–119–0041 | 0.083 | 0.078 | 0.070 | 0.068 | 0.069 | 0.069 | 0.068 | 0.070 | 0.067 | 0.066 | 0.064 | 0.069 | 0.069 | 0.068 |
| University Meadows. | Mecklenburg, NC. | 37–119–0046 | 0.083 | 0.078 | 0.073 | 0.067 | [a] 0.070 | [a] 0.070 | 0.070 | 0.069 | 0.067 | 0.066 | 0.064 | 0.068 | 0.069 | 0.068 |
| Rockwell | Rowan, NC. | 37–159–0021 | 0.078 | 0.073 | 0.068 | 0.064 | 0.065 | 0.064 | 0.062 | 0.062 | 0.061 | 0.062 | 0.061 | 0.065 | 0.065 | 0.063 |
| Monroe | Union, NC | 37–179–0003 | 0.073 | 0.070 | 0.068 | 0.065 | 0.068 | 0.067 | [b] 0.068 | [b] 0.068 | 0.063 | 0.062 | 0.061 | 0.067 | 0.066 | 0.064 |

[a] Monitor started in 2016 to replace County Line (ID# 37–119–1009). The EPA approved the combination of data from both sites into a single site data record for the purpose of calculating design values. The design values shown include data from both monitoring sites before and after the relocation.

[b] The February 28, 2025, submittal incorrectly marked these design values as invalid. However, these design values are valid per the criteria in 40 CFR part 50, Appendix U.

As shown in Table 5, the design values derived from the monitors in the bi-State Charlotte Area have been below the level of the 2008 8-hour ozone NAAQS since redesignation. Furthermore, the overall ozone concentrations for the Area decreased by 15 ppb between the 2010–2012 and 2023–2025 design values at three of the five monitors (AQS ID 37–119–0041, 37–119–0046, and 37–159–0021). As the ozone levels have dropped and remain

[25] *See* 40 CFR 93.101.

[26] The bi-state Charlotte Area's attainment status was assessed using data from these monitors, along with two additional monitors that were shut down before the maintenance period began, in 2015. One monitor in Rowan County, NC (ID 37–159–0022) was shut down in 2013, and the other monitor in Mecklenburg County, NC (ID 37–119–1005) was shut down in 2014. Historical design values for these two monitors are available in 80 FR 29250 (May 21, 2015).

[27] Design values are calculated as the 3-year average of the annual fourth-highest daily maximum 8-hour average ozone concentration.

relatively stable, it is reasonable to conclude that the bi-State Charlotte Area will not exceed the 2008 8-hour ozone NAAQS during the second 10-year maintenance period.

The EPA periodically reviews the ozone monitoring networks operated and maintained by the states in accordance with 40 CFR part 58. The network plans are submitted annually to the EPA, and network assessments are submitted every five years. NCDAQ operates a network plan with monitors within the boundary of the Charlotte Area. The annual network plan developed by NCDAQ follows a public notification and review process. The local network plan from the Mecklenburg County Air Quality (MCAQ) local air agency was also provided to the public for inspection and comment, as required by 40 CFR 58.10(d). Known potential monitor shutdowns or relocations are noted in these documents and will only be made with the approval of the EPA. No plans are underway that will affect the integrity of the ambient monitoring network in place. The current monitors are operated consistent with 40 CFR part 58, and no changes will be made that are inconsistent with 40 CFR part 58. The EPA has reviewed and approved [28] the North Carolina 2025–2026 Ambient Air Monitoring Network Plan.

Through state and local agencies, North Carolina has committed to continue operation of the current ozone monitors in the Charlotte Area in compliance with 40 CFR part 58, provided that sufficient funding is available for continued operation. For further details on monitoring, see the 2025–2026 Annual Monitoring Network Plan which can be found in the docket for this proposed action.

*D. Verification of Continued Attainment*

The State of North Carolina, through NCDAQ, has the legal authority to enforce and implement the maintenance plan for the North Carolina portion of the Area. This includes the authority to adopt, implement, and enforce any subsequent emissions control contingency measures determined to be necessary to correct future ozone attainment problems.

In addition, North Carolina has adopted State rules to implement and enforce Federal and State air pollution control requirements to ensure that ozone precursor emissions reductions are permanent and enforceable in the Charlotte Area. The State rules are codified at 15A NCAC Subchapter 2D (Air Pollution Control Requirements) and Subchapter 2Q (Air Quality Permit Procedures). The MCAQ has also adopted rules reflecting the State and Federal rules which are codified as Mecklenburg County Air Pollution Control Ordinance (MCAPCO) Article 1.0000 (Sections 1.5100–1.5700, Permitting Provisions for Air Pollution Sources; Rules and Operating Regulations) and MCAPCO Article 2.0000 (Sections 2.0100–2.2600, Air Pollution Control Regulations and Procedures).

*E. Contingency Plan*

CAA section 175A requires that a maintenance plan include such contingency measures as the EPA deems necessary to assure that the state will promptly correct a violation of the NAAQS that occurs after redesignation. The maintenance plan should identify the contingency measures to be adopted, a schedule and procedure for adoption and implementation, and a time limit for action by the State. A State should also identify specific indicators to be used to determine when the contingency measures need to be implemented. The maintenance plan must include a requirement that a State will implement all measures with respect to control of the pollutant that were contained in the SIP before redesignation of the area to attainment in accordance with section 175A(d).

In the February 28, 2025, submittal, North Carolina affirms that all programs instituted by the State will remain enforceable and that sources are prohibited from reducing emissions controls following the redesignation of the Charlotte Area. The contingency plan included in the submittal includes a triggering mechanism to determine when contingency measures are needed and a process of developing and implementing appropriate control measures. The State includes a tertiary, a secondary, and a primary trigger to evaluate and implement contingency measures. The tertiary trigger will not be an actual violation of the 2008 8-hour ozone standard. This trigger will be a first alert as to a potential air quality problem on the horizon. The trigger will be activated when a monitor in the bi-state Charlotte Area has a 4th highest value of 0.076 ppm or greater, starting the first year after the maintenance plan has been approved. The trigger date will be 60 days from the date on which an ozone monitor in the bi-state Charlotte Area records a 4th highest value of 0.076 ppm or greater. Once the tertiary trigger is activated, the Planning Section of NCDAQ, in consultation with the South Carolina Department of Environmental Services (SCDES) [29] and MCAQ, shall commence analyses including meteorological evaluation, trajectory analyses of high ozone days, and emissions inventory assessment to understand why a 4th highest exceedance of the standard has occurred. Once the analyses are completed, NCDAQ will work with SCDES, MCAQ and the local air awareness program to develop an outreach plan identifying any additional voluntary measures that can be implemented. If the 4th highest exceedance occurs early in the ozone season,[30] the NCDAQ will work with entities identified in the outreach plan to determine if the measures can be implemented during the current season; otherwise, NCDAQ will work with SCDES, MCAQ, and the local air awareness coordinator to implement the plan for the following ozone season.

The secondary trigger will then apply where no actual violation of the 2008 8-hour ozone NAAQS has occurred, but where the State finds monitored ozone levels indicating that an actual ozone NAAQS violation may be imminent. North Carolina explains that a pattern will be deemed to exist when there are two consecutive ozone seasons in which the 4th highest values are 0.076 ppm or greater at a single monitor within the Area. The trigger date will be 60 days from the date on which an ozone monitor in the bi-state Charlotte Area records a 4th highest value of 0.076 ppm or greater for which the previous season had a 4th highest value of 0.076 ppm or greater.

Finally, the primary trigger of the contingency plan will be a violation of the 2008 8-hour ozone NAAQS or when the 3-year average of the 4th highest values is equal to or greater than 0.076 ppm at a monitor in the bi-state Charlotte Area. The trigger date will be 60 days from the date on which an ozone monitor in the bi-state Charlotte Area records a 4th highest value that,

[28] *See* October 29, 2025, letter of approval from Denisse Diaz, Director, Air and Radiation Division, the EPA Region 4 to Mike Abraczinskas, Director, Division of Air Quality, North Carolina Department of Environmental Quality, available in the docket for this proposed action.

[29] On July 1, 2024, SC DHEC was restructured into a health agency, the Department of Public Health, and an environmental agency, the Department of Environmental Services (DES). In a letter dated June 20, 2024, South Carolina represented to the EPA that all the functions, powers, and duties of the environmental divisions, offices, and programs of DHEC, including the authority to administer and enforce state implementation plans, are retained and continued in full force and effect under DES.

[30] The EPA mandates seasonal monitoring of ambient ozone concentrations in North Carolina from March 1 through October 31 as specified in 40 CFR Appendix-D-to-part-58(i) Table D–3.

when averaged with the two previous ozone seasons' fourth highest values, results in a 3-year average equal to or greater than 0.076 ppm.

Once the primary or secondary trigger is activated, which would occur after the tertiary trigger, the Planning Section of NCDAQ, in consultation with the SCDES and MCAQ, shall commence analyses including trajectory analyses of high ozone days, and an emissions inventory assessment to determine emission control measures that will be required for maintaining the 2008 8-hour ozone standard. The analysis will include an evaluation of any future Federal, State, and local measures that will be implemented after the trigger is activated to determine their effectiveness for bringing the area into attainment and assure maintenance going forward. If deemed applicable, NCDAQ will submit to the EPA an analysis supporting the conclusion that control measures will be adequate to reduce ozone concentrations to attain and maintain the 2008 8-hour ozone NAAQS. If additional State and local control measures are determined to be necessary, NCDAQ will perform an analysis to determine the most effective measure(s) to bring the area back into attainment of and/or maintain compliance with the NAAQS. The analysis of State and local control measures will focus on $NO_X$ controls because North Carolina is $NO_X$ limited for ozone formation.[31]

The measures that will be considered for adoption upon a primary or secondary trigger of the contingency plan include:

- $NO_X$ Reasonably Available Control Technology (RACT) on stationary sources with a potential to emit less than 100 tons per year in the Charlotte Area;
- Implementation of diesel retrofit programs, including incentives for performing retrofits;
- Reinstatement of the emissions I/M program[32] for on-road light-duty gasoline vehicles in the counties subject to the maintenance plan; and
- Additional controls in upwind areas.

By May 1 of the year following the ozone season in which the primary or secondary trigger has been activated, North Carolina will complete sufficient analyses to begin adoption of necessary rules for ensuring attainment and maintenance of the 2008 8-hour ozone NAAQS. These rules would become effective by the following March 1 (the beginning of the ozone season) unless legislative review is required.

North Carolina commits to begin implementing as expeditiously as practicable, but no later than 24 months after the primary or secondary trigger, at least one control measure that is determined to be most appropriate for reducing $NO_X$ emissions in order to attain and maintain the NAAQS based on the analyses performed.

The EPA proposes to find that the contingency provisions in North Carolina's second 10-year maintenance plan for the Charlotte Area for the 2008 8-hour Ozone NAAQS meet the requirements of CAA section 175A(d).

## V. The EPA's Analysis of North Carolina's Proposed $NO_X$ and VOC Sub-Area Budgets for the Charlotte Area

Under CAA section 176(c), new transportation plans, programs, and projects, such as the construction of new highways, must ''conform'' to (*i.e.,* be consistent with) the part of the state's air quality plan that addresses pollution from cars and trucks. Conformity to the SIP means that transportation activities will not cause or contribute to new air quality violations, worsen existing violations, or delay timely attainment of the NAAQS or any required interim milestones. If a transportation plan does not conform, most new projects that would expand the capacity of roadways cannot go forward because they would not meet the requirements of CAA section 176(c). Regulations at 40 CFR part 93 set forth the EPA policy, criteria, and procedures for demonstrating and assuring conformity of such transportation activities to a SIP. The regional emissions analysis is one, but not the only, requirement for implementing transportation conformity. Transportation conformity is a requirement for nonattainment and maintenance areas.

Under Title I of the CAA, states are required to submit, at various times, control strategy SIPs and maintenance plans for nonattainment areas and redesignated attainment areas. These control strategy SIPs (including reasonable further progress (RFP) and attainment demonstration requirements) and maintenance plans create budgets[33] (or in this case, sub-area budgets) for criteria pollutants and/or their precursors to address pollution from cars and trucks. The budgets serve as a ceiling on emissions from an area's planned transportation system. The budget concept is further explained in the preamble to the November 24, 1993, Transportation Conformity Rule.[34] The preamble also describes how to establish the budgets in the SIP and how to revise the budgets.

As part of the interagency consultation process on setting sub-area budgets,[35] NCDAQ held three conference calls with the Charlotte Regional Transportation Planning Organization (CRTPO)-Rocky River Rural Planning Organization (RRRPO), Gaston-Cleveland-Lincoln Metropolitan Planning Organization (GCLMPO), and Cabarrus Rowan Metropolitan Planning Organization (CRMPO) to determine what years to set sub-area budgets for the second Charlotte Area maintenance plan. According to the transportation conformity rule, a maintenance plan must establish budgets for the last year of the maintenance plan (in this case, 2035). The state may set a budget for an interim year (in this case, 2026), but it is not a requirement.[36] In the February 28, 2025, submittal, North Carolina requests that the EPA replace the 2014 and 2026 $NO_X$ and VOC sub-area budgets associated with the first 10-year maintenance plan with the 2018 and 2035 sub-area budgets. After the EPA finds the 2018 and 2035 sub-area budgets adequate or approves them, whichever is completed first, they must be used for future conformity determinations. The previous 2014 and 2026 sub-area budgets will no longer apply for transportation conformity purposes. Tables 6 through 8 below provide the $NO_X$ and VOC sub-area

[31] *See* Section 1.1 of the February 28, 2025, submittal.

[32] On October 1, 2024, NCDAQ submitted a SIP revision to remove its SIP-approved I/M program, covering 19 counties (including all counties comprising the Charlotte Area). The revision also removes I/M from three maintenance plans, including the Charlotte Area Maintenance Plan for the 2008 8-Hour Ozone Maintenance Area. This SIP revision has been submitted to the EPA for review and approval. The EPA intends to finalize action on the second Charlotte Area Maintenance Plan for the 2008 8-Hour Ozone Maintenance Area when it finalizes action on the I/M SIP revision. The I/M program did not apply to emissions estimates generated for the February 28, 2025, maintenance plan (see Table A–2 of the submittal).

[33] As defined in 40 CFR 93.101, a ''motor vehicle emissions budget'' is that portion of the total allowable emissions allocated to highway and transit vehicle use and emissions as defined in the submitted or approved control strategy implementation plan revision or maintenance plan for a certain date for the purpose of meeting reasonable further progress milestones or demonstrating attainment or maintenance of the NAAQS.

[34] *See* 58 FR 62188.

[35] *See* 40 CFR 93.105.

[36] *See* 40 CFR 93.118(d)(2).

budgets [37] in kilograms per day (kg/day),[38] for 2018 and 2035.

TABLE 6—CRMPO SUB-AREA BUDGETS

[Kg/day]

| | 2018 | | 2035 | |
|---|---|---|---|---|
| | $NO_X$ | VOC | $NO_X$ | VOC |
| Base Emissions | 9,608 | 5,456 | 1,919 | 2,576 |
| Safety Margin Allocated to Budget | N/A | N/A | 3,693 | 815 |
| Conformity Budget | 9,608 | 5,456 | 5,612 | 3,391 |

TABLE 7—GCLMPO SUB-AREA BUDGETS

[Kg/day]

| | 2018 | | 2035 | |
|---|---|---|---|---|
| | $NO_X$ | VOC | $NO_X$ | VOC |
| Base Emissions | 8,391 | 4,667 | 1,375 | 1,824 |
| Safety Margin Allocated to Budget | N/A | N/A | 2,593 | 483 |
| Conformity Budget | 8,391 | 4,667 | 3,968 | 2,307 |

TABLE 8—CRTPO–RRRPO SUB-AREA BUDGETS

[Kg/day]

| | 2018 | | 2035 | |
|---|---|---|---|---|
| | $NO_X$ | VOC | $NO_X$ | VOC |
| Base Emissions | 33,767 | 16,762 | 8,905 | 10,003 |
| Safety Margin Allocated to Budget | N/A | N/A | 16,416 | 2,367 |
| Conformity Budget | 33,767 | 16,762 | 25,321 | 12,370 |

Because the initial budget year of 2018 is also the base year for the maintenance plan inventory, there is no safety margin, therefore, no adjustments were made to the budgets for 2018. As shown in Tables 6 through 8, above, North Carolina has chosen to allocate a portion of the available safety margin to the $NO_X$ and VOC sub-area budgets for 2035.

Through this rulemaking, the EPA is proposing to approve the 2018 and 2035 sub-area $NO_X$ and VOC budgets for the Charlotte Area because the Agency believes that the Charlotte Area will maintain the 2008 8-hour ozone NAAQS with the emissions at the levels of the sub-area budgets. The EPA is also proposing to replace the previous 2014 and 2026 $NO_X$ and VOC sub-area budgets from the first 10-year maintenance plan. If the EPA finalizes that replacement, the 2014 and 2026 budgets will no longer apply for transportation conformity purposes. The EPA intends to make its determination on the adequacy of the 2018 and 2035 sub-area budgets for the Charlotte Area for transportation conformity purposes in the near future by completing the adequacy process that was started on February 28, 2025. If the EPA finds the 2018 and 2035 sub-area budgets adequate or approves them, whichever is completed first, they must be used for future conformity determinations. The EPA is proposing to approve the budgets because they are consistent with maintenance of the 2008 8-hour ozone NAAQS through 2035.

## VI. The EPA's Adequacy Determination for the Proposed $NO_X$ and VOC Sub-Area Budgets

When reviewing submitted ''control strategy'' SIPs or maintenance plans containing sub-area budgets, the EPA may affirmatively find the budgets contained therein adequate for use in determining transportation conformity. Once the EPA affirmatively finds the submitted budgets adequate for transportation conformity purposes, those budgets must be used by state and Federal agencies in determining whether proposed transportation projects conform to the SIP as required by CAA section 176(c).

The EPA's substantive criteria for determining adequacy of budgets are set out in 40 CFR 93.118(e)(4). The process for determining adequacy consists of three basic steps: Public notification of a SIP submission, a public comment period, and the EPA's adequacy determination. This process for determining the adequacy of submitted budgets for transportation conformity purposes was initially outlined in the EPA's May 14, 1999, guidance, ''Conformity Guidance on Implementation of March 2, 1999, Conformity Court Decision.'' [39] The EPA adopted regulations to codify the adequacy process in the Transportation Conformity Rule Amendments for the ''New 8-Hour Ozone and $PM_{2.5}$ National Ambient Air Quality Standards and Miscellaneous Revisions for Existing Areas; Transportation Conformity Rule Amendments—Response to Court Decision and Additional Rule Change.'' [40] Additional information on the adequacy process for transportation

[37] The values presented in Tables 6, 7, and 8 are accurate as presented. However, the rounding of the variables used in the final calculations may lead to minor discrepancies when reproducing these results. These rounding differences do not compromise the integrity of the data presented.

[38] The conversion factor used is 907.1847 kg = 1 US Ton.

[39] The May 14, 1999, guidance is available via *https://nepis.epa.gov/Exe/ZyPDF.cgi/P100B3HG.PDF?Dockey=P100B3HG.PDF.*

[40] *See* 69 FR 40004 (July 1, 2004).

conformity purposes is available in the proposed rule entitled, ''Transportation Conformity Rule Amendments: Response to Court Decision and Additional Rule Changes.'' [41]

As discussed earlier, North Carolina's second 10-year maintenance plan includes $NO_X$ and VOC sub-area budgets for the Charlotte Area for 2018, an interim year of the maintenance plan (2026), and the last year of the maintenance plan (2035). The EPA is reviewing the $NO_X$ and VOC sub-area budgets through the adequacy process. The Charlotte Area $NO_X$ and VOC sub-area budgets were opened for public comment on the EPA's adequacy website on May 2, 2025, found at: *https://www.epa.gov/state-and-local-transportation/adequacy-review-state-implementation-plan-sip-submissions-conformity.* The EPA public comment period on adequacy for the sub-area budgets for 2018 and 2035 for the Charlotte Area closed on June 2, 2025. No comments, adverse or otherwise, were received during that public comment period.

The EPA intends to make its determination on the adequacy of the 2018 and 2035 sub-area budgets for the Charlotte Area for transportation conformity purposes in the near future by completing the adequacy process that was started on May 2, 2025. If the EPA finds the 2018 and 2035 sub-area budgets adequate or approves them, the new sub-area budgets for $NO_X$ and VOC must be used for future transportation conformity determinations. For required regional emissions analysis that involves years 2018 through 2034, the applicable 2018 sub-area budgets will be used. For regional emissions analysis years 2035 and beyond, the 2035 sub-area budgets will be used, as defined in section V of this notice of proposed rulemaking.

## VII. Effect of the EPA's Proposed Action

The EPA's proposed action establishes the basis upon which the EPA may take final action on the issues being proposed for approval. Approval of North Carolina's SIP revisions would incorporate a plan for maintaining the 2008 8-hour ozone NAAQS in the Charlotte Area through 2035 into the SIP. This second 10-year maintenance plan includes contingency measures to remedy any future violations of the 2008 8-hour ozone NAAQS and procedures for evaluation of potential violations. The second 10-year maintenance plan also removes the budgets for 2014 and 2026, associated with the first 10-year maintenance plan, and establishes new $NO_X$ and VOC budgets for 2018 and 2035 for the Charlotte Area. The budgets are listed in Tables 6 through 8 in section V of this notice. Additionally, the EPA is notifying the public of the status of Agency's adequacy determination for the newly established Charlotte Area $NO_X$ and VOC sub-area budgets for 2018 and 2035.

## VIII. Proposed Action

The EPA is proposing to approve the second 10-year maintenance plan for the 2008 8-hour ozone NAAQS for the Charlotte Area, including the $NO_X$ and VOC sub-area budgets for 2018 and 2035 (to replace the previous $NO_X$ and VOC sub-area budgets for 2014 and 2026 from the first 10-year maintenance plan), into the North Carolina SIP under CAA section 175A. The second 10-year maintenance plan meets all applicable requirements for maintenance plans and related contingency provisions in CAA section 175A, including a demonstration that the Charlotte Area will continue to maintain the 2008 8-hour ozone NAAQS until August 27, 2035, the end of the 20-year maintenance period. Further, as part of this proposed action, the EPA is describing the status of its adequacy determination for the $NO_X$ and VOC sub-area budgets for 2018 and 2035 in accordance with 40 CFR 93.118(f)(1). Within 24 months from the publication date of the EPA's final rule for this action (if the EPA approves this maintenance plan and the underlying budgets), or the effective date of the EPA's adequacy determination for the budgets, whichever is earlier, the transportation partners [42] will need to demonstrate conformity to the new $NO_X$ and VOC sub-area budgets pursuant to 40 CFR 93.104(e)(3).

## IX. 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.[43] 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 proposed action merely proposes to approve state law as meeting Federal requirements and does not impose additional requirements beyond those imposed by state law. For that reason, this proposed 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 an Executive Order 14192 (90 FR 9065, February 6, 2025) regulatory action because this action is not significant 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 approves a state program;
- 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, the SIP is not approved to apply on any Indian reservation land or in any other area where 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 in 40 CFR Part 52

Environmental protection, Air pollution control, Carbon monoxide, Incorporation by reference, Intergovernmental relations, Lead, Nitrogen dioxide, Ozone, Particulate matter, Reporting and recordkeeping requirements, Sulfur oxides, Volatile organic compounds.

(Authority: 42 U.S.C. 7401 *et seq.)*

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[41] *See* 68 FR 38974, 38984 (June 30, 2003).

[42] The transportation partners for the Charlotte area include U.S. Department of Transportation (Federal Highway Administration—North Carolina and the Federal Transit Administration Region 4's office), the North Carolina Department of Transportation, CRTPO, RRRPO, GCLMPO, and CRMPO.

[43] *See* 42 U.S.C. 7410(k); 40 CFR 52.02(a).

Dated: September 17, 2026.

**Kevin McOmber,**

*Regional Administrator, Region 4.*

[FR Doc. 2026–19495 Filed 9–22–26; 8:45 am]

**BILLING CODE 6560–50–P**

## ENVIRONMENTAL PROTECTION AGENCY

### 40 CFR Part 142

**[FRL–13495–01–R6]**

### Public Water System Supervision Program Revision for the State of Arkansas

**AGENCY:** Environmental Protection Agency (EPA).

**ACTION:** Notice of tentative approval and solicitation of requests for a public hearing.

**SUMMARY:** Notice is hereby given that the State of Arkansas is revising its approved Public Water System Supervision (PWSS) program. Arkansas has adopted the Environmental Protection Agency (EPA) drinking water rules for the Consumer Confidence Report Rule Revisions. Therefore, the EPA intends to approve this PWSS program revision package.

**DATES:** Comments or a request for a public hearing must be submitted by October 23, 2026 to the Regional Administrator at the EPA Region 6 address shown below.

**ADDRESSES:** All documents relating to this determination are available for inspection between the hours of 8 a.m. and 4:30 p.m., Monday through Friday, at the following offices: Arkansas Department of Health, Engineering Branch, 4815 W. Markham, Little Rock, Arkansas 72205; and United States Environmental Protection Agency, Region 6, Drinking Water Section (6WD–DD), 1201 Elm Street, Suite 500, Dallas, Texas 75270.

**FOR FURTHER INFORMATION CONTACT:** Jatin H. Mistry, EPA Region 6, Drinking Water Section at the Dallas address given above, or by telephone at (214) 665–7483, or by email at *mistry.jatin@epa.gov.*

**SUPPLEMENTARY INFORMATION:** Frivolous or insubstantial requests for a hearing may be denied by the Regional Administrator. However, if a substantial request for a public hearing is made by October 23, 2026, a public hearing will be held. If no timely and appropriate request for a hearing is received and the Regional Administrator does not elect to hold a hearing on his own motion, this determination shall become final and effective. EPA will publish a document in the **Federal Register** announcing the date this determination becomes final and effective.

Any request for a public hearing shall include the following information: The name, address, and telephone number of the individual, organization, or other entity requesting a hearing; a brief statement of the requesting person's interest in the Regional Administrator's determination and a brief statement of the information that the requesting person intends to submit at such hearing; and the signature of the individual making the request, or, if the request is made on behalf of an organization or other entity, the signature of a responsible official of the organization or other entity.

Arkansas has adopted the EPA drinking water rules for the Consumer Confidence Report Rule Revisions. The EPA has determined that the Consumer Confidence Report Rule Revisions submitted by Arkansas are no less stringent than the corresponding Federal regulations. Therefore, the EPA intends to approve this PWSS program revision package.

**Authority:** Section 1413 of the Safe Drinking Water Act, as amended (1996), and 40 CFR part 142 of the National Primary Drinking Water Regulations.

Dated: September 14, 2026.

**Walter Mason,**

*Regional Administrator, Region 6.*

[FR Doc. 2026–19500 Filed 9–22–26; 8:45 am]

**BILLING CODE 6560–50–P**

# Notices

Federal Register

Vol. 91, No. 183

Wednesday, September 23, 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 AGRICULTURE

### Agricultural Marketing Service

**[Docket No. AMS–SC–26–1290]**

### Fruit Crops; Notice of Request for Extension and Revision of a Currently Approved Information Collection

**AGENCY:** Agricultural Marketing Service, USDA.

**ACTION:** Notice and request for comments.

**SUMMARY:** In accordance with the Paperwork Reduction Act of 1995, this notice announces the Agricultural Marketing Service's (AMS) intention to request an extension for, and revision to, a currently approved information collection for Federal marketing orders covering fruit crops.

**DATES:** Comments on this notice must be received by November 23, 2026.

**ADDRESSES:** Interested persons are invited to submit written comments concerning this notice. Comments can be sent to the Docket Clerk, Market Development Division, Specialty Crops Program, AMS, USDA, 1400 Independence Avenue SW, STOP 0237, Washington, DC 20250–0237. Comments can also be submitted to the Docket Clerk electronically by email: *MarketingOrderComment@usda.gov* or via the internet at: *https://www.regulations.gov.* Comments should reference the docket number and the date and page number of this issue of the **Federal Register**. Comments submitted in response to this notice will be included in the record, will be made available to the public, and may be viewed at: *https://www.regulations.gov.* Please be advised that comments are posted to *regulations.gov* without change.

**FOR FURTHER INFORMATION CONTACT:** Taylor Johnson, Marketing Specialist, or Matthew Pavone, Chief, Rulemaking Services Branch, Market Development Division, Specialty Crops Program, AMS, USDA, 1400 Independence Avenue SW, Stop 0237, Washington, DC 20250–0237; telephone: (202) 720–8085, or Email: *Taylor.Johnson3@usda.gov* or *Matthew.Pavone@usda.gov.*

**SUPPLEMENTARY INFORMATION:**

*Title:* Fruit Crops.

*OMB Number:* 0581–0189.

*Expiration Date of Approval:* January 31, 2027.

*Type of Request:* Extension and revision of a currently approved information collection.

*Abstract:* The information collection requirements in this request are essential to carry out the intent of the Agricultural Marketing Agreement Act of 1937, as amended (7 U.S.C. 601–674) (the Act), to provide respondents the type of service they request and to administer several Federal marketing orders. Marketing order regulations help ensure adequate supplies of high-quality product and adequate returns to producers. This notice covers the following marketing order programs: 7 CFR parts 905 (Florida citrus), 906 (Texas citrus), 915 (Florida avocados), 920 (California kiwifruit), 923 (Washington cherries), 925 (California desert grapes), and 927 (Oregon/Washington pears). Marketing Order 929 (Cranberries grown in 10 States) terminated July 31, 2024, and is thus not included in this renewal period of this information collection package. The Secretary of Agriculture is authorized to oversee marketing order operations and issue regulations recommended by a board or committee of representatives from each commodity industry.

The information collection requirements in this request are essential to carry out the intent of the Act, to provide the respondents the type of service they request, and to administer the marketing order programs. Under the Act, marketing orders may authorize: production and marketing research, including paid advertising; volume regulation; reserves, including pools and producer allotments; container requirements; and quality control. Assessments are levied on handlers regulated under the marketing orders.

USDA requires several forms to be filed to enable the administration of each marketing order. These include forms covering the selection process for industry members to serve on marketing order boards or committees and ballots used in referenda to amend or continue a marketing order program. Under Federal marketing orders, producers and handlers are nominated by their peers to serve as representatives on the board or committee which administers each program. Nominees must provide information on their qualifications to serve. Qualified nominees are then appointed by the Secretary. Formal rulemaking amendments must be approved in referenda conducted by USDA and the Secretary. For the purposes of this action, ballots are considered information collections and are subject to the Paperwork Reduction Act. If a marketing order is amended, handlers are asked to sign an agreement indicating their willingness to abide by the provisions of the amended marketing order.

Some forms are required to be filed with the board or committee. The marketing orders authorize the respective commodities' boards or committees, which are responsible for local administration of the marketing orders, to require handlers and producers to submit certain information. Much of the information is compiled in aggregate and provided to the respective industries to assist in marketing decisions. The boards and committees developed forms as a means for persons to file required information relating to supplies, shipments, and dispositions of their respective commodities, as well as other information needed to effectively carry out the purpose of the Act and their respective marketing orders, and these forms are utilized accordingly.

The forms covered under this information collection require respondents to provide the minimum information necessary to effectively carry out the requirements of the marketing orders, and use of these forms is necessary to fulfill the intent of the Act as expressed in the marketing orders' rules and regulations.

The information collected is used only by authorized representatives of the USDA, including the AMS Specialty Crops Program's regional and headquarters' staff, and authorized employees of the boards or committees. Authorized board or committee employees are the primary users of the information and AMS is the secondary user.

*Estimate of Burden:* Public reporting burden for this collection of information is estimated to average 0.27 hours per response.

*Respondents:* Producers, handlers, processors, dehydrators, cooperatives, manufacturers, importers, and public members.

*Estimated Number of Respondents:* 3,172.

*Estimated Total Annual of Responses:* 18,033 (rounded).

*Estimated Number of Responses per Respondent:* 5.69.

*Estimated Number of Recordkeeping hours:* 476 hours.

*Estimated Total Annual Burden on Respondents:* 4,946.04 hours (rounded).

*Comments are invited on:* (1) Whether this collection of information is necessary for the proper performance of the functions of the agency, including whether the information has practical utility; (2) the accuracy of the agency's estimate of the burden 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 collected; and (4) ways to minimize the burden of the collection of information on those who respond, including through the use of appropriate automated, electronic, mechanical, or other technological collection techniques or other forms of information technology.

All responses to this notice will be summarized and included in the request for OMB approval. All comments will also become a matter of public record.

**Erin Morris,**

*Administrator, Agricultural Marketing Service.*

[FR Doc. 2026–19420 Filed 9–22–26; 8:45 am]

**BILLING CODE 3410–02–P**

## DEPARTMENT OF COMMERCE

### Bureau of Industry and Security

**[Docket No. 260918–0006]**

**RIN 0694–XC154**

## Guidance and Procedures for Implementing Tariff Adjustments for Specialty Pharmaceuticals and Associated Pharmaceutical Ingredients and Technical Corrections to the Harmonized Tariff Schedule of the United States for Duties Imposed Under Proclamation 11020

**AGENCY:** Bureau of Industry and Security, Office of Strategic Industries and Economic Security, U.S. Department of Commerce.

**ACTION:** Notice.

**SUMMARY:** This notice defines the pharmaceutical products and lists the jurisdictions that are eligible to receive an *ad valorem* tariff rate of zero pursuant to Presidential Proclamation 11020 of April 2, 2026, ''Adjusting Imports of Pharmaceuticals and Pharmaceutical Ingredients Into the United States,'' (Proclamation 11020). These pharmaceutical products include drugs and associated ingredients where all approved indications are designated as orphan; nuclear medicines; plasma derived therapies; fertility drugs; cell therapy product; gene therapy product; antibody drug conjugates; medical countermeasures related to chemical, biological, radiological, and nuclear threats; and animal health. Proclamation 11020 states that such products and associated ingredients receive the Section 232 zero tariff rate if they are products of a jurisdiction that has a current or forthcoming trade and security framework agreement or if they meet an urgent U.S. health need. This notice also includes procedures for the public to submit information for the Department of Commerce's (Commerce) approval to determine if imports of the pharmaceutical products and associated ingredients meet an urgent U.S. health need. This notice also issues five technical corrections to Annex I and one technical correction to Annex IV of the Proclamation.

**DATES:** Submission of information will be received on an ongoing basis starting September 23, 2026.

**ADDRESSES:** Information requesting Commerce's approval for pharmaceutical products that meet an urgent U.S. health need must be submitted electronically to: *pharma232@bis.doc.gov.*

**FOR FURTHER INFORMATION CONTACT:** Stephen Astle, Director, Defense Industrial Base Division, Office of Strategic Industries and Economic Security, Bureau of Industry and Security, U.S. Department of Commerce (202) 482–2533, *pharma232@bis.doc.gov.*

**SUPPLEMENTARY INFORMATION:**

### I. Background

On April 2, 2026 the President issued Proclamation 11020, ''Adjusting Imports of Pharmaceuticals and Pharmaceutical Ingredients Into the United States,'' (91 FR 18183) (Proclamation 11020) concurring with the Secretary of Commerce's (Secretary) finding that pharmaceuticals and associated pharmaceutical ingredients are being imported into the United States in such quantities and under such circumstances that threaten to impair the national security of the United States and imposing tariffs to adjust imports of such products pursuant to section 232 of the Trade Expansion Act of 1962, as amended (19 U.S.C. 1862) (Section 232). Proclamation 11020 imposed a 100 percent *ad valorem* tariff on certain imports of patented pharmaceuticals and associated pharmaceutical ingredients, effective July 31, 2026 for the companies listed in Annex III of Proclamation 11020, and September 29, 2026 for all other companies. Different rates apply to patented pharmaceutical products and associated ingredients from certain jurisdictions and from companies with Commerce-approved onshoring agreements (Bureau of Industry and Security, ''Procedures To Apply for Company-Specific Onshoring Agreements To Obtain Tariff Adjustments for Pharmaceuticals and Pharmaceutical Ingredients Under Proclamation 11020'' (92 FR 26989; May 13, 2026)). At this time, Section 232 Pharmaceutical Tariffs do not apply to generic pharmaceutical products and associated ingredients.

In clause 3(d) of Proclamation 11020, the President directed an *ad valorem* tariff rate of zero to apply for pharmaceuticals and associated ingredients that are designated as orphan pursuant to the Orphan Drug Act (21 U.S.C. 360aa *et seq.*) and its implementing regulations; nuclear medicines; plasma derived therapies; fertility drugs; cell therapy product; gene therapy product; antibody drug conjugates; medical countermeasures related to chemical, biological, radiological, and nuclear threats; or other specialty pharmaceutical products to be identified by the Secretary, as well as pharmaceutical products for animal health, provided that the Secretary, in consultation with the United States Trade Representative (USTR) and the Secretary of Health and Human Services (HHS), determines that: (1) they are products of a jurisdiction that has a current or forthcoming trade and security framework agreement as referenced in Executive Order 14346, ''Modifying the Scope of Reciprocal Tariffs and Establishing Procedures for Implementing Trade and Security Agreements'' of September 5, 2025 (90 FR 43737) (Executive Order 14346), or (2) they meet an urgent U.S. health need.

Proclamation 11020 directs the Secretary, in consultation with the Chair of the United States International Trade Commission and the Commissioner of U.S. Customs and Border Protection (CBP), to determine whether any modifications to the HTSUS or other administrative measures are necessary to effectuate or implement the Proclamation or any actions taken pursuant to the Proclamation. Any changes are to be published in a notice in the **Federal Register**.

## II. Definitions of Pharmaceutical Products Listed in Clause 3(d) of Proclamation 11020

Commerce consulted with the Food and Drug Administration (FDA) and U.S. Department of Agriculture Center for Veterinary Biologics to provide the following definitions of the pharmaceutical products listed in clause 3(d) of Proclamation 11020. The definitions are solely for purposes of determining eligibility of the *ad valorem* tariff rate of zero pursuant to Proclamation 11020 and should not be construed as binding guidance for any other purpose unrelated to Proclamation 11020. This list of definitions covers imports of investigational drugs as well as FDA-approved or FDA-authorized drugs. Commerce reserves the right to modify these definitions in the future.

- *Drug where all approved or licensed indications are designated as orphan:* A drug or biological product that is designated under Section 526 of the Federal Food, Drug, and Cosmetic Act (21 U.S.C. 360bb) for one or more rare diseases or conditions, and for which all approved indications under Section 505 of the Federal Food, Drug, and Cosmetic Act (21 U.S.C. 355) of this title or licensed under Section 351 of the Public Health Service Act (42 U.S.C. 262), are for one or more such rare diseases or conditions.
- *Nuclear medicine:* A drug that meets the definition of ''radioactive drug'' in 21 CFR 310.3(n) or a biological product that meets the definition of ''radioactive biological product'' as defined in 21 CFR 600.3(ee).
  - *21 CFR 301.3(n):* Radioactive drug means any substance defined as a drug in section 201(g)(1) of the Federal Food, Drug, and Cosmetic Act which exhibits spontaneous disintegration of unstable nuclei with the emission of nuclear particles or photons and includes any nonradioactive reagent kit or nuclide generator which is intended to be used in the preparation of any such substance but does not include drugs such as carbon-containing compounds or potassium-containing salts which contain trace quantities of naturally occurring radionuclides. The term 'radioactive drug' includes a 'radioactive biological product' as defined in 21 CFR 600.3(ee).
  - *21 CFR 600.3(ee):* Radioactive biological product means a biological product which is labeled with a radionuclide or intended solely to be labeled with a radionuclide.
- *Plasma derived therapy:* A biological product that is derived from human whole blood or plasma. (42 U.S.C. 1320f-1(e)(3)(C)).
- *Fertility drug:* A drug or biological product for the treatment of infertility, including drugs approved for the treatment of ovulatory dysfunction in women desiring pregnancy.
- *Cell therapy product:* A biological product that is a cellular immunotherapy, cellular cancer vaccine, or other type of autologous or allogeneic cellular product approved for one or more therapeutic indications, including hematopoietic stem cell products and adult and embryonic stem cell products.
- *Gene therapy product:* A biological product that is intended to modify or manipulate the expression of a gene or to alter the biological properties of living cells for therapeutic use.
- *Antibody drug conjugates:* A combination product composed of a small-molecule drug (payload) and an antibody or antibody fragment, conjugated together by a chemical linker.
- *Medical countermeasures related to chemical, biological, radiological, and nuclear threats:* A drug as defined in section 201(g) of the Federal Food, Drug, and Cosmetic Act (21 U.S.C. 321(g)(1)), or a biological product as defined in section 351(i) of the Public Health Service Act (42 U.S.C. 262(i)), that is for use to diagnose, prevent, or treat diseases or conditions caused by chemical, biological, radiological, or nuclear threat (CBRN) agents, including emerging infectious diseases, and include qualified countermeasures as defined in section 319F–(a)(2)(A) of the Public Health Service Act (42 U.S.C. 247d–6a), qualified pandemic or epidemic products as defined in section 319F–3(i)(7) of the Public Health Service Act (42 U.S.C. 247d–6d); and security countermeasures as defined in section 319F–2(c)(1)(B) of the Public Health Service Act (42 U.S.C. 247d–6b).
- *Animal Healthcare Products:* Animal healthcare products include articles intended for use in the diagnosis, cure, mitigation, treatment, or prevention of disease in animals; articles (other than food) intended to affect the structure or any function of an animal's body; or articles intended for use as components of such products. The definition includes veterinary pharmaceuticals intended to manage diseases, conditions, or injuries in animals but does not include devices or combination products for animals. Animal healthcare products also include biologics (vaccines, bacterins, and diagnostic products) used in the treatment of diseases in animals and is regulated by USDA–CVB (Center for Veterinary Biologics).

## III. List of Eligible Jurisdictions

The following jurisdictions are eligible for the tariff adjustment described in clause 3(d) of Proclamation 11020: Argentina, Bangladesh, Cambodia, Ecuador, El Salvador, European Union, Guatemala, India, Indonesia, Japan, Jordan, Malaysia, North Macedonia, Republic of Korea, Switzerland and Liechtenstein, Taiwan, Thailand, United Kingdom, and Vietnam. Changes to the list of eligible jurisdictions may be published in a future notice.

## IV. Procedures for Requesting Commerce Approval for Pharmaceuticals That Meet an Urgent U.S. Health Need

Companies can request approval from Commerce for imports of pharmaceutical products listed in clause 3(d) of Proclamation 11020 or other specialty products if such imports meet an urgent U.S. health need. Companies should email the Bureau of Industry and Security (BIS) at *pharma232@bis.doc.gov* with the following information for each requested product or ingredient:

1. *Section 1—Organization Information:* Full legal name and address of the company. The name, title, and contact information of the authorized representative submitting the application should also be included.

2. *Section 2—Tariff Adjustment for Urgent U.S. Health Need:* Companies should provide the following information, with respect to the product for which they request preferential treatment to meet an urgent health need in the United States. Only one specific product may be submitted per application form.

- HTSUS Classification (10-digit, if possible)
- Advertised name and brand of product or Investigational New Drug Application number, as applicable, as well as active ingredient (or combination of active ingredients)
- Indicate the category of the requested product: orphan, nuclear medicine, plasma derived therapies, fertility drugs, cell therapy product, gene therapy product, antibody drug conjugates, medical countermeasures related to CBRN threats, or animal health
- Country of origin and country of export of products imported under each HTSUS Classification

- Name and IOR Number of Importer(s) of Record
- Name and address of manufacturer

3. *Section 3—Rationale for why the import meets an urgent U.S. health need:* The rationale can include information such as the type of disease the product treats and an assessment of alternative therapies or lack of alternative therapies for the type of disease the product treats, the number of U.S. patients that use the product, and whether or not the product is available in other jurisdictions. The requests for approval should only be for patented pharmaceutical products and associated ingredients that are covered under the HTSUS codes listed in Annex I of Proclamation 11020. Submission of information will be received on an ongoing basis.

*Review and Approval Process*

Commerce may request supplemental documentation or clarification. As directed in Proclamation 11020, Commerce will consult with the USTR and HHS to determine if the requested product meets an urgent U.S. health need. Commerce will make an individual, fact-specific, company-specific decision for each request. Companies will be notified in writing of Commerce's decision. Relevant information from the request will be transmitted by Commerce to CBP. CBP will administer the tariff adjustment at the time of entry summary filing and may request additional documentation to validate entries.

*Confidentiality*

Commerce will protect the confidentiality of all information submitted by companies requesting approval of specialty pharmaceutical product imports that meet an urgent U.S. health need.

Commerce will protect the confidentiality of confidential, trade secret, and/or proprietary information excluding information in the public domain (''confidential information'') provided by the Drug Manufacturer to the fullest extent allowed by law. For example, subject to applicable laws, such information would be protected from disclosure by the Trade Secrets Act (18 U.S.C. 1905) and under Exemptions 3 and/or 4 of the Freedom of Information Act (''FOIA'') (5 U.S.C. 552(b)(3), (4)). Commerce shall limit dissemination of a Drug Manufacturer's confidential information to those persons within its organization, USTR, and other executive branch agencies and entities who have a need to know such information to fulfill the purpose of determining whether imports of requested specialty pharmaceutical products meet an urgent U.S. health need.

**V. Technical Corrections to the HTSUS**

This notice and its accompanying annexes provide for five technical corrections to Annex I and one technical correction to Annex IV of Proclamation 11020.

*Annex I Technical Corrections:* The first correction amends the definition of ''generic pharmaceutical articles'' in subdivision (c)(iii) with respect to heading 9903.04.67. The definition of ''generic pharmaceutical articles'' is modified to specifically include ''unpatented animal health products.''

The second correction includes a new heading in Chapter 99 of the HTSUS with an ad valorem tariff rate of zero. Filers should use this new heading for pharmaceutical products and associated ingredients that are imported under HTSUS Classifications listed in subpart (c) of U.S. note 40 which are solely intended for clinical trials, research and development, or other non-commercial applications.

The third correction amends the definition of ''pharmaceutical articles'' in subdivision (c)(i) to clarify that this definition only encompasses finished pharmaceutical products, their active pharmaceutical ingredients, and the key starting materials of said active pharmaceutical ingredients.

The fourth correction amends the text of subdivision (i) with respect to heading 9903.04.69 to clarify that this provision encompasses any pharmaceutical or non-pharmaceutical articles imported under an HTSUS Classification listed in subpart (c) of U.S. note 40 that are not finished pharmaceutical products, their active pharmaceutical ingredients, or the key starting materials of said active pharmaceutical ingredients.

The fifth correction amends Annex I to incorporate recent HTSUS changes made by the Committee for the Statistical Annotation of Tariff Schedules on July 1, 2026. This interagency committee includes representatives from the U.S. International Trade Commission, CBP, and the U.S. Census Bureau.

*Annex IV Technical Correction:* The technical correction to Annex IV corrects an inconsistency of certain HTSUS Classifications listed in Annex IV that overlap with Annex I. The following HTSUS codes are removed from Annex IV: 2937.23.50, 3002.13.00, 3002.14.00, 3002.15.00, and 3004.49.00.

**VI. Paperwork Reduction Act**

The Paperwork Reduction Act of 1995 (44 U.S.C. 3501 *et seq.*) provides that an agency generally cannot conduct or sponsor a collection of information, and no person is required to respond to nor be subject to a penalty for failure to comply with a collection of information, unless that collection has obtained Office of Management and Budget (OMB) approval and displays a currently valid OMB Control Number.

In Proclamation 11020, the President determined it was necessary and appropriate to apply an *ad valorem* tariff rate of zero for the following specialty pharmaceutical products and associated ingredients when certain conditions are met pursuant to clause 3(d) of Proclamation 11020: drugs and associated ingredients where all approved indications are designated as orphan; nuclear medicines; plasma derived therapies; fertility drugs; cell therapy product; gene therapy product; antibody drug conjugates; medical countermeasures related to chemical, biological, radiological, and nuclear threats; and animal health. The President authorized the Secretary of Commerce, in consultation with the USTR and the Secretary of HHS, to determine that: (1) they are products of a jurisdiction that has a current or forthcoming trade and security framework agreement as referenced in Executive Order 14346; or (2) they meet an urgent United States health need.

Because the Proclamation requires timely implementation of the specialty pharmaceutical tariff adjustments to further U.S. economic and national security interests by making pharmaceuticals more accessible and affordable in the United States, BIS cannot reasonably comply with the normal clearance procedures. Delaying this collection would impede the ability of companies to request approval for imports of specialty pharmaceutical products that meet an urgent United States health need and compromise the effectiveness of the Proclamation's implementation. The Department has determined the following conditions have been met:

a. The collection of information is needed prior to the expiration of time periods normally associated with a routine submission for review under the provisions of the Paperwork Reduction Act in view of Proclamation 11020, *https://www.federalregister.gov/documents/2026/04/09/2026-06956/adjusting-imports-of-pharmaceuticals-and-pharmaceutical-ingredients-into-the-united-states.* (5 CFR 1320.13(a)(1)(i)).

b. The collection of information is essential to the mission of the Department, in particular to allow companies seeking to obtain the zero *ad valorem* tariff by requesting approval for imports of specialty pharmaceutical products that meet an urgent United States health need to effectuate the terms outlined by Proclamation 11020 (5 CFR 1320.13(a)(1)(ii)). These collection requirements include a description of the specialty pharmaceutical product, country of origin information, and rationale for why the import meets an urgent United States health need. The information must be submitted in electronic form via email to the BIS Section 232 Pharmaceuticals Investigation Inbox (*pharma232@bis.doc.gov*). Requests for approval of imports that meet an urgent United States health need may be submitted at any time following publication of this FRN publication and all submissions are entirely voluntary on the part of the requesting companies.

c. Public harm is reasonably likely to result if BIS were to follow the normal clearance procedures before issuing this information collection (5 CFR 1320.13(a)(2)(i)). BIS needs time to receive and evaluate requests for specialty pharmaceutical products that meet an urgent United States health need before September 29, 2026, when the Section 232 tariffs for most companies will become effective. A delay in Commerce's ability to begin immediate information collection from companies seeking approval to import specialty pharmaceutical products that meet an urgent United States health need and inability to issue decisions before the 100 percent tariff rate is in effect creates uncertainty for companies' understanding of their tariff liability and could also cause supply chain disruptions.

For the reasons stated above, BIS has requested, and OMB has granted, a new information collection for this rule under OMB control number 0694–0150 with the title *Section 232 National Security Adjustments to Imports of Specialty Pharmaceuticals.* All materials for the currently approved collection can be accessed at *www.reginfo.gov.* Separately, BIS will be publishing a 60 day notice to take comment on the emergency collection.

**Jessica Curyto,**

*Deputy Assistant Secretary for Technology Security.*

## Annex I

Effective with respect to goods entered for consumption, or withdrawn from warehouse for consumption, on or after 12:01 a.m. eastern time on September 29, 2026, subchapter III of chapter 99 of the Harmonized Tariff Schedule of the United States (''HTSUS'') is modified as follows:

1. U.S. note 40 is modified:

a. In subdivision (a), by deleting ''9903.04.60–9903.04.69'' and inserting ''9903.04.60–9903.04.70'' in lieu thereof;

b. In subdivision (c), by deleting the enumerated HTSUS provisions and inserting the following in lieu thereof:

| | | | |
|---|---|---|---|
| ''2918.99.3000 | 2921.49.3800 | 2921.49.4300 | 2922.19.0910 |
| 2922.19.0990 | 2922.29.2700 | 2922.49.2600 | 2922.50.1400 |
| 2922.50.2500 | 2924.29.6250 | 2925.29.2000 | 2928.00.3000 |
| 2930.90.9235 | 2931.90.2200 | 2932.20.2000 | 2933.19.3500 |
| 2933.19.4500 | 2933.29.2000 | 2933.29.4500 | 2933.39.4100 |
| 2933.49.2600 | 2933.59.2100 | 2933.59.3600 | 2933.59.4600 |
| 2933.59.5300 | 2933.59.5900 | 2933.79.0800 | 2933.79.8500 |
| 2933.99.4600 | 2933.99.5300 | 2933.99.5590 | 2933.99.6100 |
| 2933.99.6500 | 2933.99.7000 | 2933.99.7500 | 2933.99.9000 |
| 2934.30.2300 | 2934.30.2700 | 2934.99.3000 | 2934.99.4720 |
| 2934.99.4730 | 2934.99.4740 | 2934.99.4790 | 2935.90.4800 |
| 2935.90.6000 | 2937.11.0000 | 2937.12.0000 | 2937.19.0000 |
| 2937.22.0010 | 2937.22.0090 | 2937.23.1010 | 2937.23.1050 |
| 2937.23.5010 | 2937.23.5020 | 2937.23.5050 | 2937.29.9040 |
| 2937.29.9050 | 2937.29.9095 | 2937.50.0000 | 2937.90.4500 |
| 2937.90.9000 | 2938.90.0000 | 2939.11.0000 | 2939.19.2000 |
| 2939.19.5000 | 2941.10.5000 | 2941.90.1050 | 2941.90.3030 |
| 2941.90.3090 | 2941.90.5030 | 2941.90.5090 | 2942.00.0500 |
| 3002.12.0040 | 3002.13.0010 | 3002.13.0090 | 3002.14.0010 |
| 3002.14.0090 | 3002.15.0011 | 3002.15.0091 | 3002.41.0000 |
| 3002.42.0000 | 3002.49.0050 | 3002.51.0000 | 3002.59.0000 |
| 3002.90.1000 | 3002.90.5220 | 3002.90.5250 | 3003.20.0000 |
| 3003.31.0000 | 3003.39.1000 | 3003.39.5000 | 3003.49.0000 |
| 3003.90.0120 | 3003.90.0140 | 3003.90.0180 | 3003.90.0190 |
| 3004.10.1010 | 3004.10.5010 | 3004.20.0010 | 3004.20.0042 |
| 3004.20.0058 | 3004.20.0073 | 3004.20.0074 | 3004.20.0078 |
| 3004.20.0085 | 3004.31.0010 | 3004.31.0090 | 3004.32.0020 |
| 3004.32.0080 | 3004.39.0010 | 3004.39.0015 | 3004.39.0080 |
| 3004.41.0000 | 3004.49.0005 | 3004.49.0010 | 3004.49.0020 |
| 3004.49.0030 | 3004.49.0040 | 3004.49.0050 | 3004.49.0060 |
| 3004.49.0070 | 3004.50.5005 | 3004.90.1000 | 3004.90.9201 |
| 3004.90.9206 | 3004.90.9208 | 3004.90.9210 | 3004.90.9211 |
| 3004.90.9212 | 3004.90.9215 | 3004.90.9216 | 3004.90.9217 |
| 3004.90.9218 | 3004.90.9226 | 3004.90.9236 | 3004.90.9243 |
| 3004.90.9246 | 3004.90.9249 | 3004.90.9251 | 3004.90.9252 |
| 3004.90.9253 | 3004.90.9260 | 3004.90.9263 | 3004.90.9267 |
| 3004.90.9268 | 3004.90.9270 | 3004.90.9271 | 3004.90.9273 |
| 3004.90.9276'' | | | |

c. In subdivision (c), by deleting item (i) and inserting the following in lieu thereof:

''(i) ''Pharmaceutical articles'' refers to imported articles classifiable in the provisions enumerated in this subdivision that are finished pharmaceutical products or that are active pharmaceutical ingredients (including key starting materials for active pharmaceutical ingredients) classifiable in the provisions enumerated in this subdivision used to make finished pharmaceutical products. Inactive ingredients and excipients are not pharmaceutical articles.'';

d. In subdivision (c)(iii), by deleting the second sentence and inserting the following sentence in lieu thereof:

“A generic pharmaceutical article is an active pharmaceutical ingredient or any component in a finished dosage form product that is used in a drug product or biosimilar biological product approved pursuant to a qualifying application; or a drug product or biosimilar biological product approved or licensed pursuant to a qualifying application; or an unpatented animal health product.”; and

e. By deleting subdivision (i) and inserting the following in lieu thereof:

“(i) Heading 9903.04.69 applies to entries of articles that are classifiable under provisions of the HTSUS enumerated in subdivision (c) of this note that are either: (1) not “pharmaceutical articles” as defined in subdivision (c)(i) of this note, or (2) are “pharmaceutical articles” but are neither “patented pharmaceutical articles” nor “generic pharmaceutical articles” as those terms are defined in subdivisions (c)(ii) and (c)(iii) of this note.”

2. The following new heading is inserted in numerical sequence, with the material for the new heading inserted in the columns of the HTSUS labeled “Heading/Subheading”, “Article Description”, “Rates of Duty 1-General”, “Rates of Duty 1-Special” and “Rates of Duty 2”, respectively:

| Heading/ subheading | Article description | Rates of duty | | |
|---|---|---|---|---|
| | | 1 | | 2 |
| | | General | Special | |
| “9903.04.70 .. | Pharmaceutical articles and associated ingredients provided for in subdivision (c) of U.S. note 40 to this subchapter that are solely for use in clinical trials, research and development, or other non-commercial applications. | The duty provided in the applicable subheading + 0%. | The duty provided in the applicable subheading + 0%. | The duty provided in the applicable subheading + 0%”. |

## Annex II

Effective with respect to goods entered for consumption, or withdrawn from warehouse for consumption, on or after 12:01 a.m. eastern time on September 29, 2026, Annex IV of Presidential Proclamation 11020 of April 2, 2026, “Adjusting Imports of Pharmaceuticals and Pharmaceutical Ingredients Into the United States,” (Proclamation 11020) is modified by deleting the enumerated HTSUS provisions and inserting the following in lieu thereof:

| | | | |
|---|---|---|---|
| “2903.45.1000 | 2903.51.1000 | 2903.59.9000 | 2903.69.9000 |
| 2903.78.0000 | 2903.79.9030 | 2903.79.9070 | 2903.89.1500 |
| 2903.89.2000 | 2903.89.7010 | 2903.89.7090 | 2903.92.0000 |
| 2904.99.4000 | 2905.29.9000 | 2905.39.9000 | 2905.59.1000 |
| 2905.59.9000 | 2906.19.5000 | 2906.29.6000 | 2907.29.9000 |
| 2908.19.6000 | 2909.19.1800 | 2909.20.0000 | 2909.30.6000 |
| 2909.49.1000 | 2909.49.1500 | 2909.49.2000 | 2909.49.6000 |
| 2909.50.4010 | 2909.50.4050 | 2909.50.4500 | 2909.50.5000 |
| 2912.19.5000 | 2912.49.2600 | 2914.19.0000 | 2914.40.9000 |
| 2914.50.3000 | 2914.50.5000 | 2914.62.0000 | 2914.69.2100 |
| 2914.69.9000 | 2914.79.4000 | 2915.29.3000 | 2915.39.3100 |
| 2915.39.3500 | 2915.39.4700 | 2915.39.9000 | 2915.90.1010 |
| 2915.90.1050 | 2915.90.1400 | 2915.90.1810 | 2915.90.1890 |
| 2915.90.2000 | 2915.90.5010 | 2915.90.5050 | 2916.19.3000 |
| 2916.19.5000 | 2916.20.5000 | 2916.31.5000 | 2916.39.4600 |
| 2916.39.7900 | 2917.13.0030 | 2917.13.0090 | 2917.19.1000 |
| 2917.19.7020 | 2917.19.7050 | 2917.34.0110 | 2917.34.0150 |
| 2917.39.3000 | 2918.11.5100 | 2918.13.5000 | 2918.16.5010 |
| 2918.16.5020 | 2918.16.5090 | 2918.19.6000 | 2918.19.9000 |
| 2918.22.1000 | 2918.22.5000 | 2918.23.3000 | 2918.23.5000 |
| 2918.29.2000 | 2918.29.6500 | 2918.29.7500 | 2918.30.2500 |
| 2918.30.3000 | 2918.30.9000 | 2918.99.4300 | 2918.99.4700 |
| 2918.99.5000 | 2919.90.3000 | 2919.90.5010 | 2919.90.5050 |
| 2920.90.5100 | 2921.19.1100 | 2921.29.0010 | 2921.29.0020 |
| 2921.29.0030 | 2921.29.0055 | 2921.30.1000 | 2921.30.5000 |
| 2921.42.9000 | 2921.46.0000 | 2921.49.4500 | 2921.49.5000 |
| 2921.59.8010 | 2921.59.8090 | 2922.11.0000 | 2922.14.0000 |
| 2922.19.2000 | 2922.19.3300 | 2922.19.6000 | 2922.19.7000 |
| 2922.19.9000 | 2922.19.9610 | 2922.19.9619 | 2922.19.9690 |
| 2922.29.6100 | 2922.29.8110 | 2922.29.8190 | 2922.31.0000 |
| 2922.39.2500 | 2922.39.4500 | 2922.39.5000 | 2922.41.0010 |
| 2922.41.0090 | 2922.42.5000 | 2922.44.0000 | 2922.49.1000 |
| 2922.49.3000 | 2922.49.3700 | 2922.49.4910 | 2922.49.4915 |
| 2922.49.4950 | 2922.49.8000 | 2922.50.0700 | 2922.50.1000 |
| 2922.50.1100 | 2922.50.1300 | 2922.50.1700 | 2922.50.3500 |
| 2922.50.4000 | 2922.50.5000 | 2923.10.0000 | 2923.20.2010 |
| 2923.20.2050 | 2924.11.0000 | 2924.19.1110 | 2924.19.1120 |
| 2924.19.1130 | 2924.19.1150 | 2924.19.8000 | 2924.21.1600 |
| 2924.21.5000 | 2924.29.0100 | 2924.29.0300 | 2924.29.1000 |
| 2924.29.2300 | 2924.29.2600 | 2924.29.2800 | 2924.29.3300 |
| 2924.29.5700 | 2924.29.6210 | 2924.29.6220 | 2924.29.7100 |
| 2924.29.7710 | 2924.29.7720 | 2924.29.7730 | 2924.29.7790 |
| 2924.29.8000 | 2924.29.9500 | 2925.12.0000 | 2925.19.4200 |
| 2925.19.9100 | 2925.21.0000 | 2925.29.6000 | 2925.29.9000 |
| 2926.30.1000 | 2926.40.0000 | 2926.90.1400 | 2926.90.4300 |
| 2926.90.4801 | 2926.90.5010 | 2926.90.5050 | 2927.00.4000 |
| 2927.00.5000 | 2928.00.2500 | 2929.90.2000 | 2929.90.5015 |

| | | | |
|---|---|---|---|
| 2929.90.5018 | 2929.90.5020 | 2929.90.5030 | 2929.90.5040 |
| 2929.90.5095 | 2930.20.2010 | 2930.20.2050 | 2930.20.9010 |
| 2930.20.9020 | 2930.20.9050 | 2930.30.6000 | 2930.90.2900 |
| 2930.90.4910 | 2930.90.4920 | 2930.90.4950 | 2930.90.9208 |
| 2930.90.9210 | 2930.90.9212 | 2930.90.9222 | 2930.90.9225 |
| 2930.90.9231 | 2930.90.9251 | 2931.49.0005 | 2931.49.0008 |
| 2931.49.0010 | 2931.49.0015 | 2931.49.0020 | 2931.49.0025 |
| 2931.49.0055 | 2931.49.0080 | 2931.53.0000 | 2931.90.9010 |
| 2931.90.9021 | 2931.90.9025 | 2931.90.9029 | 2931.90.9030 |
| 2931.90.9035 | 2931.90.9040 | 2931.90.9052 | 2932.14.0000 |
| 2932.19.5100 | 2932.20.3000 | 2932.20.5010 | 2932.20.5020 |
| 2932.20.5030 | 2932.20.5050 | 2932.99.6100 | 2932.99.7000 |
| 2932.99.9010 | 2932.99.9090 | 2933.11.0000 | 2933.19.9000 |
| 2933.21.0000 | 2933.29.0500 | 2933.29.3500 | 2933.29.4300 |
| 2933.29.6000 | 2933.29.9000 | 2933.33.0100 | 2933.34.0000 |
| 2933.35.0000 | 2933.37.0000 | 2933.39.0800 | 2933.39.1000 |
| 2933.39.2000 | 2933.39.2100 | 2933.39.2300 | 2933.39.2500 |
| 2933.39.2700 | 2933.39.3100 | 2933.39.6110 | 2933.39.6120 |
| 2933.39.6130 | 2933.39.6191 | 2933.39.9200 | 2933.41.0000 |
| 2933.49.0800 | 2933.49.1000 | 2933.49.1500 | 2933.49.1700 |
| 2933.49.2000 | 2933.49.3000 | 2933.49.6000 | 2933.49.7000 |
| 2933.52.1000 | 2933.52.9000 | 2933.53.0000 | 2933.54.0000 |
| 2933.59.1000 | 2933.59.1500 | 2933.59.1800 | 2933.59.2200 |
| 2933.59.7000 | 2933.59.8000 | 2933.59.8500 | 2933.59.9500 |
| 2933.69.6010 | 2933.69.6021 | 2933.69.6030 | 2933.69.6050 |
| 2933.72.0000 | 2933.79.1500 | 2933.91.0010 | 2933.91.0050 |
| 2933.99.0100 | 2933.99.0200 | 2933.99.0500 | 2933.99.0600 |
| 2933.99.0800 | 2933.99.1100 | 2933.99.1200 | 2933.99.1600 |
| 2933.99.1701 | 2933.99.2200 | 2933.99.2400 | 2933.99.2600 |
| 2933.99.4200 | 2933.99.5100 | 2933.99.5510 | 2933.99.5520 |
| 2933.99.5530 | 2933.99.5800 | 2933.99.7900 | 2933.99.8210 |
| 2933.99.8220 | 2933.99.8290 | 2933.99.8500 | 2933.99.8900 |
| 2933.99.9701 | 2934.10.1000 | 2934.10.2000 | 2934.10.9000 |
| 2934.20.4000 | 2934.20.8000 | 2934.30.4300 | 2934.30.5000 |
| 2934.91.0000 | 2934.92.0000 | 2934.99.0100 | 2934.99.0300 |
| 2934.99.0500 | 2934.99.0600 | 2934.99.0700 | 2934.99.0800 |
| 2934.99.0900 | 2934.99.1100 | 2934.99.1200 | 2934.99.1500 |
| 2934.99.1600 | 2934.99.1800 | 2934.99.2000 | 2934.99.3900 |
| 2934.99.4400 | 2934.99.7000 | 2934.99.9001 | 2935.50.0000 |
| 2935.90.0600 | 2935.90.1000 | 2935.90.1300 | 2935.90.1500 |
| 2935.90.2000 | 2935.90.3000 | 2935.90.3200 | 2935.90.3300 |
| 2935.90.4200 | 2935.90.7500 | 2935.90.9500 | 2936.21.0000 |
| 2936.22.0000 | 2936.23.0000 | 2936.24.0100 | 2936.25.0000 |
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| 2939.42.0000 | 2939.44.0000 | 2939.45.0000 | 2939.49.0300 |
| 2939.59.0000 | 2939.62.0000 | 2939.63.0000 | 2939.69.0000 |
| 2939.72.0000 | 2939.79.0000 | 2939.80.0010 | 2939.80.0050 |
| 2940.00.6000 | 2941.10.1000 | 2941.10.2000 | 2941.10.3000 |
| 2941.20.1000 | 2941.20.5000 | 2941.30.0000 | 2941.40.0000 |
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| 3001.90.0195 | 3002.12.0010 | 3002.12.0020 | 3002.12.0030 |
| 3002.12.0090 | 3002.49.0010 | 3002.90.5210 | 3003.10.0000 |
| 3003.41.0000 | 3003.42.0000 | 3003.90.0160 | 3004.10.1020 |
| 3004.10.1045 | 3004.10.5048 | 3004.10.5049 | 3004.10.5055 |
| 3004.10.5065 | 3004.10.5075 | 3004.20.0020 | 3004.20.0030 |
| 3004.20.0045 | 3004.20.0055 | 3004.20.0065 | 3004.20.0070 |
| 3004.20.0071 | 3004.20.0072 | 3004.20.0076 | 3004.20.0080 |
| 3004.32.0010 | 3004.32.0040 | 3004.39.0020 | 3004.39.0030 |
| 3004.39.0040 | 3004.39.0045 | 3004.42.0000 | 3004.50.1000 |
| 3004.50.2000 | 3004.50.3000 | 3004.50.4000 | 3004.50.5010 |
| 3004.50.5020 | 3004.50.5030 | 3004.50.5040 | 3004.60.0000 |
| 3004.90.9203 | 3004.90.9204 | 3004.90.9205 | 3004.90.9207 |
| 3004.90.9209 | 3004.90.9212 | 3004.90.9213 | 3004.90.9217 |
| 3004.90.9218 | 3004.90.9219 | 3004.90.9220 | 3004.90.9222 |
| 3004.90.9223 | 3004.90.9224 | 3004.90.9226 | 3004.90.9227 |
| 3004.90.9228 | 3004.90.9229 | 3004.90.9230 | 3004.90.9232 |
| 3004.90.9233 | 3004.90.9234 | 3004.90.9235 | 3004.90.9237 |
| 3004.90.9238 | 3004.90.9239 | 3004.90.9240 | 3004.90.9241 |

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|---|---|---|---|
| 3004.90.9242 | 3004.90.9244 | 3004.90.9245 | 3004.90.9247 |
| 3004.90.9248 | 3004.90.9250 | 3004.90.9254 | 3004.90.9255 |
| 3004.90.9256 | 3004.90.9257 | 3004.90.9258 | 3004.90.9261 |
| 3004.90.9262 | 3004.90.9264 | 3004.90.9265 | 3004.90.9266 |
| 3004.90.9269 | 3004.90.9272 | 3004.90.9274 | 3004.90.9275 |
| 3006.30.1000 | 3006.30.5000 | 3006.60.0000 | 3006.70.0000 |
| 3006.93.1000 | 3006.93.2000 | 3006.93.5000 | 3006.93.6000 |
| 3006.93.8000'' | | | |

[FR Doc. 2026–19498 Filed 9–21–26; 4:15 pm]

**BILLING CODE 3510–33–P**

## DEPARTMENT OF COMMERCE

### National Oceanic and Atmospheric Administration

**[RTID 0648–XG068]**

### New England Fishery Management Council; Public Meeting

**AGENCY:** National Marine Fisheries Service (NMFS), National Oceanic and Atmospheric Administration (NOAA), Commerce.

**ACTION:** Notice of public meeting.

**SUMMARY:** The New England Fishery Management Council (Council) is holding a hybrid public meeting of its Scientific and Statistical Committee (SSC) to consider actions affecting New England fisheries in the exclusive economic zone (EEZ). Recommendations from this group will be brought to the full Council for formal consideration and action, if appropriate.

**DATES:** This meeting will be held on Wednesday, October 7, 2026, beginning at 9 a.m. EDT. Webinar registration information: *https://nefmc-org.zoom.us/meeting/register/wjpr-MRURaOpmcuOPkoi0g.*

**ADDRESSES:** This meeting will take place at the Fairfield Inn & Suites/Waypoint Event Center, 185 MacArthur Drivet, New Bedford, MA 02740; phone: (774) 634–2000.

*Council address:* New England Fishery Management Council, 50 Water Street, Mill 2, Newburyport, MA 01950.

**FOR FURTHER INFORMATION CONTACT:** Cate O'Keefe, Executive Director, New England Fishery Management Council; telephone: (978) 465–0492.

**SUPPLEMENTARY INFORMATION:**

### Agenda

The Scientific and Statistical Committee will meet to consider the information provided by the Council's Scallop and Groundfish Plan Development Teams, including stock assessment or data update information where appropriate; recommend the overfishing limits and acceptable biological catches for: Atlantic sea scallop for fishing years (FY) 2027 and 2028 (default); Northern windowpane flounder for FY 2027–2031; Southern windowpane flounder for FY 2027–2031; Witch flounder for FY 2027–2031. Other business will be discussed as necessary.

Although non-emergency issues not contained on the agenda may come before this Council for discussion, those issues may not be the subject of formal action during this meeting. Council action will be restricted to those issues specifically listed in this notice and any issues arising after publication of this notice that require emergency action under section 305(c) of the Magnuson-Stevens Act, provided the public has been notified of the Council's intent to take final action to address the emergency. The public also should be aware that the meeting will be recorded. Consistent with 16 U.S.C. 1852, a copy of the recording is available upon request.

### Special Accommodations

This meeting is physically accessible to people with disabilities. Requests for sign language interpretation or other auxiliary aids should be directed to Cate O'Keefe, (see **FOR FURTHER INFORMATION CONTACT**), at least 5 days prior to the meeting date.

(Authority: 16 U.S.C. 1801 *et seq.*)

Dated: September 21, 2026.

**Rey Israel Marquez,**

*Acting Deputy Director, Office of Sustainable Fisheries, National Marine Fisheries Service.*

[FR Doc. 2026–19452 Filed 9–22–26; 8:45 am]

**BILLING CODE 3510–22–P**

## DEPARTMENT OF ENERGY

### Federal Energy Regulatory Commission

**[Project No. 2077–132]**

### Great River Hydro, LLC; Notice of Application for Temporary Variance Accepted for Filing, Soliciting Comments, Motions To Intervene, and Protests

Take notice that the following hydroelectric application has been filed with the Commission and is available for public inspection:

a. *Application Type:* Non-capacity Amendment.

b. *Project No:* 2077–132.

c. *Date Filed:* September 10, 2026.

d. *Applicant:* Great River Hydro, LLC.

e. *Name of Project:* Fifteen Mile Hydroelectric Project.

f. *Location:* The project is located on the Connecticut River near the Town of Littleton in Grafton County, New Hampshire, and Caledonia County, Vermont.

g. *Filed Pursuant to:* Federal Power Act, 16 U.S.C. 791a–825r.

h. *Applicant Contact:* Jennifer Griffin, Great River Hydro, LLC, 2 Killeen Street, North Walpole, NH, 03609, *jgriffin@greatriverhydro.com,* (603) 445–6806.

i. *FERC Contact:* Kari Bradberry, (202) 502–8743, *Kari.Bradberry@ferc.gov*.

j. *Cooperating agencies:* With this notice, the Commission is inviting federal, state, local, and Tribal agencies with jurisdiction and/or special expertise with respect to environmental issues affected by the proposal, that wish to cooperate in the preparation of any environmental document, if applicable, to follow the instructions for filing such requests described in item k below. Cooperating agencies should note the Commission's policy that agencies that cooperate in the preparation of any environmental document cannot also intervene. *See* 94 FERC ¶ 61,076 (2001).

k. *Deadline for filing comments, motions to intervene, and protests:* October 19, 2026 5:00 p.m. Eastern Time.

The Commission strongly encourages electronic filing. Please file comments, motions to intervene, and protests using the Commission's eFiling system at *http://www.ferc.gov/docs-filing/efiling.asp.* Commenters can submit brief comments up to 6,000 characters, without prior registration, using the eComment system at *http://www.ferc.gov/docs-filing/ecomment.asp.* For assistance, please contact FERC Online Support at *FERCOnlineSupport@ferc.gov,* (866) 208–3676 (toll free), or (202) 502–8659 (TTY). In lieu of electronic filing, you may submit a paper copy. 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. The first page of any filing should include the docket number P–2077–132. Comments emailed to Commission staff are not considered part of the Commission record.

The Commission's Rules of Practice and Procedure require all intervenors filing documents with the Commission to serve a copy of that document on each person whose name appears on the official service list for the project. Further, if an intervenor files comments or documents with the Commission relating to the merits of an issue that may affect the responsibilities of a particular resource agency, they must also serve a copy of the document on that resource agency.

l. *Description of Request:* Due to unusually low precipitation and river flow, the licensee proposes to temporarily amend the minimum flow requirements at the Comerford Development to preserve the depleted storage capacity of its upstream Moore reservoir, which may prevent future flow reductions if conditions worsen. With the proposed modification to operations at the Comerford Development, the minimum flow would be decreased from 818 cubic feet per second (cfs), if before October 1, or from 1,145 cfs, if on or after October 1, to 600 cfs, from the date when the Moore reservoir drops two feet below its historic minimum operating level and upstream flow forecasts are below the required minimum flow, through December 31, 2026. The licensee would increase flows from the Comerford Development to 1,145 cfs prior to December 31, 2026, should natural stream flow increase the elevation of Moore reservoir to 805 feet mean sea level. The licensee is also proposing to modify the way inflow is measured at the McIndoes development while minimum flow from Comerford is reduced by holding the McIndoes reservoir elevation constant during the reduced flow period. This method would not change or affect flows below the McIndoes development.

m. *Locations of the Application:* This filing may be viewed on the Commission's website at *http://www.ferc.gov* using the ''eLibrary'' link. Enter the docket number excluding the last three digits in the docket number field to access the document. You may also register online at *http://www.ferc.gov/docs-filing/esubscription.asp* to be notified via email of new filings and issuances related to this or other pending projects. For assistance, call 1–866–208–3676 or email *FERCOnlineSupport@ferc.gov,* for TTY, call (202) 502–8659. Agencies may obtain copies of the application directly from the applicant.

n. Individuals desiring to be included on the Commission's mailing list should so indicate by writing to the Secretary of the Commission.

o. *Comments, Protests, or Motions to Intervene:* Anyone may submit comments, a protest, or a motion to intervene in accordance with the requirements of Rules of Practice and Procedure, 18 CFR 385.210, .211, .214, respectively. In determining the appropriate action to take, the Commission will consider all protests or other comments filed, but only those who file a motion to intervene in accordance with the Commission's Rules may become a party to the proceeding. Any comments, protests, or motions to intervene must be received on or before the specified comment date for the particular application.

p. *Filing and Service of Documents:* Any filing must (1) bear in all capital letters the title ''COMMENTS'', ''PROTEST'', or ''MOTION TO INTERVENE'' as applicable; (2) set forth in the heading the name of the applicant and the project number of the application to which the filing responds; and (3) otherwise comply with the requirements of 18 CFR 385.2001 through 385.2005. All comments, motions to intervene, or protests must set forth their evidentiary basis. Any filing made by an intervenor must be accompanied by proof of service on all persons listed in the service list prepared by the Commission in this proceeding, in accordance with 18 CFR 385.2010.

q. 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.*

(Authority: 18 CFR 2.1.)

Dated: September 17, 2026.

**Carlos D. Clay,**

*Deputy Secretary.*

[FR Doc. 2026–19438 Filed 9–22–26; 8:45 am]

BILLING CODE 6717–01–P

## DEPARTMENT OF ENERGY

### Federal Energy Regulatory Commission

**[Project No. 2861–056]**

### Pontook Operating Limited Partnership, New Hampshire Department of Environmental Services; Notice of Scoping Comment Sessions and Environmental Site Review

On September 15, 2026, Commission staff issued a Notice of Intent to File License Application, Filing of Pre-Application Document (PAD), Commencement of Pre-Filing Process, and Scoping; Request for Comments on the PAD and Scoping Document, and Identification of Issues and Associated Study Requests for the Pontook Hydroelectric Project (FERC No. 2861–056). That notice set a deadline of 5:00 p.m. Eastern Time on November 16, 2026, for filing written comments on the PAD and Scoping Document 1 (SD1), and contained specific instructions on how to file comments electronically or to mail written comments to the Commission. The notice and SD1 also indicated Commission staff would hold public scoping sessions and an environmental site review for the project. This notice provides the location, date, and time for those scoping sessions and the site environmental site review.

All interested individuals, agencies, Indian Tribes, and non-governmental organizations (NGOs) are invited to attend one or both of the following scoping sessions, and the environmental site review.

#### Daytime Scoping Session

*Date:* Thursday, October 15, 2026.
*Time:* 9:00 a.m. to 11:00 a.m. Eastern Daylight Time (EDT).
*Location:* Dummer Town Hall.
*Address:* 75 Hill Road, Dummer, New Hampshire 03588.
*Phone:* (603) 449–2468.

#### Evening Scoping Session

*Date:* Thursday, October 15, 2026.
*Time:* 6:00 p.m. to 8:00 p.m. EDT.
*Location:* Dummer Town Hall.
*Address:* 75 Hill Road, Dummer, New Hampshire 03588.
*Phone:* (603) 449–2468.

#### Environmental Site Review

The applicant and Commission staff will conduct an environmental site review of the project on Wednesday, October 14, 2026, starting at 10:00 a.m. EDT. All interested individuals, agencies, Indian Tribes, and NGOs are invited to attend. Please meet at Hydro Station Drive, Dummer, NH 03588, no later than 9:45 a.m. All participants are responsible for their own transportation. Anyone who wishes to attend the environmental site review must RSVP to Mr. Sean McDermott of Pontook Partnership at *sean.mcdermott@brookfieldrenewable.com* no later than October 1, 2026. For any questions about the environmental site review, please contact Mr. McDermott at *sean.mcdermott@brookfieldrenewable.com* or (603) 326–4718.

**Scoping Session Objectives**

In accordance with the National Environmental Policy Act (NEPA), Commission staff will prepare either an environmental assessment (EA) or an environmental impact statement (EIS) (collectively referred to as the ''NEPA document''). The primary goal of the scoping process is to identify the specific environmental issues and concerns that should be considered in the NEPA document. The Commission's scoping process will help determine the required level of analysis and satisfy NEPA scoping requirements, irrespective of whether the Commission prepares an EA or EIS. SD1, which outlines the subject areas to be addressed in Commission staff's NEPA document, was mailed to the individuals and entities on the Commission's mailing list and Pontook Partnership's PAD distribution list. Copies of SD1 will be available at the scoping sessions or may be viewed on the web at *http://www.ferc.gov,* using the ''eLibrary'' link.

Scoping session participants should come prepared to discuss their issues and/or concerns. Please review the PAD and SD1 in preparation for the scoping sessions.

Based on all oral and written comments, a Scoping Document 2 (SD2) may be issued. SD2 may include a revised process plan and schedule, as well as a list of issues identified through the scoping process.

*It is important to note that the Commission provides equal consideration to all comments received, whether filed in written form or provided orally at a scoping session.*

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.*

**Meeting Procedures**

The scoping sessions will begin promptly at their respective start times listed above. There will not be a formal presentation by Commission staff when the session opens, and you may arrive any time after the scheduled start time. Individual oral comments will be taken on a one-on-one basis with a court reporter. This format is designed to receive the maximum number of oral comments in a convenient way during the timeframe allotted. If you wish to speak, Commission staff will hand out numbers in the order of your arrival. If a significant number of people are interested in providing oral comments in the one-on-one setting, a time limit may be implemented for each commentor. If all individuals who wish to provide comments have had an opportunity to do so, staff may conclude the session half an hour earlier than the scheduled time.

Your oral comments will be recorded by a court reporter and become part of the public record for this proceeding. Transcripts will be made publicly available on FERC's eLibrary system.

Although there will not be a formal presentation, Commission staff will be available throughout the scoping session to answer your questions about the environmental review process. Representatives from Pontook Partnership will also be present to answer project-specific questions.

Proper conduct will help the sessions maintain a respectful atmosphere for attendees to provide comments effectively. Loudspeakers, lighting, oversized visual aids, other visual or audible disturbances, and disruptive video and photographic equipment are not permitted. Recorded interviews are also not permitted within the session space. FERC reserves the right to end the session if disruptions interfere with the opportunity for individuals to provide oral comments or if there is a safety or security risk. Please see Appendix C of the SD1 for additional information on the session format and conduct.

(Authority: 18 CFR 2.1)

Dated: September 18, 2026.

**Debbie-Anne A. Reese,**

*Secretary.*

[FR Doc. 2026–19446 Filed 9–22–26; 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:* EG26–321–000.
*Applicants:* Grand Basin Energy Storage LLC.
*Description:* Grand Basin Energy Storage LLC submits Notice of Self-Certification of Exempt Wholesale Generator Status.
*Filed Date:* 9/18/26.
*Accession Number:* 20260918–5161.
*Comment Date:* 5 p.m. ET 10/9/26.

*Docket Numbers:* EG26–322–000.
*Applicants:* Voyager Energy Storage LLC.
*Description:* Voyager Energy Storage LLC submits Notice of Self-Certification of Exempt Wholesale Generator Status.
*Filed Date:* 9/18/26.
*Accession Number:* 20260918–5162.
*Comment Date:* 5 p.m. ET 10/9/26.

*Docket Numbers:* EG26–323–000.
*Applicants:* Rosemary Solar, LLC.
*Description:* Rosemary Solar, LLC submits Notice of Self-Certification of Exempt Wholesale Generator Status.
*Filed Date:* 9/18/26.
*Accession Number:* 20260918–5327.
*Comment Date:* 5 p.m. ET 10/9/26.

Take notice that the Commission received the following Electric Rate filings:

*Docket Numbers:* ER20–2576–006.
*Applicants:* Holloman Lessee LLC.
*Description:* Refund Report: Aulander Holloman Solar, LLC submits tariff filing per 35.19a(b): Refund Report to be effective N/A.
*Filed Date:* 9/18/26.
*Accession Number:* 20260918–5322.
*Comment Date:* 5 p.m. ET 10/9/26.

*Docket Numbers:* ER22–763–004.
*Applicants:* Wildwood Lessee, LLC.
*Description:* Refund Report: Ranchland Solar, LLC submits tariff filing per 35.19a(b): Refund Report to be effective N/A.
*Filed Date:* 9/18/26.
*Accession Number:* 20260918–5331.
*Comment Date:* 5 p.m. ET 10/9/26.

*Docket Numbers:* ER22–944–000.
*Applicants:* Black Rock Wind Force, LLC.
*Description:* Refund Report: Refund Report to be effective N/A.
*Filed Date:* 9/18/26.
*Accession Number:* 20260918–5207.
*Comment Date:* 5 p.m. ET 10/9/26.

*Docket Numbers:* ER26–2249–002.
*Applicants:* Southwest Power Pool, Inc.
*Description:* Tariff Amendment: Deficiency Response—Peak Demand Assessment and Demand Response to be effective 6/1/2027.
*Filed Date:* 9/18/26.
*Accession Number:* 20260918–5316.
*Comment Date:* 5 p.m. ET 10/9/26.

*Docket Numbers:* ER26–2954–002.

*Applicants:* Southwest Power Pool, Inc.

*Description:* Tariff Amendment: 2066R16 Evergy Kansas Central, Inc.-Muscotah NITSA NOA to be effective 9/1/2026.

*Filed Date:* 9/18/26.

*Accession Number:* 20260918–5117.

*Comment Date:* 5 p.m. ET 10/9/26.

*Docket Numbers:* ER26–2956–002.

*Applicants:* Southwest Power Pool, Inc.

*Description:* Tariff Amendment: 2491R15 Evergy Kansas Central, Inc.-Scranton NITSA NOA to be effective 9/1/2026.

*Filed Date:* 9/18/26.

*Accession Number:* 20260918–5106.

*Comment Date:* 5 p.m. ET 10/9/26.

*Docket Numbers:* ER26–3790–000.

*Applicants:* Arizona Public Service Company.

*Description:* § 205(d) Rate Filing: Rate Schedule No. 328, Dynamic Transfer Agreement w. LADWP to be effective 11/4/2026.

*Filed Date:* 9/17/26.

*Accession Number:* 20260917–5317.

*Comment Date:* 5 p.m. ET 10/8/26.

*Docket Numbers:* ER26–3791–000.

*Applicants:* Tri-State Generation and Transmission Association, Inc.

*Description:* § 205(d) Rate Filing: Amendment to Service Agreement No. 808 to be effective 8/20/2026.

*Filed Date:* 9/18/26.

*Accession Number:* 20260918–5115.

*Comment Date:* 5 p.m. ET 10/9/26.

*Docket Numbers:* ER26–3792–000.

*Applicants:* Southern California Edison Company.

*Description:* Tariff Amendment: Termination of IFA & DSA, Carbogen Sub (WDT041/SA Nos. 121–22) to be effective 7/25/2023.

*Filed Date:* 9/18/26.

*Accession Number:* 20260918–5138.

*Comment Date:* 5 p.m. ET 10/9/26.

*Docket Numbers:* ER26–3793–000.

*Applicants:* Southwest Power Pool, Inc.

*Description:* § 205(d) Rate Filing: 4998 Woodward, Silo, Canadian County & OGE SNUFCA to be effective 11/18/2026.

*Filed Date:* 9/18/26.

*Accession Number:* 20260918–5142.

*Comment Date:* 5 p.m. ET 10/9/26.

*Docket Numbers:* ER26–3794–000.

*Applicants:* Southern California Edison Company.

*Description:* Tariff Amendment: Termination of DSA, Homestead Energy Storage (WDT1710/SA No. 1158) to be effective 9/19/2026.

*Filed Date:* 9/18/26.

*Accession Number:* 20260918–5165.

*Comment Date:* 5 p.m. ET 10/9/26.

*Docket Numbers:* ER26–3795–000.

*Applicants:* PJM Interconnection, L.L.C.

*Description:* § 205(d) Rate Filing: Amendment to GIA, SA No. 7451; Project Identifier No. AG1–517 to be effective 11/18/2026.

*Filed Date:* 9/18/26.

*Accession Number:* 20260918–5166.

*Comment Date:* 5 p.m. ET 10/9/26.

*Docket Numbers:* ER26–3796–000.

*Applicants:* PJM Interconnection, L.L.C.

*Description:* § 205(d) Rate Filing: Amendment to GIA, SA No. 7587; Project Identifier No. AF2–132 to be effective 11/18/2026.

*Filed Date:* 9/18/26.

*Accession Number:* 20260918–5172.

*Comment Date:* 5 p.m. ET 10/9/26.

*Docket Numbers:* ER26–3797–000.

*Applicants:* San Gabriel Project I LLC.

*Description:* § 205(d) Rate Filing: Co-Tenancy and Shared Facilities Agreement and Request for Waivers to be effective 11/18/2026.

*Filed Date:* 9/18/26.

*Accession Number:* 20260918–5226.

*Comment Date:* 5 p.m. ET 10/9/26.

*Docket Numbers:* ER26–3798–000.

*Applicants:* PJM Interconnection, L.L.C.

*Description:* § 205(d) Rate Filing: Ministerial Clean-Up Filing of RAA, Article 1—Definitions to be effective 4/1/2018.

*Filed Date:* 9/18/26.

*Accession Number:* 20260918–5258.

*Comment Date:* 5 p.m. ET 10/9/26.

*Docket Numbers:* ER26–3799–000.

*Applicants:* Alabama Power Company, Georgia Power Company, Mississippi Power Company.

*Description:* § 205(d) Rate Filing: Alabama Power Company submits tariff filing per 35.13(a)(2)(iii: Kingfisher Solar LGIA Filing to be effective 9/9/2026.

*Filed Date:* 9/18/26.

*Accession Number:* 20260918–5265.

*Comment Date:* 5 p.m. ET 10/9/26.

*Docket Numbers:* ER26–3800–000.

*Applicants:* San Gabriel Project II LLC.

*Description:* § 205(d) Rate Filing: Certificate of Concurrence to Co-Tenancy and Shared Facilities Agreement to be effective 11/18/2026.

*Filed Date:* 9/18/26.

*Accession Number:* 20260918–5275.

*Comment Date:* 5 p.m. ET 10/9/26.

*Docket Numbers:* ER26–3801–000.

*Applicants:* Florida Power & Light Company.

*Description:* § 205(d) Rate Filing: 2025 True-Up Revisions to Appendix B of RS 317 to be effective 1/1/2024.

*Filed Date:* 9/18/26.

*Accession Number:* 20260918–5298.

*Comment Date:* 5 p.m. ET 10/9/26.

*Docket Numbers:* ER26–3802–000.

*Applicants:* Florida Power & Light Company.

*Description:* § 205(d) Rate Filing: 2025 True-Up Revisions to Appendix B of RS 322 to be effective 1/1/2024.

*Filed Date:* 9/18/26.

*Accession Number:* 20260918–5301

*Comment Date:* 5 p.m. ET 10/9/26.

*Docket Numbers:* ER26–3803–000.

*Applicants:* San Gabriel Project III LLC.

*Description:* § 205(d) Rate Filing: Certificate of Concurrence to Co-Tenancy and Shared Facilities Agreement to be effective 11/18/2026.

*Filed Date:* 9/18/26.

*Accession Number:* 20260918–5313.

*Comment Date:* 5 p.m. ET 10/9/26.

*Docket Numbers:* ER26–3804–000.

*Applicants:* Public Service Company of New Mexico.

*Description:* § 205(d) Rate Filing: Filing of Unexecuted LGIA Service Agreement 679 with Flat Top to be effective 11/18/2026.

*Filed Date:* 9/18/26.

*Accession Number:* 20260918–5325.

*Comment Date:* 5 p.m. ET 10/9/26.

*Docket Numbers:* ER26–3805–000.

*Applicants:* San Gabriel Project IV LLC.

*Description:* § 205(d) Rate Filing: Certificate of Concurrence to Co-Tenancy and Shared Facilities Agreement to be effective 11/18/2026.

*Filed Date:* 9/18/26.

*Accession Number:* 20260918–5345.

*Comment Date:* 5 p.m. ET 10/9/26.

*Docket Numbers:* ER26–3806–000.

*Applicants:* AEP Texas Inc.

*Description:* Tariff Amendment: Cancel SA Nos. 900 901 Charter Oak Solar/Storage Gen Interconnection Agreements to be effective 10/4/2026.

*Filed Date:* 9/18/26.

*Accession Number:* 20260918–5363.

*Comment Date:* 5 p.m. ET 10/9/26.

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: September 18, 2026.

**Carlos D. Clay,**

*Deputy Secretary.*

[FR Doc. 2026–19453 Filed 9–22–26; 8:45 am]

**BILLING CODE 6717–01–P**

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## DEPARTMENT OF ENERGY

### Federal Energy Regulatory Commission

**[Docket No. CP26–136–000]**

### Kinder Morgan Louisiana Pipeline LLC; Notice of Availability of the Environmental Assessment for the Proposed Texas Access Project

The staff of the Federal Energy Regulatory Commission (FERC or Commission) has prepared an environmental assessment (EA) for the Texas Access Project (Project), proposed by Kinder Morgan Louisiana Pipeline LLC (KMLP) in the above-referenced docket.[1] KMLP proposes to construct, install, modify, operate, and maintain an extension of KMLP's interstate natural gas pipeline system and certain related facilities located in Jefferson County, Texas and Cameron and Calcasieu Parishes, Louisiana.

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 October 19, 2026. Instructions for filing comments are provided on pages 2 and 3.

FERC is the lead federal agency for authorizing interstate natural gas transmission facilities under the Natural Gas Act of 1938 (NGA) and the lead federal agency for preparation of the EA. The EA assesses the potential environmental effects of the Project in accordance with the requirements of the National Environmental Policy Act (NEPA)[2] 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 3.05 miles of 48-inch-diameter pipeline from Jefferson County, Texas to Cameron Parish, Louisiana, including a 0.99-mile horizontal directional drill crossing beneath the Sabine-Neches Waterway (Mainline Extension);
- Construction of approximately 540 feet of 42-inch-diameter pipeline in Jefferson County for the connection of gas supply from an intrastate pipeline in Texas, the Trident Intrastate Pipeline, to the Mainline Extension;
- Construction of approximately 70 feet of 42-inch-diameter pipeline in Jefferson County, Texas for the connection of gas supply from the Texas Header, a new natural gas manifold system located in Jefferson County to be owned and operated by KMLP[4] to the Mainline Extension;
- Construction of approximately 150 feet of 42-inch and 100 feet of 36-inch-diameter pipeline in Cameron Parish for the connection of gas supply from the Mainline Extension to KMLP's existing 42-inch Leg 1 pipeline and 36-inch Leg 2 pipeline, respectively;
- Installation of pig[5] launcher facility and connection at the beginning of the Mainline Extension and the pig receiver facility and tie-in at its terminus;
- Modification of KMLP's existing regulator and metering facilities at its existing Sabine Pass Metering Facility in Cameron Parish; and
- Installation of a new interconnection with Louisiana LNG Gas Management LLC from KMLP's existing 42-inch-diameter mainline in Calcasieu Parish, Louisiana (Woodside Interconnect).

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.,* CP26–136). 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 NGA, 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. 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

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[1] For tracking purposes under the National Environmental Policy Act, the unique identification number for documents relating to this environmental review is EAXX–019–20–000–1775471548.

[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] 18 Code of Federal Regulations (CFR) 380.

[4] Separate from the proposed Texas Access Project, KMLP plans to file a proposal to construct a new natural gas manifold system in Jefferson County, Texas on the west side of the Golden Pass LNG terminal: the Texas Header. The Texas Header will be located adjacent to the Golden Pass LNG terminal and will function as a manifold, aggregating supplies from various interconnecting pipelines primarily for delivery to the Golden Pass LNG terminal.

[5] A ''pig'' is a tool that the pipeline company inserts into and pushes through the pipeline for cleaning the pipeline, conducting internal inspections, or other purposes.

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 (CP26–136–000) in 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, Maryland 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 (18 CFR 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: September 18, 2026.

**Debbie-Anne A. Reese,**

*Secretary.*

[FR Doc. 2026–19445 Filed 9–22–26; 8:45 am]

BILLING CODE 6717–01–P

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## DEPARTMENT OF ENERGY

### Federal Energy Regulatory Commission

**[Docket No. CP26–574–000]**

### High Island Offshore System, L.L.C.; Notice of Application and Establishing Intervention Deadline

Take notice that on September 3, 2026, High Island Offshore System, L.L.C. (HIOS), 1301 McKinney St., Suite 335, Houston, Texas 77010, filed an application under section 7(b) of the Natural Gas Act (NGA) and Part 157 of the Commission's regulations requesting authorization for its Abandonment of Non-Jurisdictional Facilities Project (Project). The Project consists of abandoning the certificate authority for approximately 287 miles of offshore pipeline facilities previously certificated by the Commission, which have subsequently been determined to serve a non-jurisdictional gathering function. All of the Project facilities are located upstream of the subsea transition weld at Platform A in the Outer Continental Shelf, High Island Area Lease Block 264, offshore Texas and Louisiana all as more fully set forth in the application which is on file with the Commission and open for 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 regarding the proposed project should be directed to David Jackson, Member of High Island Offshore System, L.L.C., 1301 McKinney St., Suite 335, Houston, Texas 77010, by phone at (917) 502–7767, or by email at *dbj@talismanga.com.*

Pursuant to section 157.9 of the Commission's Rules of Practice and Procedure,[1] within 90 days of this Notice the Commission staff will either: complete its environmental review and place it into the Commission's public record (eLibrary) for this proceeding; or issue a Notice of Schedule for Environmental Review. If a Notice of Schedule for Environmental Review is issued, it will indicate, among other milestones, the anticipated date for the Commission staff's issuance of the final environmental impact statement (FEIS) or environmental assessment (EA) for this proposal. The filing of an EA in the Commission's public record for this proceeding or the issuance of a Notice of Schedule for Environmental Review will serve to notify federal and state agencies of the timing for the completion of all necessary reviews, and the subsequent need to complete all federal authorizations within 90 days of the date of issuance of the Commission staff's FEIS or EA.

**Public Participation**

There are three ways to become involved in the Commission's review of this project: you can file comments on the project, you can protest the filing, and you can file a motion to intervene in the proceeding. There is no fee or cost for filing comments or intervening. The deadline for filing a motion to intervene is 5:00 p.m. Eastern Time on October 8, 2026. How to file protests, motions to intervene, and comments is explained below.

[1] 18 CFR 157.9.

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.*

*Comments*

Any person wishing to comment on the project may do so. Comments may include statements of support or objections, to the project as a whole or specific aspects of the project. The more specific your comments, the more useful they will be.

*Protests*

Pursuant to sections 157.10(a)(4) [2] and 385.211 [3] of the Commission's regulations under the NGA, any person [4] may file a protest to the application. Protests must comply with the requirements specified in section 385.2001 [5] of the Commission's regulations. A protest may also serve as a motion to intervene so long as the protestor states it also seeks to be an intervenor.

To ensure that your comments or protests are timely and properly recorded, please submit your comments on or before 5:00 p.m. Eastern Time on October 8, 2026.

There are three methods you can use to submit your comments or protests to the Commission. In all instances, please reference the Project docket number CP26–574–000 in your submission.

(1) 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;

(2) You may file your comments or protests electronically by using the eFiling feature, which is located on the Commission's website (*www.ferc.gov*) under the link to Documents and Filings. 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 will be asked to select the type of filing you are making; first select ''General'' and then select ''Comment on a Filing''; or

(3) You can file a paper copy of your comments or protests by mailing them to the following address below. Your written comments must reference the Project docket number (CP26–574–000).

*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 courier*: Debbie-Anne A. Reese, Secretary, Federal Energy Regulatory Commission, 12225 Wilkins Avenue, Rockville, Maryland 20852.

The Commission encourages electronic filing of comments (options 1 and 2 above) and has eFiling staff available to assist you at (202) 502–8258 or *FercOnlineSupport@ferc.gov.*

Persons who comment on the environmental review of this project will be placed on the Commission's environmental mailing list, and will receive notification when the environmental documents (EA or EIS) are issued for this project and will be notified of meetings associated with the Commission's environmental review process.

The Commission considers all comments received about the project in determining the appropriate action to be taken. However, 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. For instructions on how to intervene, see below.

*Interventions*

Any person, which includes individuals, organizations, businesses, municipalities, and other entities,[6] 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 Procedure [7] and the regulations under the NGA [8] by the intervention deadline for the project, which is 5:00 p.m. Eastern Time on October 8, 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.*

There are two ways to submit your motion to intervene. In both instances, please reference the Project docket number CP26–574–000 in your submission.

(1) You may file your motion to intervene 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 ''Intervention.'' The eFiling feature includes a document-less intervention option; for more information, visit *https://www.ferc.gov/docs-filing/efiling/document-less-intervention.pdf;* or

(2) You can file a paper copy of your motion to intervene, along with three copies, by mailing the documents to the address below. Your motion to intervene must reference the Project docket number CP26–574–000.

*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 courier*: Debbie-Anne A. Reese, Secretary, Federal Energy Regulatory Commission, 12225 Wilkins Avenue, Rockville, Maryland 20852.

The Commission encourages electronic filing of motions to intervene (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: David Jackson, Member of High Island Offshore System, L.L.C., 1301 McKinney St., Suite 335, Houston, Texas 77010, or by email (with a link to the document) at *dbj@talismanga.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. Service can be via email with a link to the document.

All timely, unopposed [9] motions to intervene are automatically granted by operation of Rule 214(c)(1).[10] Motions to intervene that are filed after the intervention deadline are untimely, and

[2] 18 CFR 157.10(a)(4).

[3] 18 CFR 385.211.

[4] Persons include individuals, organizations, businesses, municipalities, and other entities. 18 CFR 385.102(d).

[5] 18 CFR 385.2001.

[6] 18 CFR 385.102(d).

[7] 18 CFR 385.214.

[8] 18 CFR 157.10.

[9] The applicant has 15 days from the submittal of a motion to intervene to file a written objection to the intervention.

[10] 18 CFR 385.214(c)(1).

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.[11] 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.

**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.*

Intervention Deadline: 5:00 p.m. Eastern Time on October 8, 2026.

(Authority: 18 CFR 2.1)

Dated: September 17, 2026.

**Carlos D. Clay,**

*Deputy Secretary.*

[FR Doc. 2026–19440 Filed 9–22–26; 8:45 am]

**BILLING CODE 6717–01–P**

[11] 18 CFR 385.214(b)(3) and (d).

## DEPARTMENT OF ENERGY

### Federal Energy Regulatory Commission

### Combined Notice of Filings

Take notice that the Commission received the following Natural Gas Pipeline Rate and Refund Report filings:

**Filings Instituting Proceedings**

*Docket Numbers:* PR26–79–000.
*Applicants:* Houston Pipe Line Company LP.
*Description:* § 284.123 Rate Filing: HPL Audit Compliance Filing to be effective 9/18/2026.
*Filed Date:* 9/17/26.
*Accession Number:* 20260917–5341.
*Comment Date:* 5 p.m. ET 10/8/26.

*Docket Numbers:* RP26–1258–000.
*Applicants:* Double E Pipeline, LLC.
*Description:* § 4(d) Rate Filing: Amendments to NRA & FTSA (Non-Conforming) with MRC Permian to be effective 9/17/2026.
*Filed Date:* 9/17/26.
*Accession Number:* 20260917–5276.
*Comment Date:* 5 p.m. ET 9/29/26.

*Docket Numbers:* RP26–1259–000.
*Applicants:* KPC Pipeline, LLC.
*Description:* § 4(d) Rate Filing: Housekeeping Filing to be effective 11/1/2026.
*Filed Date:* 9/18/26.
*Accession Number:* 20260918–5082.
*Comment Date:* 5 p.m. ET 9/30/26.

*Docket Numbers:* RP26–1260–000.
*Applicants:* Pan-Hugoton Gathering Company, LLC.
*Description:* § 4(d) Rate Filing: Baseline Tariff Filing to be effective 10/1/2026.
*Filed Date:* 9/18/26.
*Accession Number:* 20260918–5136.
*Comment Date:* 5 p.m. ET 9/30/26.

*Docket Numbers:* RP26–1261–000.
*Applicants:* Sabine Pipe Line LLC.
*Description:* § 4(d) Rate Filing: Revisions to IT Pro-Forma and Related GT&C to be effective 11/1/2026.
*Filed Date:* 9/18/26.
*Accession Number:* 20260918–5147.
*Comment Date:* 5 p.m. ET 9/30/26.

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.

**Filings in Existing Proceedings**

*Docket Numbers:* RP26–1130–001.
*Applicants:* Sabine Pipe Line LLC.
*Description:* Tariff Amendment: Non-conforming Agreement Nos. 672087FT2 and 672087FT3—Amended Filing to be effective 10/1/2026.
*Filed Date:* 9/18/26.
*Accession Number:* 20260918–5141.
*Comment Date:* 5 p.m. ET 9/30/26.

Any person desiring to protest in any the above proceedings must file in accordance with Rule 211 of the Commission's Regulations (18 CFR 385.211) on or before 5:00 p.m. Eastern time on the specified comment date.

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, contact the Office of Public Participation at (202) 502–6595 or *OPP@ferc.gov.*

Dated: September 18, 2026.

**Carlos D. Clay,**

*Deputy Secretary.*

[FR Doc. 2026–19454 Filed 9–22–26; 8:45 am]

**BILLING CODE 6717–01–P**

## DEPARTMENT OF ENERGY

### Federal Energy Regulatory Commission

**[Docket No. CP18–513–000, CP26–82–000, CP26–87–000]**

### Cheniere Corpus Christi Pipeline, LP, Corpus Christi Liquefaction Stage IV, LLC, Corpus Christi Liquefaction, LLC; Notice of Availability of the Draft Environmental Impact Statement for the Proposed Corpus Christi Liquefaction Stage 4 Project and the CCPL Expansion Project

The staff of the Federal Energy Regulatory Commission (FERC or Commission) have prepared a draft environmental impact statement (EIS) for the CCL Stage 4 Project and CCPL Expansion Project (Project), proposed by Corpus Christi Liquefaction Stage IV, LLC, Corpus Christi Liquefaction, LLC, and Cheniere Corpus Christi Pipeline, L.P. (collectively, the Applicants).[1] The Applicants propose to expand the existing Corpus Christi Liquefied Terminal (CCL Terminal) in San Patricio and Nueces Counties, Texas; construct and operate the Corpus Christi Pipeline (proposed pipeline), a new, 42 inch diameter, 25.8-mile-long natural gas pipeline in San Patricio, Texas, as well as construct the new Sinton 2 Compressor Station, two new meter stations, and other appurtenant facilities in San Patricio County, Texas. The purpose of the Project is to expand the Applicants' liquified natural gas (LNG) production capabilities to meet

[1] For tracking purposes under the National Environmental Policy Act, the unique identification number for documents relating to this environmental review is FERC/EISX–019–20–000–1775047149.

immediate and future global demand for LNG.

Any person wishing to comment on the draft EIS may do so. To ensure consideration of your comments on the proposal in the final EIS, it is important that the Commission receive your comments on or before 5:00 p.m. Eastern Time on November 9, 2026. Instructions for filing comments are provided on page 4.

FERC is the lead federal agency for authorizing interstate natural gas transmission facilities under the Natural Gas Act of 1938 (NGA) and the lead federal agency for preparation of the draft EIS. The draft EIS assesses the potential environmental effects of the construction and operation of the Project in accordance with the requirements of the National Environmental Policy Act (NEPA) [2] and the Commission's implementing regulations.[3] The principal purposes of the draft EIS 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 EIS concludes that approval of the proposed project, with the mitigation measures recommended in the EIS, would have some limited adverse environmental effects; however, with implementation of the mitigation measures recommended in the EIS, most effects would be avoided, mitigated, or reduced to less-than-significant levels. Visual effects of flaring could have a moderate and long-term effect on nearby residences, but would not be significant.

The U.S. Army Corps of Engineers (USACE) Galveston District, U.S. Department of Transportation—Pipeline and Hazardous Materials Safety Administration, U.S. Coast Guard, the National Oceanic and Atmospheric Administration—National Marine Fisheries Service, the U.S. Fish and Wildlife Service, and the U.S. Department of Energy participated as cooperating agencies in the preparation of the draft EIS. Cooperating agencies have jurisdiction by law or special expertise with respect to resources potentially affected by the proposal and participate in the NEPA analysis. The USACE would adopt and use the final EIS to consider the issuance of an Individual Permit under Section 404 of the Clean Water Act and Section 10 of the Rivers and Harbors Act. Although the cooperating agencies provided input to the conclusions and recommendations presented in the draft EIS, the agencies would present their own conclusions and recommendations in their respective Records of Decision (where applicable) for the Project.

The draft EIS addresses the potential environmental effects of the construction and operation of the following Project facilities:

- *CCL Stage 4 Project:*
- Four new large-scale liquefaction trains (Trains 4–7) and appurtenant facilities;
- Two full containment, aboveground 220,000-cubic-meter LNG storage tanks;
- A new marine berth and appurtenant facilities; and
- One enclosed marine ground flare and three multi-point ground flares.
- *CCPL Expansion Project:*
- Approximately 25.8 miles of 42-inch-diameter pipeline loop (proposed pipeline);
- Two 52,500-horsepower modular compressor packages and appurtenant facilities at the new Sinton 2 Compressor Station;
- A new meter station (Stage 4 Custody Meter Station) within the CCL Terminal;
- A new meter station (Traverse Meter Station) adjacent to the Sinton 2 Compressor Station; and
- Three new mainline valves along the pipeline route.

The Commission mailed a copy of the *Notice of Availability* of the draft EIS to federal, state, and local government representatives and agencies; elected officials; Native American tribes; environmental and public interest groups; potentially affected landowners and other interested individuals and groups; and media outlets and libraries in the project area. The draft EIS 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 draft EIS 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.,* CP26–82, CP26–87, and CP18–513). 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 draft EIS 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 3 of the NGA, the FERC considers, as part of its decision to authorize natural gas facilities, all factors bearing on the public interest. Specifically, regarding whether to authorize natural gas facilities used for importation or exportation, the FERC shall authorize the proposal unless it finds that the proposed facilities will not be consistent with the public interest. Under Section 7(c) of the NGA, 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. Under Section 3 of the NGA, regarding whether to authorize natural gas facilities used for importation or exportation, the Commission shall authorize the proposal unless it finds that the proposed facilities will not be consistent with the public interest.

Your comments should focus on draft EIS's disclosure and discussion of potential environmental effects, measures to avoid or lessen environmental effects, and the completeness of the submitted alternatives, information and analyses. For your convenience, there are three methods you can use to submit 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 file your comments electronically by 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.'' If you are filing a comment on a particular project, please select

[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] 18 Code of Federal Regulations (CFR) 380.

''Comment on a Filing'' as the filing type; or

(3) You can file a paper copy of your comments by mailing them to the Commission. Be sure to reference the project docket numbers (*i.e.,* CP26–82–000, CP26–87–000, and CP18–513–000) with your submission. 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, Maryland 20852.

(4) In lieu of sending written or electronic comments, the Commission invites you to attend the public comment session its staff will conduct in the project area to receive comments on the draft EIS, scheduled as follows:

| Date and time | Location |
|---|---|
| October 6, 2026, 5:00–8:00 p.m., Central Time. | Portland Community Center, 2000 Billy G. Webb Drive, Portland, TX 78374, Ballroom D, 361–777–4670. |

The primary goal of this comment session is to have you identify the specific environmental issues and concerns with the draft EIS. Individual oral comments will be taken on a one-on-one basis with a court reporter. This format is designed to receive the maximum amount of oral comments in a convenient way during the timeframe allotted.

The comment session is scheduled from 5:00 p.m. to 8:00 p.m. local time. You may arrive at any time after 5:00 p.m. There will not be a formal presentation by Commission staff when the session opens. If you wish to speak, the Commission staff will hand out numbers in the order of your arrival. Comments will be taken until 8:00 p.m. However, if no additional numbers have been handed out and all individuals who wish to provide comments have had an opportunity to do so, staff may conclude the session at 7:30 p.m.

Your oral comments will be recorded by the court reporter (with FERC staff or representative present) and become part of the public record for this proceeding. Transcripts will be publicly available on FERC's eLibrary system (see pages 3–4 for instructions on using eLibrary). If a significant number of people are interested in providing oral comments in the one-on-one settings, a time limit of 5 minutes may be implemented for each commentor. Although there will not be a formal presentation, Commission staff will be available throughout the comment session to answer your questions about the environmental review process.

*It is important to note that the Commission provides equal consideration to all comments received, whether filed in written form or provided orally at a comment session.*

Any person seeking to become a party to the proceeding must file a motion to intervene pursuant to Rule 214 of the Commission's Rules of Practice and Procedures (18 CFR part 385.214). Motions to intervene are more fully described at *https://www.ferc.gov/how-intervene.* Only intervenors have the right to seek rehearing or judicial review of the Commission's decision. *Simply filing environmental comments will not give you intervenor status, but you do not need intervenor status to have your comments considered.*

*Questions?*

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 that 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: September 18, 2026.

**Debbie-Anne A. Reese,**

*Secretary.*

[FR Doc. 2026–19447 Filed 9–22–26; 8:45 am]

BILLING CODE 6717–01–P

## DEPARTMENT OF ENERGY

### Federal Energy Regulatory Commission

**[Docket No. CP26–577–000]**

### Transwestern Pipeline Company, LLC; Notice of Request Under Blanket Authorization and Establishing Intervention and Protest Deadline

Take notice that on September 9, 2026, Transwestern Pipeline Company, LLC (Transwestern), 1300 Main Street, Houston, Texas 77002, 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 Transwestern's blanket certificate issued in Docket No. CP82–534–000, for authorization to formally update the Phoenix Lateral's recognized maximum allowable operating pressure (MAOP) from 1008 pounds per square inch gauge (psig) to 1126 psig. The Pheonix Lateral is located in Yavapai, Coconino, Maricopa and Pinal Counties, Arizona (MAOP Increase Project). The increase in the MAOP of the Phoenix Lateral will allow Transwestern to gain additional operating flexibility and compressor station efficiency. Transwestern asserts that the increase in MAOP will not impair Transwestern's ability to make all required deliveries to existing customers and does not involve any construction or additional cost, 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 Blair Lichtenwalter, Senior Director of Certificates, Transwestern Pipeline Company, LLC, 1300 Main Street, Houston, Texas 77002, or call (713) 989–2605, or via eMail to *blair.lichtenwalter@energytransfer.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 November 16, 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 person [2] 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 November 16, 2026. Filings that do not meet requirements of 18 CFR 157.205(e)(2) [4] will not be considered protests by the Commission.[5] 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 Procedure [6] and the regulations under the NGA [7] by the intervention deadline for the project, which is 5:00 p.m. Eastern Time on November 16, 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 November 16, 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 CP26–577–000 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''; or [8]

(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 CP26–577–000.

*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: Blair Lichtenwalter, Senior Director of Certificates, Transwestern Pipeline Company, LLC, 1300 Main Street, Houston, Texas 77002, or via email (with a link to the document) at *blair.lichtenwalter@energytransfer.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

[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 157.205(e)(2).

[5] *Cheniere Creole Trail Pipeline, L.P.,* 195 FERC ¶ 61,208, at P 8 n.16 (2026).

[6] 18 CFR 385.214.

[7] 18 CFR 157.10.

[8] 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.

*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: September 17, 2026.

**Carlos D. Clay,**

*Deputy Secretary.*

[FR Doc. 2026–19441 Filed 9–22–26; 8:45 am]

BILLING CODE 6717–01–P

## DEPARTMENT OF ENERGY

### Federal Energy Regulatory Commission

**[Docket No. ID–10798–000]**

### Moss, Tobias B.; Notice of Filing

Take notice that on September 17, 2026, Tobias B. Moss. submitted for filing, application for authority to hold interlocking positions, pursuant to section 305(b) of the Federal Power Act, 16 U.S.C. 825d (b) and Part 45.8 of the Federal Energy Regulatory Commission's (Commission) Rules of Practice and Procedure, 18 CFR part 45.8.

Any person desiring to intervene or to protest this filing must file in accordance with Rules 211 and 214 of the Commission's Rules of Practice and Procedure (18 CFR 385.211, 385.214). Protests will be considered by the Commission in determining the appropriate action to be taken but will not serve to make protestants parties to the proceeding. Any person wishing to become a party must file a notice of intervention or motion to intervene, as appropriate. Such notices, motions, or protests must be filed on or before the comment date. On or before the comment date, it is not necessary to serve motions to intervene or protests on persons other than the Applicant.

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.*

The Commission strongly encourages electronic filings of comments, protests and interventions in lieu of paper using the ''eFiling'' link at *http://www.ferc.gov.* Persons unable to file electronically may mail similar pleadings to the Federal Energy Regulatory Commission, 888 First Street NE, Washington, DC 20426. Hand delivered submissions in docketed proceedings should be delivered to Health and Human Services, 12225 Wilkins Avenue, Rockville, Maryland 20852.

The Commission's Office of Public Participation (OPP) supports meaningful public engagement and participation in Commission proceedings. OPP can help members of the public, including landowners, environmental justice communities, Tribal members and others, access publicly available information and navigate Commission processes. 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.*

*Comment Date:* 5:00 p.m. Eastern Time on October 8, 2026.

Dated: September 17, 2026.

**Carlos D. Clay,**

*Deputy Secretary.*

[FR Doc. 2026–19437 Filed 9–22–26; 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:* EG26–317–000.
*Applicants:* Barton Branch IA LLC.
*Description:* Barton Branch IA LLC submits Notice of Self/Certification of Exempt Wholesale Generator Status.
*Filed Date:* 9/17/26.
*Accession Number:* 20260917–5235.
*Comment Date:* 5 p.m. ET 10/8/26.

*Docket Numbers:* EG26–318–000.
*Applicants:* Callisto II Energy Center LLC.
*Description:* Callisto II Energy Center LLC submits Notice of Self/Certification of Exempt Wholesale Generator Status.
*Filed Date:* 9/17/26.
*Accession Number:* 20260917–5239.
*Comment Date:* 5 p.m. ET 10/8/26.

*Docket Numbers:* EG26–319–000.
*Applicants:* Pamela Heights I Energy Center LLC.
*Description:* Pamela Heights I Energy Center LLC submits Notice of Self/Certification of Exempt Wholesale Generator Status.
*Filed Date:* 9/17/26.
*Accession Number:* 20260917–5245.
*Comment Date:* 5 p.m. ET 10/8/26.

*Docket Numbers:* EG26–320–000.
*Applicants:* Bee Branch IA LLC.
*Description:* Bee Branch IA LLC submits Notice of Self/Certification of Exempt Wholesale Generator Status.
*Filed Date:* 9/17/26.
*Accession Number:* 20260917–5247.
*Comment Date:* 5 p.m. ET 10/8/26.

Take notice that the Commission received the following Electric Rate filings:

*Docket Numbers:* ER26–2244–002.
*Applicants:* Hillsboro Solar, LLC.
*Description:* Compliance filing: Compliance Filing to be effective 6/17/2026.
*Filed Date:* 9/17/26.
*Accession Number:* 20260917–5250.
*Comment Date:* 5 p.m. ET 10/8/26.

*Docket Numbers:* ER26–2950–002.
*Applicants:* Southwest Power Pool, Inc.
*Description:* Tariff Amendment: 1894R16 Evergy Kansas Central, Inc.—Vermillion NITSA NOA to be effective 9/1/2026.
*Filed Date:* 9/17/26.
*Accession Number:* 20260917–5164.
*Comment Date:* 5 p.m. ET 10/8/26.

*Docket Numbers:* ER26–2952–002.
*Applicants:* Southwest Power Pool, Inc.

*Description:* Tariff Amendment: 1978R16 Evergy Kansas Central, Inc.—Toronto NITSA NOA to be effective 9/1/2026.
*Filed Date:* 9/17/26.
*Accession Number:* 20260917–5161.
*Comment Date:* 5 p.m. ET 10/8/26.

*Docket Numbers:* ER26–3286–001.
*Applicants:* Mulqueeney Wind Energy LLC.
*Description:* Tariff Amendment: Response to Deficiency Letter, Revised MBR Tariff, Request for Expedited Action to be effective 9/26/2026.
*Filed Date:* 9/17/26.
*Accession Number:* 20260917–5284.
*Comment Date:* 5 p.m. ET 10/8/26.

*Docket Numbers:* ER26–3649–001.
*Applicants:* PJM Interconnection, L.L.C.
*Description:* Tariff Amendment: Amendment of ISA Cancellation, SA No. 4141; AA1–034 in Docket No. ER26–3649–000. to be effective 8/14/2026.
*Filed Date:* 9/16/26.
*Accession Number:* 20260916–5202.
*Comment Date:* 5 p.m. ET 10/7/26.

*Docket Numbers:* ER26–3779–000.
*Applicants:* Mid-Atlantic Interstate Transmission, LLC.
*Description:* § 205(d) Rate Filing: MAIT—FE submits Revised Interconnection Agreement, SA No. 6412 to be effective 11/17/2026.
*Filed Date:* 9/17/26.
*Accession Number:* 20260917–5148.
*Comment Date:* 5 p.m. ET 10/8/26.

*Docket Numbers:* ER26–3780–000.
*Applicants:* Midcontinent Independent System Operator, Inc.
*Description:* § 205(d) Rate Filing: 2026–09–17_SA 4860 GridLiance-Pulaski Solar GIA (Pulaski-Joppa) to be effective 9/3/2026.
*Filed Date:* 9/17/26.
*Accession Number:* 20260917–5171.
*Comment Date:* 5 p.m. ET 10/8/26.

*Docket Numbers:* ER26–3781–000.
*Applicants:* PJM Interconnection, L.L.C.
*Description:* § 205(d) Rate Filing: Amendment to ISA, Service Agreement No. 6131; Queue No. AE2–042 to be effective 11/17/2026.
*Filed Date:* 9/17/26.
*Accession Number:* 20260917–5184.
*Comment Date:* 5 p.m. ET 10/8/26.

*Docket Numbers:* ER26–3782–000.
*Applicants:* PJM Interconnection, L.L.C.
*Description:* Tariff Amendment: Notice of Cancellation of GIA, SA No. 7402; Queue No. AG1–188 to be effective 11/17/2026.
*Filed Date:* 9/17/26.
*Accession Number:* 20260917–5196.
*Comment Date:* 5 p.m. ET 10/8/26.

*Docket Numbers:* ER26–3783–000.
*Applicants:* Alabama Power Company, Georgia Power Company, Mississippi Power Company.
*Description:* § 205(d) Rate Filing: Alabama Power Company submits tariff filing per 35.13(a)(2)(iii: Southern Power (Wansley CC Unit 6) Amended and Restated LGIA Filing to be effective 8/25/2026.
*Filed Date:* 9/17/26.
*Accession Number:* 20260917–5205.
*Comment Date:* 5 p.m. ET 10/8/26.

*Docket Numbers:* ER26–3784–000.
*Applicants:* Alabama Power Company, Georgia Power Company, Mississippi Power Company.
*Description:* § 205(d) Rate Filing: Alabama Power Company submits tariff filing per 35.13(a)(2)(iii: Southern Power (Wansley CC Unit 7) Amended and Restated LGIA Filing to be effective 8/25/2026.
*Filed Date:* 9/17/26.
*Accession Number:* 20260917–5207.
*Comment Date:* 5 p.m. ET 10/8/26.

*Docket Numbers:* ER26–3785–000.
*Applicants:* Alabama Power Company, Georgia Power Company, Mississippi Power Company.
*Description:* § 205(d) Rate Filing: Alabama Power Company submits tariff filing per 35.13(a)(2)(iii: Midland-Wiregrass Solar LGIA Filing to be effective 9/9/2026.
*Filed Date:* 9/17/26.
*Accession Number:* 20260917–5208.
*Comment Date:* 5 p.m. ET 10/8/26.

*Docket Numbers:* ER26–3786–000.
*Applicants:* Midcontinent Independent System Operator, Inc.
*Description:* § 205(d) Rate Filing: 2026–09–17_SA 4861 NIPSCO-Cherry Hill Solar GIA (S1108) to be effective 9/11/2026.
*Filed Date:* 9/17/26.
*Accession Number:* 20260917–5226.
*Comment Date:* 5 p.m. ET 10/8/26.

*Docket Numbers:* ER26–3787–000.
*Applicants:* El Segundo Cogeneration Company LLC.
*Description:* Initial Rate Filing: Market-Based Rate Application to be effective 9/18/2026.
*Filed Date:* 9/17/26.
*Accession Number:* 20260917–5234.
*Comment Date:* 5 p.m. ET 10/8/26.

*Docket Numbers:* ER26–3788–000.
*Applicants:* Richmond Cogeneration Company, LLC.
*Description:* Initial Rate Filing: Market-Based Rate Application to be effective 9/18/2026.
*Filed Date:* 9/17/26.
*Accession Number:* 20260917–5236.
*Comment Date:* 5 p.m. ET 10/8/26.

*Docket Numbers:* ER26–3789–000.
*Applicants:* Arizona Public Service Company.
*Description:* § 205(d) Rate Filing: OATT Revision—IBR Reliability to be effective 11/17/2026.
*Filed Date:* 9/17/26.
*Accession Number:* 20260917–5242.
*Comment Date:* 5 p.m. ET 10/8/26.

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: September 17, 2026.

**Carlos D. Clay,**

*Deputy Secretary.*

[FR Doc. 2026–19439 Filed 9–22–26; 8:45 am]

**BILLING CODE 6717–01–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, Secretary of the Board, 20th Street and Constitution Avenue NW, Washington, DC 20551–0001, not later than October 8, 2026.

*A. Federal Reserve Bank of Chicago* (Christopher Koopmans, Senior Vice President) 230 South LaSalle Street, Chicago, Illinois 60690–1414. Comments can also be sent electronically to *Comments.applications@chi.frb.org:*

1. *The Shennen S.C. Saltzman Irrevocable Bank Trust, Shennen Saltzman, as trustee, and the Saltzman Legacy Bank Trust, Theodore S.C. Saltzman, as trustee, all of Dakota Dunes, South Dakota; and the Sundae M. Haggerty Irrevocable Trust, Sundae Haggerty as trustee, both of South Sioux City, Nebraska;* to join the Saltzman Family Control Group, a group acting in concert, to acquire voting shares of Pioneer Development Company, and thereby indirectly acquire voting shares of Pioneer Bank, both of Sergeant Bluff, Iowa.

In addition, *the First Amended and Restated Theodore G. Saltzman Jr. Bank Trust, M. Colleen Saltzman, as trustee, both of Dakota Dunes, South Dakota, and Sundae Haggerty as trust protector of the aforementioned trust, South Sioux City, Nebraska;* to retain voting shares of Pioneer Development Company, and thereby indirectly retain voting shares of Pioneer Bank.

Board of Governors of the Federal Reserve System.

**Benjamin W. McDonough,**

*Secretary of the Board.*

[FR Doc. 2026–19449 Filed 9–22–26; 8:45 am]

**BILLING CODE 6210–01–P**

## FEDERAL RESERVE SYSTEM

### Notice of Proposals To Engage in or To Acquire Companies Engaged in Permissible Nonbanking Activities

The companies listed in this notice have given notice under section 10 of the Home Owners' Loan Act (12 U.S.C. 1467a) (HOLA) and Regulation LL (12 CFR part 238) to engage de novo, or to acquire or control voting securities or assets of a company, including the companies listed below, that engages either directly or through a subsidiary or other company, in a nonbanking activity that is listed in § 238.53 of Regulation LL (12 CFR 238.53). Unless otherwise noted, these activities will be conducted throughout the United States.

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 whether the proposed transaction complies with the standards enumerated in section 10(c)(4)(B) of the HOLA (12 U.S.C. 1467a(c)(4)(B)). Unless otherwise noted, nonbanking activities will be conducted throughout the United States.

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, Secretary of the Board, 20th Street and Constitution Avenue NW, Washington, DC 20551–0001, not later than October 23, 2026.

*A. Federal Reserve Bank of Chicago* (Christopher Koopmans, Senior Vice President) 230 South LaSalle Street, Chicago, Illinois 60690–1414. Comments can also be sent electronically to *Comments.applications@chi.frb.org:*

1. *Mutual Federal Bancorp, MHC, Chicago, Illinois;* to convert from mutual to stock form. As part of the conversion, Mutual Federal Bancorp, MHC, and Mutual Federal Bancorp, Inc., Chicago, Illinois, an existing mid-tier savings and loan holding company, will cease to exist and Mutual Federal Bank, Chicago, Illinois, will become a wholly-owned subsidiary of MFB Bancorp, Inc., Chicago, Illinois, a newly-formed Delaware corporation, which has applied to become a savings and loan holding company, pursuant to section 10(e) of the HOLA.

Board of Governors of the Federal Reserve System.

**Benjamin W. McDonough,**

*Secretary of the Board.*

[FR Doc. 2026–19450 Filed 9–22–26; 8:45 am]

**BILLING CODE 6210–01–P**

## FEDERAL RESERVE SYSTEM

### Formations of, Acquisitions by, and Mergers of Bank Holding Companies

The companies listed in this notice have applied to the Board for approval, pursuant to the Bank Holding Company Act of 1956 (12 U.S.C. 1841 *et seq.*) (BHC Act), Regulation Y (12 CFR part 225), and all other applicable statutes and regulations to become a bank holding company and/or to acquire the assets or the ownership of, control of, or the power to vote shares of a bank or bank holding company and all of the banks and nonbanking companies owned by the bank holding company, including the companies listed below.

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 the BHC Act (12 U.S.C. 1842(c)).

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, Secretary of the Board, 20th Street and Constitution Avenue NW, Washington, DC 20551–0001, not later than October 23, 2026.

*A. Federal Reserve Bank of Kansas City* (Jeffrey Imgarten, Assistant Vice President) 1 Memorial Drive, Kansas City, Missouri 64198–0001. Comments can also be sent electronically to *KCApplicationComments@kc.frb.org:*

1. *Security Bancshares Corporation, Wewoka, Oklahoma;* to acquire The State Bank of Wynnewood, Wynnewood, Oklahoma.

Board of Governors of the Federal Reserve System.

**Benjamin W. McDonough,**

*Secretary of the Board.*

[FR Doc. 2026–19451 Filed 9–22–26; 8:45 am]

**BILLING CODE 6210–01–P**

## DEPARTMENT OF HEALTH AND HUMAN SERVICES

### Food and Drug Administration

**[Docket No. FDA–2026–N–4019]**

### Sanjay Kumar: Final Debarment Order

**AGENCY:** Food and Drug Administration, HHS.

**ACTION:** Notice.

**SUMMARY:** The Food and Drug Administration (FDA or the Agency) is issuing an order under the Federal Food, Drug, and Cosmetic Act (FD&C Act) debarring Sanjay Kumar for a period of 5 years from importing or offering for import any drug into the United States. FDA bases this order on a finding that Mr. Kumar was convicted of a felony under Federal law for conspiracy to traffic in counterfeit goods. The factual basis supporting Mr. Kumar's conviction, as described below, is conduct relating to the importation into the United States of a drug or controlled substance. Mr. Kumar was given notice of the proposed debarment and was given an opportunity to request a hearing to show why he should not be debarred. As of June 29, 2026 (more than 30 days after receipt of the notice), Mr. Kumar had not responded. Mr. Kumar's failure to respond and request a hearing constitutes a waiver of his right to a hearing concerning this matter.

**DATES:** This order is applicable September 23, 2026.

**ADDRESSES:** Any application by Mr. Kumar for termination of debarment under section 306(d)(1) of the FD&C Act (21 U.S.C. 335a(d)(1)) may be submitted at any time as follows

*Electronic Submissions*

• *Federal eRulemaking Portal: https://www.regulations.gov.* Follow the instructions for submitting comments. An application submitted electronically, including attachments, to *https://www.regulations.gov* will be posted to the docket unchanged. Because your application will be made public, you are solely responsible for ensuring that your application does not include any confidential information that you or a third party may not wish to be posted, such as medical information, your or anyone else's Social Security number, or confidential business information, such as a manufacturing process. Please note that if you include your name, contact information, or other information that identifies you in the body of your application, that information will be posted on *https://www.regulations.gov.*

• If you want to submit an application with confidential information that you do not wish to be made available to the public, submit the application as a written/paper submission and in the manner detailed (see ''Written/Paper Submissions'' and ''Instructions'').

*Written/Paper Submissions*

• *Mail/Hand Delivery/Courier (for written/paper submissions):* Dockets Management Staff (HFA–305), Food and Drug Administration, 5630 Fishers Lane, Rm. 1061, Rockville, MD 20852.

• For a written/paper application submitted to the Dockets Management Staff, FDA will post your application, as well as any attachments, except for information submitted, marked, and identified, as confidential, if submitted as detailed in ''Instructions.''

*Instructions:* All applications must include the Docket No. FDA–2026–N–4019. Received applications will be placed in the docket and, except for those submitted as ''Confidential Submissions,'' publicly viewable at *https://www.regulations.gov* or at the Dockets Management Staff between 9 a.m. and 4 p.m., Monday through Friday, 240–402–7500.

• Confidential Submissions—To submit an application with confidential information that you do not wish to be made publicly available, submit your application only as a written/paper submission. You should submit two copies total. One copy will include the information you claim to be confidential with a heading or cover note that states ''THIS DOCUMENT CONTAINS CONFIDENTIAL INFORMATION.'' The Agency will review this copy, including the claimed confidential information, in its consideration of your application. The second copy, which will have the claimed confidential information redacted/blacked out, will be available for public viewing and posted on *https://www.regulations.gov.* Submit both copies to the Dockets Management Staff. If you do not wish your name and contact information to be made publicly available, you can provide this information on the cover sheet and not in the body of your comments and you must identify this information as ''confidential.'' Any information marked as ''confidential'' will not be disclosed except in accordance with 21 CFR 10.20 and other applicable disclosure law. For more information about FDA's posting of comments to public dockets, see 80 FR 56469, September 18, 2015, or access the information at: *https://www.govinfo.gov/content/pkg/FR-2015-09-18/pdf/2015-23389.pdf.*

*Docket:* For access to the docket, go to *https://www.regulations.gov* and insert the docket number, found in brackets in the heading of this document, into the ''Search'' box and follow the prompts and/or go to the Dockets Management Staff, 5630 Fishers Lane, Rm. 1061, Rockville, MD 20852 between 9 a.m. and 4 p.m., Monday through Friday, 240–402–7500. Publicly available submissions may be seen in the docket.

**FOR FURTHER INFORMATION CONTACT:** Jaime Espinosa, Division of Field Enforcement, Office of Field Regulatory Operations, Office of Inspections and Investigations, Food and Drug Administration, 240–402–8743, or *debarments@fda.hhs.gov.*

**SUPPLEMENTARY INFORMATION:**

### I. Background

Section 306(b)(1)(D) of the FD&C Act permits debarment of an individual from importing or offering for import any drug into the United States if FDA finds, as required by section 306(b)(3)(C) of the FD&C Act, that the individual has been convicted of a felony for conduct relating to the importation into the United States of any drug or controlled substance.

On March 5, 2026, Mr. Kumar was convicted as defined in section 306(l)(1) of the FD&C Act, in the U.S. District Court for the Southern District of Texas, when the court accepted his plea of guilty and entered judgment against him for the felony offense of conspiracy to traffic in counterfeit goods in violation of 18 U.S.C. 2320(a)(4) and (b)(3)(A).

The underlying facts supporting the conviction are as follows:

As contained in the Indictment and in the Plea Agreement from his case, Mr. Kumar knowingly sold pharmaceutical products bearing counterfeit marks which he caused to be imported into the United States. Among the drugs illegally sold by Mr. Kumar was Keytruda, a prescription drug used to treat cancer. However, the counterfeit Keytruda he sold did not contain the active ingredient for Keytruda. Merck Sharp & Dohme LLC, formerly known as Merck Sharp & Dohme Corp. (''Merck''), had the exclusive right to authorize the manufacture of Keytruda for distribution within the U.S. and owned the trademarks for the designs and word marks used by Merck to identify Keytruda and other Merck products.

Beginning in or around August 2018 until approximately on or about June 26, 2024, Mr. Kumar, with the aid of co-conspirators, intentionally conspired to, and did traffic Keytruda bearing counterfeit marks into the United States. During the course of his criminal conspiracy, Mr. Kumar and his co-conspirators negotiated numerous sales of pharmaceuticals with counterfeit marks to both agents of a private company working with law enforcement and agents from U.S. Homeland Security Investigations, acting in an undercover capacity. Over years, these agents texted with members of the conspiracy, including Mr. Kumar, concerning the placement of orders, payments, and shipments of pharmaceuticals to the United States. In addition to other sales of Keytruda bearing counterfeit marks during this period, Mr. Kumar, with the assistance of his co-conspirators, sold the following quantities of Keytruda using counterfeit marks to agents: on January 30, 2020 he sold 1 x 50mg vial of Keytruda for $2,500; on March 28, 2023, he sold 2 x 100mg of Keytruda for $3,500; on May 8, 2023, he sold 2 x 100mg Keytruda for $5,998; and, on June 20, 2023, he sold 2 x 100mg of Keytruda for $3,500. At Mr. Kumar's direction, the aforementioned drugs were shipped by co-conspirators to Houston, Texas. The undercover agents wired each payment to Indian-based bank accounts as directed by Mr. Kumar and his co-conspirators.

Laboratory testing concluded that Mr. Kumar sold Keytruda bearing counterfeit marks into the United States, and that these drugs violated the trademarks registered to Merck in the principal registry in the U.S. Patent and Trademark Office. The Keytruda bearing the counterfeit marks was chemically inconsistent with genuine Keytruda and did not contain the active ingredient necessary for the drug to serve its medical purpose. Instead, the Keytruda bearing the counterfeit marks sold by Mr. Kumar and his co-conspirators included fillers and adulterants that served no legitimate function for treating cancer. The packaging of the pharmaceuticals he sold purported to be Merck brand Keytruda packaged in containers that bore trademarks that were substantially indistinguishable from the genuine marks registered to Merck and used to identify genuine Keytruda. Furthermore, the packages bearing counterfeit marks often contained false lot numbers, invalid expiry dates, and misspellings. Over the course of the conspiracy, Mr. Kumar and his co-conspirators received approximately $89,268 for their sales of Keytruda using counterfeit marks to undercover agents, with a total wholesale acquisition cost value of approximately $127,465.72.

On June 26, 2024, Mr. Kumar met with undercover agents in a hotel in Houston, Texas. He believed that these agents were future business partners and purchasers. During part of the meeting, he also dialed in a co-conspirator, whom he explained could provide the agents with detailed information on the pharmaceuticals he was able to source. During this meeting, Mr. Kumar expressed his intention to form a long-term business partnership with the undercover agents, assuring the agents that they would all profit. He explained that he had been in this business for more than 10 years, and that, at a global level, his pharmaceutical company, MediPharma, was shipping more than a hundred pharmaceutical parcels per day. He explained that his previous company, Reliable Chemist, was shut down after his employees and business partners were arrested by Indian authorities after selling ''fake'' Keytruda. Mr. Kumar also made it clear that he understood the risks posed by counterfeit pharmaceuticals and raised these with agents, explaining that counterfeit Keytruda would not work to treat cancer and was ''just like water.'' Despite these risks, he committed to sourcing 50 units (100-mg vial) of counterfeit Keytruda for the agents over the next few days, while he remained in the United States, as a start to their business relationship. Further, according to information provided by Mr. Kumar and his co-conspirator, his company was presently capable of sending 100 units of Keytruda (100-mg vial) a month, or weekly batches of up to 20 units. During a discussion of the logistics for selling hundreds of units of Keytruda into the United States, Mr. Kumar detailed how his company was able to avoid possible issues with U.S. and Indian customs.

FDA sent Mr. Kumar, by certified mail, on May 20, 2026, a notice proposing to debar him for a 5-year period from importing or offering for import any drug into the United States. The proposal was based on a finding under section 306(b)(3)(C) of the FD&C Act that Mr. Kumar's felony conviction under Federal law for conspiracy to traffic in counterfeit goods in violation of 18 U.S.C. 2320(a)(4) and (b)(3)(A) was for conduct relating to the importation of any drug or controlled substance into the United States because Mr. Kumar illegally imported and introduced misbranded and counterfeit prescription drug products into interstate commerce.

In proposing a debarment period, FDA weighed the considerations set forth in section 306(c)(3) of the FD&C Act that the Agency considered applicable to Mr. Kumar's offense and concluded that the offense warranted the imposition of a 5-year period of debarment. The proposal informed Mr. Kumar of the proposed debarment and offered him an opportunity to request a hearing, providing him 30 days from the date of receipt of the letter in which to file the request, and advised him that failure to request a hearing constituted a waiver of the opportunity for a hearing and of any contentions concerning this action. Mr. Kumar received the proposal and notice of opportunity for a hearing on May 28, 2026. Mr. Kumar failed to request a hearing within the timeframe prescribed by regulation and has, therefore, waived his opportunity for a hearing and waived any contentions concerning his debarment (21 CFR part 12).

## II. Findings and Order

Therefore, the Division of Field Enforcement Director, Office of Inspections and Investigations, under section 306(b)(3)(C) of the FD&C Act, under authority delegated to the Director, Division of Enforcement, finds that Mr. Sanjay Kumar has been convicted of a felony under Federal law for conduct relating to the importation into the United States of any drug or controlled substance. FDA finds that the offense should be accorded a debarment period of 5 years as provided by section 306(c)(2)(A)(iii) of the FD&C Act.

As a result of the foregoing finding, Mr. Kumar is debarred for a period of 5 years from importing or offering for import any drug into the United States, effective (see **DATES**). Pursuant to section 301(cc) of the FD&C Act (21 U.S.C. 331(cc)), the importing or offering for import into the United States of any drug by, with the assistance of, or at the direction of Mr. Kumar during his period of debarment is a prohibited act.

**Grace R. Graham,**

*Deputy Commissioner for Policy, Legislation, and International Affairs.*

[FR Doc. 2026–19419 Filed 9–22–26; 8:45 am]

**BILLING CODE 4164–01–P**

## DEPARTMENT OF HEALTH AND HUMAN SERVICES

### National Institutes of Health

### National Institute of Neurological Disorders and Stroke; Notice of Closed Meeting

Pursuant to section 1009 of the Federal Advisory Committee Act, as amended, notice is hereby given of a meeting of the Board of Scientific Counselors, National Institute of Neurological Disorders and Stroke.

The meeting will be closed to the public as indicated below in accordance with the provisions set forth in section 552b(c)(6), Title 5 U.S.C., as amended for the review, discussion, and evaluation of individual intramural programs and projects conducted by the National Institute of Neurological Disorders and Stroke, including consideration of personnel qualifications and performance, and the competence of individual investigators, the disclosure of which would constitute a clearly unwarranted invasion of personal privacy.

*Name of Committee:* Board of Scientific Counselors, National Institute of Neurological Disorders and Stroke.

*Date:* October 29–30, 2026.

*Time:* October 29, 2026, 9:30 a.m. to 8:00 p.m.

*Agenda:* To review and evaluate to review and evaluate personnel qualifications and performance, and competence of individual investigators.

*Address:* National Institute of Neurological Disorders and Stroke, National Institutes of Health, Porter Neuroscience Research Center, Building 35A, 35 Convent Drive, Room GF–149, Bethesda, MD 20892.

*Meeting Format:* Virtual Meeting.

*Time:* October 30, 2026, 10:00 a.m. to 3:00 p.m.

*Agenda:* To review and evaluate to review and evaluate personnel qualifications and performance, and competence of individual investigators.

*Address:* National Institute of Neurological Disorders and Stroke, National Institutes of Health, Porter Neuroscience Research Center, Building 35A, 35 Convent Drive, Room GF–149, Bethesda, MD 20892.

*Meeting Format:* Virtual Meeting.

*Contact Person:* Jeffrey S. Diamond, Ph.D., Acting Scientific Director, c/o Caren Collins, Program Analyst, Division of Intramural Research, NINDS, Office of the Scientific Director, National Institute of Neurological Disorders and Stroke, National Institutes of Health, Porter Neuroscience Research Center, Building 35A, 35 Convent Drive, Room GF–149, Bethesda, MD 20892, 301–435–1896, *diamondj@ninds.nih.gov; collinsca@ninds.nih.gov*.

Any interested person may file written comments with the committee by forwarding the statement to the Contact Person listed on this notice. The statement should include the name, address, telephone number and when applicable, the business or professional affiliation of the interested person.

(Catalogue of Federal Domestic Assistance Program Nos. 93.853, Extramural Research Programs in the Neurosciences and Neurological Disorders; 93.854, Biological Basis Research in the Neurosciences, National Institutes of Health, HHS)

Dated: September 21, 2026.

**Rosalind M. Niamke,**

*Program Analyst, Office of Federal Advisory Committee Policy.*

[FR Doc. 2026–19457 Filed 9–22–26; 8:45 am]

**BILLING CODE 4140–01–P**

## DEPARTMENT OF HEALTH AND HUMAN SERVICES

### National Institutes of Health

### Center for Scientific Review; Amended Notice of Meeting

Notice is hereby given of a change in the meeting of the Musculoskeletal, Oral and Skin Sciences Integrated Review Group; Oral, Dental and Craniofacial Sciences Study Section, October 15, 2026, 08:00 a.m. to October 16, 2026, 07:00 p.m., National Institutes of Health, Rockledge II, 6701 Rockledge Drive, Bethesda, MD 20892 which was published in the **Federal Register** on August 31, 2026, Doc. 2026–17687, 91 FR 55890.

This meeting is being amended to change the start of meeting to 9.30 a.m. instead of 8.00 a.m. on October 15, 2026. Meeting dates will stay the same October 15–16, 2026. The meeting is closed to the public.

Dated: September 21, 2026.

**Margaret N. Vardanian,**

*Program Analyst, Office of Federal Advisory Committee Policy.*

[FR Doc. 2026–19459 Filed 9–22–26; 8:45 am]

**BILLING CODE 4167–05–P**

## DEPARTMENT OF HEALTH AND HUMAN SERVICES

### National Institutes of Health

### Government-Owned Inventions; Availability for Licensing

**AGENCY:** National Institutes of Health, HHS.

**ACTION:** Notice.

**SUMMARY:** The inventions listed below are owned by an agency of the U.S. Government and are available for licensing to achieve expeditious commercialization of results of federally-funded research for the benefit of the public health.

**FOR FURTHER INFORMATION CONTACT:** Licensing information may be obtained by emailing the indicated licensing contact at the National Heart, Lung, and Blood, Office of Technology Transfer and Development, 31 Center Drive, Room 4A25, MSC2479, Bethesda, MD 20892–2479; *NHLBI_TechTransfer@mail.nih.gov.* A signed Confidential Disclosure Agreement may be required to receive any unpublished information.

**SUPPLEMENTARY INFORMATION:** Technology description follows.

**Hematopoietic Stem Cell and Progenitor Cell Transplantation Therapy Technology**

Available for licensing and commercial development are patent rights covering recombinant bivalent (bi) single-chain variable fragment (scFV) minibody targeting the cMPL receptor on HSPCs, fused with diphtheria toxin (DT) truncated at residue 390 (DT390-biscFV(cMPL)) that can be used to deplete HSPCs with increased safety in patients undergoing HSPC transplantation. Patient conditioning is a critical initial step in hematopoietic stem and progenitor cell (HSPC) transplantation procedures, especially for leukemia patients, that enables marrow engraftment of infused cells. Conditioning regimens have traditionally been achieved by delivering cytotoxic doses of chemotherapeutic agents and radiation. However, these regimens are associated with significant morbidity and mortality and cannot be used safely in elderly or subjects with comorbidities.

*Potential Commercial Applications:*

- Use as a novel conditioning regimen with increased safety for patients undergoing transplantation.
- Investigational tool to study hematopoietic stem and progenitor cell (HSPC) biology and improve gene therapy and cell therapy.

*Competitive Advantages:*

• transplantation efficacy.

• Limits chemotherapeutic cytotoxicity.

• Better penetrants into deep tissue, such as bone marrow niche.

• Short half-life allowing rapid clearance before cell re-infusion.

• More efficiently dimerizes cMPL receptor than the whole IgG.

*Development Stage:*

• Preclinical.

• In vivo data available (animal).

*Related Publications:*

• Araki D, Hong SG, Linde N, Fisk B, Redekar N, Salisbury-Ruf C, Krouse A, Engels T, Golomb J, Dagur P, Panicker SR, Kanthi Y, Magnani DM, Wang Z, Larochelle A. cMPL-based purification and depletion of human hematopoietic stem cells: implications for pretransplant conditioning. Blood. 2025 Jun 19;145(25):2978–2991. doi: *10.1182/blood.2024024636.* PMID: 40009502; PMCID: PMC12226764.

*Intellectual Property:* HHS Ref. No.: E–188–2021–0.

• U.S. Provisional Application No. 63/251,883 filed October 4, 2022.

• PCT Application No. PCT/US22/77326 filed September 30, 2022.

• U.S. Application No. 18/688,899 filed March 4, 2024.

• European Patent Application No. 22813001.9 filed March 8, 2024.

• Israel Patent Application No. 311590 filed March 19, 2024.

• China Patent Application No. 202280065162.6 filed March 26, 2024.

*Collaborative Research Opportunity:* The National Heart, Lung, and Blood Institute is seeking statements of capability or interest from parties interested in collaborative research to further develop, evaluate, or commercialize this technology. For collaboration opportunities, please contact Dr. Vincent Kolesnitchenko, 301–594–4115 or *vk5q@nih.gov* and reference E–188–2021–0.

*Licensing Contact:* Vincent Kolesnitchenko, Ph.D.; 301–594–4115; *vk5q@nih.gov.*

''This Notice is in accordance with 37 CFR 404.4 Authority to grant licenses.''

Dated: September 21, 2026.

**Vincent A. Kolesnitchenko,**

*Senior Technology Transfer Manager, National Heart, Lung, and Blood Institute, Office of Technology Transfer and Development.*

[FR Doc. 2026–19431 Filed 9–22–26; 8:45 am]

**BILLING CODE 4167–05–P**

## DEPARTMENT OF HOMELAND SECURITY

## U.S. Customs and Border Protection

## Electronic Export Manifest for Truck Cargo Test

**AGENCY:** U.S. Customs and Border Protection, DHS.

**ACTION:** General notice.

**SUMMARY:** This document announces that U.S. Customs and Border Protection (CBP) will conduct an Automated Commercial Environment (ACE) Electronic Export Manifest (EEM) for Truck Cargo Test. The ACE EEM for Truck Cargo Test is a voluntary test in which truck export participants agree to the submission of certain limited export manifest data electronically at least 24 hours prior to departure from the United States to a foreign destination to then be complemented by the complete export manifest filing no later than two (2) hours prior to arrival at the final port of export. This notice provides a description of the test, sets forth eligibility requirements for participation, and invites public comment on any aspect of the test.

**DATES:** The test will begin on October 23, 2026 and will run for approximately two years, subject to any extension, modification, or early termination as announced in the **Federal Register**. CBP is accepting applications for participation in this planned test until CBP has received applications from nine parties that meet all test participant requirements. Comments concerning this notice and all aspects of the announced test may be submitted at any time during the test period.

**ADDRESSES:** Applications to participate in the Electronic Export Manifest for Truck Cargo Test must be submitted via email to: *cbptruckexportmanifest@cbp.dhs.gov.*

In the subject line of the email, please use ''Electronic Export Manifest for Truck Cargo Test Application.'' Written comments concerning program, policy, and technical issues may also be submitted via email *tocbptruckexportmanifest@cbp.dhs.gov.* In the subject line of the email, please use ''Comment on Electronic Export Manifest for Truck Cargo Test.''

**FOR FURTHER INFORMATION CONTACT:** David Garcia, Program Manager, Outbound Enforcement and Policy Branch, Office of Field Operations, CBP, via email at *cbptruckexportmanifest@cbp.dhs.gov.*

**SUPPLEMENTARY INFORMATION:**

### I. Background

*The National Customs Automation Program*

The National Customs Automation Program (NCAP) was established in Subtitle B of Title VI—Customs Modernization, in the North American Free Trade Agreement Implementation Act (Pub. L. 103–182, 107 Stat. 2057, Dec. 8, 1993) (Customs Modernization Act) (19 U.S.C. 1411–15). Through NCAP, the initial thrust of customs modernization was on trade compliance and the development of the Automated Commercial Environment (ACE). ACE is an automated and electronic system for commercial trade processing which is intended to streamline business processes, facilitate growth in trade, ensure cargo security, and foster participation in global commerce, while ensuring compliance with U.S. laws and regulations and reducing costs for U.S. Customs and Border Protection (CBP) and all of its communities of interest. The ability to meet these objectives depends on successfully modernizing CBP's business functions and the information technology that supports those functions. CBP's modernization efforts are accomplished through phased releases of ACE component functionality, which was designed to replace the paper function, or to create a new function. Each release begins with a test and ends with mandatory use of the new ACE feature. Each release builds on previous releases and sets the foundation for subsequent releases.

*Authorization for the Test*

The Customs Modernization Act provides the Commissioner of CBP with the authority to conduct limited test programs or procedures designed to evaluate planned components of the NCAP. The test described in this notice is authorized pursuant to the Customs Modernization Act, *see* 19 U.S.C. 1411–1415, and section 101.9(b) of title 19 of the Code of Federal Regulations (19 CFR 101.9(b)), which provides for the testing of NCAP programs or procedures. As provided in 19 CFR 101.9(b), for purposes of conducting an NCAP test, the Commissioner of CBP may impose requirements different from those specified in the CBP regulations.

*International Trade Data System (ITDS)*

This test is also in furtherance of the International Trade Data System (ITDS) key initiatives, set forth in section 405 of the Security and Accountability for Every Port Act of 2006 (Pub. L. 109–347, 120 Stat. 1884, Oct. 13, 2006) (SAFE Port Act) (19 U.S.C. 1411(d)). The stated purpose of ITDS is to eliminate redundant information requirements, efficiently regulate the flow of commerce, and effectively enforce laws and regulations relating to international trade, by establishing a single window system, operated by CBP, for the collection and distribution of standard electronic import and export data required by all participating Federal agencies. 19 U.S.C. 1411(d)(1)(B). CBP has developed and continues to develop ACE as the ''single window'' for the trade community to comply with the ITDS requirement established by the SAFE Port Act.

## II. Current Truck Cargo Export Information Requirements

Under existing regulations, truck carriers are not required to submit a manifest for cargo exported from the United States by truck. However, as discussed below, under 19 CFR 192.14, the U.S. Principal Party in Interest (USPPI) is required to submit certain advance information to CBP for export cargo leaving the United States by truck.[1]

Section 343(a) of the Trade Act of 2002 (Trade Act), as amended (19 U.S.C. 1415), authorizes CBP to promulgate regulations providing for the mandatory transmission of electronic cargo information by way of a CBP-approved electronic data interchange (EDI) system before the cargo is brought into or departs the United States by any mode of commercial transportation (sea, air, rail, or truck). The required cargo information is that which is reasonably necessary to enable high-risk shipments to be identified for purposes of ensuring cargo safety and security and preventing smuggling pursuant to the laws enforced and administered by CBP. Section 192.14 of title 19 of the Code of Federal Regulations (19 CFR 192.14) implements the requirements of the Trade Act with regard to cargo departing the United States.

While the truck carrier is not required to submit an export manifest, under 19 CFR 192.14, the USPPI must file in ACE, any required Electronic Export Information (EEI) pursuant to the Foreign Trade Regulations for all cargo being transported by the truck. The USPPI, or its authorized agent, must transmit and verify system acceptance of this EEI, generally no later than one hour prior to the arrival of the truck at the United States border to exit the country. 19 CFR 192.14(b)(1)(iii). If the cargo is subject to the U.S. Department of State, U.S. Munitions List, the EEI will be required eight hours prior to the arrival of the truck at the United States border to exit the country. 19 CFR 192.14(b)(2). The truck carrier may not load cargo without first receiving from the USPPI, or its authorized agent, either the related EEI filing citation, covering all cargo for which the EEI is required, or exemption legends, covering cargo for which EEI need not be filed. 19 CFR 192.14(c)(4). The outbound truck carrier must annotate the truck cargo manifest, waybill, or other export documentation with the applicable AES proof of filing, downtime, exclusion or exemption citations, conforming to the approved data formats found in the Bureau of the Census Foreign Trade Regulations (FTR) (15 CFR part 30).

## III. Description of the Electronic Export Manifest for Truck Cargo Test

*Purpose*

The Electronic Export Manifest for Truck Cargo Test will test the feasibility of requiring truck carriers to file export manifest data as well as test the functionality regarding the filing of export manifest data for truck cargo electronically in ACE in furtherance of the ITDS initiatives described above. ACE is a single automated export processing platform which is used for, among other things, certain export manifest, commodity, licensing, export control, and export targeting transactions.

The Electronic Export Manifest for Truck Cargo Test will also test the feasibility of requiring the truck carrier to submit manifest information electronically in ACE generally within a specified time before the cargo is loaded on the truck. As described in the paragraph below, participants in the test will submit certain limited export manifest data electronically to ACE at least 24 hours prior to departure from the United States to then be complemented by the complete export manifest filing no later than two (2) hours prior to arrival at the final port of export. This timeframe will enable CBP to link the EEI submitted by the USPPI with the export manifest information. CBP believes this capability will better enable CBP to assess risk and effectively target and inspect shipments prior to the loading of cargo to ensure compliance with all U.S. export laws.

CBP believes this process will also reduce costs for CBP, partner government agencies, and the trade community, improve facilitation of export shipments through the supply chain, and enable CBP to identify high-risk shipments for purposes of ensuring cargo safety and security, including compliance with export controls.

*Procedures*

Voluntary participants in the Electronic Export Manifest for Truck Cargo Test agree to provide certain limited export manifest data electronically at least 24 hours prior to departure from the United States to then be complemented by the complete export manifest filing no later than two (2) hours prior to arrival at the final port of export. The electronic export manifest data submission will be used to target high-risk truck cargo. CBP expects that test participants will have access to the manifest data early in the planning stages of an export truck cargo transaction and will be able to comply with these timeframes. CBP anticipates that these timeframes will provide CBP adequate time to perform proper risk assessment and identification of shipments to be inspected early enough in the supply chain to enhance security while minimizing disruption to the flow of goods. Although CBP will aim to identify shipments for inspection prior to loading, inspections could potentially happen at any time before the truck departs the United States.

Any truck cargo identified as potentially high-risk will receive a hold until required additional information related to the shipment is submitted to clarify non-descriptive, inaccurate, or insufficient information, a physical inspection is performed, or other appropriate action is taken, as specified by CBP. Once the cargo is cleared for loading, a release message will be generated and transmitted to the filer.

*Data Elements*

The following seven (7) data elements are considered advance or initial data designated as mandatory elements, and shall be submitted 24 hours prior to the departure from the United States to be complemented by the complete export manifest filing no later than two (2) hours prior to arrival at the final port of export:

(1) Bill of lading number, which is necessary to link the transmission to the cargo throughout the entire electronic manifest process;

(2) Cargo Quantity (the unit of measure, numbers and quantities for the cargo laden aboard the truck as contained in the bill[s] of lading, either master or house, as applicable [this means the quantity of the lowest

[1] The USPPI is defined in the Bureau of the Census Foreign Trade Regulations (FTR) as the person or legal entity in the United States that receives the primary benefit, monetary or otherwise, from the export transaction. 15 CFR 30.1. Generally, that person or entity is the U.S. seller, manufacturer, or order party, or the foreign entity while in the United States when purchasing or obtaining the goods for export. 15 CFR 30.3(b)(2).

external packaging unit; containers and pallets do not constitute acceptable information; for example, a container holding 10 pallets with 200 cartons should be described as 200 cartons]);

(3) Total weight of cargo expressed in pounds or kilograms;

(4) Precise cargo description (and the Harmonized Tariff Schedule (HTS) number(s) to the 6-digit level under which the cargo is classified if that information is received from the shipper) and weight of the cargo; or for a sealed container, the shipper's declared description and weight of the cargo (generic descriptions, specifically those such as ''FAK'' (''freight of all kinds''), ''general cargo'', and ''STC'' (''said to contain'') are not acceptable);

(5) Shipper's complete name and address from the bills of lading (for each house bill in a consolidated shipment, the identity of the vendor, supplier, manufacturer, or other similar party is acceptable; by contrast, the identity of the carrier, freight forwarder, consolidator, or broker, is not acceptable);

(6) Consignee's complete name and address from the bill(s) of lading. (The consignee is the party to whom the cargo will be delivered in a foreign country. However, in the case of cargo shipped ''to order of [a named party],'' the ''to order'' party must be named as the consignee; and if there is any other commercial party listed in the bill of lading for delivery or contact purposes, the carrier must also report this other commercial party's identity and contact information, including address, in the ''Notify party'' field.); and

(7) The Automated Export System (AES) Exemption Statement, as applicable.

The following Electronic Export Manifest for Truck Cargo Test data elements are identified as mandatory, conditional, and optional. Data elements that are indicated as ''mandatory'' must be transmitted to CBP. ''Conditional'' data must be transmitted to CBP only if the particular information pertains to the shipment or cargo. ''Optional'' data elements may be transmitted (by the carrier or its agent). The ACE Export Manifest for Truck Cargo data elements are to be submitted at the lowest bill level. If the information has been provided with the advance data elements, it need not be transmitted again unless there are updates or changes. The data elements for all shipments, including empty truck cars, consist of:

*Mandatory*

(1) Shipper's name and address, from the bill(s) of lading (for each house bill in a consolidated shipment, the identity of the vendor, supplier, manufacturer, or other similar party is acceptable; by contrast, the identity of the carrier, freight forwarder, consolidator, or broker, is not acceptable);

(2) Consignee's complete name and address from the bill(s) of lading. (The consignee is the party to whom the cargo will be delivered to in a foreign country. However, in the case of cargo shipped ''to order of [a named party],'' the ''to order'' party must be named as the consignee; and if there is any other commercial party listed in the bill of lading for delivery or contact purposes, the carrier must also report this other commercial party's identity and contact information, including address, in the ''Notify party'' field.);

(3) Driver information (Name and Address, Date of Birth, HazMat Endorsement, Driver License Number, State and Country of Issuance);

(4) U.S. Port of Export (authorized CBP port where the truck will cross the border into Canada or Mexico);

(5) Port of Unlading (The port in a foreign country where the goods are removed from the exporting carrier. The foreign port does not have to be located in the country of destination.);

(6) Standard Carrier Alpha Code (SCAC);

(7) Conveyance Vehicle Identification Number (VIN) or License Plate Number and State of Issuance;

(8) Manifest number (a unique number generated by the carrier);

(9) Estimated Date of Departure;

(10) Empty/Loaded Status Code;

(11) Bill of Lading (BOL) Number (SCAC + sequence number. A unique BOL number used by the reporting trade participant to identify the shipment or consolidation.);

(12) Precise cargo description (or the Harmonized Tariff Schedule (HTS) number(s) to the 6-digit level under which the cargo is classified if that information is received from the shipper) and weight of the cargo; or for a sealed container, the shipper's declared description and weight of the cargo (generic descriptions, specifically those such as ''FAK'' (''freight of all kinds''), ''general cargo'', and ''STC'' (''said to contain'') are not acceptable);

(13) Cargo Quantity (the unit of measure, numbers and quantities for the cargo laden aboard the truck as contained in the bill[s] of lading [this means the quantity of the lowest external packaging unit; containers and pallets do not constitute acceptable information; for example, a container holding 10 pallets with 200 cartons should be described as 200 cartons]);

(14) Cargo Weight (the weight of the cargo, or, for a sealed container, the shipper's declared weight of the cargo [lbs./kgs.]); and

(15) Bill of Lading type (house, simple, master).

*Conditional*

(1) Notify Party Name and Address (name and address of the party to be notified as specified in the carrier's/freight forwarder's contract of carriage or commercial sales);

(2) Crew information (Name and Address, Date of Birth, HazMat Endorsement, Driver License Number, State and Country of Issuance);

(3) Equipment Number (refers to the identification number of any trailing equipment or container attached to the power unit);

(4) Bill issuer code;

(5) Seal Number;

(6) Hazardous Material Code (internationally recognized hazardous material code when such cargo is being shipped by truck);

(7) Chemical Abstract Service (CAS) ID Number;

(8) Marks and Numbers;

(9) Internal Transaction Number (ITN) or EEI Filing Exemption Code or In-bond number;

(10) Mexican Pedimento Number (only for shipments exported to Mexico); and

(11) Vehicle Identification Number or Product Identification Number (new self-propelled vehicles only).

*Optional:* Place where carrier takes possession of cargo or empty container.

There are currently no additional data elements identified for the Electronic Export Manifest for Truck Cargo Test. However, CBP may enhance the test in the future with additional data or processing capabilities to assist with facilitation of truck shipment movements. Any such enhancement will be announced in the **Federal Register**.

## IV. Eligibility Requirements

CBP is limiting this test to nine truck carriers. There are no restrictions with regard to organization size, location, or commodity type. However, prospective Electronic Export Manifest for Truck Cargo Test participants must have the technical capability to electronically submit data to CBP through ACE. Participants can choose to submit data via the ACE Export Truck Manifest Trade Portal or the electronic data interchange (EDI) but, if choosing EDI, must be able to receive response message sets via Cargo-ANSI X12 or Unified XML and must successfully complete certification testing with their client representative. Once parties planning to utilize EDI have applied to participate, they must complete a test phase to determine if the data transmission is in the required readable format. Applicants will be notified once they have successfully completed testing and are permitted to participate fully in the test. In selecting participants, CBP will take into consideration the order in which the applications are received.

*Conditions of Participation*

Test participants agree to submit certain limited export manifest data electronically to CBP at least 24 hours prior to departure from the United States to then be complemented by the complete export manifest filing no later than two (2) hours prior to arrival at the final port of export. In addition, test participants agree to establish operational security protocols that correspond to CBP hold messages that mandate the participant to take responsive action and respond to CBP confirming that the requested action was taken to mitigate any threat identified, respond promptly with complete and accurate information when contacted by CBP with questions regarding the data submitted, and comply with any Do Not Load instructions.

Finally, test participants agree to participate in any teleconferences or meetings established by CBP, when necessary, to ensure any challenges, or operational or technical issues regarding the test, are properly communicated and addressed.

Participation in the Electronic Export Manifest for Truck Cargo Test does not impose any legally binding obligations on either CBP or the participant, and CBP generally does not intend to enforce or levy punitive measures if test participants are non-compliant with these conditions of participation during the test.

*Application Process and Acceptance*

Those interested in participating in the Electronic Export Manifest for Truck Cargo Test should submit an email to *CBPTruckExportManifestatcbptruckexportmanifest@cbp.dhs.gov,* stating their interest and their qualifications based on the above eligibility requirements. The email will serve as an electronic signature of intent to participate and must also include a point of contact name and telephone number. Applications will be accepted until CBP has received applications from nine parties that meet all test participant requirements. CBP will notify applicants whether they have been selected to participate in the test. Applicants will also be notified once they have successfully completed testing and are permitted to participate fully in the test.

Test participants will receive technical, operational, and policy guidance through all stages of test participation, from planning to implementation, on the necessary steps for the transmission of electronic export manifest data.

*Costs to Electronic Export Manifest for Truck Cargo Test Participants*

Electronic Export Manifest for Truck Cargo Test participants are responsible for all costs incurred as a result of their participation in the test and such costs will vary, depending on the participants' pre-existing infrastructures.

*Benefits to Electronic Export Manifest for Truck Cargo Test Participants*

While the benefits to Electronic Export Manifest for Truck Cargo Test participants will vary, several advantages of joining may include:

- Reduction in costs due to fewer examinations required after cargo is already loaded on the truck;
- Reduction in delays and associated costs as a result of fewer trucks being stopped for inspection at the borders or less cargo being returned to CBP custody for inspection once the cargo has departed the United States;
- More real time accurate transportation data, such as date and port of export, when linked to the AES EEI filing, thereby potentially reducing the likelihood of penalties (issued to exporters and/or carriers) pursuant to 15 CFR part 30 for incorrect information;
- Increases in security by leveraging CBP threat model and other data to employ a risk-based approach to improve truck cargo security and to ensure compliance with U.S. export laws, rules, and regulations through targeted screening;
- The ability to provide input into CBP efforts to establish, test, and refine the interface between government and industry communication systems for the implementation of the electronic export manifest system;
- Facilitation of corporate preparedness for future mandatory implementation of electronic export manifest submission requirements; and
- Facilitation of the movement of legitimate cargo being transported by truck across U.S. borders with Canada and Mexico.

## V. Regulatory and Statutory Requirements

Participation in the Electronic Export Manifest for Truck Cargo Test does not alter the participant's obligations to comply with any other applicable statutory and regulatory requirements and participants will still be subject to applicable penalties for non-compliance with existing requirements or any statutory sanctions in the event that a violation of U.S. export laws or prohibited articles are discovered within a shipment/container presented for export destined from the United States on a truck owned and/or operated by the participant.

## VI. Duration and Evaluation of the Electronic Export Manifest for Truck Cargo Test

The test will be activated on a case-by-case basis with each participant and may be limited to a single or small number of ports until any operational, training, or technical issues on either the trade or government side are established and/or resolved. The test will run for approximately two years from October 23, 2026. While the test is ongoing, CBP will evaluate the results and determine whether the test will be extended, expanded to include additional participants, or terminated early, otherwise modified. CBP will announce any such modifications by notice in the **Federal Register**. Upon sufficient test analysis, CBP intends to initiate rulemaking to require the submission of electronic export manifest data before the cargo is loaded onto the truck for all international shipments to be exported from the United States. The results of the test will help determine the relevant data elements, the timeframe within which data should be submitted to permit CBP to effectively target, identify, and mitigate any risk with the least impact practicable on trade operations, and any other related procedures and policies.

*Confidentiality*

All data submitted and entered into ACE is subject to the Trade Secrets Act (18 U.S.C. 1905) and is considered confidential, except to the extent otherwise provided by law. However, participation in this or any ACE test is not confidential and upon a written Freedom of Information Act (FOIA) request, the name(s) of an approved participant(s) will be disclosed by CBP in accordance with 5 U.S.C. 552.

*Misconduct Under the Test*

If a test participant fails to abide by the rules, procedures, or terms and conditions of this and all other applicable **Federal Register** Notices, fails to exercise reasonable care in the execution of participant obligations, or otherwise fails to comply with all applicable laws and regulations, then the participant may be suspended from participation in this test and/or subjected to penalties, liquidated damages, and/or other administrative or judicial sanction. Additionally, CBP has the right to suspend a test participant based on a determination that an unacceptable compliance risk exists.

If CBP determines that a suspension is warranted, CBP will notify the participant of this decision, the facts or conduct warranting suspension, and the date when the suspension will be effective. In the case of willful misconduct, or where public health interests or safety are concerned, the suspension may be effective immediately. This decision may be appealed in writing to the Executive Assistant Commissioner, Office of Field Operations, within 15 days of notification. The appeal should address the facts or conduct charges contained in the notice and state how the participant has or will achieve compliance. CBP will notify the participant within 30 days of receipt of an appeal whether the appeal is granted. If the participant has already been suspended, CBP will notify the participant if and when their participation in the test will be reinstated.

## VII. Paperwork Reduction Act

As noted above, CBP will be accepting no more than nine participants in the Electronic Export Manifest for Truck Cargo Test. This means that fewer than 10 persons will be subject to any information collections under this test. Accordingly, collections of information within this notice are exempted from the requirements of the Paperwork Reduction Act of 1995 (44 U.S.C. 3502 and 3507).

## VIII. Privacy

CBP will ensure that all Privacy Act requirements, 5 U.S.C. 552a, and applicable DHS privacy policies are adhered to as a result of this test. CBP has issued a Privacy Impact Assessment (PIA) for the Automated Commercial Environment (ACE),[2] and Export Information System (EIS),[3] which both outline how CBP ensures compliance with Privacy Act protections and DHS privacy policies, including DHS's Fair Information Practice Principles (FIPPs). The FIPPs account for the nature and purpose of the information being collected in relation to DHS's mission to preserve, protect and secure the United States. Both PIAs address issues such as the security, integrity, and sharing of data, use limitation, and transparency.

[2] *See* U.S. Department Of Homeland Security, U.S. Customs and Border Protection, Privacy Impact Assessment For The Automated Commercial Environment, DHS/CBP/PIA–003, *available at https://www.dhs.gov/privacy-impact-assessments.*

[3] *See* U.S. Department Of Homeland Security, U.S. Customs and Border Protection, Privacy Impact Assessment For The Export Information System, DHS/CBP/PIA–020, *available at https://www.dhs.gov/privacy-impact-assessments.*

**Diane J. Sabatino,**

*Executive Assistant Commissioner, Office of Field Operations.*

[FR Doc. 2026–19414 Filed 9–22–26; 8:45 am]

BILLING CODE 9111–14–P

## DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

**[Docket No. FR–6568–N–06]**

## Notice of HUD Vacant Loan Sales (HVLS 2027–1)

**AGENCY:** Office of the Assistant Secretary for Housing—Federal Housing Commissioner, (HUD).

**ACTION:** Notice of sales of reverse mortgage loans.

**SUMMARY:** This notice announces HUD's intention to offer approximately 4,200 home equity conversion mortgages (HECM, or reverse mortgage loans) secured by vacant properties with a loan balance of approximately $1.3 billion, in a competitive sale. This initiative supports HUD's continued efforts to reduce financial risk to the Mutual Mortgage Insurance Fund and promote the efficient disposition of defaulted assets. The sale will consist of due and payable Secretary-held reverse mortgage loans. The mortgage loans consist of first liens secured by single family, vacant residential properties, where all borrowers are deceased, and no borrower is survived by a non-borrowing spouse. This notice also generally describes the bidding process for the sale and certain entities who are ineligible to bid. This is the seventeenth sale offering of its type and will be held on October 27, 2026.

**DATES:** For this sale action, the Bidder's Information Package (BIP) will be made available to qualified bidders on or about September 17, 2026. Bids for the HVLS 2027–1 sale will be accepted on the Bid Date of October 27, 2026 prior to 1:00 p.m. ET (Bid Date). HUD anticipates that awards will be made on or about October 30, 2026 (the Award Date).

**ADDRESSES:** To become an eligible bidder and receive the BIP for the September sale, prospective bidders must complete, execute, and submit a Confidentiality Agreement, Qualification Statement and Attestation Addendum to the Qualification Statement acceptable to HUD. The documents will be available in preview form with free login on the Transaction Specialist (TS), Falcon Capital Advisors, website: *http://www.falconassetsales.com.* This website contains information and links to register for the sale and electronically complete and submit documents.

If you cannot submit electronically, please submit executed documents via mail or facsimile to Falcon Capital Advisors: Falcon Capital Advisors, 427 N Lee Street, Alexandria, VA 22314, Attention: Glenn Ervin, HUD HVLS Loan Sale Coordinator. eFax: 1–202–393–4125.

**FOR FURTHER INFORMATION CONTACT:** John Lucey, Director, Office of Asset Sales, Room 9216, Department of Housing and Urban Development, 451 Seventh Street SW, Washington, DC 20410–8000; telephone 202–708–2625, extension 3927 (this is not a toll-free number). HUD welcomes and is prepared to receive calls from individuals who are deaf or hard of hearing, as well as individuals with speech or communication disabilities. To learn more about how to make an accessible telephone call, please visit *https://www.fcc.gov/consumers/guides/telecommunications-relay-service-trs.*

**SUPPLEMENTARY INFORMATION:** This notice announces HUD's intention to sell due and payable Secretary-held reverse mortgage loans in HVLS 2027–1. HUD is offering approximately 4,200 reverse mortgage notes with a loan balance of approximately $1.3 billion. The mortgage loans consist of first liens secured by single family, vacant residential properties, where the borrower and co-borrowing spouse are deceased, and heirs have not come forward in the time elapsed. A listing of the mortgage loans will be included in the due diligence materials made available to eligible bidders. The mortgage loans will be sold without FHA insurance and with servicing released.

## The Bidding Process

The BIP describes in detail the procedure for bidding in HVLS 2027–1. The BIP also includes the applicable standardized non-negotiable Conveyance, Assignment and Assumption Agreements for HVLS

2027–1 (CAA). The CAAs will contain first look requirements.

HUD will evaluate the bids submitted and determine the successful bids, in terms of the best value to HUD, in its sole and absolute discretion. If a bidder is successful, it will be required to submit a deposit which will be calculated based upon the total dollar value of the bidder's potential award. Award will be contingent on receiving the deposit in the timeframe outlined in the bid deposit confirmation. The deposit amount will be applied to the sale price on the settlement date.

This notice provides some of the basic terms of sale. The CAA will be released in the BIP or BIP Supplement, as applicable. These documents provide comprehensive contractual terms and conditions to which eligible bidders will acknowledge and agree. To ensure a competitive bidding process, the terms of the bidding process and the CAA are not subject to negotiation.

**Due Diligence Review**

The BIP describes how eligible bidders may access the due diligence materials remotely via a high-speed internet connection.

**Mortgage Loan Sale Policy**

HUD reserves the right to remove mortgage loans from a sale at any time prior to the Award Date and the settlement date for the mortgage loans. HUD also reserves the right to reject any and all bids, in whole or in part, and include any unsold reverse mortgage loans from the HVLS 2027–1 sale in a later sale. Deliveries of mortgage loans will occur in conjunction with settlement and servicing transfer no later than 60 days after the Award Date.

The reverse mortgage loans offered for sale were insured by and were assigned to HUD pursuant to section 255 of the National Housing Act, as amended. The sale of the reverse mortgage loans is pursuant to HUD's authority in section 204(g) of the National Housing Act.

**Mortgage Loan Sale Procedure**

HUD selected an open competitive whole-loan sale as the method to sell the reverse mortgage loans for this specific sale transaction. For the HVLS 2027–1 sale, HUD has determined that this method of sale optimizes HUD's return on the sale of these reverse mortgage loans, affords the greatest opportunity for all eligible bidders to bid on the reverse mortgage loans, and provides the quickest and most efficient vehicle for HUD to dispose of the due and payable reverse mortgage loans.

**Bidder Ineligibility**

In order to bid in HVLS 2027–1 as an eligible bidder, a prospective bidder must complete, execute, and submit a Confidentiality Agreement and a Qualification Statement (HUD–9611) and an Attestation to the Qualification Statement that is acceptable to HUD. In past sales, nonprofit and governmental entities were able to submit an addendum (HUD–9612), which required additional certifications and documentation regarding the entity's organizational structure. This additional information collection will be removed for HVLS 2027–1. Nonprofit and governmental entities will be required to certify eligibility only under the Qualification Statement (HUD–9611). The Confidentiality Agreement, Qualification Statement and Attestation collectively are the ''Qualification Statement Documents.''

In the Qualification Statement, the prospective bidder must disclose its key employees, including officers, directors and other decision makers and provide certain representations and warranties regarding the prospective bidder, including (i) the prospective bidder's board of directors, (ii) the prospective bidder's direct parent, (iii) the prospective bidder's subsidiaries, (iv) any related entity with which the prospective bidder shares a common officer, director, subcontractor or sub-contractor who has access to Confidential Information as defined in the Confidentiality Agreement or is involved in the formation of a bid transaction (collectively the ''Related Entities''), and (v) the prospective bidder's repurchase lenders. The prospective bidder is ineligible to bid on any of the reverse mortgage loans included in HVLS 2027–1 if the prospective bidder, its Related Entities, or its repurchase lenders, are any of the following, unless other exceptions apply as provided for in the Qualification Statement.

1. An individual or entity that is currently debarred, suspended, or excluded from doing business with HUD pursuant to the Governmentwide Suspension and Debarment regulations at 2 CFR parts 180 and 2424;

2. An individual or entity that is currently suspended, debarred, or otherwise restricted by any department or agency of the federal government or of a state government from doing business with such department or agency;

3. An individual or entity that is currently debarred, suspended, or excluded from doing mortgage related business, including having a business license suspended, surrendered or revoked, by any federal, state, or local government agency, division, or department;

4. An entity that has had its right to act as a Government National Mortgage Association (''Ginnie Mae'') issuer terminated and its interest in mortgages backing Ginnie Mae mortgage-backed securities extinguished by Ginnie Mae;

5. An individual or entity that is in violation of its neighborhood stabilizing outcome obligations or post-sale reporting requirements under a Conveyance, Assignment and Assumption Agreement executed for a past sale;

6. An employee of HUD's Office of Housing, a member of such employee's household, or an entity owned or controlled by any such employee or member of such an employee's household with household to be inclusive of the employee's father, mother, stepfather, stepmother, brother, sister, stepbrother, stepsister, son, daughter, stepson, stepdaughter, grandparent, grandson, granddaughter, father-in-law, mother-in-law, brother-in-law, sister-in-law, son-in-law, daughter-in-law, first cousin, the spouse of any of the foregoing, and the employee's spouse;

7. A contractor, subcontractor, and/or consultant or advisor (including any agent, employee, partner, director, or principal of any of the foregoing) who performed services for or on behalf of HUD in connection with the sale;

8. An individual or entity that knowingly acquired or will acquire prior to the sale date material non-public information, other than that information which is made available to Bidder by HUD pursuant to the terms of this Qualification Statement, about mortgage loans offered in the sale;

9. An individual or entity which knowingly employs or uses the services of an employee of HUD's Office of Housing (other than in such employee's official capacity); or

10. An individual or entity that knowingly uses the services, directly or indirectly, of any person or entity ineligible under 1 through 9 to assist in preparing any of its bids on the mortgage loans.

The Qualification Statement has additional representations and warranties which the prospective bidder must make, including but not limited to the representation and warranty that the prospective bidder or its Related Entities are not and will not knowingly use the services, directly or indirectly, of any person or entity that is, any of the following (and to the extent that any such individual or entity would prevent the prospective bidder from making the following representations, such individual or entity has been removed from participation in all activities related to this sale and has no ability to influence or control individuals involved in formation of a bid for this sale):

(1) An entity or individual is ineligible to bid on any included reverse mortgage loan or on the pool containing such reverse mortgage loan because it is an entity or individual that:

(a) Serviced or held such reverse mortgage loan at any time during the six-month period prior to the bid, or

(b) Is any principal of any entity or individual described in the preceding sentence;

(c) Any employee or subcontractor of such entity or individual during that six-month period; or

(d) Any entity or individual that employs or uses the services of any other entity or individual described in this paragraph in preparing its bid on such reverse mortgage loan.

Also, in alignment with Title X of the 21st Century ROAD to Housing Act, Public Law 119–101, prospective bidders must provide an attestation that no mortgage loan will result in an acquisition of the security property in circumstances that would be prohibited by the Act.

## Freedom of Information Act Requests

HUD reserves the right, in its sole and absolute discretion, to disclose information regarding HVLS 2027–1, including, but not limited to, the identity of any successful qualified bidder and its bid price or bid percentage for any pool of loans or individual loan, upon the closing of the sale of all the mortgage loans. Even if HUD elects not to publicly disclose any information relating to HVLS 2027–1, HUD will disclose any information that HUD is obligated to disclose pursuant to the Freedom of Information Act and all regulations promulgated thereunder.

## Scope of Notice

This notice applies to HVLS 2027–1 and does not establish HUD's policy for the sale of other mortgage loans.

**Joseph M. Gormley,**

*President of the Government National Mortgage Association performing the delegable duties of the Assistant Secretary for Housing—Federal Housing Commissioner.*

[FR Doc. 2026–19458 Filed 9–22–26; 8:45 am]

BILLING CODE 4210–67–P

## DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

[Docket No. FR–6548–N–05]

## Credit Watch Termination Initiative; Terminations of Direct Endorsement (DE) Approval

**AGENCY:** Office of the Assistant Secretary for Housing–Federal Housing Commissioner, Department of Housing and Urban Development (HUD).

**ACTION:** Notice.

**SUMMARY:** This notice advises of the cause and effect of terminations of Direct Endorsement (DE) approval taken by HUD's Federal Housing Administration (FHA) against HUD-approved mortgagees through the FHA Credit Watch Termination Initiative. This notice includes a list of mortgagees that have had their DE Approval terminated.

**FOR FURTHER INFORMATION CONTACT:** John Higgins, Director, Quality Assurance Division, Office of Housing, Department of Housing and Urban Development, 451 Seventh Street SW, Washington, DC 20410–8000; telephone (202) 402–6730 (this is not a toll-free number). HUD welcomes and is prepared to receive calls from individuals who are deaf or hard of hearing, as well as individuals with speech or communication disabilities. To learn more about how to make an accessible telephone call, please visit *https://www.fcc.gov/consumers/guides/telecommunications-relay-service-trs.*

**SUPPLEMENTARY INFORMATION:** HUD has the authority to address deficiencies in the performance of lenders' loans as provided in HUD's mortgagee approval regulations at 24 CFR 202.3. On May 17, 1999, HUD published a notice (64 FR 26769) on its procedures for terminating Origination Approval Agreements with FHA lenders and placement of FHA lenders on Credit Watch status (an evaluation period). In the notice, HUD advised that it would publish in the **Federal Register** a list of mortgagees that have had their Approval Agreements terminated. HUD Handbook 4000.1 section V.E.3.a.iii outlines current procedures for terminating Underwriting Authority of Direct Endorsement mortgagees.

*Termination of Direct Endorsement Approval:* HUD approval of a DE mortgagee authorizes the mortgagee to underwrite single-family mortgage loans and submit them to FHA for insurance endorsement. The approval may be terminated on the basis of poor performance of FHA-insured mortgage loans underwritten by the mortgagee. The termination of a mortgagee's DE Approval is separate and apart from any action taken by HUD's Mortgagee Review Board under HUD regulations at 24 CFR part 25.

*Cause:* HUD regulations and policy permit HUD to terminate the DE Approval of any mortgagee having a default and claim rate for loans endorsed within the preceding 24 months that exceeds 200 percent of the default and claim rate within the geographic area served by a HUD field office, and that exceeds the national default and claim rate for insured mortgages.

*Effect:* Termination of DE Approval precludes the mortgagee from underwriting FHA-insured single-family mortgages within the HUD field office jurisdiction(s) listed in this notice. Mortgagees authorized to hold or service FHA-insured mortgages may continue to do so.

Loans that closed or were approved before the termination became effective may be submitted for insurance endorsement. Approved loans are those already underwritten and approved by a DE underwriter and cases covered by a firm commitment issued by HUD. Cases at earlier stages of processing cannot be submitted for insurance by the terminated mortgagee; however, the cases may be transferred for completion of processing and underwriting to another mortgagee with DE Approval in that geographic area. Mortgagees must continue to pay existing insurance premiums and meet all other obligations associated with insured mortgages.

A terminated mortgagee may apply for reinstatement if their DE Approval in the affected area or areas has been terminated for at least six months and the mortgagee continues to be an approved mortgagee meeting the requirements of 24 CFR 202.5, 202.6, 202.7, 202.10 and 202.12. The mortgagee's application for reinstatement must be in a format prescribed by the Secretary and signed by the mortgagee. In addition, the application must be accompanied by an independent analysis of the terminated office's operations as well as its mortgage production, specifically including the FHA-insured mortgages cited in its termination notice. This independent analysis must identify the underlying cause for the mortgagee's high default and claim rate. The analysis must be prepared by an independent Certified Public Accountant (CPA) qualified to perform audits under Government Auditing Standards as provided by the Government Accountability Office. The mortgagee must also submit a written corrective action plan to address each of the issues identified in the CPA's report, along with evidence that the plan has been implemented. The application for reinstatement must be submitted through the Lender Electronic Assessment Portal (LEAP). The application must be accompanied by the CPA's report and the corrective action plan.

*Action:* The following mortgagees have had their DE Approval terminated by HUD:

| Mortgagee name | Mortgagee home office address | HUD office jurisdictions | Termination effective date | Homeownership centers |
|---|---|---|---|---|
| Equity Prime Mortgage LLC .. | 5 Concourse Pkwy., Ste. 2250, Atlanta, GA 30328–7121. | Cleveland Miami Phoenix | 8/19/2026 | Philadelphia Atlanta Santa Ana. |
| American Financial Network .. | 10 Pointe Dr., Ste. 330, Brea, CA 92821–7620. | Baltimore .......................... | 8/19/2026 | Philadelphia. |
| Sun West Mortgage Co Inc ... | 18303 Gridley Rd., Cerritos, CA 90703–5401. | Houston ........................... | 8/3/2026 | Denver. |

**Paul M. Olin,**

*Acting General Deputy Assistant Secretary, Office of Housing.*

[FR Doc. 2026–19455 Filed 9–22–26; 8:45 am]

**BILLING CODE 4210–67–P**

## DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

**[Docket No. FR–6618–N–01]**

## Notice of Informal Presentation of Views

**AGENCY:** Office of the Assistant Secretary for Housing, Federal Housing Commissioner, HUD.

**ACTION:** Notice.

**SUMMARY:** HUD will gather information through a written Informal Presentation of Views to allow the Secretary to reach a fully informed decision on whether to suspend or revoke the authority of Dale Mull to inspect manufactured home installations.

**DATES:** *Close of Written Informal Presentation of Views:* The deadline for receiving documentary evidence is October 13, 2026.

**ADDRESSES:** Interested persons are invited to submit documentary evidence, including written statements or submissions of supporting documentation, regarding this Notice. Please submit all written documentation to the Office of Manufactured Housing Programs, Housing and Urban Development, 451 7th St. SW, Room 9252, Washington, DC 20410. Digital statements and documentation can be sent by email to *mhs@hud.gov* with the docket number included in the heading. Each document that is submitted in this proceeding must display the document number of this proceeding, ''EB–IP2026–02,'' on the front page.

**FOR FURTHER INFORMATION CONTACT:** Angelo Wallace, Civil (Structural) Engineer, Office of Manufactured Housing Programs; email address: *Angelo.M.Wallace@hud.gov;* telephone: 202–402–3848. HUD welcomes and is prepared to receive calls from individuals who are deaf or hard of hearing, as well as from individuals with speech or communication disabilities. To learn more about how to make an accessible telephone call, please visit: *www.fcc.gov/consumers/guides/telecommunications-relay-service-trs.*

**SUPPLEMENTARY INFORMATION:**

### I. Statutory and Regulatory Background

The Secretary of the United States Department of Housing and Urban Development (''Secretary'') administers the National Manufactured Housing Construction and Safety Standards Act of 1974 (42 U.S.C. 5401 *et seq.*) (''the Act''). Under this authority, the Secretary administers the Manufactured Home Construction and Safety Standards (24 CFR part 3280) and the Manufactured Home Procedural and Enforcement Regulations (24 CFR part 3282), as well as the Manufactured Home Installation Program that includes certification of installation in HUD-Administered states (24 CFR part 3286). The Manufactured Home Procedural and Enforcement Regulations prescribe procedures for the enforcement of the Secretary's administration of these standards. Under 24 CFR 3286.511(c), the Secretary may suspend or revoke an installation inspector's authority for cause, including among other things, failing to comply with the requirements of 24 CFR parts 3285 and 3286.

### II. Informal Presentation of Views for Mr. Mull

Dale Mull currently has inspection authority to perform inspections of manufactured home installations in HUD-Administered states. The Office of Manufactured Housing Programs received multiple consumer complaints regarding manufactured home inspections performed by Mr. Mull. An investigation showed that Mr. Mull failed to properly inspect for the minimum elements established by 24 CFR 3286.505 and attested satisfaction with installation requirements related to at least seven manufactured home installations in Atlantic County, New Jersey, a HUD-Administered state, that did not conform with the Model Manufactured Home Installation Standards, (24 CFR part 3285).

Accordingly, on October 2, 2024, the Secretary notified Mr. Mull of the intent to suspend or revoke his inspection authority in accordance with 24 CFR 3286.511(c). On October 23, 2024, Mr. Mull responded and requested a presentation of views. Along with this request, Mr. Mull submitted a statement and documentation. Upon consideration of the factors identified in 24 CFR 3282.152(c)(4), the Secretary has determined that an Informal Presentation of Views will be held in accordance with the provisions of 24 CFR 3282.152(f). The parties involved in this proceeding are Dale Mull and the Secretary.

Jason McJury is hereby designated as the presiding officer for all proceedings. Mr. McJury is the Deputy Administrator of HUD's Office of Manufactured Housing Programs. Inquiries should be directed to the person listed under For Further Information Contact above. All submissions will be taken in writing and considered by the presiding officer. The presiding officer will review written statements and documentary evidence as soon as practicable following the closing date of this notice. As provided for by 24 CFR 3282.153, interested persons may participate in the Informal Presentation of Views by presenting documentary evidence regarding this Notice to the address identified above or by sending digital statements and documentation to the email address identified above.

**Janet Golrick,**

*Director, National Disaster Coordinator, Performing the Delegable Duties of the General Deputy Assistant Secretary for the Office of Housing.*

[FR Doc. 2026–19460 Filed 9–22–26; 8:45 am]

**BILLING CODE 4210–67–P**

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## DEPARTMENT OF THE INTERIOR

### Bureau of Land Management

**[A2407–014–004–065516; #O2509–014–004–125222; COCO106084509; COC–0124534]**

### Public Land Order No. 7971; Extension of Withdrawal of Public Land for the United States Army, Fort Carson-Piñon Canyon Maneuver Site, Colorado

**AGENCY:** Bureau of Land Management, Interior.

**ACTION:** Public Land Order.

**SUMMARY:** This Public Land Order (PLO) extends the duration of the withdrawal established by the National Defense Authorization Act for Fiscal Year 1997 and extended by PLO No. 7783 for an additional 15-year period. The withdrawal would otherwise expire on September 22, 2026. The Act withdrew approximately 3,133 acres of public lands and approximately 11,415 acres of federally owned minerals at the Fort Carson Military Reservation, and approximately 2,517 acres of public lands and approximately 130,139 acres of federally owned minerals at the Army's Piñon Canyon Maneuver Site. This extension is necessary to allow and protect the Army's exclusive use of the area for military maneuvering, training and weapons firing, and other defense-related purposes consistent with those specified in the Act.

**DATES:** This PLO takes effect on September 23, 2026.

**FOR FURTHER INFORMATION CONTACT:** Jennifer Jardine, Realty Specialist, Bureau of Land Management (BLM) Colorado State Office, at (970) 385–1224, email: *jjardine@blm.gov.* Individuals in the United States who are deaf, deafblind, hard of hearing, or have a speech disability may dial 711 (TTY, TDD, or Tele Braille) 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:** The purpose for which Congress withdrew and reserved these lands in 1996 requires this extension for military maneuvering, training and weapons firing and for other defense related purposes. The Army informed the Secretary of the Interior that extension of PLO No. 7783 for an additional 15 years is necessary to continue protecting the lands for military readiness purposes as described in the National Defense Authorization Act for Fiscal Year 1997 (Pub. L. 104–201).

### Order

By virtue of the authority vested in the Secretary of the Interior by section 204 of the Federal Land Policy and Management Act of 1976, 43 U.S.C. 1714, it is ordered as follows:

1. Subject to valid existing rights, the withdrawal established by subtitle A of Title XXIX of the National Defense Authorization Act for Fiscal Year 1997 (Pub. L. 104–201, Sept. 23, 1996) and extended by PLO No. 7783 (76 FR 59157 (2011)), is hereby extended for an additional 15-year period. Public Law 104–201 withdrew approximately 3,133 acres of public lands and 11,415 acres of federally owned minerals at the Fort Carson Military Reservation, and 2,517 acres of public lands and approximately 130,139 acres of federally owned minerals from all forms of appropriation under the public land laws, including the mining laws, mineral and geothermal leasing laws, and mineral materials disposal laws, and reserved the lands for use by the Army for military maneuvering, training and weapons firing, and other consistent defense-related purposes as specified in Subtitle A of the Public Law 104–201. The public lands and mineral estates referenced in the Public Law are described as follows:

**Surface and Minerals in Fort Carson Base**

**Sixth Principal Meridian, Colorado**

T. 15 S., R. 66 W.,
Sec. 22, NW¼NE¼.
T. 17 S., R. 66 W.,
T. 5, lot 1;
Sec. 18, lot 3.
T. 18 S., R. 66 W.,
Sec. 9, SE¼NE¼, SW¼SW¼, NE¼SE¼, and S½SE¼;
Sec. 14, NE¼NE¼;
Sec. 20, S½NE¼ and S½NW¼.
T. 16 S., R. 67 W.,
Sec. 11, E½SE¼;
Sec. 14, E½NE¼NW¼;
Sec. 26, NW¼NW¼.
T. 17 S., R. 67 W.,
Sec. 35, NW¼.
T. 18 S., R. 67 W.,
Sec. 12, SE¼SW¼;
Sec. 17, NW¼;
Sec. 19, lots 3 and 4, SE¼NW¼, and NE¼SW¼;
Sec. 23, NW¼NW¼;
Sec. 28, SE¼NW¼ and NE¼SW¼;
Sec. 29, SW¼;
Sec. 30, lots 1, 3, and 4, E½, and E½SW¼;
Sec. 31, lots 1 thru 4, W½NE¼, E½NW¼, E½SW¼, and W½SE¼.
T. 18 S., R. 68 W.,
Sec. 13, W½SW¼ and NE¼SE¼;
Sec. 24, NW¼NE¼, NW¼, W½SW¼, and SE¼SE¼;
Sec. 25, N½NE¼, N½NW¼, and E½SE¼.

The areas described aggregate 3,131 acres.

**Minerals Only in Fort Carson Base**

**Sixth Principal Meridian, Colorado**

T. 17 S., R. 66 W.,
Sec. 31, E½NE¼;
Sec. 32, NW¼;
Sec. 33, W½NW¼;
Sec. 34, SW¼NE¼ and SW¼SW¼.
T. 18 S., R. 66 W.,
Sec. 2, SE¼;
Sec. 6, lot 5;
Sec. 11, NE¼;
Sec. 19, S½SE¼;
Sec. 20, SW¼SW¼;
Sec. 22, S½SE¼;
Sec. 23, E½SE¼;
Sec. 27, N½NE¼, SW¼NW¼, and SW¼;
Sec. 29, NW¼NW¼, SE¼NW¼, SW¼, and W½SE¼;
Sec. 30, lot 4, SE¼NW¼, E½SW¼, and SE¼SE¼;
Sec. 31, lots 1 and 2, NE¼NE¼, S½NE¼, and SE¼NW¼;
Sec. 32, N½NE¼, SE¼NE¼, N½NW¼, and E½SE¼;
Sec. 34, E½NW¼, E½SW¼, and NE¼SE¼;
Sec. 35, NW¼, N½SW¼, SW¼SW¼, and SE¼.
T. 19 S., R. 66 W.,
Sec. 5, lot 3 and SE¼NW¼.
T. 17 S., R. 67 W.,
Sec. 14, W½NW¼ and S½;
Sec. 15, E½ and SW¼;
Sec. 17, N½SE¼.
T. 18 S., R. 67 W.,
Sec. 2, lots 1 and 2, SE¼NE¼, SW¼, and NE¼SE¼;
Sec. 7, lots 3 and 4, E½SW¼, N½SE¼, and SW¼SE¼;
Sec. 8, NW¼SW¼ and SE¼SW¼;
Sec. 10, S½NE¼, SW¼NW¼, W½SW¼, SE¼SW¼, and SE¼;
Sec. 11, E½ and NW¼;
Sec. 12, NE¼NE¼, W½NE¼, NW¼, N½SW¼, SW¼SW¼, and W½SE¼;
Sec. 13, W½NW¼ and W½SW¼;
Sec. 14, E½;
Sec. 15, W½ and SE¼;
Sec. 19, S½NE¼ and SE¼;
Sec. 20, NE¼NW¼, W½NW¼, and W½SW¼;
Sec. 22;
Sec. 23, NE¼, E½NW¼, SW¼NW¼, E½SW¼, NW¼SW¼, and N½SE¼;
Sec. 24, W½NE¼, W½, and W½SE¼;
Sec. 25, W½NE¼, E½NW¼, and SE¼NW¼SE¼;
Sec. 26, E½NW¼, SW¼NW¼, and W½SW¼;
Sec. 27;
Sec. 29, NW¼NE¼ and NW¼;
Sec. 31, E½NE¼ and E½SE¼;
Sec. 32, W½NW¼ and W½SW¼;

Sec. 34, NE¼;
Sec. 35, SW¼ and SW¼SE¼.
T. 18 S., R. 68 W.,
Sec. 11, SE¼SE¼SE¼, that portion lying easterly of the easterly right-of-way line of State Highway 115;
Sec. 12, NE¼SW¼, W½SW¼, E½SE¼, and NW¼SE¼, those portions lying easterly of the easterly right-of-way line of State Highway 115;
Sec. 13, W½NW¼;
Sec. 14, NE¼NE¼, that portion lying easterly of the easterly right-of-way line of State Highway 115.

The areas described aggregate 11,415 acres.

**Surface and Minerals in Pinon Canyon Maneuver Area**

**Sixth Principal Meridian, Colorado**

T. 30 S., R. 59 W.,
Sec. 6, lot 4;
Sec. 31, lot 2.
T. 30 S., R. 60 W.,
Sec. 8, N½;
Sec. 10, N½;
Sec. 12, S½;
Sec. 13, N½;
Sec. 21, N½NE¼ and N½NW¼;
Sec. 22, NW¼;
Sec. 25, NE¼NE¼, S½NE¼, SE¼SW¼, and SE¼;
Sec. 26, N½NW¼;
Sec. 29, N½NE¼;
Sec. 33, S½NE¼, S½SW¼, and SE¼;
Sec. 35, SE¼SE¼.

The areas described aggregate 2,517 acres.

## Minerals Only in Pinon Canyon Maneuver Area

Portions of the Pinon Canyon Maneuver Area are defined by the northwesterly or left rim of the Purgatoire River Canyon when facing downstream, hereafter referred to as the ''rim.''

**Sixth Principal Meridian, Colorado**

T. 28 S., R. 55 W.,
Sec. 4, lots 2, 3, and 4, and SW¼NW¼, those portions lying northwesterly of the rim;
Sec. 5, lots 1 thru 4, S½NE¼, S½NW¼, NE¼SW¼, and NW¼SE¼;
Sec. 6, lots 1 thru 7, SE¼NE¼, SE¼NW¼, and NE¼SW¼;
Sec. 7, lots 1 and 2;
Sec. 18, lot 4, that portion lying westerly of the rim (oil & gas);
T. 28 S., R. 56 W.,
Sec. 1, lot 1, SE¼NE¼, E½SW¼, NW¼SW¼, and SE¼;
Sec. 2, lot 1;
Secs. 3 and 4;
Sec. 5, lots 1 thru 4, S½SW¼, and SW¼SE¼;
Sec. 6, lots 1 thru 5, S½NE¼, SE¼NW¼, and SE¼;
Sec. 7, NE¼, NE¼NW¼, and NE¼SE¼;
Sec. 8, W½NE¼, W½, and NW¼SE¼;
Sec. 9;
Sec. 10, N½;
Sec. 11, W½NE¼, NW¼, and N½SW¼;
Sec. 12, NE¼ and E½NW¼;
Sec. 13, NE¼NW¼;
Sec. 14, SE¼SE¼, that portion lying northwesterly of the rim, S½NE¼, S½NW¼, SW¼, and W½SE¼;
Sec. 21, NE¼NE¼, W½, and W½SE¼;
Sec. 22, E½NE¼, SW¼NE¼ (oil & gas), SE¼NW¼, and N½SE¼ (oil & gas);
Sec. 23, NE¼ and SW¼SE¼, those portions lying westerly and northwesterly of the rim, and W½;
Sec. 26, NW¼NW¼;
Sec. 27, E½NE¼, SW¼NE¼, E½SW¼, and NW¼SE¼;
Sec. 28, W½NW¼ and W½SW¼;
Sec. 29, N½, N½SW¼, and SE¼;
Sec. 31, lot 4;
Sec. 32, E½ and S½SW¼;
Sec. 33, S½NW¼.
T. 29 S., R. 56 W.,
Sec. 4, lots 3 and 4, and S½NW¼, those portions lying northerly of the rim;
Sec. 5, lot 3 and S½SW¼ (oil & gas), those portions lying westerly of the rim, lot 4 and SE¼NW¼ (oil & gas);
Sec. 6, lots 1 thru 7, S½NE¼ (oil & gas), SE¼NW¼, E½SW¼, N½SE¼ (oil & gas) and S½SE¼;
Sec. 7, S½NE¼, SE¼SW¼, and NW¼SE¼, those portions lying westerly of the rim, lots 1 thru 4, NE¼NE¼ (oil and gas), NW¼NE¼, E½NW¼, and NE¼SW¼;
Sec. 8, NW¼NW¼, that portion lying westerly of the rim (oil & gas);
Sec. 19, lot 1, that portion lying westerly of the rim.
T. 28 S., R. 57 W.,
Sec. 1, lots 1 thru 4;
Sec. 2, lots 1 thru 4, S½NE¼, N½SW¼, and SE¼;
Sec. 3, lots 2, 3, and 4, SW¼NE¼, S½NW¼, SW¼, and N½SE¼;
Sec. 4, lots 1 thru 4, S½NE¼, S½NW¼, SE¼SW¼, and SE¼;
Sec. 5, lots 1 and 2, S½NE¼, and S½;
Sec. 6, lots 1 thru 7, S½NE¼, SE¼NW¼, NE¼SW¼, and N½SE¼;
Sec. 7, lots 1 thru 4, SE¼NE¼, E½SW¼, and SE¼;
Sec. 8, N½ and W½SW¼;
Sec. 9, NE¼NW¼ and NE¼SE¼;
Sec. 10, NW¼NE¼, NE¼NW¼, and SW¼SW¼;
Sec. 11, NE¼ and N½SE¼;
Sec. 12, SW¼NW¼, SW¼, W½SE¼, and SE¼SE¼;
Sec. 13, N½;
Sec. 14;
Sec. 15, E½, S½NW¼, and SW¼;
Sec. 18, lots 1, 2, and 3;
Sec. 22, NE¼, SW¼SW¼, and E½SE¼;
Sec. 23;
Sec. 24, NW¼NE¼, N½NW¼, and SW¼NW¼;
Sec. 25, W½;
Sec. 26, E½;
Sec. 27, N½, W½SW¼, and E½SE¼;
Sec. 28, NE¼NE¼, W½NE¼, W½, and W½SE¼;
Sec. 29;
Sec. 30, lots 3 and 4, E½, E½NW¼, and E½SW¼;
Sec. 31, lots 1 and 2, E½, E½NW¼, and E½SW¼;
Sec. 32, N½, NE¼SW¼, and N½SE¼;
Sec. 33, N½NE¼, N½NW¼, SW¼NW¼, W½SW¼, and SE¼SW¼;
Sec. 34, NE¼, N½NW¼, SW¼NW¼, and N½SE¼.
T. 29 S., R. 57 W.,
Sec. 2, SW¼SE¼;
Sec. 3, lots 3 and 4, S½NW¼, NE¼SW¼, and S½SW¼;
Sec. 6, lot 1, SE¼NE¼, and NW¼SE¼;
Sec. 7, lot 4, N½NE¼, SW¼NE¼, SE¼SW¼ and S½SE¼;
Sec. 8, S½NE¼ and NE¼SE¼;
Sec. 9, E½NE¼, SW¼NE¼, S½NW¼, N½SW¼, and SE¼;
Sec. 10, W½NW¼ and SW¼SW¼;
Sec. 11, NE¼, N½NW¼, and N½SE¼;
Sec. 12, N½NW¼, SW¼NW¼, SW¼, and SW¼SE¼;
Sec. 13, N½ and N½SW¼;
Sec. 14, E½, N½NW¼, and SW¼;
Sec. 15, SW¼NE¼, SE¼NW¼, NE¼SW¼, and SE¼;
Sec. 17, E½NE¼ and SW¼NW¼;
Sec. 18, lots 1 thru 4 and SE¼;
Sec. 19, lots 1, 2, and 3, E½, SE¼NW¼, and NE¼SW¼;
Sec. 20, S½;
Sec. 21;
Sec. 22, SW¼NE¼, W½NW¼, SE¼NW¼, N½SW¼, and SE¼;
Sec. 23, NW¼NE¼, N½NW¼, and S½;
Sec. 24, S½SW¼ and S½SE¼, those portions lying northerly and northwesterly of the rim, NE¼, S½NW¼, N½SW¼, and N½SE¼;
Sec. 25, NW¼NE¼ and N½NW¼, those portions lying northwesterly of the rim;
Sec. 26, SE¼NE¼, S½SW¼, and SE¼, those portions lying westerly and northwesterly of the rim, N½NE¼, SW¼NE¼, NW¼, and N½SW¼;
Sec. 27, E½, NE¼NW¼, S½NW¼, and SW¼;
Sec. 28, NW¼NE¼, S½NE¼, W½, and SE¼;
Sec. 29;
Sec. 30, lots 3 and 4, N½NE¼, E½SW¼, NE¼SE¼, and S½SE¼;
Secs. 31, 32, and 33;
Sec. 34, N½, SW¼, W½SE¼, and SE¼SE¼;
Sec. 35, W½NW¼ and SW¼SW¼, those portions lying westerly and northwesterly of the rim.
T. 30 S., R. 57 W.,
Sec. 3, SW¼SW¼, that portion lying northwesterly of the rim, lots 3 and 4, SW¼NW¼, and NW¼SW¼;
Secs. 4 thru 7;
Sec. 8, N½NE¼, W½SE¼, and SE¼SE¼;
Sec. 9, S½SW¼, that portion lying northerly of the rim, and NE¼SW¼;
Sec. 17, E½NE¼, N½SW¼, E½SE¼, and NW¼SE¼, those portions lying westerly and northerly of the rim, W½NE¼, and NW¼;
Sec. 18, lot 1, N½NE¼, and NE¼NW¼;
Sec. 19, S½NE¼, SE¼NW¼, NE¼SW¼, those portions lying westerly and northwesterly of the rim, and lots 2 and 3;
Sec. 30, lot 2 and NE¼NW¼, those portions lying westerly of the rim, and lot 1.
T. 28 S., R. 58 W.,
Sec. 11, NE¼, SW¼, and W½SE¼;

Sec. 12, N½ and E½SE¼;
Sec. 13, N½, SW¼, and N½SE¼;
Sec. 14, N½, NE¼SW¼, N½SE¼, and SE¼SE¼;
Sec. 19, lots 1 thru 4, N½NE¼, E½NW¼, E½SW¼, and SE¼;
Sec. 20;
Sec. 21, S½;
Sec. 22, N½, SW¼, W½SE¼, and SE¼SE¼;
Sec. 23, SE¼SE¼;
Sec. 24, S½SW¼ and SW¼SE¼;
Sec. 25, NW¼NE¼, S½NE¼, W½, and SE¼;
Sec. 26, NE¼NE¼, S½NE¼, SE¼NW¼, NE¼SW¼, S½SW¼, and SE¼;
Secs. 27 and 28;
Sec. 29, N½;
Sec. 30, lots 1, 2, and 4, E½, E½NW¼, and E½SW¼;
Sec. 31;
Sec. 32, E½;
Sec. 33, W½;
Sec. 34;
Sec. 35, N½NE¼, SE¼NE¼, N½NW¼, SW¼NW¼, SW¼SW¼, and SE¼SE¼.

T. 29 S., R. 58 W.,
Sec. 1, lots 2, 3, and 4, SE¼NE¼, S½NW¼, and SW¼SE¼;
Sec. 2, lots 1 thru 4, S½NE¼, and S½NW¼;
Sec. 3, lots 1 thru 4, S½NE¼, and S½NW¼;
Secs. 4 and 5;
Sec. 6, lots 1 thru 6, S½NE¼, SE¼NW¼, E½SW¼, and SE¼;
Sec. 7, E½NE¼, E½SE¼, and NW¼SE¼;
Sec. 8;
Sec. 9, N½, SW¼, N½SE¼, and SE¼SE¼;
Sec. 10, W½NW¼, SW¼, and S½SE¼;
Sec. 11, N½ and NE¼SE¼;
Sec. 12, NW¼NE¼ and NW¼NW¼;
Sec. 13, NE¼, NE¼SW¼, SW¼SW¼, N½SE¼, and SE¼SE¼;
Sec. 14, E½, E½NW¼, NW¼NW¼, E½SW¼, and SW¼SW¼;
Sec. 15, N½NE¼, NW¼, S½SW¼, and S½SE¼;
Sec. 17, W½NE¼, NW¼, S½SW¼, and S½SE¼;
Sec. 18, lots 2, 3, and 4, NE¼NE¼, W½NE¼, E½NW¼, E½SW¼, W½SE¼, and SE¼SE¼;
Sec. 19, lots 1 thru 4, N½NE¼, E½NW¼, SE¼SW¼, and S½SE¼;
Sec. 20, E½, N½NW¼, SE¼NW¼, and S½SW¼;
Sec. 21, N½, SW¼, and N½SE¼;
Sec. 22, N½, N½SW¼, and N½SE¼;
Sec. 23, N½NE¼, NW¼, and SE¼SE¼;
Sec. 24, E½NE¼, W½NW¼, and E½SE¼;
Sec. 25, S½NE¼, N½NW¼, S½SW¼, and SE¼;
Sec. 26, N½NE¼, NW¼NW¼, N½SW¼, and N½SE¼;
Sec. 27;
Sec. 28, S½NW¼ and S½;
Secs. 29, 30, and 31;
Sec. 32, S½;
Sec. 33;
Sec. 34, E½;
Sec. 35, SW¼.

T. 30 S., R. 58 W.,
Sec. 2, lots 3 and 4, S½NW¼, and S½;
Sec. 3, lots 1 and 4, SE¼NE¼, SW¼NW¼, W½SW¼, and E½SE¼;
Sec. 4;
Sec. 5, lots 3 and 4, S½NW¼, and SW¼;
Sec. 6, lots 3 thru 7, SE¼NW¼, and E½SW¼;
Sec. 7, lots 1, 2, and 3, E½, E½NW¼, and E½SW¼;
Sec. 8, W½, W½SE¼, and SE¼SE¼;
Sec. 9, E½ and NW¼;
Sec. 10, W½;
Secs. 11 and 12;
Sec. 13, N½NE¼, SW¼NE¼ (oil & gas), SE¼NE¼, W½, and SE¼;
Sec. 14;
Sec. 15, NW¼;
Sec. 17;
Sec. 18, lot 4, E½NE¼, SE¼SW¼, and S½SE¼;
Secs. 19 and 20;
Sec. 21, NW¼NE¼, SW¼NE¼ (oil & gas), SE¼NE¼, N½NW¼, SW¼NW¼, and NW¼SW¼;
Sec. 22, W½SW¼ and NW¼SE¼;
Sec. 23, N½NE¼, NW¼SW¼, and SE¼SW¼;
Sec. 24, NE¼ and N½SE¼;
Sec. 25, SE¼NE¼ and W½SE¼, those portions lying westerly of the rim, NE¼NE¼, SW¼NE¼, W½NW¼, SE¼NW¼, and SW¼;
Sec. 26, NE¼NE¼, S½NE¼, NW¼NW¼, S½NW¼, and S½;
Sec. 27, W½NE¼, W½, and W½SE¼;
Sec. 28, NE¼NE¼, S½NE¼, S½NW¼, and S½;
Sec. 29, NW¼NE¼, NW¼, W½SW¼, and SE¼SW¼;
Sec. 30, lots 1 and 2, NE¼, and E½NW¼;
Sec. 32, N½;
Sec. 33, E½;
Sec. 34, W½NE¼, NW¼, N½SW¼, and NW¼SE¼;
Sec. 35, N½, SW¼, and W½SE¼, those portions lying northerly and westerly of the rim.

T. 31 S., R. 58 W.,
Sec. 2, SW¼NE¼ and W½SE¼, those portions lying westerly of the rim, SE¼NW¼, and SW¼;
Sec. 3, lot 4, SW¼NE¼, SW¼NW¼, NW¼SW¼, and E½SE¼;
Sec. 4, E½SW¼ and SE¼;
Sec. 5, lots 1 and 2, S½NE¼, SE¼SW¼, and SE¼;
Sec. 6, lots 1 thru 6, S½NE¼, and SE¼;
Sec. 7, lots 1, 2, and 3 (oil & gas), NE¼, N½SE¼, and SW¼SE¼;
Sec. 8, N½, NE¼SW¼, N½SE¼, and SE¼SE¼;
Sec. 9, SW¼SE¼, that portion lying northwesterly of the rim (oil & gas), N½NE¼, SE¼NE¼, NE¼NW¼, and SE¼NW¼ (oil & gas);
Sec. 10, S½NE¼ and N½SE¼, those portions lying northerly and westerly of the rim, and NE¼NE¼;
Sec. 11, NW¼NE¼ and NE¼NW¼, those portions lying northerly of the rim, and NW¼NW¼;

T. 28 S., R. 59 W.,
Sec. 24, E½, E½NW¼, and SW¼;
Sec. 25.

T. 29 S., R. 59 W.,
Secs. 1 thru 4;
Sec. 5, lots 1, 2, and 3, S½NE/14, S½NW¼, SW¼, and NW¼SE¼;
Sec. 7, lots 3 and 4, E½SW¼, and SE¼;
Sec. 9;
Sec. 10, NE¼, N½NW¼, and N½SE¼;
Sec. 11;
Sec. 12, W½NE¼, NW¼, W½SW¼, and NW¼SE¼;
Sec. 13, S½;
Sec. 14, E½;
Sec. 15, W½;
Sec. 17, NW¼NE¼, S½NE¼, W½SW¼, SE¼SW¼, and SE¼;
Sec. 18, lots 1 thru 4, E½NW¼, E½SW¼, and SE¼;
Sec. 19;
Sec. 20, SW¼NE¼, NW¼, N½SW¼, SE¼SW¼, and SE¼;
Sec. 21, NE¼NE¼, S½NE¼, and S½;
Secs. 22, 23, and 24;
Sec. 25, N½NE¼, N½NW¼, and S½;
Secs. 26 and 27;
Sec. 28, N½NE¼, N½NW¼, and S½SW¼;
Sec. 29, NE¼NE¼, SW¼, W½SE¼, and SE¼SE¼;
Sec. 30, lots 1 and 2, W½NE¼, SE¼NE¼, E½NW¼, NE¼SW¼ (oil & gas) N½SE¼, SW¼SE¼ (oil & gas), and SE¼SE¼;
Sec. 31, lots 2 and 3 (oil & gas), E½NE¼, W½NE¼ (oil & gas), SE¼NW¼ (oil & gas), NE¼SW¼ (oil & gas), and SE¼ (oil & gas);
Sec. 32, N½, N½SW¼ (oil & gas), SW¼SW¼ (oil & gas), and N½SE¼ (oil & gas);
Sec. 33, SE¼NE¼, N½NW¼, and SW¼NW¼;
Sec. 34, S½;
Sec. 35, NE¼ and NE¼SE¼.

T. 30 S., R. 59 W.,
Sec. 1, lots 1 and 2, S½NE¼, and SE¼;
Sec. 2, W½SW¼ and SE¼SW¼;
Sec. 3, lots 1 thru 4, S½NE¼, S½NW¼, SW¼, N½SE¼, and SE¼SE¼;
Sec. 4;
Sec. 5, S½NE¼, S½NW¼, and S½;
Sec. 6, lots 5, 6, and 7, S½NE¼, SE¼NW¼, E½SW¼, and SE¼;
Sec. 7;
Sec. 8, W½;
Sec. 9, W½;
Sec. 10, NE¼;
Sec. 11;
Sec. 12, SE¼NE¼, SW¼NW¼, N½SW¼, and SW¼SW¼;
Sec. 13, NW¼SW¼, S½SW¼, and S½SE¼;
Sec. 14;
Sec. 15, NE¼NW¼, W½SW¼, SE¼SW¼, and SE¼;
Sec. 18;
Sec. 19, lots 1 and 2, E½, and E½NW¼;
Sec. 20, E½, S½NW¼, and SW¼;
Secs. 21, 23, 24, and 25;
Sec. 26, E½NE¼, W½NW¼, W½SW¼, and E½SE¼;
Secs. 27 and 28;
Sec. 29, N½NE¼, SW¼NE¼, and N½NW¼;
Sec. 30, lots 3 and 4, W½NE¼, SE¼NW¼, E½SW¼, and W½SE¼;
Sec. 31, lots 1 and 3, NW¼NE¼, S½NE¼, E½NW¼, NE¼SW¼, and N½SE¼;
Sec. 32, SW¼NW¼, SW¼, and W½SE¼;
Sec. 34, S½;
Sec. 35, S½.

T. 31 S., R. 59 W.,
Sec. 1, lots 3 and 4, S½NW¼, and SW¼;
Sec. 2;
Sec. 3, lots 1 thru 4, S½NE¼, S½NW¼, N½SW¼, SE¼SW¼, and SE¼;
Sec. 4, NE¼SW¼, S½SW¼, NE¼SE¼, and S½SE¼;
Sec. 5, lots 2 and 3, SW¼, W½SE¼, and SE¼SE¼;
Sec. 6, lots 1 thru 7, S½NE¼, SE¼NW¼, and E½SW¼;
Sec. 7, lot 2, SW¼NE¼, SE¼NW¼, and E½SE¼, those portions lying northerly of a line 10 feet northerly of and parallel to the center line of Las Animas County Road 54, lot 1, N½NE¼, SE¼NE¼, and NE¼NW¼;
Sec. 8, S½SW¼, that portion lying northerly of a line 10 feet northerly of and parallel to the center line of Las Animas County Road 54, E½NE¼, SW¼NE¼, N½SW½, N½SE¼, and SW¼SE¼;
Sec. 9;
Sec. 10, N½, SW¼, and S½SE¼;
Sec. 11, N½ and S½SW¼;
Sec. 12, E½ and N½NW¼;
Sec. 14, N½NW¼ and SW¼NW¼;
Sec. 15, N½NE¼, SW¼NE¼, and N½NW¼.
Sec. 17, NW¼NE¼, that portion lying northeasterly of a line 10 feet northerly of and parallel to the center line of Las Animas County Road 54.

T. 29 S., R. 60 W.,
Sec. 9, SE¼NE¼ and NE¼SE¼, those portions lying southeasterly of the southeasterly right-of-way line for U.S. Highway 350, and SE¼SE¼;
Sec. 10, S½NE¼, SW¼NW¼, NW¼SW¼, S½SW¼, and S½SE¼;
Sec. 11, NE¼NE¼, S½NE¼, SE¼NW¼, E½SW¼, and SE¼;
Secs. 12 thru 15;
Sec. 17, S½SW¼, that portion lying southeasterly of the southeasterly right-of-way line of U.S. Highway 350;
Sec. 21, E½;
Sec. 22, 23, and 24;
Sec. 25, N½, SW¼, and NW¼SE¼;
Sec. 26;
Sec. 33, SE¼;
Sec. 34;
Sec. 35, N½NE¼, SE¼NE¼, NW¼NW¼, and SW¼.

T. 30 S., R. 60 W.,
Sec. 1, S½;
Secs. 2 and 3;
Sec. 10, NW¼SW¼, S½SW¼, NE¼SE¼, and S½SE¼;
Sec. 11;
Sec. 12, N½;
Sec. 13, S½;
Secs. 14 and 15;
Sec. 19, lot 1, N½NE¼, and NE¼NW¼;
Sec. 20, W½NE¼ and N½NW¼;
Sec. 21, S½NW¼ and SW¼;
Sec. 22, E½ and E½SW¼;
Sec. 23, W½NW¼, SW¼, and W½SE¼;
Sec. 24, N½ and N½SE¼;
Sec. 25, S½NW¼ and N½SW¼;
Sec. 26, NE¼, S½NW¼, and NE¼SE¼;
Sec. 27, N½NE¼, SE¼NE¼, NE¼NW¼, S½SW¼, and SW¼SE¼;
Sec. 28, N½NW¼, S½SW¼, and S½SE¼;
Sec. 33, N½NE¼, N½NW¼, and SW¼NW¼;
Sec. 34, N½NE¼, NW¼NW¼, S½SW¼, NE¼SE¼, and S½SE¼;
Sec. 35, S½NE¼, W½, N½SE¼, and SW¼SE¼.

T. 31 S., R. 60 W.,
Sec. 1, N½SW¼ and W½SE¼, those portions lying northerly and northeasterly of a line 10 feet northerly of and parallel to the center line of Las Animas County Road 54, lots 1 thru 4 (oil & gas), S½NE¼ (oil & gas), S½NW¼ (oil & gas), and E½SE¼;
Sec. 2, S½NW¼, NE¼SW¼, NE¼SE¼, and NW¼SE¼ (oil & gas), those portions lying northerly of a line 10 feet northerly of and parallel to the center line of Las Animas County Road 54, lots 1 thru 4 (oil & gas), and S½NE¼ (oil and gas); sec. 3, S½NE¼, that portion lying northeasterly of a line 10 feet northerly of and parallel to the center line of Las Animas County Road 54, lot 1 (oil & gas), and lot 2; sec. 12, NE¼NE¼, that portion lying northeasterly of a line 10 feet northerly of and parallel to the center line of Las Animas County Road 54.

T. 29 S., R. 61 W.,
Sec. 25, N½NE¼, a metes-and-bounds parcel contiguous to U.S. Highway 350 in the SE¼NE¼, and E½SE¼

The areas described aggregate 130,651 acres.

The areas described, including both surface and mineral estates, aggregate approximately 147,714 acres in El Paso, Pueblo, Fremont, and Las Animas Counties.

2. This withdrawal will expire 15 years from the effective date of this Order, unless, as a result of review conducted prior to the expiration date pursuant to section 204(f) of the Federal Land Policy and Management Act of 1976, 43 U.S.C. 1714(f), the Secretary determines that the withdrawal shall be further extended.

(Authority: 43 U.S.C. 1714.)

**Doug Burgum,**

*Secretary of the Interior.*

[FR Doc. 2026–19461 Filed 9–22–26; 8:45 am]

BILLING CODE 4331–16–P

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## DEPARTMENT OF THE INTERIOR

### National Park Service

[N7514; NPS–WASO–NAGPRA–NPS0043812; PPWOCRADN0–PCU00RP14.R50000]

### Notice of Inventory Completion: Indiana State University, Terre Haute, IN

**AGENCY:** National Park Service, Interior.

**ACTION:** Notice.

**SUMMARY:** In accordance with the Native American Graves Protection and Repatriation Act (NAGPRA), Indiana State University (ISU) has completed an inventory of human remains and associated funerary objects and has determined that there is a cultural affiliation between the human remains and associated funerary objects and Indian Tribes or Native Hawaiian organizations in this notice.

**DATES:** Repatriation of the human remains and associated funerary objects in this notice may occur on or after October 23, 2026.

**ADDRESSES:** Send written requests for repatriation of the human remains and associated funerary objects in this notice to Karla Hansen-Speer, Indiana State University, Earth and Environmental Systems Department, 600 N Chestnut Street, Terre Haute, IN 47809, email *karla.hansen-speer@indstate.edu.*

**SUPPLEMENTARY INFORMATION:** This notice is published as part of the National Park Service's administrative responsibilities under NAGPRA. The determinations in this notice are the sole responsibility of Indiana State University, and additional information on the determinations in this notice, including the results of consultation, can be found in its inventory or related records. The National Park Service is not responsible for the determinations in this notice.

#### Abstract of Information Available

Human remains representing, at least, two individuals have been identified. The one associated funerary object is a turkey bone awl. These individuals were removed from 12–D–0094 in Dearborn County, IN. The burials were accidentally exposed during the construction of a trailer berth in May 1990. At the request of the Dearborn County Coroner, Indiana State University staff exhumed the burials. To our knowledge, no hazardous substances have been used to treat the human remains or funerary belonging.

#### Cultural Affiliation

Based on the information available and the results of consultation, cultural affiliation is reasonably identified by the geographical location or acquisition history of the human remains and associated funerary objects described in this notice.

#### Determinations

Indiana State University has determined that:

- The human remains described in this notice represent the physical remains of two individuals of Native American ancestry.
- The one object described in this notice is reasonably believed to have

been placed intentionally with or near individual human remains at the time of death or later as part of the death rite or ceremony.

• There is a connection between the human remains and associated funerary objects described in this notice and the Absentee-Shawnee Tribe of Indians of Oklahoma; Eastern Shawnee Tribe of Oklahoma; Miami Tribe of Oklahoma; Peoria Tribe of Indians of Oklahoma; Pokagon Band of Potawatomi Indians, Michigan and Indiana; Quapaw Nation; Shawnee Tribe; and The Osage Nation.

**Requests for Repatriation**

Written requests for repatriation of the human remains and associated funerary objects in this notice must be sent to the authorized representative identified in this notice under **ADDRESSES**. Requests for repatriation may be submitted by:

1. Any one or more of the Indian Tribes or Native Hawaiian organizations identified in this notice.

2. Any lineal descendant, Indian Tribe, or Native Hawaiian organization not identified in this notice who shows, by a preponderance of the evidence, that the requestor is a lineal descendant or an Indian Tribe or Native Hawaiian organization with cultural affiliation.

Repatriation of the human remains and associated funerary objects described in this notice to a requestor may occur on or after October 23, 2026. If competing requests for repatriation are received, Indiana State University must determine the most appropriate requestor prior to repatriation. Requests for joint repatriation of the human remains and associated funerary objects are considered a single request and not competing requests. Indiana State University is responsible for sending a copy of this notice to the Indian Tribes and Native Hawaiian organizations identified in this notice and any other consulting parties.

*Authority:* Native American Graves Protection and Repatriation Act, 25 U.S.C. 3003, and the implementing regulations, 43 CFR 10.10.

Dated: September 17, 2026.

**Melanie O'Brien,**

*Manager, National NAGPRA Program.*

[FR Doc. 2026–19477 Filed 9–22–26; 8:45 am]

**BILLING CODE 4312–52–P**

**DEPARTMENT OF THE INTERIOR**

**National Park Service**

**[N7513; NPS–WASO–NAGPRA–NPS0043811; PPWOCRADN0–PCU00RP14.R50000]**

## Notice of Inventory Completion: The University of Kansas, Lawrence, KS

**AGENCY:** National Park Service, Interior.

**ACTION:** Notice.

**SUMMARY:** In accordance with the Native American Graves Protection and Repatriation Act (NAGPRA), the University of Kansas has completed an inventory of human remains and associated funerary objects and has determined that there is a cultural affiliation between the human remains and associated funerary objects and Indian Tribes or Native Hawaiian organizations in this notice.

**DATES:** Repatriation of the human remains and associated funerary objects in this notice may occur on or after October 23, 2026.

**ADDRESSES:** Send written requests for repatriation of the human remains and associated funerary objects in this notice to Katie McClure, The University of Kansas, Biodiversity Institute & Natural History Museum, Division of Archaeology, 1340 Jayhawk Blvd., Lawrence, KS 66045, email *repatriation@ku.edu.*

**SUPPLEMENTARY INFORMATION:** This notice is published as part of the National Park Service's administrative responsibilities under NAGPRA. The determinations in this notice are the sole responsibility of the University of Kansas, and additional information on the determinations in this notice, including the results of consultation, can be found in its inventory or related records. The National Park Service is not responsible for the determinations in this notice.

**Abstract of Information Available**

Human remains representing, at least, one individual has been identified. The 142 associated funerary objects are four drills, 91 projectile points, one complete ceramic pipe, four ceramic pipe fragments, 24 bifaces, 14 ceramic sherds, one bone fragment, two scrapers, and one groundstone gorget. This individual and associated funerary objects were removed from or around the Pamunkey Indian Tribe Reservation in King William County, Virginia by James Sheldon Carey. Carey was present there in 1934 and 1935 as a ceramics instructor for the Pamunkey Pottery School. In 1944, Carey moved to Lawrence, Kansas where he became a professor of fine arts at the University of Kansas (KU). He later donated his collection to KU in 1996. KU has no knowledge of the presence of any potentially hazardous substances or treatments.

**Cultural Affiliation**

Based on the information available and the results of consultation, cultural affiliation is reasonably identified by the geographical location and acquisition history of the human remains and associated funerary objects described in this notice.

**Determinations**

The University of Kansas has determined that:

• The human remains described in this notice represent the physical remains of one individual of Native American ancestry.

• The 142 objects described in this notice are reasonably believed to have been placed intentionally with or near individual human remains at the time of death or later as part of the death rite or ceremony.

• There is a connection between the human remains and associated funerary objects described in this notice and the Pamunkey Indian Tribe.

**Requests for Repatriation**

Written requests for repatriation of the human remains and associated funerary objects in this notice must be sent to the authorized representative identified in this notice under **ADDRESSES**. Requests for repatriation may be submitted by:

1. Any one or more of the Indian Tribes or Native Hawaiian organizations identified in this notice.

2. Any lineal descendant, Indian Tribe, or Native Hawaiian organization not identified in this notice who shows, by a preponderance of the evidence, that the requestor is a lineal descendant or an Indian Tribe or Native Hawaiian organization with cultural affiliation.

Repatriation of the human remains and associated funerary objects described in this notice to a requestor may occur on or after October 23, 2026. If competing requests for repatriation are received, the University of Kansas must determine the most appropriate requestor prior to repatriation. Requests for joint repatriation of the human remains and associated funerary objects are considered a single request and not competing requests. The University of Kansas is responsible for sending a copy of this notice to the Indian Tribes and Native Hawaiian organizations identified in this notice and any other consulting parties.

*Authority:* Native American Graves Protection and Repatriation Act, 25 U.S.C. 3003, and the implementing regulations, 43 CFR 10.10.

Dated: September 17, 2026.

**Melanie O'Brien,**

*Manager, National NAGPRA Program.*

[FR Doc. 2026–19476 Filed 9–22–26; 8:45 am]

**BILLING CODE 4312–52–P**

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## DEPARTMENT OF THE INTERIOR

### National Park Service

**[N7518; NPS–WASO–NAGPRA–NPS0043822; PPWOCRADN0–PCU00RP14.R50000]**

### Notice of Inventory Completion: Auburn University at Montgomery, Montgomery, AL

**AGENCY:** National Park Service, Interior.

**ACTION:** Notice.

**SUMMARY:** In accordance with the Native American Graves Protection and Repatriation Act (NAGPRA), Auburn University at Montgomery has completed an inventory of human remains and associated funerary objects and has determined that there is a cultural affiliation between the human remains and associated funerary objects and Indian Tribes or Native Hawaiian organizations in this notice.

**DATES:** Repatriation of the human remains and associated funerary objects in this notice may occur on or after October 23, 2026.

**ADDRESSES:** Send written requests for repatriation of the human remains and associated funerary objects in this notice to Kimberly Pyszka, Auburn University at Montgomery, P.O. Box 244023, Montgomery, AL 36124, email *nagpra@aum.edu.*

**SUPPLEMENTARY INFORMATION:** This notice is published as part of the National Park Service's administrative responsibilities under NAGPRA. The determinations in this notice are the sole responsibility of Auburn University at Montgomery, and additional information on the determinations in this notice, including the results of consultation, can be found in its inventory or related records. The National Park Service is not responsible for the determinations in this notice.

#### Abstract of Information Available

Human remains representing, at least, one individual has been identified. The 556 associated funerary objects are 423 pottery sherds, 50 lithics, 12 faunal bones, two shell, 31 metal objects, 34 glass shards, and four fired clay. 1EE32, Tuckabatchee, is located on a terrace of the Tallapoosa River in Elmore County, AL. The site was excavated by David Chase in 1966 and 1967 and then surface collected by Jack Mitchell in 1982. During these excavations, human remains and associated funerary objects were removed from the site. These human remains and associated funerary objects were then housed in the AUM Archaeology Laboratory. No known hazardous substances were used to treat any of the human remains or associated funerary objects.

#### Cultural Affiliation

Based on the information available and the results of consultation, cultural affiliation is reasonably identified by the geographical location or acquisition history of the human remains and associated funerary objects described in this notice.

#### Determinations

Auburn University at Montgomery has determined that:

- The human remains described in this notice represent the physical remains of one individual of Native American ancestry.
- The 556 objects described in this notice are reasonably believed to have been placed intentionally with or near individual human remains at the time of death or later as part of the death rite or ceremony.
- There is a connection between the human remains and associated funerary objects described in this notice and the Alabama-Coushatta Tribe of Texas; Alabama-Quassarte Tribal Town; Coushatta Tribe of Louisiana; Eastern Shawnee Tribe of Oklahoma; Jena Band of Choctaw Indians; Kialegee Tribal Town; Mississippi Band of Choctaw Indians; Poarch Band of Creek Indians; Seminole Tribe of Florida; Shawnee Tribe; The Muscogee (Creek) Nation; The Seminole Nation of Oklahoma; and the Thlopthlocco Tribal Town.

#### Requests for Repatriation

Written requests for repatriation of the human remains and associated funerary objects in this notice must be sent to the authorized representative identified in this notice under **ADDRESSES**. Requests for repatriation may be submitted by:

1. Any one or more of the Indian Tribes or Native Hawaiian organizations identified in this notice.
2. Any lineal descendant, Indian Tribe, or Native Hawaiian organization not identified in this notice who shows, by a preponderance of the evidence, that the requestor is a lineal descendant or an Indian Tribe or Native Hawaiian organization with cultural affiliation.

Repatriation of the human remains and associated funerary objects described in this notice to a requestor may occur on or after October 23, 2026. If competing requests for repatriation are received, Auburn University at Montgomery must determine the most appropriate requestor prior to repatriation. Requests for joint repatriation of the human remains and associated funerary objects are considered a single request and not competing requests. Auburn University at Montgomery is responsible for sending a copy of this notice to the Indian Tribes and Native Hawaiian organizations identified in this notice and any other consulting parties.

*Authority:* Native American Graves Protection and Repatriation Act, 25 U.S.C. 3003, and the implementing regulations, 43 CFR 10.10.

Dated: September 17, 2026.

**Melanie O'Brien,**

*Manager, National NAGPRA Program.*

[FR Doc. 2026–19480 Filed 9–22–26; 8:45 am]

**BILLING CODE 4312–52–P**

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## DEPARTMENT OF THE INTERIOR

### National Park Service

**[N7510; NPS–WASO–NAGPRA–NPS0043808; PPWOCRADN0–PCU00RP14.R50000]**

### Notice of Intended Repatriation: California Department of Parks and Recreation, Sacramento, CA

**AGENCY:** National Park Service, Interior.

**ACTION:** Notice.

**SUMMARY:** In accordance with the Native American Graves Protection and Repatriation Act (NAGPRA), the California Department of Parks and Recreation intends to repatriate certain cultural items that meet the definition of objects of cultural patrimony and that have a cultural affiliation with the Indian Tribes or Native Hawaiian organizations in this notice.

**DATES:** Repatriation of the cultural items in this notice may occur on or after October 23, 2026.

**ADDRESSES:** Send additional, written requests for repatriation of the cultural items in this notice to Dr. Leslie L. Hartzell, NAGPRA Coordinator, California Department of Parks and Recreation, P.O. Box 942896, Sacramento, CA 94296–0001, email *Leslie.Hartzell@parks.ca.gov.*

**SUPPLEMENTARY INFORMATION:** This notice is published as part of the National Park Service's administrative responsibilities under NAGPRA. The determinations in this notice are the sole responsibility of the California Department of Parks and Recreation, and additional information on the determinations in this notice, including the results of consultation, can be found in the summary or related records. The National Park Service is not responsible for the determinations in this notice.

**Abstract of Information Available**

A total of two lots of cultural items have been requested for repatriation. The two lots of objects of cultural patrimony are shell and faunal bone. The items from CA–SAC–395, Sacramento, California, were collected during survey work in 1982.

**Determinations**

The California Department of Parks and Recreation has determined that:

• The two objects of cultural patrimony described in this notice have ongoing historical, traditional, or cultural importance central to the Native American group, including any constituent sub-group (such as a band, clan, lineage, ceremonial society, or other subdivision), according to the Native American traditional knowledge of an Indian Tribe or Native Hawaiian organization.

• There is a connection between the cultural items described in this notice and the Wilton Rancheria, California.

**Requests for Repatriation**

Additional, written requests for repatriation of the cultural items in this notice must be sent to the authorized representative identified in this notice under **ADDRESSES**. Requests for repatriation may be submitted by any lineal descendant, Indian Tribe, or Native Hawaiian organization not identified in this notice who shows, by a preponderance of the evidence, that the requestor is a lineal descendant or a culturally affiliated Indian Tribe or Native Hawaiian organization.

Repatriation of the cultural items in this notice to a requestor may occur on or after October 23, 2026. If competing requests for repatriation are received, the California Department of Parks and Recreation must determine the most appropriate requestor prior to repatriation. Requests for joint repatriation of the cultural items are considered a single request and not competing requests. The California Department of Parks and Recreation is responsible for sending a copy of this notice to the Indian Tribes and Native Hawaiian organizations identified in this notice and to any other consulting parties.

*Authority:* Native American Graves Protection and Repatriation Act, 25 U.S.C. 3004 and the implementing regulations, 43 CFR 10.9.

Dated: September 17, 2026.

**Melanie O'Brien,**

*Manager, National NAGPRA Program.*

[FR Doc. 2026–19473 Filed 9–22–26; 8:45 am]

BILLING CODE 4312–52–P

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## DEPARTMENT OF THE INTERIOR

### National Park Service

**[N7521; NPS–WASO–NAGPRA–NPS0043825; PPWOCRADN0–PCU00RP14.R50000]**

### Notice of Inventory Completion: Auburn University at Montgomery, Montgomery, AL

**AGENCY:** National Park Service, Interior.

**ACTION:** Notice.

**SUMMARY:** In accordance with the Native American Graves Protection and Repatriation Act (NAGPRA), Auburn University at Montgomery has completed an inventory of human remains and associated funerary objects and has determined that there is a cultural affiliation between the human remains and associated funerary objects and Indian Tribes or Native Hawaiian organizations in this notice.

**DATES:** Repatriation of the human remains and associated funerary objects in this notice may occur on or after October 23, 2026.

**ADDRESSES:** Send written requests for repatriation of the human remains and associated funerary objects in this notice to Kimberly Pyszka, Auburn University at Montgomery, P.O. Box 244023, Montgomery, AL 36124, email *nagpra@aum.edu.*

**SUPPLEMENTARY INFORMATION:** This notice is published as part of the National Park Service's administrative responsibilities under NAGPRA. The determinations in this notice are the sole responsibility of Auburn University at Montgomery, and additional information on the determinations in this notice, including the results of consultation, can be found in its inventory or related records. The National Park Service is not responsible for the determinations in this notice.

**Abstract of Information Available**

Human remains representing, at least, one individual has been identified. The one associated funerary object is a fragment of a deer long bone. 1RU9, the Phenix City Dock Site, also potentially the Historic Creek Town of Upper Coweta, is located along the Chattahoochee River in Russell County, Alabama. This site was excavated in 1963 by David Chase. During these excavations, the human remains and associated funerary object were removed from the site. These human remains and associated funerary objects were then housed in the AUM Archaeology Laboratory. No known hazardous substances were used to treat any of the human remains or associated funerary objects.

**Cultural Affiliation**

Based on the information available and the results of consultation, cultural affiliation is reasonably identified by the geographical location or acquisition history of the human remains and associated funerary objects described in this notice.

**Determinations**

Auburn University at Montgomery has determined that:

• The human remains described in this notice represent the physical remains of one individual of Native American ancestry.

• The one object described in this notice are reasonably believed to have been placed intentionally with or near individual human remains at the time of death or later as part of the death rite or ceremony.

• There is a connection between the human remains and associated funerary objects described in this notice and the Absentee Shawnee Tribe of Indians of Oklahoma; Alabama-Coushatta Tribe of Texas; Alabama-Quassarte Tribal Town; Coushatta Tribe of Louisiana; Eastern Shawnee Tribe of Oklahoma; Jena Band of Choctaw Indians; Kialegee Tribal Town; Mississippi Band of Choctaw Indians; Poarch Band of Creek Indians; Seminole Tribe of Florida; The Muscogee (Creek) Nation; The Seminole Nation of Oklahoma; and the Thlopthlocco Tribal Town.

**Requests for Repatriation**

Written requests for repatriation of the human remains and associated funerary objects in this notice must be sent to the authorized representative identified in this notice under **ADDRESSES**. Requests for repatriation may be submitted by:

1. Any one or more of the Indian Tribes or Native Hawaiian organizations identified in this notice.

2. Any lineal descendant, Indian Tribe, or Native Hawaiian organization not identified in this notice who shows, by a preponderance of the evidence, that the requestor is a lineal descendant or an Indian Tribe or Native Hawaiian organization with cultural affiliation.

Repatriation of the human remains and associated funerary objects described in this notice to a requestor may occur on or after October 23, 2026. If competing requests for repatriation are received, Auburn University at Montgomery must determine the most appropriate requestor prior to repatriation. Requests for joint repatriation of the human remains and associated funerary objects are considered a single request and not competing requests. Auburn University at Montgomery is responsible for sending a copy of this notice to the Indian Tribes and Native Hawaiian organizations identified in this notice and any other consulting parties.

*Authority:* Native American Graves Protection and Repatriation Act, 25 U.S.C. 3003, and the implementing regulations, 43 CFR 10.10.

Dated: September 17, 2026.

**Melanie O'Brien,**

*Manager, National NAGPRA Program.*

[FR Doc. 2026–19483 Filed 9–22–26; 8:45 am]

BILLING CODE 4312–52–P

## DEPARTMENT OF THE INTERIOR

### National Park Service

**[N7536; NPS–WASO–NAGPRA–NPS0043837; PPWOCRADN0–PCU00RP14.R50000]**

### Notice of Intended Repatriation: University of Minnesota, Minneapolis, MN

**AGENCY:** National Park Service, Interior.

**ACTION:** Notice.

**SUMMARY:** In accordance with the Native American Graves Protection and Repatriation Act (NAGPRA), the University of Minnesota intends to repatriate certain cultural items that meet the definition of unassociated funerary objects and that have a cultural affiliation with the Indian Tribes or Native Hawaiian organizations in this notice.

**DATES:** Repatriation of the cultural items in this notice may occur on or after October 23, 2026.

**ADDRESSES:** Send additional, written requests for repatriation of the cultural items in this notice to Dylan Goetsch, University of Minnesota, Office of Native American Affairs, Morrill Hall, 100 Church Street SE, Minneapolis, MN 55455, email *goets036@umn.edu.*

**SUPPLEMENTARY INFORMATION:** This notice is published as part of the National Park Service's administrative responsibilities under NAGPRA. The determinations in this notice are the sole responsibility of the University of Minnesota, and additional information on the determinations in this notice, including the results of consultation, can be found in the summary or related records. The National Park Service is not responsible for the determinations in this notice.

#### Abstract of Information Available

A total of 40 lots of cultural items have been requested for repatriation. The 40 lots of unassociated funerary objects are lithic material, ground stone, ceramics, charcoal, soil samples, shell, faunal material, and historic material. These items have been identified as cultural items under NAGPRA based on tribal consultations, previous NAGPRA summaries from other museums, and historical records of the excavations. The items were collected in Minnesota, Yellow Medicine County, by the Anthropology Department of the University of Minnesota in the 1940's. Additionally, some of the items were donated to the University in 1970 by a local collector. The University of Minnesota records indicate no known hazardous substances.

#### Determinations

The University of Minnesota has determined that:

• The 40 lots of unassociated funerary objects described in this notice are reasonably believed to have been placed intentionally with or near human remains, and are connected, either at the time of death or later as part of the death rite or ceremony of a Native American culture according to the Native American traditional knowledge of a lineal descendant, Indian Tribe, or Native Hawaiian organization. The unassociated funerary objects have been identified by a preponderance of the evidence as related to human remains, specific individuals, or families, or removed from a specific burial site or burial area of an individual or individuals with cultural affiliation to an Indian Tribe or Native Hawaiian organization.

• There is a connection between the cultural items described in this notice and the Upper Sioux Community, Minnesota.

#### Requests for Repatriation

Additional, written requests for repatriation of the cultural items in this notice must be sent to the authorized representative identified in this notice under **ADDRESSES**. Requests for repatriation may be submitted by any lineal descendant, Indian Tribe, or Native Hawaiian organization not identified in this notice who shows, by a preponderance of the evidence, that the requestor is a lineal descendant or a culturally affiliated Indian Tribe or Native Hawaiian organization.

Repatriation of the cultural items in this notice to a requestor may occur on or after October 23, 2026. If competing requests for repatriation are received, the University of Minnesota must determine the most appropriate requestor prior to repatriation. Requests for joint repatriation of the cultural items are considered a single request and not competing requests. The University of Minnesota is responsible for sending a copy of this notice to the Indian Tribes and Native Hawaiian organizations identified in this notice and to any other consulting parties.

*Authority:* Native American Graves Protection and Repatriation Act, 25 U.S.C. 3004 and the implementing regulations, 43 CFR 10.9.

Dated: September 17, 2026.

**Melanie O'Brien,**

*Manager, National NAGPRA Program.*

[FR Doc. 2026–19486 Filed 9–22–26; 8:45 am]

BILLING CODE 4312–52–P

## DEPARTMENT OF THE INTERIOR

### National Park Service

**[N7504; NPS–WASO–NAGPRA–NPS0043799; PPWOCRADN0–PCU00RP14.R50000]**

### Notice of Intended Repatriation: Michigan State University, East Lansing, MI

**AGENCY:** National Park Service, Interior.

**ACTION:** Notice.

**SUMMARY:** In accordance with the Native American Graves Protection and Repatriation Act (NAGPRA), Michigan State University intends to repatriate certain cultural items that meet the definition of unassociated funerary objects, sacred objects, and/or objects of cultural patrimony and that have a cultural affiliation with the Indian Tribes or Native Hawaiian organizations in this notice.

**DATES:** Repatriation of the cultural items in this notice may occur on or after October 23, 2026.

**ADDRESSES:** Send additional, written requests for repatriation of the cultural items in this notice to Judith Stoddart, Michigan State University, 287 Delta Court, East Lansing, MI 48824, email *stoddart@msu.edu.*

**SUPPLEMENTARY INFORMATION:** This notice is published as part of the National Park Service's administrative responsibilities under NAGPRA. The determinations in this notice are the sole responsibility of Michigan State University, and additional information on the determinations in this notice, including the results of consultation, can be found in the summary or related records. The National Park Service is not responsible for the determinations in this notice.

**Abstract of Information Available**

A total of 37 cultural items have been requested for repatriation.

The one unassociated funerary object is a copper pike from Baraga County. The 36 sacred objects/objects of cultural patrimony are one bone pipe from Baraga County; one copper axe and one copper adze from Houghton County; one stone pipe, one stone hammer, two stone scrapers, and one sandstone from Keweenaw County; one lot of objects from 20MQ22; 22 lots of objects collected from Deer Lake, Marquette County; one lot of objects from Baby Lake, Marquette County; three lots of lithics from Ontonagon County; and one quartzite pipe from Ontonagon County.

Of the above objects, five are from the Boudeman collection, collected by Donald Boudeman and donated to Michigan State University in 1961 by Donna Boudeman after his passing. A total of four of the objects are from the Chamberlain Memorial Museum collection, which was acquired by Michigan State University in 1952. A total of six of the lots were the result of professional archaeological survey conducted by Michigan State University or by an outside contractor. The remaining 22 lots were collected by avocational archaeologists and donated to Michigan State University in 1997. No known hazardous substances have been used to treat any of the objects.

**Determinations**

Michigan State University has determined that:

• The one unassociated funerary object described in this notice is reasonably believed to have been placed intentionally with or near human remains, and are connected, either at the time of death or later as part of the death rite or ceremony of a Native American culture according to the Native American traditional knowledge of a lineal descendant, Indian Tribe, or Native Hawaiian organization. The unassociated funerary object has been identified by a preponderance of the evidence as related to human remains, specific individuals, or families, or removed from a specific burial site or burial area of an individual or individuals with cultural affiliation to an Indian Tribe or Native Hawaiian organization.

• The 36 sacred objects/objects of cultural patrimony described in this notice are, according to the Native American traditional knowledge of an Indian Tribe or Native Hawaiian organization, specific ceremonial objects needed by a traditional Native American religious leader for present-day adherents to practice traditional Native American religion, and have ongoing historical, traditional, or cultural importance central to the Native American group, including any constituent sub-group (such as a band, clan, lineage, ceremonial society, or other subdivision).

• There is a connection between the cultural items described in this notice and the Keweenaw Bay Indian Community, Michigan.

**Requests for Repatriation**

Additional, written requests for repatriation of the cultural items in this notice must be sent to the authorized representative identified in this notice under **ADDRESSES**. Requests for repatriation may be submitted by any lineal descendant, Indian Tribe, or Native Hawaiian organization not identified in this notice who shows, by a preponderance of the evidence, that the requestor is a lineal descendant or a culturally affiliated Indian Tribe or Native Hawaiian organization.

Repatriation of the cultural items in this notice to a requestor may occur on or after October 23, 2026. If competing requests for repatriation are received, Michigan State University must determine the most appropriate requestor prior to repatriation. Requests for joint repatriation of the cultural items are considered a single request and not competing requests. Michigan State University is responsible for sending a copy of this notice to the Indian Tribes and Native Hawaiian organizations identified in this notice and to any other consulting parties.

*Authority:* Native American Graves Protection and Repatriation Act, 25 U.S.C. 3004 and the implementing regulations, 43 CFR 10.9.

Dated: September 17, 2026.

**Melanie O'Brien,**

*Manager, National NAGPRA Program.*

[FR Doc. 2026–19468 Filed 9–22–26; 8:45 am]

BILLING CODE 4312–52–P

## DEPARTMENT OF THE INTERIOR

### National Park Service

**[N7505; NPS–WASO–NAGPRA–NPS0043800; PPWOCRADN0–PCU00RP14.R50000]**

### Notice of Inventory Completion: California State University, Northridge, Northridge, CA

**AGENCY:** National Park Service, Interior.

**ACTION:** Notice.

**SUMMARY:** In accordance with the Native American Graves Protection and Repatriation Act (NAGPRA), the California State University, Northridge (CSUN) has completed an inventory of human remains and has determined that there is a cultural affiliation between the human remains and Indian Tribes or Native Hawaiian organizations in this notice.

**DATES:** Repatriation of the human remains in this notice may occur on or after October 23, 2026.

**ADDRESSES:** Send written requests for repatriation of the human remains in this notice to Dayle Bingham, CSUN, 1811 Nordoff Street, Northridge, CA 91330, email *Dayle.Bingham@csun.edu.*

**SUPPLEMENTARY INFORMATION:** This notice is published as part of the National Park Service's administrative responsibilities under NAGPRA. The determinations in this notice are the sole responsibility of the California State University, Northridge (CSUN), and additional information on the determinations in this notice, including the results of consultation, can be found in its inventory or related records. The National Park Service is not responsible for the determinations in this notice.

**Abstract of Information Available**

Human remains representing, at least, three individuals have been identified. No associated funerary objects are present. Notes with the human remains from the time of their excavation state the location as Native American earth mounds in Lawrence County, Ohio 1934–1935. Based on information available, these remains were excavated by an amateur archaeology enthusiast in the Ohio region during 1934–1935. It is unclear how this collection came to California State University, Northridge (CSUN) campus or when. No university files or records exist of this collection. These human remains consist of one neonate and two adult individuals in highly fragmented and incomplete condition. It is unknown if any potentially hazardous substances have been used to treat any of these human remains before they arrived in the possession of CSUN.

Earth mounds in Ohio were used prehistorically for a number of functions, one of which were funerary or mortuary locations. Using ethnographic evidence and Traditional Knowledge, present-day descendants of the Peoria Tribe of Indians of Oklahoma and The Shawnee peoples have known the area of southern Ohio region as a part of their home land since time immemorial.

### Cultural Affiliation

Based on the information available and the results of consultation, cultural affiliation is reasonably identified by the geographical location of the human remains described in this notice.

### Determinations

The California State University, Northridge has determined that:

- The human remains described in this notice represent the physical remains of three individuals of Native American ancestry.
- There is a connection between the human remains described in this notice and the Peoria Tribe of Indians of Oklahoma and the Shawnee Tribe.

### Requests for Repatriation

Written requests for repatriation of the human remains in this notice must be sent to the authorized representative identified in this notice under **ADDRESSES**. Requests for repatriation may be submitted by:

1. Any one or more of the Indian Tribes or Native Hawaiian organizations identified in this notice.
2. Any lineal descendant, Indian Tribe, or Native Hawaiian organization not identified in this notice who shows, by a preponderance of the evidence, that the requestor is a lineal descendant or an Indian Tribe or Native Hawaiian organization with cultural affiliation.

Repatriation of the human remains described in this notice to a requestor may occur on or after October 23, 2026. If competing requests for repatriation are received, California State University, Northridge must determine the most appropriate requestor prior to repatriation. Requests for joint repatriation of the human remains are considered a single request and not competing requests. California State University, Northridge is responsible for sending a copy of this notice to the Indian Tribes and Native Hawaiian organizations identified in this notice.

*Authority:* Native American Graves Protection and Repatriation Act, 25 U.S.C. 3003, and the implementing regulations, 43 CFR 10.10.

Dated: September 17, 2026.

**Melanie O'Brien,**

*Manager, National NAGPRA Program.*

[FR Doc. 2026–19469 Filed 9–22–26; 8:45 am]

**BILLING CODE 4312–52–P**

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## DEPARTMENT OF THE INTERIOR

## National Park Service

**[N7512; NPS–WASO–NAGPRA–NPS0043810; PPWOCRADN0–PCU00RP14.R50000]**

## Notice of Inventory Completion: Lindsborg Old Mill and Swedish Heritage Museum, Lindsborg, KS

**AGENCY:** National Park Service, Interior.

**ACTION:** Notice.

**SUMMARY:** In accordance with the Native American Graves Protection and Repatriation Act (NAGPRA), the Lindsborg Old Mill and Swedish Heritage Museum has completed an inventory of human remains and associated funerary objects and has determined that there is a cultural affiliation between the human remains and associated funerary objects and Indian Tribes or Native Hawaiian organizations in this notice.

**DATES:** Repatriation of the human remains and associated funerary objects in this notice may occur on or after October 23, 2026.

**ADDRESSES:** Send written requests for repatriation of the human remains and associated funerary objects in this notice to Hayley Samford, Lindsborg Old Mill and Swedish Heritage Museum, P.O. Box 94, Lindsborg, KS 67456, email *Hayley.samford@oldmillmuseum.org.*

**SUPPLEMENTARY INFORMATION:** This notice is published as part of the National Park Service's administrative responsibilities under NAGPRA. The determinations in this notice are the sole responsibility of the Lindsborg Old Mill and Swedish Heritage Museum, and additional information on the determinations in this notice, including the results of consultation, can be found in its inventory or related records. The National Park Service is not responsible for the determinations in this notice.

### Abstract of Information Available

Human remains representing, at least, 20 individuals have been identified. The 15 lots of associated funerary objects are pot shards and pipes. The items come from two Collections, the Bethany College Collection and the Fries Collection. Limited information on specific items is available. It is most likely that the majority of the items come from sites in McPherson County, Kansas, however, we do not have all of the information necessary to say so definitively in the case of many items.

### Cultural Affiliation

Based on the information available and the results of consultation, cultural affiliation is reasonably identified by the geographical location or acquisition history of the human remains and associated funerary objects described in this notice.

### Determinations

The Lindsborg Old Mill and Swedish Heritage Museum has determined that:

- The human remains described in this notice represent the physical remains of at least 20 individuals of Native American ancestry.
- The 15 lots of objects described in this notice are reasonably believed to have been placed intentionally with or near individual human remains at the time of death or later as part of the death rite or ceremony.
- There is a connection between the human remains and associated funerary objects described in this notice and the Iowa Tribe of Kansas and Nebraska and the Kaw Nation, Oklahoma.

### Requests for Repatriation

Written requests for repatriation of the human remains and associated funerary objects in this notice must be sent to the authorized representative identified in this notice under **ADDRESSES**. Requests for repatriation may be submitted by:

1. Any one or more of the Indian Tribes or Native Hawaiian organizations identified in this notice.
2. Any lineal descendant, Indian Tribe, or Native Hawaiian organization not identified in this notice who shows, by a preponderance of the evidence, that the requestor is a lineal descendant or an Indian Tribe or Native Hawaiian organization with cultural affiliation.

Repatriation of the human remains and associated funerary objects described in this notice to a requestor may occur on or after October 23, 2026. If competing requests for repatriation are received, the Lindsborg Old Mill and Swedish Heritage Museum must determine the most appropriate requestor prior to repatriation. Requests for joint repatriation of the human remains and associated funerary objects are considered a single request and not competing requests. The Lindsborg Old Mill and Swedish Heritage Museum is responsible for sending a copy of this notice to the Indian Tribes and Native Hawaiian organizations identified in this notice and any other consulting parties.

*Authority:* Native American Graves Protection and Repatriation Act, 25 U.S.C. 3003, and the implementing regulations, 43 CFR 10.10.

Dated: September 17, 2026.

**Melanie O'Brien,**

*Manager, National NAGPRA Program.*

[FR Doc. 2026–19475 Filed 9–22–26; 8:45 am]

BILLING CODE 4312–52–P

## DEPARTMENT OF THE INTERIOR

### National Park Service

**[N7507; NPS–WASO–NAGPRA–NPS0043802; PPWOCRADN0–PCU00RP14.R50000]**

### Notice of Inventory Completion: Museum of Northern Arizona, Flagstaff, AZ

**AGENCY:** National Park Service, Interior.

**ACTION:** Notice.

**SUMMARY:** In accordance with the Native American Graves Protection and Repatriation Act (NAGPRA), the Museum of Northern Arizona (MNA) has completed an inventory of human remains and associated funerary objects and has determined that there is a cultural affiliation between the human remains and associated funerary objects and Indian Tribes or Native Hawaiian organizations in this notice.

**DATES:** Repatriation of the human remains and associated funerary objects in this notice may occur on or after October 23, 2026.

**ADDRESSES:** Send written requests for repatriation of the human remains and associated funerary objects in this notice to Anthony Thibodeau, Director of Research and Collections, Museum of Northern Arizona, 3101 N Fort Valley Road, Flagstaff, AZ 86001, email *athibodeau@musnaz.org.*

**SUPPLEMENTARY INFORMATION:** This notice is published as part of the National Park Service's administrative responsibilities under NAGPRA. The determinations in this notice are the sole responsibility of the MNA, and additional information on the determinations in this notice, including the results of consultation, can be found in its inventory or related records. The National Park Service is not responsible for the determinations in this notice.

### Abstract of Information Available

Human remains representing, at least, one individual has been identified from NA10946. No associated funerary objects are present. NA10946 is an historic Yavapai habitation (late 1800s to early 1900s) that was excavated between 1970 and 1971 during a joint archaeology field school project between MNA and Orme School. The Orme School and NA10946 are in Yavapai County, Arizona.

Human remains representing, at least, two individuals have been identified on Orme School grounds near NA10946. The two associated funerary objects are ground stone manos. One burial was found eroding from an exposed road cut and the other from an exposed arroyo bank. Both were excavated by Orme School staff and donated to MNA in 1970.

### Cultural Affiliation

Based on the information available and the results of consultation, cultural affiliation is clearly identified by the information available about the human remains and associated funerary objects described in this notice.

### Determinations

The MNA has determined that:

- The human remains described in this notice represent the physical remains of at least three individuals of Native American ancestry.
- The two objects described in this notice are reasonably believed to have been placed intentionally with or near individual human remains at the time of death or later as part of the death rite or ceremony.
- There is a connection between the human remains and associated funerary objects described in this notice and the Fort McDowell Yavapai Nation, Arizona; Yavapai-Apache Nation of the Camp Verde Indian Reservation, Arizona; and the Yavapai-Prescott Indian Tribe.

### Requests for Repatriation

Written requests for repatriation of the human remains and associated funerary objects in this notice must be sent to the authorized representative identified in this notice under **ADDRESSES**. Requests for repatriation may be submitted by:

1. Any one or more of the Indian Tribes or Native Hawaiian organizations identified in this notice.

2. Any lineal descendant, Indian Tribe, or Native Hawaiian organization not identified in this notice who shows, by a preponderance of the evidence, that the requestor is a lineal descendant or an Indian Tribe or Native Hawaiian organization with cultural affiliation.

Repatriation of the human remains and associated funerary objects described in this notice to a requestor may occur on or after October 23, 2026. If competing requests for repatriation are received, the MNA must determine the most appropriate requestor prior to repatriation. Requests for joint repatriation of the human remains and associated funerary objects are considered a single request and not competing requests. The MNA is responsible for sending a copy of this notice to the Indian Tribes and Native Hawaiian organizations identified in this notice and any other consulting parties.

*Authority:* Native American Graves Protection and Repatriation Act, 25 U.S.C. 3003, and the implementing regulations, 43 CFR 10.10.

Dated: September 17, 2026.

**Melanie O'Brien,**

*Manager, National NAGPRA Program.*

[FR Doc. 2026–19471 Filed 9–22–26; 8:45 am]

BILLING CODE 4312–52–P

## DEPARTMENT OF THE INTERIOR

### National Park Service

**[N7500; NPS–WASO–NAGPRA–NPS0043794; PPWOCRADN0–PCU00RP14.R50000]**

### Notice of Inventory Completion: University of Michigan, Ann Arbor, MI

**AGENCY:** National Park Service, Interior.

**ACTION:** Notice.

**SUMMARY:** In accordance with the Native American Graves Protection and Repatriation Act (NAGPRA), the University of Michigan has completed an inventory of human remains (hereinafter referred to as ''Ancestral remains'' or ''Ancestor'') and an associated funerary object and has determined that there is a cultural affiliation between the Ancestral remains and associated funerary object and Indian Tribes in this notice.

**DATES:** Repatriation of the Ancestral remains and associated funerary object in this notice may occur on or after October 23, 2026.

**ADDRESSES:** Send written requests for repatriation of the Ancestral remains and associated funerary object in this notice to Dr. Ben Secunda, NAGPRA Office Managing Director, University of Michigan, Office of Research, Suite G269, Lane Hall, Ann Arbor, MI 48109–1274, email *bsecunda@umich.edu.*

**SUPPLEMENTARY INFORMATION:** This notice is published as part of the National Park Service's administrative responsibilities under NAGPRA. The determinations in this notice are the sole responsibility of the University of Michigan, and additional information on the determinations in this notice, including the results of consultation, can be found in its inventory or related records. The National Park Service is not responsible for the determinations in this notice.

**Abstract of Information Available**

Ancestral remains representing, at least, one individual have been identified. The one associated funerary object is one lot of glass beads. The Ancestor and funerary object were removed in 1958 from the Harland site, Sanilac County, Michigan (20SL4), by the landowner during excavation activities associated with a gravel pit. Dating for the site is to the Early Historic A.D. 1610–1670 based on diagnostic artifacts.

The University of Michigan has no record of, nor do its officials have any knowledge of, any treatment of the Ancestral remains and associated funerary object with pesticides, preservatives, or other substances that represent a potential hazard to the collection or to persons handling the collection.

**Cultural Affiliation**

Based on the information available and the results of consultation, cultural affiliation is reasonably identified by the geographical location or acquisition history of the Ancestral remains and associated funerary object described in this notice.

**Determinations**

The University of Michigan has determined that:

- The Ancestral remains described in this notice represent the physical remains of one individual of Native American ancestry.
- The one object described in this notice is reasonably believed to have been placed intentionally with or near individual Ancestral remains at the time of death or later as part of the death rite or ceremony.
- There is a connection between the Ancestral remains and associated funerary object described in this notice and the Bay Mills Indian Community, Michigan; Grand Traverse Band of Ottawa and Chippewa Indians, Michigan; Hannahville Indian Community, Michigan; Keweenaw Bay Indian Community, Michigan; Lac Vieux Desert Band of Lake Superior Chippewa Indians of Michigan; Little River Band of Ottawa Indians, Michigan; Little Traverse Bay Bands of Odawa Indians, Michigan; Match-E-Be-Nash-She-Wish Band of Pottawatomi (previously listed as Match-E-Be-Nash-She-Wish Band of Pottawatomi Indians of Michigan); Miami Tribe of Oklahoma; Nottawaseppi Huron Band of the Potawatomi, Michigan; Pokagon Band of Potawatomi Indians, Michigan and Indiana; Saginaw Chippewa Indian Tribe of Michigan; and the Sault Ste. Marie Tribe of Chippewa Indians, Michigan.

**Requests for Repatriation**

Written requests for repatriation of the Ancestral remains and associated funerary object in this notice must be sent to the authorized representative identified in this notice under **ADDRESSES**. Requests for repatriation may be submitted by:

1. Any one or more of the Indian Tribes identified in this notice and, if joined to a request from one or more of the Indian Tribes, the Burt Lake Band of Ottawa and Chippewa Indians or Grand River Bands of Ottawa Indians, as non-federally recognized Indian groups.

2. Any lineal descendant, Indian Tribe, or Native Hawaiian organization not identified in this notice who shows, by a preponderance of the evidence, that the requestor is a lineal descendant or an Indian Tribe or Native Hawaiian organization with cultural affiliation.

Repatriation of the Ancestral remains and associated funerary object described in this notice to a requestor may occur on or after October 23, 2026. If competing requests for repatriation are received, the University of Michigan must determine the most appropriate requestor prior to repatriation. Requests for joint repatriation of the Ancestral remains and associated funerary object are considered a single request and not competing requests. The University of Michigan is responsible for sending a copy of this notice to the Indian Tribes identified in this notice and any other consulting parties.

*Authority:* Native American Graves Protection and Repatriation Act, 25 U.S.C. 3003, and the implementing regulations, 43 CFR 10.10.

Dated: September 17, 2026.

**Melanie O'Brien,**

*Manager, National NAGPRA Program.*

[FR Doc. 2026–19466 Filed 9–22–26; 8:45 am]

BILLING CODE 4312–52–P

## DEPARTMENT OF THE INTERIOR

### National Park Service

**[N7501; NPS–WASO–NAGPRA–NPS0043795; PPWOCRADN0–PCU00RP14.R50000]**

### Notice of Inventory Completion: The University of Tennessee, Department of Anthropology, Knoxville, TN, and the Frank H. McClung Museum of Natural History & Culture, Knoxville, TN

**AGENCY:** National Park Service, Interior.

**ACTION:** Notice.

**SUMMARY:** In accordance with the Native American Graves Protection and Repatriation Act (NAGPRA), the University of Tennessee, Department of Anthropology and the Frank H. McClung Museum of Natural History & Culture (UTK) have completed an inventory of human remains and associated funerary objects and have determined that there is a cultural affiliation between the human remains and associated funerary objects and Indian Tribes or Native Hawaiian organizations in this notice.

**DATES:** Repatriation of the human remains and associated funerary objects in this notice may occur on or after October 23, 2026.

**ADDRESSES:** Send written requests for repatriation of the human remains and associated funerary objects in this notice to Dr. Ellen Lofaro, University of Tennessee, Office of Repatriation, Knoxville, TN 37996, email *nagpra@utk.edu.*

**SUPPLEMENTARY INFORMATION:** This notice is published as part of the National Park Service's administrative responsibilities under NAGPRA. The determinations in this notice are the sole responsibility of UTK, and additional information on the determinations in this notice, including the results of consultation, can be found in its inventory or related records. The National Park Service is not responsible for the determinations in this notice.

**Abstract of Information Available**

Human remains representing, at least, five individuals have been identified. The 22 associated funerary objects are four lots of ceramics, four lots of faunal material, five lots of lithics, five lots of shell, three lots of botanical material, and one lot of objects placed with or near human remains. The human remains and associated funerary objects were removed from the Harkrader site in Smyth County, VA. The site dates to between c. 1200 and 1600 CE.

Human remains representing, at least, one individual have been identified. The four associated funerary objects are one lot of ceramics, one lot of lithics, one lot of faunal remains, and one lot of objects placed with or near human remains. The human remains and associated funerary objects were removed from an unnamed archaeological site in Smyth County, VA. Information about this site is minimal, but it is likely multicomponent (c. 1200 BCE and c. 1000–1600 CE.)

Human remains representing, at least, one individual have been identified. The three associated funerary objects are one lot of ceramics, one lot of lithics, and one lot of objects placed with or near human remains. The human remains and associated funerary objects were removed from an unnamed rockshelter site in Wise County, VA. The site dates to between c. 1000 and 1600 CE.

All the human remains and associated funerary objects described above were removed by a collector named Russell Frost at unknown dates prior to his death in 1983. Frost's parents brought these individuals and associated funerary objects to William Bass, UTK Anthropology, in 1983, and to the UTK McClung Museum in 1986. Some of the remains have been ''repaired'' using adhesive, but UTK has no records suggesting the presence of potentially hazardous materials.

## Cultural Affiliation

Based on the information available and the results of consultation, cultural affiliation is clearly identified by the information available about the human remains and associated funerary objects described in this notice.

## Determinations

UTK has determined that:

- The human remains described in this notice represent the physical remains of seven individuals of Native American ancestry.
- The 29 objects described in this notice are reasonably believed to have been placed intentionally with or near individual human remains at the time of death or later as part of the death rite or ceremony.
- There is a connection between the human remains and associated funerary objects described in this notice and the Cherokee Nation; Eastern Band of Cherokee Indians; Eastern Shawnee Tribe of Oklahoma; Monacan Indian Nation; and the United Keetoowah Band of Cherokee Indians in Oklahoma.

## Requests for Repatriation

Written requests for repatriation of the human remains and associated funerary objects in this notice must be sent to the authorized representative identified in this notice under **ADDRESSES**. Requests for repatriation may be submitted by:

1. Any one or more of the Indian Tribes or Native Hawaiian organizations identified in this notice.
2. Any lineal descendant, Indian Tribe, or Native Hawaiian organization not identified in this notice who shows, by a preponderance of the evidence, that the requestor is a lineal descendant or an Indian Tribe or Native Hawaiian organization with cultural affiliation.

Repatriation of the human remains and associated funerary objects described in this notice to a requestor may occur on or after October 23, 2026. If competing requests for repatriation are received, UTK must determine the most appropriate requestor prior to repatriation. Requests for joint repatriation of the human remains and associated funerary objects are considered a single request and not competing requests. UTK is responsible for sending a copy of this notice to the Indian Tribes and Native Hawaiian organizations identified in this notice and any other consulting parties.

*Authority:* Native American Graves Protection and Repatriation Act, 25 U.S.C. 3003, and the implementing regulations, 43 CFR 10.10.

Dated: September 17, 2026.

**Melanie O'Brien,**

*Manager, National NAGPRA Program.*

[FR Doc. 2026–19464 Filed 9–22–26; 8:45 am]

BILLING CODE 4312–52–P

## DEPARTMENT OF THE INTERIOR

### National Park Service

**[N7503; NPS–WASO–NAGPRA–NPS0043797; PPWOCRADN0–PCU00RP14.R50000]**

### Notice of Intended Repatriation: Virginia Museum of Fine Arts, Richmond, VA

**AGENCY:** National Park Service, Interior.

**ACTION:** Notice.

**SUMMARY:** In accordance with the Native American Graves Protection and Repatriation Act (NAGPRA), the Virginia Museum of Fine Arts intends to repatriate a certain cultural item that meets the definition of an object of cultural patrimony and that has a cultural affiliation with the Indian Tribes or Native Hawaiian organizations in this notice.

**DATES:** Repatriation of the cultural item in this notice may occur on or after October 23, 2026.

**ADDRESSES:** Send additional, written requests for repatriation of the cultural item in this notice to Siera Hyte, Schiller Family Curator of Indigenous American Art, Virginia Museum of Fine Arts, 200 N Arthur Ashe Blvd., Richmond, VA 23220, email *siera.hyte@vmfa.museum.*

**SUPPLEMENTARY INFORMATION:** This notice is published as part of the National Park Service's administrative responsibilities under NAGPRA. The determinations in this notice are the sole responsibility of the Virginia Museum of Fine Arts and additional information on the determinations in this notice, including the results of consultation, can be found in the summary or related records. The National Park Service is not responsible for the determinations in this notice.

## Abstract of Information Available

A total of one cultural item has been requested for repatriation. The one object of cultural patrimony is a pair of beaded moccasins. The museum's records indicate that they were made in the 19th century and are culturally affiliated with one of the Ute Tribes. The moccasins were purchased by Robert and Nancy Nooter from an antiquities business known as Mystic Warriors owned and operated by Bruce and Ilene Johnson in Evergreen, Colorado. Robert and Nancy Nooter likely purchased the moccasins from Mystic Warriors during the Historic Indian & World Tribal Arts show in Santa Fe, New Mexico, in 2005. The moccasins were accessioned into the Virginia Museum of Fine Arts collection in 2016. It is not currently known when, under what circumstances, or from whom Mystic Warriors acquired the moccasins. Results of consultation with the Southern Ute Indian Tribe confirm that the moccasins are an object of cultural patrimony belonging to the Southern Ute Indian Tribe. Further, consultation confirmed that the Virginia Museum of Fine Arts does not have the right of possession to the moccasins, as the Southern Ute Indian Tribe would not have willingly alienated them from the Tribe. To the museum's knowledge, no potentially hazardous substances have been used to treat the moccasins.

## Determinations

The Virginia Museum of Fine Arts has determined that:

- The one object of cultural patrimony described in this notice has ongoing historical, traditional, or cultural importance central to the Native American group, including any constituent sub-group (such as a band, clan, lineage, ceremonial society, or other subdivision), according to the Native American traditional knowledge of an Indian Tribe or Native Hawaiian organization.

• There is a connection between the cultural item described in this notice and the Southern Ute Indian Tribe of the Southern Ute Reservation, Colorado.

**Requests for Repatriation**

Additional, written requests for repatriation of the cultural item in this notice must be sent to the authorized representative identified in this notice under **ADDRESSES**. Requests for repatriation may be submitted by any lineal descendant, Indian Tribe, or Native Hawaiian organization not identified in this notice who shows, by a preponderance of the evidence, that the requestor is a lineal descendant or a culturally affiliated Indian Tribe or Native Hawaiian organization.

Repatriation of the cultural item in this notice to a requestor may occur on or after October 23, 2026. If competing requests for repatriation are received, the Virginia Museum of Fine Arts must determine the most appropriate requestor prior to repatriation. Requests for joint repatriation of the cultural item are considered a single request and not competing requests. The Virginia Museum of Fine Arts is responsible for sending a copy of this notice to the Indian Tribes and Native Hawaiian organizations identified in this notice and to any other consulting parties.

*Authority:* Native American Graves Protection and Repatriation Act, 25 U.S.C. 3004 and the implementing regulations, 43 CFR 10.9.

Dated: September 17, 2026.

**Melanie O'Brien,**

*Manager, National NAGPRA Program.*

[FR Doc. 2026–19467 Filed 9–22–26; 8:45 am]

**BILLING CODE 4312–52–P**

## DEPARTMENT OF THE INTERIOR

### National Park Service

**[N7508; NPS–WASO–NAGPRA–NPS0043798; PPWOCRADN0–PCU00RP14.R50000]**

### Notice of Intended Repatriation: Virginia Museum of Fine Arts, Richmond, VA

**AGENCY:** National Park Service, Interior.

**ACTION:** Notice.

**SUMMARY:** In accordance with the Native American Graves Protection and Repatriation Act (NAGPRA), the Virginia Museum of Fine Arts intends to repatriate certain cultural items that meet the definition of objects of cultural patrimony and that have a cultural affiliation with the Indian Tribes or Native Hawaiian organizations in this notice.

**DATES:** Repatriation of the cultural items in this notice may occur on or after October 23, 2026.

**ADDRESSES:** Send additional, written requests for repatriation of the cultural items in this notice to Siera Hyte, Schiller Family Curator of Indigenous American Art, Virginia Museum of Fine Arts, 200 N Arthur Ashe Blvd., Richmond, VA 23220, email *siera.hyte@vmfa.museum.*

**SUPPLEMENTARY INFORMATION:** This notice is published as part of the National Park Service's administrative responsibilities under NAGPRA. The determinations in this notice are the sole responsibility of the Virginia Museum of Fine Arts, and additional information on the determinations in this notice, including the results of consultation, can be found in the summary or related records. The National Park Service is not responsible for the determinations in this notice.

**Abstract of Information Available**

A total of three cultural items have been requested for repatriation. The three objects of cultural patrimony are one headdress frontlet, one raven rattle, and one halibut grease dish. The frontlet is made of wood and abalone and is dated to the 19th or early 20th century in the museum's records. In the museum's records, it is alternatively referred to as a headdress frontlet and as a ''sun mask.'' The frontlet was purchased by Robert and Nancy Nooter in 2007 from Alaska on Madison, a New York-based gallery. The frontlet's provenance prior to 2007 is not currently known, and it was accessioned into the Virginia Museum of Fine Arts collection in 2017. The raven rattle is made of wood and pigment and is dated to circa 1890 in the museum's records. It was acquired by Robert and Nancy Nooter in 2008 from Tambaran Gallery, a New York-based gallery. Prior to Tambaran Gallery, collector records indicate only that the rattle was previously held in a private collection in Santa Fe, New Mexico. The rattle was accessioned into the Virginia Museum of Fine Arts collection in 2017. The halibut grease dish is made of carved and painted alder wood, and the museum's records indicate that it was made prior to 1943. It was first acquired in May of 1943 by Axel Rasmussen (American, 1886–1945), collector and former superintendent of schools in Wrangell, AK. Following Rasmussen's death, his collection was dispersed to Skagway and Wrangell, AK, as well as to Colorado and Indiana, and eventually purchased and reconstituted by the dealer Earl Stendahl (American, 1888–1966). Stendahl sold part of the collection to the Portland Art Museum, Portland, OR, including this dish, in 1948 or 1949. The Portland Art Museum sold the dish, along with several other items from the Rasmussen Collection to the Virgina Museum of Fine Arts in 1955. In the museum's records, all three objects are labeled as culturally affiliated with the Tsimshian people. Results of consultation with the Metlakatla Indian Community confirm that all three cultural items are affiliated with the Ts'msyen (Tsimshian) people of the Metlakatla Indian Community and are not severable from the Ts'msyen people of the Metlakatla Indian Community. Furthermore, the Metlakatla Indian Community asserts that the Virginia Museum of Fine Arts does not have right of possession to the cultural items.

**Determinations**

The Virginia Museum of Fine Arts has determined that:

• The three objects of cultural patrimony described in this notice have ongoing historical, traditional, or cultural importance central to the Native American group, including any constituent sub-group (such as a band, clan, lineage, ceremonial society, or other subdivision), according to the Native American traditional knowledge of an Indian Tribe or Native Hawaiian organization.

• There is a connection between the cultural items described in this notice and the Metlakatla Indian Community, Annette Island Reserve.

**Requests for Repatriation**

Additional, written requests for repatriation of the cultural items in this notice must be sent to the authorized representative identified in this notice under **ADDRESSES**. Requests for repatriation may be submitted by any lineal descendant, Indian Tribe, or Native Hawaiian organization not identified in this notice who shows, by a preponderance of the evidence, that the requestor is a lineal descendant or a culturally affiliated Indian Tribe or Native Hawaiian organization.

Repatriation of the cultural items in this notice to a requestor may occur on or after October 23, 2026. If competing requests for repatriation are received, the Virginia Museum of Fine Arts must determine the most appropriate requestor prior to repatriation. Requests for joint repatriation of the cultural items are considered a single request and not competing requests. The Virginia Museum of Fine Arts is responsible for sending a copy of this notice to the Indian Tribes and Native Hawaiian organizations identified in this notice and to any other consulting parties.

*Authority:* Native American Graves Protection and Repatriation Act, 25 U.S.C. 3004 and the implementing regulations, 43 CFR 10.9.

Dated: September 17, 2026.

**Melanie O'Brien,**

*Manager, National NAGPRA Program.*

[FR Doc. 2026–19487 Filed 9–22–26; 8:45 am]

BILLING CODE 4312–52–P

## DEPARTMENT OF THE INTERIOR

### National Park Service

**[N7506; NPS–WASO–NAGPRA–NPS0043801; PPWOCRADN0–PCU00RP14.R50000]**

### Notice of Intended Repatriation: Ball State University, Muncie, IN

**AGENCY:** National Park Service, Interior.

**ACTION:** Notice.

**SUMMARY:** In accordance with the Native American Graves Protection and Repatriation Act (NAGPRA), the Ball State University intends to repatriate certain cultural items that meet the definition of objects of cultural patrimony and that have a cultural affiliation with the Indian Tribes or Native Hawaiian organizations in this notice.

**DATES:** Repatriation of the cultural items in this notice may occur on or after October 23, 2026.

**ADDRESSES:** Send additional, written requests for repatriation of the cultural items in this notice to Chyan Gilaspy, Ball State University, Applied Anthropology Laboratories, 2000 W Riverside Avenue, Muncie, IN 47306, email *NAGPRA@bsu.edu.*

**SUPPLEMENTARY INFORMATION:** This notice is published as part of the National Park Service's administrative responsibilities under NAGPRA. The determinations in this notice are the sole responsibility of the Ball State University and additional information on the determinations in this notice, including the results of consultation, can be found in the summary or related records. The National Park Service is not responsible for the determinations in this notice.

#### Abstract of Information Available

A total of two cultural items have been requested for repatriation. The two objects of cultural patrimony are one model totem carving and one totem carving. The model totem carving (1991.068.255a–b) was created by Edward Maitland in Metlakatla, Alaska, in 1896. This cultural item was donated by a private donor to Ball State University in 1991. The totem carving (2013.001.040) was previously attributed to the Tlingit people, but was identified as Tsimshian during consultation. This totem carving was donated to Ball State University in 2013 by a private donor. Ball State University is not aware of the presence of any potentially hazardous substances used to treat any of the cultural items.

#### Determinations

The Ball State University has determined that:

• The two objects of cultural patrimony described in this notice have ongoing historical, traditional, or cultural importance central to the Native American group, including any constituent sub-group (such as a band, clan, lineage, ceremonial society, or other subdivision), according to the Native American traditional knowledge of an Indian Tribe or Native Hawaiian organization.

• There is a connection between the cultural items described in this notice and the Metlakatla Indian Community, Annette Island Reserve.

#### Requests for Repatriation

Additional, written requests for repatriation of the cultural items in this notice must be sent to the authorized representative identified in this notice under **ADDRESSES**. Requests for repatriation may be submitted by any lineal descendant, Indian Tribe, or Native Hawaiian organization not identified in this notice who shows, by a preponderance of the evidence, that the requestor is a lineal descendant or a culturally affiliated Indian Tribe or Native Hawaiian organization.

October 23, 2026. If competing requests for repatriation are received, the Ball State University must determine the most appropriate requestor prior to repatriation. Requests for joint repatriation of the cultural items are considered a single request and not competing requests. The Ball State University is responsible for sending a copy of this notice to the Indian Tribes and Native Hawaiian organizations identified in this notice and to any other consulting parties.

*Authority:* Native American Graves Protection and Repatriation Act, 25 U.S.C. 3004 and the implementing regulations, 43 CFR 10.9.

Dated: September 17, 2026.

**Melanie O'Brien,**

*Manager, National NAGPRA Program.*

[FR Doc. 2026–19470 Filed 9–22–26; 8:45 am]

BILLING CODE 4312–52–P

## DEPARTMENT OF THE INTERIOR

### National Park Service

**[N7519; NPS–WASO–NAGPRA–NPS0043823; PPWOCRADN0–PCU00RP14.R50000]**

### Notice of Inventory Completion: Auburn University at Montgomery, Montgomery, AL

**AGENCY:** National Park Service, Interior.

**ACTION:** Notice.

**SUMMARY:** In accordance with the Native American Graves Protection and Repatriation Act (NAGPRA), Auburn University at Montgomery has completed an inventory of human remains and associated funerary objects and has determined that there is a cultural affiliation between the human remains and associated funerary objects and Indian Tribes or Native Hawaiian organizations in this notice.

**DATES:** Repatriation of the human remains and associated funerary objects in this notice may occur on or after October 23, 2026.

**ADDRESSES:** Send written requests for repatriation of the human remains and associated funerary objects in this notice to Kimberly Pyszka, Auburn University at Montgomery, P.O. Box 244023, Montgomery, AL 36124, email *nagpra@aum.edu.*

**SUPPLEMENTARY INFORMATION:** This notice is published as part of the National Park Service's administrative responsibilities under NAGPRA. The determinations in this notice are the sole responsibility of Auburn University at Montgomery, and additional information on the determinations in this notice, including the results of consultation, can be found in its inventory or related records. The National Park Service is not responsible for the determinations in this notice.

#### Abstract of Information Available

Human remains representing, at least, one individual has been identified. The 299 associated funerary objects are 279 pottery sherds, 19 lithics, and one shell.

1LO85, Pintlala also sometimes called the ''Burial Urn Site,'' is in Lowndes County, AL on a terrace of the Alabama River. Although it is unclear, potentially in 1978, David Chase conducted a surface collection at the site. During this time, the human remains and associated funerary objects were removed from the site. These human remains and associated funerary objects were then housed in the AUM Archaeology Laboratory. No known hazardous substances were used to treat any of the human remains or associated funerary objects.

**Cultural Affiliation**

Based on the information available and the results of consultation, cultural affiliation is reasonably identified by the geographical location or acquisition history of the human remains and associated funerary objects described in this notice.

**Determinations**

Auburn University at Montgomery has determined that:

- The human remains described in this notice represent the physical remains of one individual of Native American ancestry.
- The 299 objects described in this notice are reasonably believed to have been placed intentionally with or near individual human remains at the time of death or later as part of the death rite or ceremony.
- There is a connection between the human remains and associated funerary objects described in this notice and the Alabama-Coushatta Tribe of Texas; Alabama-Quassarte Tribal Town; Coushatta Tribe of Louisiana; Eastern Shawnee Tribe of Oklahoma; Jena Band of Choctaw Indians; Kialegee Tribal Town; Mississippi Band of Choctaw Indians; Poarch Band of Creek Indians; Seminole Tribe of Florida; Shawnee Tribe; The Choctaw Nation of Oklahoma; The Muscogee (Creek) Nation; The Seminole Nation of Oklahoma; and the Thlopthlocco Tribal Town.

**Requests for Repatriation**

Written requests for repatriation of the human remains and associated funerary objects in this notice must be sent to the authorized representative identified in this notice under **ADDRESSES**. Requests for repatriation may be submitted by:

1. Any one or more of the Indian Tribes or Native Hawaiian organizations identified in this notice.
2. Any lineal descendant, Indian Tribe, or Native Hawaiian organization not identified in this notice who shows, by a preponderance of the evidence, that the requestor is a lineal descendant or an Indian Tribe or Native Hawaiian organization with cultural affiliation.

Repatriation of the human remains and associated funerary objects described in this notice to a requestor may occur on or after October 23, 2026. If competing requests for repatriation are received, Auburn University at Montgomery must determine the most appropriate requestor prior to repatriation. Requests for joint repatriation of the human remains and associated funerary objects are considered a single request and not competing requests. Auburn University at Montgomery is responsible for sending a copy of this notice to the Indian Tribes and Native Hawaiian organizations identified in this notice and any other consulting parties.

*Authority:* Native American Graves Protection and Repatriation Act, 25 U.S.C. 3003, and the implementing regulations, 43 CFR 10.10.

Dated: September 17, 2026.

**Melanie O'Brien,**

*Manager, National NAGPRA Program.*

[FR Doc. 2026–19481 Filed 9–22–26; 8:45 am]

BILLING CODE 4312–52–P

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## DEPARTMENT OF THE INTERIOR

## National Park Service

**[N7509; NPS–WASO–NAGPRA–NPS0043807; PPWOCRADN0–PCU00RP14.R50000]**

## Notice of Intended Repatriation: Indianapolis Museum of Art at Newfields, Indianapolis, IN

**AGENCY:** National Park Service, Interior.

**ACTION:** Notice.

**SUMMARY:** In accordance with the Native American Graves Protection and Repatriation Act (NAGPRA), the Indianapolis Museum of Art at Newfields intends to repatriate a certain cultural item that meets the definition of an unassociated funerary object and that has a cultural affiliation with the Indian Tribes or Native Hawaiian organizations in this notice.

**DATES:** Repatriation of the cultural item in this notice may occur on or after October 23, 2026.

**ADDRESSES:** Send additional, written requests for repatriation of the cultural item in this notice to Jennifer Gallatin Rigsby, Indianapolis Museum of Art at Newfields, 4000 Michigan Road, Indianapolis, IN 46123, email *jrigsby@discovernewfields.org.*

**SUPPLEMENTARY INFORMATION:** This notice is published as part of the National Park Service's administrative responsibilities under NAGPRA. The determinations in this notice are the sole responsibility of the Indianapolis Museum of Art at Newfields, and additional information on the determinations in this notice, including the results of consultation, can be found in the summary or related records. The National Park Service is not responsible for the determinations in this notice.

**Abstract of Information Available**

A total of one cultural item has been requested for repatriation. The one unassociated funerary object is a pipe. The pipe was excavated from a mound near Talbotton, Talbot County, Georgia. Formerly in the collection of Dr. Rollin H. Bunch of Muncie, Indiana and the Edward W. Payne Collection at Springfield, Illinois. Also in the Collection of Donald O. Boudeman at Kalamazoo. Collected originally by Charles C. Jones of Atlanta, Georgia.

**Determinations**

The Indianapolis Museum of Art at Newfields has determined that:

- The one unassociated funerary object described in this notice is reasonably believed to have been placed intentionally with or near human remains, and is connected, either at the time of death or later as part of the death rite or ceremony of a Native American culture according to the Native American traditional knowledge of a lineal descendant, Indian Tribe, or Native Hawaiian organization. The unassociated funerary objects have been identified by a preponderance of the evidence as related to human remains, specific individuals, or families, or removed from a specific burial site or burial area of an individual or individuals with cultural affiliation to an Indian Tribe or Native Hawaiian organization.
- There is a connection between the cultural item described in this notice and the Miccosukee Tribe of Indians and The Muscogee (Creek) Nation.

**Requests for Repatriation**

Additional, written requests for repatriation of the cultural item in this notice must be sent to the authorized representative identified in this notice under **ADDRESSES**. Requests for repatriation may be submitted by any lineal descendant, Indian Tribe, or Native Hawaiian organization not identified in this notice who shows, by a preponderance of the evidence, that the requestor is a lineal descendant or a culturally affiliated Indian Tribe or Native Hawaiian organization.

Repatriation of the cultural item in this notice to a requestor may occur on or after October 23, 2026. If competing requests for repatriation are received, the Indianapolis Museum of Art at Newfields must determine the most appropriate requestor prior to repatriation. Requests for joint repatriation of the cultural item are considered a single request and not competing requests. The Indianapolis Museum of Art at Newfields is responsible for sending a copy of this notice to the Indian Tribes and Native Hawaiian organizations identified in this notice and to any other consulting parties.

*Authority:* Native American Graves Protection and Repatriation Act, 25 U.S.C. 3004 and the implementing regulations, 43 CFR 10.9.

Dated: September 17, 2026.

**Melanie O'Brien,**

*Manager, National NAGPRA Program.*

[FR Doc. 2026–19472 Filed 9–22–26; 8:45 am]

**BILLING CODE 4312–52–P**

## DEPARTMENT OF THE INTERIOR

### National Park Service

**[N7516; NPS–WASO–NAGPRA–NPS0043821; PPWOCRADN0–PCU00RP14.R50000]**

### Notice of Inventory Completion: Auburn University at Montgomery, Montgomery, AL

**AGENCY:** National Park Service, Interior.

**ACTION:** Notice.

**SUMMARY:** In accordance with the Native American Graves Protection and Repatriation Act (NAGPRA), Auburn University at Montgomery has completed an inventory of human remains and associated funerary objects and has determined that there is a cultural affiliation between the human remains and associated funerary objects and Indian Tribes or Native Hawaiian organizations in this notice.

**DATES:** Repatriation of the human remains and associated funerary objects in this notice may occur on or after October 23, 2026.

**ADDRESSES:** Send written requests for repatriation of the human remains and associated funerary objects in this notice to Kimberly Pyszka, Auburn University at Montgomery, P.O. Box 244023, Montgomery, AL 36124, email *nagpra@aum.edu.*

**SUPPLEMENTARY INFORMATION:** This notice is published as part of the National Park Service's administrative responsibilities under NAGPRA. The determinations in this notice are the sole responsibility of Auburn University at Montgomery, and additional information on the determinations in this notice, including the results of consultation, can be found in its inventory or related records. The National Park Service is not responsible for the determinations in this notice.

#### Abstract of Information Available

*1BU7*

Human remains representing, at least, one individual has been identified. The five associated funerary objects are four pottery sherds and one lithic. 1BU7, Rocky Creek, is in Butler County, AL. This site was visited by David Chase at an unknown time with little to no provenience. During these excavations, the human remains and associated funerary objects were removed from the site. These human remains and associated funerary objects were then housed in the AUM Archaeology Laboratory. No known hazardous substances were used to treat any of the human remains or associated funerary objects.

*1PK10*

Human remains representing, at least, one individual has been identified. The 34 associated funerary objects are 28 pottery sherds, five lithics, and one glass shard. 1PK10, the McCloud Site, is located at the headwaters of Mims Creek in Pike County, Alabama. This site was excavated in 1969 by David Chase. During these excavations, the human remains and associated funerary objects were removed from the site. These human remains and associated funerary objects were then housed in the AUM Archaeology Laboratory. No known hazardous substances were used to treat any of the human remains or associated funerary objects.

#### Cultural Affiliation

Based on the information available and the results of consultation, cultural affiliation is reasonably identified by the geographical location or acquisition history of the human remains and associated funerary objects described in this notice.

#### Determinations

Auburn University at Montgomery has determined that:

• The human remains described in this notice represent the physical remains of two individuals of Native American ancestry.

• The 39 objects described in this notice are reasonably believed to have been placed intentionally with or near individual human remains at the time of death or later as part of the death rite or ceremony.

• There is a connection between the human remains and associated funerary objects described in this notice and the Alabama-Coushatta Tribe of Texas; Alabama-Quassarte Tribal Town; Coushatta Tribe of Louisiana; Eastern Shawnee Tribe of Oklahoma; Jena Band of Choctaw Indians; Kialegee Tribal Town; Mississippi Band of Choctaw Indians; Poarch Band of Creek Indians; Seminole Tribe of Florida; The Muscogee (Creek) Nation; The Seminole Nation of Oklahoma; and the Thlopthlocco Tribal Town.

#### Requests for Repatriation

Written requests for repatriation of the human remains and associated funerary objects in this notice must be sent to the authorized representative identified in this notice under **ADDRESSES**. Requests for repatriation may be submitted by:

1. Any one or more of the Indian Tribes or Native Hawaiian organizations identified in this notice.

2. Any lineal descendant, Indian Tribe, or Native Hawaiian organization not identified in this notice who shows, by a preponderance of the evidence, that the requestor is a lineal descendant or an Indian Tribe or Native Hawaiian organization with cultural affiliation.

Repatriation of the human remains and associated funerary objects described in this notice to a requestor may occur on or after October 23, 2026. If competing requests for repatriation are received, Auburn University at Montgomery must determine the most appropriate requestor prior to repatriation. Requests for joint repatriation of the human remains and associated funerary objects are considered a single request and not competing requests. Auburn University at Montgomery is responsible for sending a copy of this notice to the Indian Tribes and Native Hawaiian organizations identified in this notice and any other consulting parties.

*Authority:* Native American Graves Protection and Repatriation Act, 25 U.S.C. 3003, and the implementing regulations, 43 CFR 10.10.

Dated: September 21, 2026.

**Melanie O'Brien,**

*Manager, National NAGPRA Program.*

[FR Doc. 2026–19479 Filed 9–22–26; 8:45 am]

**BILLING CODE 4312–52–P**

DEPARTMENT OF THE INTERIOR

National Park Service

[N7515; NPS–WASO–NAGPRA–NPS0043820; PPWOCRADN0–PCU00RP14.R50000]

## Notice of Inventory Completion: Auburn University at Montgomery, Montgomery, AL

**AGENCY:** National Park Service, Interior.

**ACTION:** Notice.

**SUMMARY:** In accordance with the Native American Graves Protection and Repatriation Act (NAGPRA), Auburn University at Montgomery has completed an inventory of human remains and associated funerary objects and has determined that there is a cultural affiliation between the human remains and associated funerary objects and Indian Tribes or Native Hawaiian organizations in this notice.

**DATES:** Repatriation of the human remains and associated funerary objects in this notice may occur on or after October 23, 2026.

**ADDRESSES:** Send written requests for repatriation of the human remains and associated funerary objects in this notice to Kimberly Pyszka, Auburn University at Montgomery, P.O. Box 244023, Montgomery, AL 36124, email *nagpra@aum.edu.*

**SUPPLEMENTARY INFORMATION:** This notice is published as part of the National Park Service's administrative responsibilities under NAGPRA. The determinations in this notice are the sole responsibility of Auburn University at Montgomery, and additional information on the determinations in this notice, including the results of consultation, can be found in its inventory or related records. The National Park Service is not responsible for the determinations in this notice.

### Abstract of Information Available

Human remains representing, at least, two individuals have been identified. The 268 associated funerary objects are 182 pottery sherds, 43 lithics, two lots of faunal bone, 40 charred seeds, and one daub. 1BK7, Union Springs, is located off US Highway 82 in Bullock County, AL. The site was excavated by David Chase in 1983 in response to the development of a recreational park in the county. During these excavations, human remains and associated funerary objects were removed from the site. These human remains and associated funerary objects were then housed in the AUM Archaeology Laboratory. No known hazardous substances were used to treat any of the human remains or associated funerary objects.

### Cultural Affiliation

Based on the information available and the results of consultation, cultural affiliation is reasonably identified by the geographical location or acquisition history of the human remains and associated funerary objects described in this notice.

### Determinations

Auburn University at Montgomery has determined that:

- The human remains described in this notice represent the physical remains of two individuals of Native American ancestry.
- The 268 objects described in this notice are reasonably believed to have been placed intentionally with or near individual human remains at the time of death or later as part of the death rite or ceremony.
- There is a connection between the human remains and associated funerary objects described in this notice and the Absentee Shawnee Tribe of Indians of Oklahoma; Alabama-Coushatta Tribe of Texas; Alabama-Quassarte Tribal Town; Coushatta Tribe of Louisiana; Eastern Shawnee Tribe of Oklahoma; Jena Band of Choctaw Indians; Kialegee Tribal Town; Mississippi Band of Choctaw Indians; Poarch Band of Creek Indians; Seminole Tribe of Florida; The Muscogee (Creek) Nation; The Seminole Nation of Oklahoma; and the Thlopthlocco Tribal Town.

### Requests for Repatriation

Written requests for repatriation of the human remains and associated funerary objects in this notice must be sent to the authorized representative identified in this notice under **ADDRESSES**. Requests for repatriation may be submitted by:

1. Any one or more of the Indian Tribes or Native Hawaiian organizations identified in this notice.
2. Any lineal descendant, Indian Tribe, or Native Hawaiian organization not identified in this notice who shows, by a preponderance of the evidence, that the requestor is a lineal descendant or an Indian Tribe or Native Hawaiian organization with cultural affiliation.

Repatriation of the human remains and associated funerary objects described in this notice to a requestor may occur on or after October 23, 2026. If competing requests for repatriation are received, Auburn University at Montgomery must determine the most appropriate requestor prior to repatriation. Requests for joint repatriation of the human remains and associated funerary objects are considered a single request and not competing requests. Auburn University at Montgomery is responsible for sending a copy of this notice to the Indian Tribes and Native Hawaiian organizations identified in this notice and any other consulting parties.

*Authority:* Native American Graves Protection and Repatriation Act, 25 U.S.C. 3003, and the implementing regulations, 43 CFR 10.10.

Dated: September 17, 2026.

**Melanie O'Brien,**

*Manager, National NAGPRA Program.*

[FR Doc. 2026–19478 Filed 9–22–26; 8:45 am]

BILLING CODE 4312–52–P

DEPARTMENT OF THE INTERIOR

National Park Service

[N7523; NPS–WASO–NAGPRA–NPS0043827; PPWOCRADN0–PCU00RP14.R50000]

## Notice of Inventory Completion: Auburn University at Montgomery, Montgomery, AL

**AGENCY:** National Park Service, Interior.

**ACTION:** Notice.

**SUMMARY:** In accordance with the Native American Graves Protection and Repatriation Act (NAGPRA), Auburn University at Montgomery has completed an inventory of human remains and associated funerary objects and has determined that there is a cultural affiliation between the human remains and associated funerary objects and Indian Tribes or Native Hawaiian organizations in this notice.

**DATES:** Repatriation of the human remains and associated funerary objects in this notice may occur on or after October 23, 2026.

**ADDRESSES:** Send written requests for repatriation of the human remains and associated funerary objects in this notice to Kimberly Pyszka, Auburn University at Montgomery, P.O. Box 244023, Montgomery, AL 36124, email *nagpra@aum.edu.*

**SUPPLEMENTARY INFORMATION:** This notice is published as part of the National Park Service's administrative responsibilities under NAGPRA. The determinations in this notice are the sole responsibility of Auburn University at Montgomery, and additional information on the determinations in this notice, including the results of consultation, can be found in its inventory or related records. The National Park Service is not responsible for the determinations in this notice.

## Abstract of Information Available

*1EE56*

Human remains representing, at least, one individual has been identified. The five associated funerary objects are four pottery sherds and one lithic. 1EE56 is located near the Tallapoosa River in Elmore County, AL. The site was excavated by David Chase in 1966. During these excavations, human remains and associated funerary objects were removed from the site. These human remains and associated funerary objects were then housed in the AUM Archaeology Laboratory. No known hazardous substances were used to treat any of the human remains or associated funerary objects.

*1EE59*

Human remains representing, at least, two individuals have been identified. The 338 associated funerary objects are 168 pottery sherds, 125 lithics, five faunal bone, 14 metal objects, one kettle pot, 24 glass sherds, and one lot of charred seeds. 1EE59, or the Johnson Site, is located near the Tallapoosa River in Elmore County, AL. The site was excavated by David Chase in 1978. During these excavations, human remains and associated funerary objects were removed from the site. These human remains and associated funerary objects were then housed in the AUM Archaeology Laboratory. No known hazardous substances were used to treat any of the human remains or associated funerary objects.

*1EE65*

Human remains representing, at least, one individual has been identified. The 100 associated funerary objects are 77 pottery sherds, 18 lithics, two faunal bone, one shell, one metal object, and one glass shard. 1EE65 is located south of the Coosa River along the border of Chilton and Elmore County. The site was excavated by David Chase at an unknown time. During these excavations, human remains and associated funerary objects were removed from the site. These human remains and associated funerary objects were then housed in the AUM Archaeology Laboratory. No known hazardous substances were used to treat any of the human remains or associated funerary objects.

*1EE71*

Human remains representing, at least, one individual has been identified. The eight associated funerary objects are two pottery sherds, two lithics, one faunal bone, two glass shards, and one metal object. 1EE71, Okchai, is located along the Coosa River in Elmore County, AL. The site was excavated by David Chase in 1968. During these excavations, human remains and associated funerary objects were removed from the site. These human remains and associated funerary objects were then housed in the AUM Archaeology Laboratory. No known hazardous substances were used to treat any of the human remains or associated funerary objects.

*1EE94*

Human remains representing, at least, one individual has been identified. The 207 associated funerary objects are 189 pottery sherds, two faunal bone, three lithics, and 13 shell. 1EE94, Davis Valley Ranch Site, is located along the bank of the Alabama River in Elmore County, AL. The site was excavated by David Chase in 1968. During these excavations, human remains and associated funerary objects were removed from the site. These human remains and associated funerary objects were then housed in the AUM Archaeology Laboratory. No known hazardous substances were used to treat any of the human remains or associated funerary objects.

*1EE141*

Human remains representing, at least, three individuals have been identified. The 44 associated funerary objects are 19 pottery sherds, one faunal bone, 10 lithics, one shell, and 13 pieces of charred plant material. 1EE141 is located along an abandoned river channel, north of Jackson lake in Elmore County, AL. The site was excavated by David Chase in 1965 and 1968. During these excavations, human remains and associated funerary objects were removed from the site. These human remains and associated funerary objects were then housed in the AUM Archaeology Laboratory. No known hazardous substances were used to treat any of the human remains or associated funerary objects.

*1EE180*

Human remains representing, at least, two individuals have been identified. The 243 associated funerary objects are 149 pottery sherds, 56 lithics, 35 faunal bones, two lots of shell, and one lot of concretions. 1EE180 is north of the town of Millbrook, AL in Elmore County. The site was excavated by David Chase in 1980. During these excavations, human remains and associated funerary objects were removed from the site. These human remains and associated funerary objects were then housed in the AUM Archaeology Laboratory. No known hazardous substances were used to treat any of the human remains or associated funerary objects.

*The Green Site*

Human remains representing, at least, one individual has been identified. The 101 associated funerary objects are 77 pottery sherds, one fired clay, nine mammal bone fragments, seven lithic, six glass shards, and one lot of metal. The Green Site was described as located east of 1EE191, Fusihatchee, in Elmore County, AL. No site number was found in association with the Ancestors and funerary objects. From 1986 to 1988 archaeologists, most likely from AUM, removed human remains and associated funerary objects from the site. These human remains and associated funerary objects were then housed in the AUM Archaeology Laboratory. No known hazardous substances were used to treat any of the human remains or associated funerary objects.

*Unknown Location in Wetumpka, AL*

Human remains representing, at least, one individual has been identified. No associated funerary objects are present. The Ancestor was excavated by David Haines from undisclosed location in Wetumpka, AL (Elmore County). The original collection included Protohistoric (1550–1650 CE) glass beads and key style rumbler bells. The funerary objects were sold before the Ancestor was donated to the AUM Archaeology Lab. The date of sale and the recipient of the objects is not known. No known hazardous substances were used to treat any of the human remains or associated funerary objects.

## Cultural Affiliation

Based on the information available and the results of consultation, cultural affiliation is reasonably identified by the geographical location or acquisition history of the human remains and associated funerary objects described in this notice.

## Determinations

Auburn University at Montgomery has determined that:

- The human remains described in this notice represent the physical remains of 13 individuals of Native American ancestry.
- The 1,046 objects described in this notice are reasonably believed to have been placed intentionally with or near individual human remains at the time of death or later as part of the death rite or ceremony.
- There is a connection between the human remains and associated funerary objects described in this notice and the

Alabama-Coushatta Tribe of Texas; Alabama-Quassarte Tribal Town; Coushatta Tribe of Louisiana; Eastern Shawnee Tribe of Oklahoma; Jena Band of Choctaw Indians; Kialegee Tribal Town; Mississippi Band of Choctaw Indians; Poarch Band of Creek Indians; Seminole Tribe of Florida; Shawnee Tribe; The Muscogee (Creek) Nation; and The Seminole Nation of Oklahoma.

**Requests for Repatriation**

Written requests for repatriation of the human remains and associated funerary objects in this notice must be sent to the authorized representative identified in this notice under **ADDRESSES**. Requests for repatriation may be submitted by:

1. Any one or more of the Indian Tribes or Native Hawaiian organizations identified in this notice.

2. Any lineal descendant, Indian Tribe, or Native Hawaiian organization not identified in this notice who shows, by a preponderance of the evidence, that the requestor is a lineal descendant or an Indian Tribe or Native Hawaiian organization with cultural affiliation.

Repatriation of the human remains and associated funerary objects described in this notice to a requestor may occur on or after October 23, 2026. If competing requests for repatriation are received, Auburn University at Montgomery must determine the most appropriate requestor prior to repatriation. Requests for joint repatriation of the human remains and associated funerary objects are considered a single request and not competing requests. Auburn University at Montgomery is responsible for sending a copy of this notice to the Indian Tribes and Native Hawaiian organizations identified in this notice and any other consulting parties.

*Authority:* Native American Graves Protection and Repatriation Act, 25 U.S.C. 3003, and the implementing regulations, 43 CFR 10.10.

Dated: September 17, 2026.

**Melanie O'Brien,**

*Manager, National NAGPRA Program.*

[FR Doc. 2026–19485 Filed 9–22–26; 8:45 am]

**BILLING CODE 4312–52–P**

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## DEPARTMENT OF THE INTERIOR

### National Park Service

**[N7520; NPS–WASO–NAGPRA–NPS0043824; PPWOCRADN0–PCU00RP14.R50000]**

### Notice of Inventory Completion: Auburn University at Montgomery, Montgomery, AL

**AGENCY:** National Park Service, Interior.

**ACTION:** Notice.

**SUMMARY:** In accordance with the Native American Graves Protection and Repatriation Act (NAGPRA), Auburn University at Montgomery has completed an inventory of human remains and associated funerary objects and has determined that there is a cultural affiliation between the human remains and associated funerary objects and Indian Tribes or Native Hawaiian organizations in this notice.

**DATES:** Repatriation of the human remains and associated funerary objects in this notice may occur on or after October 23, 2026.

**ADDRESSES:** Send written requests for repatriation of the human remains and associated funerary objects in this notice to Kimberly Pyszka, Auburn University at Montgomery, P.O. Box 244023, Montgomery, AL 36124, email *nagpra@aum.edu.*

**SUPPLEMENTARY INFORMATION:** This notice is published as part of the National Park Service's administrative responsibilities under NAGPRA. The determinations in this notice are the sole responsibility of Auburn University at Montgomery, and additional information on the determinations in this notice, including the results of consultation, can be found in its inventory or related records. The National Park Service is not responsible for the determinations in this notice.

**Abstract of Information Available**

Human remains representing, at least, five individuals have been identified. The 478 associated funerary objects are one reconstructed vessel, one incomplete bowl-shaped ceramic, 286 pottery sherds, seven lithic, 18 faunal bone, 115 shell beads, 48 worked conch shells, one metal fragment, and one daub. 1MC9, Atasi, also called 1MC6 by David Chase, is located along an oxbow lake and the Tallapoosa River in Macon County, Alabama. Chase conducted excavations at the site in 1972 with AUM students. Then the site was revisited and surface collected by AUM archaeologists in 1977. During these excavations, human remains and associated funerary objects were removed from the site. These human remains and associated funerary objects were then housed in the AUM Archaeology Laboratory. No known hazardous substances were used to treat any of the human remains or associated funerary objects.

**Cultural Affiliation**

Based on the information available and the results of consultation, cultural affiliation is reasonably identified by the geographical location or acquisition history of the human remains and associated funerary objects described in this notice.

**Determinations**

Auburn University at Montgomery has determined that:

- The human remains described in this notice represent the physical remains of five individuals of Native American ancestry.
- The 478 objects described in this notice are reasonably believed to have been placed intentionally with or near individual human remains at the time of death or later as part of the death rite or ceremony.
- There is a connection between the human remains and associated funerary objects described in this notice and the Absentee Shawnee Tribe of Indians of Oklahoma; Alabama-Coushatta Tribe of Texas; Alabama-Quassarte Tribal Town; Coushatta Tribe of Louisiana; Eastern Shawnee Tribe of Oklahoma; Jena Band of Choctaw Indians; Kialegee Tribal Town; Mississippi Band of Choctaw Indians; Poarch Band of Creek Indians; Seminole Tribe of Florida; Shawnee Tribe; The Muscogee (Creek) Nation; The Seminole Nation of Oklahoma; and the Thlopthlocco Tribal Town.

**Requests for Repatriation**

Written requests for repatriation of the human remains and associated funerary objects in this notice must be sent to the authorized representative identified in this notice under **ADDRESSES**. Requests for repatriation may be submitted by:

1. Any one or more of the Indian Tribes or Native Hawaiian organizations identified in this notice.

2. Any lineal descendant, Indian Tribe, or Native Hawaiian organization not identified in this notice who shows, by a preponderance of the evidence, that the requestor is a lineal descendant or an Indian Tribe or Native Hawaiian organization with cultural affiliation.

Repatriation of the human remains and associated funerary objects described in this notice to a requestor may occur on or after October 23, 2026. If competing requests for repatriation are received, Auburn University at Montgomery must determine the most appropriate requestor prior to repatriation. Requests for joint repatriation of the human remains and associated funerary objects are considered a single request and not competing requests. Auburn University at Montgomery is responsible for sending a copy of this notice to the Indian Tribes and Native Hawaiian organizations identified in this notice and any other consulting parties.

*Authority:* Native American Graves Protection and Repatriation Act, 25 U.S.C. 3003, and the implementing regulations, 43 CFR 10.10.

Dated: September 17, 2026.

**Melanie O'Brien,**

*Manager, National NAGPRA Program.*

[FR Doc. 2026–19482 Filed 9–22–26; 8:45 am]

**BILLING CODE 4312–52–P**

## DEPARTMENT OF THE INTERIOR

### National Park Service

**[N7511; NPS–WASO–NAGPRA–NPS0043809; PPWOCRADN0–PCU00RP14.R50000]**

### Notice of Intended Repatriation: California State University, Stanislaus, Turlock, CA

**AGENCY:** National Park Service, Interior.

**ACTION:** Notice.

**SUMMARY:** In accordance with the Native American Graves Protection and Repatriation Act (NAGPRA), the California State University, Stanislaus intends to repatriate certain cultural items that meet the definition of unassociated funerary objects or objects of cultural patrimony and that have a cultural affiliation with the Indian Tribes or Native Hawaiian organizations in this notice.

**DATES:** Repatriation of the cultural items in this notice may occur on or after October 23, 2026.

**ADDRESSES:** Send additional, written requests for repatriation of the cultural items in this notice to Jake Malsbury, NAGPRA/CalNAGPRA Repatriation Coordinator, Office of the President, California State University, Stanislaus, One University Circle, Turlock, CA 95382, email *jmalsbury@csustan.edu.*

**SUPPLEMENTARY INFORMATION:** This notice is published as part of the National Park Service's administrative responsibilities under NAGPRA. The determinations in this notice are the sole responsibility of the California State University, Stanislaus, and additional information on the determinations in this notice, including the results of consultation, can be found in the summary or related records. The National Park Service is not responsible for the determinations in this notice.

### Abstract of Information Available

A total of 1,251 cultural items have been requested for repatriation.

In 1993–1996, archaeologists associated with the California State University, Stanislaus removed cultural items from the site CA–CAL–55 in Calaveras County, CA. The three objects of cultural patrimony consist of the following individual lots: faunal remains; flaked stones; and unmodified stones.

In 1979, archaeologists associated with the California State University, Stanislaus removed cultural items from the site CA–CAL–661 in Calaveras County, CA. The 155 objects of cultural patrimony include faunal and floral remains, thermally altered rocks, quartz crystal, flaked and unmodified stones, soil samples, and ground stone objects.

In 1985, archaeologists associated with the California State University, Stanislaus removed cultural items from the site CA–CAL–973/H in Calaveras County, CA. The 904 objects of cultural patrimony include flaked and unmodified stones, thermally altered rocks, faunal and floral remains, historic materials, quartz crystal, and ground stone objects.

In 1985–1986, archaeologists associated with the California State University, Stanislaus removed cultural items from the site CA–CAL–1010/H in Calaveras County, CA. The 10 objects of cultural patrimony consist of the following individual lots: flaked stones; unmodified stones; thermally altered rocks; faunal remains; charcoal pieces; soil samples; projectile points; quartz crystal; historic materials; and ground stone objects.

In 2008 and 2012, archaeologists associated with the California State University, Stanislaus removed cultural items from the site CA–CAL–1659/H in Calaveras County, CA. The two objects of cultural patrimony consist of the following individual lots: ground stone and historic materials.

In the 1970's and 1980's, archaeologists associated with the California State University, Stanislaus removed cultural items from several unknown sites in Calaveras County, CA. The four objects of cultural patrimony consist of the following individual lots: flaked stones; unmodified stones; quartz crystal; and ground stone objects.

At an unknown date, 173 cultural items were removed from an unknown cave site in Calaveras County, CA. The 173 unassociated funerary objects include shell beads, shell fragments, and faunal bone.

The University is unaware of any treatment of the cultural items listed above with pesticides, preservatives, or other substances that represent a potential hazard to the objects or to persons handling the objects. An unknown number of unidentified cultural items may be missing from the above collections, which may include other categories of items.

### Determinations

The California State University, Stanislaus has determined that:

- The 1,078 objects of cultural patrimony described in this notice have ongoing historical, traditional, or cultural importance central to the Native American group, including any constituent sub-group (such as a band, clan, lineage, ceremonial society, or other subdivision), according to the Native American traditional knowledge of an Indian Tribe or Native Hawaiian organization.
- The 173 unassociated funerary objects described in this notice are reasonably believed to have been placed intentionally with or near human remains, and are connected, either at the time of death or later as part of the death rite or ceremony of a Native American culture according to the Native American traditional knowledge of a lineal descendant, Indian Tribe, or Native Hawaiian organization. The unassociated funerary objects have been identified by a preponderance of the evidence as related to human remains, specific individuals, or families, or removed from a specific burial site or burial area of an individual or individuals with cultural affiliation to an Indian Tribe or Native Hawaiian organization.
- There is a connection between the cultural items described in this notice and the California Valley Miwok Tribe, California; Chicken Ranch Rancheria of Me-Wuk Indians of California; Ione Band of Miwok Indians of California; and the Tuolumne Band of Me-Wuk Indians of the Tuolumne Rancheria of California.

### Requests for Repatriation

Additional, written requests for repatriation of the cultural items in this notice must be sent to the authorized representative identified in this notice under **ADDRESSES**. Requests for repatriation may be submitted by any lineal descendant, Indian Tribe, or Native Hawaiian organization not identified in this notice who shows, by a preponderance of the evidence, that the requestor is a lineal descendant or a culturally affiliated Indian Tribe or Native Hawaiian organization.

Repatriation of the cultural items in this notice to a requestor may occur on or after October 23, 2026. If competing requests for repatriation are received, the California State University, Stanislaus must determine the most appropriate requestor prior to repatriation. Requests for joint repatriation of the cultural items are considered a single request and not competing requests. The California State University, Stanislaus is responsible for sending a copy of this notice to the Indian Tribes and Native Hawaiian organizations identified in this notice and to any other consulting parties.

*Authority:* Native American Graves Protection and Repatriation Act, 25 U.S.C. 3004 and the implementing regulations, 43 CFR 10.9.

Dated: September 17, 2026.

**Melanie O'Brien,**

*Manager, National NAGPRA Program.*

[FR Doc. 2026–19474 Filed 9–22–26; 8:45 am]

BILLING CODE 4312–52–P

## DEPARTMENT OF THE INTERIOR

### National Park Service

**[N7522; NPS–WASO–NAGPRA–NPS0043826; PPWOCRADN0–PCU00RP14.R50000]**

### Notice of Inventory Completion: Auburn University at Montgomery, Montgomery, AL

**AGENCY:** National Park Service, Interior.

**ACTION:** Notice.

**SUMMARY:** In accordance with the Native American Graves Protection and Repatriation Act (NAGPRA), Auburn University at Montgomery has completed an inventory of human remains and associated funerary objects and has determined that there is a cultural affiliation between the human remains and associated funerary objects and Indian Tribes or Native Hawaiian organizations in this notice.

**DATES:** Repatriation of the human remains and associated funerary objects in this notice may occur on or after October 23, 2026.

**ADDRESSES:** Send written requests for repatriation of the human remains and associated funerary objects in this notice to Kimberly Pyszka, Auburn University at Montgomery, P.O. Box 244023, Montgomery, AL 36124, email *nagpra@aum.edu.*

**SUPPLEMENTARY INFORMATION:** This notice is published as part of the National Park Service's administrative responsibilities under NAGPRA. The determinations in this notice are the sole responsibility of Auburn University at Montgomery, and additional information on the determinations in this notice, including the results of consultation, can be found in its inventory or related records. The National Park Service is not responsible for the determinations in this notice.

**Abstract of Information Available**

*1DS18*

Human remains representing, at least, one individual has been identified. The 55 associated funerary objects are 45 pottery sherds and 10 lithics. 1DS18, borders a small swamp known as Beaver run in Dallas County, AL. The site was surface collected by an unnamed employee of Timberlands and then excavated by David Chase in 1974. During these excavations, human remains and associated funerary objects were removed from the site. These human remains and associated funerary objects were then housed in the AUM Archaeology Laboratory. No known hazardous substances were used to treat any of the human remains or associated funerary objects.

*1DS53*

Human remains representing, at least, two individuals have been identified. The 132 associated funerary objects are 84 pottery sherds, four faunal bone, six lithics, 10 metal, four beads, two bricks, two insect nests, 15 mixed wood and metal fragments, one lot of mixed samples, one lot of wood, and three samples of material from a ramrod. 1DS53, White Oak Creek or Chuala, is located on the west bank of White Oak Creek near the Alabama River in Dallas County, AL. The site was excavated by David Chase in 1969 and 1974. During these excavations, human remains and associated funerary objects were removed from the site. These human remains and associated funerary objects were then housed in the AUM Archaeology Laboratory. No known hazardous substances were used to treat any of the human remains or associated funerary objects.

*1DS56*

Human remains representing, at least, one individual has been identified. The five associated funerary objects are three pottery sherds and two lithics. 1DS56, Five House Site, is located southeast of the mouth of Big Cedar Creek in Dallas County, AL. The site was excavated by David Chase in 1969 and 1974. During these excavations, human remains and associated funerary objects were removed from the site. These human remains and associated funerary objects were then housed in the AUM Archaeology Laboratory. No known hazardous substances were used to treat any of the human remains or associated funerary objects.

*1MN7*

Human remains representing, at least, seven individuals have been identified. The 14 associated funerary objects are nine pottery sherds, three lithics, and two shells. 1MN7, Claiborne Lock Site, is located just south of the Claiborne Lock and Dam in Monroe County, AL. The site was excavated by David Chase on an unknown date. During these excavations, human remains and associated funerary objects were removed from the site. These human remains and associated funerary objects were then housed in the AUM Archaeology Laboratory. No known hazardous substances were used to treat any of the human remains or associated funerary objects.

*1MN30*

Human remains representing, at least, one individual has been identified. The 155 associated funerary objects are 140 pottery sherds, 14 lithics, and one faunal bone. 1MN30, Eureka Landing, is located on a levee of the Alabama River along the boundary between Monroe and Clarke County. The site was excavated by David Chase in 1970. During these excavations, human remains and associated funerary objects were removed from the site. These human remains and associated funerary objects were then housed in the AUM Archaeology Laboratory. No known hazardous substances were used to treat any of the human remains or associated funerary objects.

*1MN182*

Human remains representing, at least, one individual has been identified. The 26 associated funerary objects are 24 pottery sherds and two lithics. 1MN182, Claiborne Bridge Site, is in the Claiborne Community near the Claiborne-Murphy Bridge along the western bank of the Alabama River. David Chase excavated this site in September 1981 at the request of the Alabama Highway Department. During these excavations, human remains and associated funerary objects were removed from the site. These human remains and associated funerary objects were then housed in the AUM Archaeology Laboratory. No known hazardous substances were used to treat any of the human remains or associated funerary objects.

*1WN51*

Human remains representing, at least, one individual has been identified. The 65 associated funerary objects are 53 pottery sherds, five lithics, and seven faunal bone. 1WN51, is located on a plateau overlooking an old river channel in Washington County, AL. David Chase excavated this site in September 1969. During these excavations, human remains and associated funerary objects were removed from the site. These human remains and associated funerary objects were then housed in the AUM Archaeology Laboratory. No known hazardous substances were used to treat any of the human remains or associated funerary objects.

*1WN52*

Human remains representing, at least, one individual has been identified. The 197 associated funerary objects are pottery sherds, some of which are associated with partially reconstructed burial urns. 1WN52, is located on a small ridge in Washington County, AL. David Chase excavated this site in September 1969. During these excavations, human remains and associated funerary objects were removed from the site. These human remains and associated funerary objects were then housed in the AUM Archaeology Laboratory. No known hazardous substances were used to treat any of the human remains or associated funerary objects.

*1WX47*

Human remains representing, at least, one individual has been identified. The 50 associated funerary objects are 31 pottery sherds and 19 lithics. 1WX47, Lamison Gravel Pit, is located on a creek terrace near the intersection of Beaver and Goose Creeks, west of the Alabama River in Wilcox County, AL. David Chase excavated this site in 1970. During these excavations, human remains and associated funerary objects were removed from the site. These human remains and associated funerary objects were then housed in the AUM Archaeology Laboratory. No known hazardous substances were used to treat any of the human remains or associated funerary objects.

*1WX76*

Human remains representing, at least, one individual has been identified. The 164 associated funerary objects are 135 pottery sherds, three lithics, 17 shell beads, eight faunal bones, and one lot of charcoal. 1WX76, is located on a terrace underneath the Frank Dodson Bridge on the west bank of the Alabama River in Wilcox County, AL. David Chase excavated this site in 1970. During these excavations, human remains and associated funerary objects were removed from the site. These human remains and associated funerary objects were then housed in the AUM Archaeology Laboratory. No known hazardous substances were used to treat any of the human remains or associated funerary objects.

**Cultural Affiliation**

Based on the information available and the results of consultation, cultural affiliation is reasonably identified by the geographical location or acquisition history of the human remains and associated funerary objects described in this notice.

**Determinations**

Auburn University at Montgomery has determined that:

- The human remains described in this notice represent the physical remains of 17 individuals of Native American ancestry.
- The 863 objects described in this notice are reasonably believed to have been placed intentionally with or near individual human remains at the time of death or later as part of the death rite or ceremony.
- There is a connection between the human remains and associated funerary objects described in this notice and the Absentee Shawnee Tribe of Indians of Oklahoma; Alabama-Coushatta Tribe of Texas; Alabama-Quassarte Tribal Town; Coushatta Tribe of Louisiana; Eastern Shawnee Tribe of Oklahoma; Jena Band of Choctaw Indians; Kialegee Tribal Town; Mississippi Band of Choctaw Indians; Poarch Band of Creek Indians; Seminole Tribe of Florida; The Choctaw Nation of Oklahoma; The Muscogee (Creek) Nation; The Seminole Nation of Oklahoma; and the Thlopthlocco Tribal Town.

**Requests for Repatriation**

Written requests for repatriation of the human remains and associated funerary objects in this notice must be sent to the authorized representative identified in this notice under ADDRESSES. Requests for repatriation may be submitted by:

1. Any one or more of the Indian Tribes or Native Hawaiian organizations identified in this notice.
2. Any lineal descendant, Indian Tribe, or Native Hawaiian organization not identified in this notice who shows, by a preponderance of the evidence, that the requestor is a lineal descendant or an Indian Tribe or Native Hawaiian organization with cultural affiliation.

Repatriation of the human remains and associated funerary objects described in this notice to a requestor may occur on or after October 23, 2026. If competing requests for repatriation are received, Auburn University at Montgomery must determine the most appropriate requestor prior to repatriation. Requests for joint repatriation of the human remains and associated funerary objects are considered a single request and not competing requests. Auburn University at Montgomery is responsible for sending a copy of this notice to the Indian Tribes and Native Hawaiian organizations identified in this notice and any other consulting parties.

*Authority:* Native American Graves Protection and Repatriation Act, 25 U.S.C. 3003, and the implementing regulations, 43 CFR 10.10.

Dated: September 17, 2026.

**Melanie O'Brien,**

*Manager, National NAGPRA Program.*

[FR Doc. 2026–19484 Filed 9–22–26; 8:45 am]

BILLING CODE 4312–52–P

## DEPARTMENT OF THE INTERIOR

### National Park Service

**[N7502; NPS–WASO–NAGPRA–NPS0043796; PPWOCRADN0–PCU00RP14.R50000]**

### Notice of Inventory Completion: Indiana University, Bloomington, IN

**AGENCY:** National Park Service, Interior.

**ACTION:** Notice.

**SUMMARY:** In accordance with the Native American Graves Protection and Repatriation Act (NAGPRA), Indiana University has completed an inventory of human remains and has determined that there is a cultural affiliation between the human remains and Indian Tribes or Native Hawaiian organizations in this notice.

**DATES:** Repatriation of the human remains in this notice may occur on or after October 23, 2026.

**ADDRESSES:** Send written requests for repatriation of the human remains in this notice to Dr. Jayne-Leigh Thomas, Executive Director, Indiana University, Office of the Native American Graves Protection and Repatriation Act, Student Building 318, 701 E Kirkwood Avenue, Bloomington, IN 47405, email *thomajay@iu.edu.*

**SUPPLEMENTARY INFORMATION:** This notice is published as part of the National Park Service's administrative responsibilities under NAGPRA. The determinations in this notice are the sole responsibility of Indiana University and additional information on the determinations in this notice, including the results of consultation, can be found in its inventory or related records. The National Park Service is not responsible for the determinations in this notice.

**Abstract of Information Available**

Human remains representing, at least one individual has been identified. No associated funerary objects are present.

This collection is recorded as coming from the Gingrich site in Pennsylvania. It was sent to an IU anthropology faculty member by John Witthorft, with a note indicating the individual was supposed to be returned to S.S. Farver, Palmyra, PA.

*MNI* (minimum number of individuals): one.

There is no record of hazardous substances being used on this collection.

**Cultural Affiliation**

Based on the information available and the results of consultation, cultural affiliation is clearly identified by the information available about the human remains described in this notice.

**Determinations**

Indiana University has determined that:

• The human remains described in this notice represent the physical remains of one individual of Native American ancestry.

• There is a connection between the human remains described in this notice and the Absentee Shawnee Tribe of Indians of Oklahoma; Cayuga Nation; Delaware Nation, Oklahoma; Delaware Tribe of Indians; Eastern Shawnee Tribe of Oklahoma; Oneida Indian Nation; Oneida Nation; Onondaga Nation; Pamunkey Indian Tribe; Saint Regis Mohawk Tribe; Seneca Nation of Indians; Seneca-Cayuga Nation; Shawnee Tribe; Tonawanda Band of Seneca; Tuscarora Nation; and the Wyandotte Nation.

**Requests for Repatriation**

Written requests for repatriation of the human remains in this notice must be sent to the authorized representative identified in this notice under **ADDRESSES**. Requests for repatriation may be submitted by:

1. Any one or more of the Indian Tribes or Native Hawaiian organizations identified in this notice.

2. Any lineal descendant, Indian Tribe, or Native Hawaiian organization not identified in this notice who shows, by a preponderance of the evidence, that the requestor is a lineal descendant or an Indian Tribe or Native Hawaiian organization with cultural affiliation.

Repatriation of the human remains described in this notice to a requestor may occur on or after October 23, 2026. If competing requests for repatriation are received, Indiana University must determine the most appropriate requestor prior to repatriation. Requests for joint repatriation of the human remains are considered a single request and not competing requests. Indiana University is responsible for sending a copy of this notice to the Indian Tribes and Native Hawaiian organizations identified in this notice and any other consulting parties.

*Authority:* Native American Graves Protection and Repatriation Act, 25 U.S.C. 3003, and the implementing regulations, 43 CFR 10.10.

Dated: September 17, 2026.

**Melanie O'Brien,**

*Manager, National NAGPRA Program.*

[FR Doc. 2026–19465 Filed 9–22–26; 8:45 am]

**BILLING CODE 4312–52–P**

## INTERNATIONAL TRADE COMMISSION

**[Investigation Nos. 701–TA–653 and 731–TA–1527 (Review)]**

### Standard Steel Welded Wire Mesh From Mexico; Determinations

On the basis of the record[1] developed in the subject five-year reviews, the United States International Trade Commission (''Commission'') determines, pursuant to the Tariff Act of 1930 (''the Act''), that revocation of the antidumping and countervailing duty orders on standard steel welded wire mesh from Mexico would be likely to lead to continuation or recurrence of material injury to an industry in the United States within a reasonably foreseeable time.[2]

**Background**

The Commission instituted these reviews on March 2, 2026 (91 FR 10136) and determined on June 5, 2026, that it would conduct expedited reviews (91 FR 39632, June 30, 2026).[3]

The Commission made these determinations pursuant to section 751(c) of the Act (19 U.S.C. 1675(c)). It completed and filed its determinations in these reviews on September 21, 2026. The views of the Commission are contained in USITC Publication 5791 (September 2026), entitled *Standard Steel Welded Wire Mesh from Mexico: Investigation Nos. 701–TA–653 and 731–TA–1527 (Review).*

By order of the Commission.

Issued: September 21, 2026.

**Lisa Barton,**

*Secretary to the Commission.*

[FR Doc. 2026–19436 Filed 9–22–26; 8:45 am]

**BILLING CODE 7020–02–P**

[1] The record is defined in § 207.2(f) of the Commission's Rules of Practice and Procedure (19 CFR 207.2(f)).

[2] Chairman Brett W. Doyle and Commissioners Jason E. Kearns, Peter-Anthony Pappas, Bart Thanhauser, and David Foley Jr. voted in the affirmative. Commissioner Samuel T. Negatu did not participate.

[3] Commissioners David S. Johanson, Jason E. Kearns, and Amy A. Karpel concluded that the domestic interested party group responses were adequate, the respondent interested party group responses were inadequate, and there were no other circumstances that would warrant conducting full reviews. Chairman Brett W. Doyle and Commissioners Peter-Anthony Pappas, Bart Thanhauser, David Foley Jr., and Samuel T. Negatu, who were not yet members of the Commission, did not participate in the adequacy votes.

## INTERNATIONAL TRADE COMMISSION

**[Investigation Nos. 701–TA–648 and 731–TA–1521–1522 (Review)]**

### Walk-Behind Lawn Mowers From China and Vietnam; Termination of Five-Year Reviews

**AGENCY:** United States International Trade Commission.

**ACTION:** Notice.

**SUMMARY:** The Commission instituted the subject five-year review on June 1, 2026, to determine whether revocation of the antidumping duty orders on walk-behind lawn mowers from China and Vietnam and the countervailing duty order on walk-behind lawn mowers from China would be likely to lead to continuation or recurrence of material injury. On September 8, 2026, the Department of Commerce published notice in the **Federal Register** that it was revoking the orders effective August 31, 2026, because no domestic interested party filed a timely notice of intent to participate (91 FR 57132). Accordingly, the subject reviews are terminated.

**DATES:** August 31, 2026.

**FOR FURTHER INFORMATION CONTACT:** Peter Stebbins (202–205–2039), Office of Investigations, U.S. International Trade Commission, 500 E Street SW, Washington, DC 20436. 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 202–205–2000. General information concerning the Commission may also be obtained by accessing its internet server (*https://www.usitc.gov*). The public record for these investigations may be viewed on the Commission's electronic docket (EDIS) at *https://edis.usitc.gov.*

*Authority:* These reviews are being terminated under authority of title VII of the Tariff Act of 1930 and pursuant to section 751(c) of the Tariff Act of 1930 (19 U.S.C. 1675(c)). This notice is published pursuant to section 207.69 of the Commission's rules (19 CFR 207.69).

By order of the Commission.

Issued: September 18, 2026.

**Sharon Bellamy,**

*Supervisory Hearings and Information Officer.*

[FR Doc. 2026–19401 Filed 9–22–26; 8:45 am]

BILLING CODE 7020–02–P

## DEPARTMENT OF JUSTICE

**[OMB Number 1117–0055]**

## Agency Information Collection Activities; Proposed eCollection eComments Requested; Extension of a Previously Approved Collection; Title—Procurement Quota Certification and Recordkeeping Requirements

**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 November 23, 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 Achbach, Regulatory Drafting and Policy Support Section, Drug Enforcement Administration; Mailing Address: 8701 Morrissette Drive, Springfield, Virginia 22152; Telephone: (571) 776–3882; Email: *Heather.E.Achbach@dea.gov* or *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: Pursuant to 21 U.S.C. 826, 21 Cprocure that, and 1315.32(h), any person issued procurement quota for a quantity of a basic class of controlled substances listed in Schedules I or II, and ephedrine, pseudoephedrine, phenylpropanolamine during the current calendar year must, at or before the time of placing an order with a registrant, certify in writing to the registrant from whom they wish to procure that the quantity of such basic class and list I chemical ordered does not exceed the person's unused and available procurement quota of such basic class and chemical for the current calendar year. Registrants shall not fill an order from a person required to apply for a procurement quota unless the order is accompanied by such a certification.

### Overview of This Information Collection

1. *Type of Information Collection:* Extension of a currently approved collection.

2. *Title of the Form/Collection:* Procurement Quota Certification and Recordkeeping Requirements.

3. *The agency form number, if any, and the applicable component of the Department sponsoring the collection:* There is no form for 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:* The affected public is business or other for-profit. The obligation to respond is mandatory to respond to procure any quantity of a basic class of controlled substances listed in Schedules I or II, and ephedrine, pseudoephedrine, phenylpropanolamine.

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 650 registrants participate in this information collection. The time per response is 15 minutes.

6. *An estimate of the total annual burden (in hours) associated with the collection:* DEA estimates that this collection takes 813 annual burden hours.

7. *An estimate of the total annual cost burden associated with the collection, if applicable:* $0.

TOTAL BURDEN HOURS

| Activity | Number of respondents | Frequency | Total annual responses | Time per response (hours) | Total annual burden (hours) |
|---|---|---|---|---|---|
| Procurement Quota Certification and Recordkeeping | 650 | 5 | 3,250 | 0.25 | 813 |
| Unduplicated Totals | 650 | 5 | 3,250 | 0.25 | 813 |

*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.

Dated: September 21, 2026.

**Darwin Arceo,**

*Department Clearance Officer for PRA, U.S. Department of Justice.*

[FR Doc. 2026–19432 Filed 9–22–26; 8:45 am]

BILLING CODE 4410–09–P

## DEPARTMENT OF JUSTICE

**[OMB Number 1117–0047]**

### Agency Information Collection Activities; Proposed eCollection, eComments Requested; Extension Without Change of a Previously Approved Collection; Title—Application for Import Quota for Ephedrine, Pseudoephedrine, and Phenylpropanolamine (DEA Form 488)

**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 November 23, 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 Achbach, Regulatory Drafting and Policy Support Section, Drug Enforcement Administration; Mailing Address: 8701 Morrissette Drive, Springfield, Virginia 22152; Telephone: (571) 776–3882; Email: *Heather.E.Achbach@dea.gov* or *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:* Pursuant to 21 U.S.C. 952 and 21 CFR 1315.34, any person who desires to import the List I chemicals Ephedrine, Pseudoephedrine, or Phenylpropanolamine during the next calendar year must apply on DEA Form 488 for an import quota for each such List I chemical.

**Overview of This Information Collection**

1. *Type of Information Collection:* Extension of a currently approved collection.

2. *The Title of the Form/Collection:* Application for Import Quota for Ephedrine, Pseudoephedrine, and Phenylpropanolamine.

3. *The agency form number, if any, and the applicable component of the Department sponsoring the collection:* DEA Form 488. 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.

*Affected Public (Other):* None.

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 53 registrants participate in this information collection. The time per response is 30 minutes.

6. *An estimate of the total annual burden (in hours) associated with the collection:* DEA estimates that this collection takes 72 annual burden hours.

7. *An estimate of the total annual cost burden associated with the collection, if applicable:* $0.

TOTAL BURDEN HOURS

| Activity | Number of respondents | Frequency | Total annual responses | Time per response (hours) | Total annual burden (hours) |
|---|---|---|---|---|---|
| DEA Form 488 | 53 | 2.69811321 | 143 | 0.5 | 72 |
| Unduplicated Totals | 53 | 2.69811321 | 143 | 0.5 | 72 |

*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.

Dated: September 21, 2026.

**Darwin Arceo,**

*Department Clearance Officer for PRA, U.S. Department of Justice.*

[FR Doc. 2026–19433 Filed 9–22–26; 8:45 am]

**BILLING CODE 4410–09–P**

## DEPARTMENT OF JUSTICE

**[OMB Number 1117–0008]**

### Agency Information Collection Activities; Proposed eCollection eComments Requested; Extension of a Previously Approved Collection; Title—Application for Procurement Quota for Controlled Substance and for Ephedrine, Pseudoephedrine, and Phenylpropanolamine (DEA Form 250)

**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 November 23, 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 Achbach, Regulatory Drafting and Policy Support Section, Drug Enforcement Administration; Mailing Address: 8701 Morrissette Drive, Springfield, Virginia 22152; Telephone: (571) 776–3882; Email: *Heather.E.Achbach@dea.gov* or *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:* Pursuant to 21 U.S.C. 826 and 21 CFR 1303.15(b) and 1315.32, any person who desires to use, during the next calendar year, any basic class of controlled substances listed in schedules I or II, or the List I chemicals ephedrine, pseudoephedrine, or phenylpropanolamine for purposes of manufacturing must apply on DEA Form 250 for a procurement quota for such class or List I chemical.

**Overview of This Information Collection**

1. *Type of Information Collection:* Extension of a currently approved collection.

2. *Title of the Form/Collection:* Application for Procurement Quota for Controlled Substance and for Ephedrine, Pseudoephedrine, and Phenylpropanolamine.

3. *The agency form number, if any, and the applicable component of the Department sponsoring the collection:* The form numbers are DEA Forms 250. 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:* The affected public is business or other for-profit. The obligation to respond is mandatory to respond to receive Procurement Quota.

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 262 registrants participate in this information collection. The time per response is 30 minutes.

6. *An estimate of the total annual burden (in hours) associated with the collection:* DEA estimates that this collection takes 1,423 annual burden hours.

7. *An estimate of the total annual cost burden associated with the collection, if applicable:* $0.

TOTAL BURDEN HOURS

| Activity | Number of respondents | Frequency | Total annual responses | Time per response (hours) | Total annual burden (hours) |
|---|---|---|---|---|---|
| DEA Form 250 | 262 | 10.8587786 | 2,845 | 0.5 | 1,423 |
| Unduplicated Totals | 262 | 10.8587786 | 2,845 | 0.5 | 1,423 |

*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.

Dated: September 21, 2026.

**Darwin Arceo,**

*Department Clearance Officer for PRA, U.S. Department of Justice.*

[FR Doc. 2026–19434 Filed 9–22–26; 8:45 am]

BILLING CODE 4410–CW–P

## DEPARTMENT OF JUSTICE

**[OMB Number 1117–0006]**

## Agency Information Collection Activities; Proposed eCollection eComments Requested; Extension Without Change of a Previously Approved Collection; Title—Application for Individual Manufacturing Quota for a Basic Class of Controlled Substance and for Ephedrine, Pseudoephedrine, and Phenylpropanolamine (DEA Form 189)

**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 November 23, 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 Achbach, Regulatory Drafting and Policy Support Section, Drug Enforcement Administration; Mailing Address: 8701 Morrissette Drive, Springfield, Virginia 22152; Telephone: (571) 776–3882; Email: *Heather.E.Achbach@dea.gov* or *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:* Pursuant to 21 U.S.C. 826(c) and 21 CFR 1303.22 and 1315.22, any person who is registered to manufacture any basic class of controlled substances listed in Schedule I or II, or the List I chemicals ephedrine, pseudoephedrine, or phenylpropanolamine, and who desires to manufacture a quantity of such class or such List I chemical, must apply on DEA Form 189 for a manufacturing quota for such quantity of such class or List I chemical.

**Overview of This Information Collection**

1. *Type of Information Collection:* Extension of a currently approved collection.
2. *Title of the Form/Collection:* Application for Individual Manufacturing Quota for a Basic Class of Controlled Substance and for Ephedrine, Pseudoephedrine, and Phenylpropanolamine.
3. *The agency form number, if any, and the applicable component of the Department sponsoring the collection:* The form number is DEA Form 189. 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:* The affected Public would be Business or other for-profit. The obligation to respond is mandatory to receive Individual Manufacturing Quota.

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 803 registrants participate in this information collection. The time per response is 30 minutes.

6. *An estimate of the total annual burden (in hours) associated with the collection:* DEA estimates that this collection takes 402 annual burden hours.

7. *An estimate of the total annual cost burden associated with the collection, if applicable:* $0.

TOTAL BURDEN HOURS

| Activity | Number of respondents | Frequency | Total annual responses | Time per response (hours) | Total annual burden (hours) |
|---|---|---|---|---|---|
| DEA Form 189 | 42 | 19.11904762 | 803 | 0.5 | 402 |
| Unduplicated Totals | 42 | 19.11904762 | 803 | 0.5 | 402 |

*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.

Dated: September 21, 2026.

**Darwin Arceo,**

*Department Clearance Officer for PRA, U.S. Department of Justice.*

[FR Doc. 2026–19435 Filed 9–22–26; 8:45 am]

BILLING CODE 4410–09–P

## DEPARTMENT OF JUSTICE

**[OMB Number 1123–0015]**

### Agency Information Collection Activities; Proposed eCollection eComments Requested; Revision of Previously Approved Collection; Petition for Commutation of Sentence

**AGENCY:** Office of the Pardon Attorney, Department of Justice.

**ACTION:** 30-Day notice.

**SUMMARY:** The Office of the Pardon Attorney, Department of Justice, is 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:** The Department of Justice encourages public comment and will accept input until 30 days after publication in the **Federal Register**.

**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: Kira Gillespie, Deputy Pardon Attorney, Office of the Pardon Attorney, 950 Pennsylvania Avenue NW, Main Justice—RFK Building, Washington, DC 20530; *kira.gillespie@usdoj.gov;* (202) 616–6073.

**SUPPLEMENTARY INFORMATION:** The proposed information collection was previously published in the **Federal Register** on July 2, 2026, allowing a 60-day comment period. No comments were received. 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 Office of the Pardon Attorney, 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.

Written comments and recommendations for this information collection should be submitted within 30 days of the publication of this notice on the following website *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 and entering either the title of the information collection or the OMB Control Number 1123–0015. This information collection request may be viewed at *www.reginfo.gov.* Follow the instructions to view Department of Justice, information collections currently under review by OMB. Please submit a copy of your comments to Kira Gillespie at *kira.gillespie@usdoj.gov.*

DOJ 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 DOJ notes that information collection requirements submitted to the OMB for existing ICRs receive a month-to-month extension while they undergo review.

**Overview of the Information Collection**

1. *Type of Information Collection:* Revision of previously approved collection.

2. *The Title of the Form/Collection:* Petition for Commutation of Sentence

3. *The agency form number, if any, and the applicable component of the Department sponsoring the collection:* There is no agency form number for this collection. The applicable component within the Department of Justice is the Office of the Pardon Attorney.

4. *Affected public who will be asked or required to respond, as well as a brief abstract:* Applicants seeking commutation of sentence by the President will be asked to respond to this collection. The principal purpose for collecting this information is to enable the Office of the Pardon Attorney to process applicants' requests for commutation. The information is necessary to verify applicants' identities, conduct investigation of the applicants' backgrounds and criminal records, and ensure proper notification to the Bureau of Prisons, Federal Bureau of Investigation, U.S. Attorneys' Offices, U.S. Probation Offices, and federal courts in the event of grants of executive clemency.

5. *Obligation to Respond:* Voluntary.

6. *Total Estimated Number of Respondents:* 5,000 to 6,000 applicants annually.[1]

7. *Estimated Time per Respondent:* 2 hours.

8. *Frequency:* Once a year.

9. *Total Estimated Annual Time Burden:* 10,000 to 12,000 hours.

10. *Total Estimated Annual Other Costs Burden:* $0.

If additional information is required contact: Darwin Arceo, Department Clearance Officer, Enterprise Portfolio Management, Justice Management Division, United States Department of Justice, Two Constitution Square, 145 N Street NE, 4W–218, Washington, DC 20530.

Dated: September 21, 2026.

**Darwin Arceo,**

*Department Clearance Officer for PRA, U.S. Department of Justice.*

[FR Doc. 2026–19427 Filed 9–22–26; 8:45 am]

**BILLING CODE 4410–29–P**

[1] Over the last 10 years, the Office of the Pardon Attorney has received an average of 5,141 commutation applications per year, and over the last five years that average is 5,486 applications.

## OFFICE OF MANAGEMENT AND BUDGET

### Office of Federal Procurement Policy

## DEPARTMENT OF DEFENSE

## GENERAL SERVICES ADMINISTRATION

## NATIONAL AERONAUTICS AND SPACE ADMINISTRATION

**[OMB Control No. 9000–0064; Docket No. 2026–0299; Sequence No. 1]**

### Information Collection; Paperwork Reduction Act Changes in FAR Case 2026–010, Revolutionary Federal Acquisition Regulation Overhaul Parts 14, 28, 36, and 52

**AGENCY:** Office of Federal Procurement Policy (OFPP), Office of Management and Budget (OMB); Department of Defense (DOD); General Services Administration (GSA); and National Aeronautics and Space Administration (NASA).

**ACTION:** Notice and request for comments.

**SUMMARY:** OFPP, DoD, GSA, and NASA (collectively referred to as the Federal Acquisition Regulatory Council or FAR Council) invite public comments on the Paperwork Reduction Act changes in FAR Case 2026–010, ''Revolutionary Federal Acquisition Regulation Overhaul Parts 14, 28, 36, and 52,'' specifically regarding changes to information collections due to the proposed rule. In accordance with the Paperwork Reduction Act (PRA) of 1995 and OMB regulations, public comments are particularly invited on: the necessity of the collection of information for the proper performance of the functions of Federal Government acquisitions, including whether the information will have practical utility; the accuracy of the estimate of the burden of the collection of information; ways to enhance the quality, utility, and clarity of the information to be collected; and ways to minimize the burden of the collection of information on respondents, including the use of automated collection techniques or other forms of information technology.

**DATES:** The FAR Council will consider all comments received by November 23, 2026.

**ADDRESSES:** The FAR Council invites interested persons to submit comments on the collection(s) through *https://www.regulations.gov* and follow the instructions on the site. This website provides the ability to type short comments directly into the comment field or attach a file for lengthier comments. If there are difficulties submitting comments, contact the GSA Regulatory Secretariat Division at 202–501–4755 or *GSARegSec@gsa.gov.*

*Instructions:* All items submitted must cite the OMB Control Number and title of the relevant information collection. Comments received generally will be posted without change to *https://www.regulations.gov,* including any personal and/or business confidential information provided. To confirm receipt of your comment(s), please check *www.regulations.gov,* approximately two-to-three days after submission to verify posting.

**FOR FURTHER INFORMATION CONTACT:** *FARPolicy@gsa.gov* or call 202–969–4075.

**SUPPLEMENTARY INFORMATION:** FAR Case 2026–010; Revolutionary Federal Acquisition Regulation Overhaul Parts 14, 28, 36, and 52 (91 FR 59534); includes information collections under the PRA. Following is the collection previously approved by OMB that would be revised by the proposed rule.

**OMB Control No. 9000–0064**

The changes under the proposed rule, if finalized, would revise the public reporting burden for OMB Control No. 9000–0064, Certain Federal Acquisition Regulation Part 36 Construction Contract Requirements, to reflect the removal of the clause at FAR 52.236–19, Organization and Direction of the Work.

The revised annual public burden is estimated as follows:

*Respondents:* 3,762.

*Total Annual Responses:* 13,258.

*Total Burden Hours:* 21,331.

*Obtaining Copies:* Requesters may obtain a copy of the information collection documents from the GSA Regulatory Secretariat Division by calling 202–501–4755 or emailing *GSARegSec@gsa.gov.* Please cite OMB Control No. 9000–0064, Certain Federal Acquisition Regulation Part 36 Construction Contract Requirements.

**William F. Clark,**

*Director, Office of Governmentwide Acquisition Policy, Office of Acquisition Policy, Office of Governmentwide Policy.*

[FR Doc. 2026–19442 Filed 9–22–26; 8:45 am]

**BILLING CODE 6820–EP–P**

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## OFFICE OF MANAGEMENT AND BUDGET

### Office of Federal Procurement Policy

## DEPARTMENT OF DEFENSE

## GENERAL SERVICES ADMINISTRATION

## NATIONAL AERONAUTICS AND SPACE ADMINISTRATION

**[OMB Control No. 9000–0061; OMB Control No. 9000–0095; Docket No. 2026–0301; Sequence No. 1]**

## Information Collection; Paperwork Reduction Act Changes in FAR Case 2026–011, Revolutionary Federal Acquisition Regulation Overhaul Parts 9, 27, and 47

**AGENCY:** Office of Federal Procurement Policy (OFPP), Office of Management and Budget (OMB); Department of Defense (DOD); General Services Administration (GSA); and National Aeronautics and Space Administration (NASA).

**ACTION:** Notice and request for comments.

**SUMMARY:** OFPP, DoD, GSA, and NASA (collectively referred to as the Federal Acquisition Regulatory Council or FAR Council) invite public comments on the Paperwork Reduction Act changes in FAR Case 2026–011, ‘‘Revolutionary Federal Acquisition Regulation Overhaul Parts 9, 27, and 47,’’ specifically regarding changes to information collections due to the proposed rule. In accordance with the Paperwork Reduction Act (PRA) of 1995 and OMB regulations, public comments are particularly invited on: the necessity of the collection of information for the proper performance of the functions of Federal Government acquisitions, including whether the information will have practical utility; the accuracy of the estimate of the burden of the collection of information; ways to enhance the quality, utility, and clarity of the information to be collected; and ways to minimize the burden of the collection of information on respondents, including the use of automated collection techniques or other forms of information technology.

**DATES:** The FAR Council will consider all comments received by November 23, 2026.

**ADDRESSES:** The FAR Council invites interested persons to submit comments on the collection(s) through *https://www.regulations.gov* and follow the instructions on the site. This website provides the ability to type short comments directly into the comment field or attach a file for lengthier comments. If there are difficulties submitting comments, contact the GSA Regulatory Secretariat Division at 202–501–4755 or *GSARegSec@gsa.gov.*

*Instructions:* All items submitted must cite the OMB Control Number and title of the relevant information collection. Comments received generally will be posted without change to *https://www.regulations.gov,* including any personal and/or business confidential information provided. To confirm receipt of your comment(s), please check *www.regulations.gov,* approximately two-to-three days after submission to verify posting.

**FOR FURTHER INFORMATION CONTACT:** *FARPolicy@gsa.gov* or call 202–969–4075.

**SUPPLEMENTARY INFORMATION:** FAR Case 2026–011; Revolutionary Federal Acquisition Regulation Overhaul Parts 9, 27, and 47 (91 FR 59584); includes information collections under the PRA. Following are the collections previously approved by OMB that would be revised by the proposed rule.

### OMB Control No. 9000–0061

The changes under the proposed rule, if finalized, would revise the information collection and the paperwork burden previously approved by OMB under OMB Control No. 9000–0061, Federal Acquisition Regulation Part 47 Transportation Requirements, to remove certain requirements as explained in section VII.4.b of the proposed rule’s preamble. The revised public annual burden is estimated as follows:

*Respondents/Recordkeepers:* 12,656.

*Total Annual Responses:* 259,516.

*Total Burden Hours:* 17,661.

### OMB Control No. 9000–0095

The changes under the proposed rule, if finalized, would revise the information collection and the paperwork burden previously approved by OMB under OMB Control No. 9000–0095, Federal Acquisition Regulation Part 27 Requirements. The Defense Federal Acquisition Regulation Supplement (DFARS) provisions and clauses related to FAR subpart 27.4 are proposed to be relocated to the FAR and replace the provisions and clauses at FAR 52.227–14 through 52.227–21 and FAR 52.227–23. This relocation of provisions and clauses from the DFARS to the FAR requires the following:

- Revising the annual public reporting burden for OMB Control No. 9000–0095 to be estimated as follows:

*Respondents:* 439.

*Total Annual Responses:* 13,634.

*Total Burden Hours:* 54,386.

- Transferring to the FAR the following OMB Control Nos. 0704–0369, DFARS Subpart 227.71, Rights in Technical Data, and Subpart 227.72, Rights in Computer Software and Computer Software Documentation, and related provisions and clauses; and 0750–0010, Defense Federal Acquisition Regulation Supplement Part 227, Patents, Data, and Copyrights; Small Business Technology Transfer Program.

The total annual public reporting burden for FAR part 27 is estimated as follows:

*Respondents/Recordkeepers:* 47,332.

*Total Annual Responses:* 442,149.

*Total Burden Hours:* 513,057.

*Obtaining Copies:* Requesters may obtain a copy of the information collection documents from the GSA Regulatory Secretariat Division by calling 202–501–4755 or emailing *GSARegSec@gsa.gov.* Please cite the OMB Control Number and title of the relevant information collection.

**William F. Clark,**

*Director, Office of Governmentwide Acquisition Policy, Office of Acquisition Policy, Office of Governmentwide Policy.*

[FR Doc. 2026–19444 Filed 9–22–26; 8:45 am]

**BILLING CODE 6820–EP–P**

## OFFICE OF MANAGEMENT AND BUDGET

## Office of Federal Procurement Policy

## DEPARTMENT OF DEFENSE

## GENERAL SERVICES ADMINISTRATION

## NATIONAL AERONAUTICS AND SPACE ADMINISTRATION

**[OMB Control No. 9000–0069; Docket No. 2026–0298; Sequence No. 1]**

# Information Collection; Paperwork Reduction Act Changes in FAR Case 2026–006, Revolutionary Federal Acquisition Regulation Overhaul Parts 16, 17, and 35

**AGENCY:** Office of Federal Procurement Policy (OFPP), Office of Management and Budget (OMB); Department of Defense (DOD); General Services Administration (GSA); and National Aeronautics and Space Administration (NASA).

**ACTION:** Notice and request for comments.

**SUMMARY:** OFPP, DoD, GSA, and NASA (collectively referred to as the Federal Acquisition Regulatory Council or FAR Council) invite public comments on the Paperwork Reduction Act changes in FAR Case 2026–006, ''Revolutionary Federal Acquisition Regulation Overhaul Parts 16, 17, and 35,'' specifically regarding changes to information collections due to the proposed rule. In accordance with the Paperwork Reduction Act (PRA) of 1995 and OMB regulations, public comments are particularly invited on: the necessity of the collection of information for the proper performance of the functions of Federal Government acquisitions, including whether the information will have practical utility; the accuracy of the estimate of the burden of the collection of information; ways to enhance the quality, utility, and clarity of the information to be collected; and ways to minimize the burden of the collection of information on respondents, including the use of automated collection techniques or other forms of information technology.

**DATES:** The FAR Council will consider all comments received by November 23, 2026.

**ADDRESSES:** The FAR Council invites interested persons to submit comments on the collection(s) through *https://www.regulations.gov* and follow the instructions on the site. This website provides the ability to type short comments directly into the comment field or attach a file for lengthier comments. If there are difficulties submitting comments, contact the GSA Regulatory Secretariat Division at 202–501–4755 or *GSARegSec@gsa.gov.*

*Instructions:* All items submitted must cite the OMB Control Number and title of the relevant information collection. Comments received generally will be posted without change to *https://www.regulations.gov,* including any personal and/or business confidential information provided. To confirm receipt of your comment(s), please check *www.regulations.gov,* approximately two-to-three days after submission to verify posting.

**FOR FURTHER INFORMATION CONTACT:** *FARPolicy@gsa.gov* or call 202–969–4075.

**SUPPLEMENTARY INFORMATION:** FAR Case 2026–006; Revolutionary Federal Acquisition Regulation Overhaul Parts 16, 17, and 35 (91 FR 59476); includes information collections under the PRA. Following is the collection previously approved by OMB that would be revised by the proposed rule.

## OMB Control No. 9000–0069

The changes under the proposed rule, if finalized, would revise the public reporting burden for OMB Control No. 9000–0069; Indirect Cost Rate Proposals, Payments to Small Business Subcontractors, and Bankruptcy Notifications; to reflect the following:

a. Clause FAR 52.216–7, Allowable Cost and Payment, (d)(2)(iii) has been edited to reduce the required data to be submitted to support an adequate indirect cost rate proposal.

Paragraph (j), Subcontract Information, is now limited to only those subcontracts with a value exceeding the threshold for requiring certified cost or pricing data as prescribed in FAR 15.403–3.

The detailed information previously required by paragraph (k) for time-and-materials and labor-hour contracts such as labor rates, labor hours, and other detailed costs elements was removed and relocated only the summary level information to paragraph (h).

Paragraph (l), which required submission of reconciliation of total payroll per IRS form 941 to total labor costs distribution, is removed in its entirety.

The information previously required by paragraph (o) for contracts physically completed in a fiscal year has been relocated to paragraph (h) and is limited to level-of-effort information, contract ceiling amount, and an indication of whether the contract is ready to close. Contract fee computations are no longer required.

The proposed changes are expected to decrease the overall burden related to the preparation and submission of incurred costs proposals and streamline the initial determination adequacy. Contractors will spend less time preparing the submission and estimate 10 percent based on the statements from Industry in their response to OIRA's Request for Information for burden reduction suggestion. In addition, contractors and Government will spend less time reviewing and discussing information that provide little value to the initial adequacy determination. These changes will promote efficiency in the setting of final indirect cost rates.

b. Clause FAR 52.216–15, Predetermined Indirect Cost Rates, repeats the requirement in the clause at FAR 52.216–7, paragraph (d), for the contractor to submit an adequate final indirect cost rate proposal, however it does not impose any additional reporting requirements.

The revised annual public burden is estimated as follows:

*Respondents/Recordkeepers:* 6,265.

*Total Annual Responses:* 6,265.

*Total Burden Hours:* 1,353,807.

*Obtaining Copies:* Requesters may obtain a copy of the information collection documents from the GSA Regulatory Secretariat Division by calling 202–501–4755 or emailing *GSARegSec@gsa.gov.* Please cite OMB Control No. 9000–0069; Indirect Cost Rate Proposals, Payments to Small Business Subcontractors, and Bankruptcy Notifications.

**William F. Clark,**

*Director, Office of Governmentwide Acquisition Policy, Office of Acquisition Policy, Office of Governmentwide Policy.*

[FR Doc. 2026–19443 Filed 9–22–26; 8:45 am]

**BILLING CODE 6820–EP–P**

## MILLENNIUM CHALLENGE CORPORATION

**[MCC FR 26–08]**

# Reestablishing the MCC Advisory Council

**AGENCY:** Millennium Challenge Corporation.

**ACTION:** Notice.

**SUMMARY:** In accordance with the Federal Advisory Committee Act, as amended, the Millennium Challenge Corporation (MCC) is providing notice of the reestablishment of the charter of the MCC Advisory Council (Advisory Council). This charter is being renewed for a two-year period from 2026 through 2028. The Advisory Council serves MCC

in an advisory capacity only and provides insight regarding (i) innovations in relevant sectors including technology, infrastructure and blended finance; (ii) perceived risks and opportunities in MCC partner countries; and (iii) evolving approaches to working in developing country contexts. The Advisory Council provides a platform for systematic engagement with the private sector and contributes to MCC's mission. MCC uses this advice, information, and recommendations to inform compact development and implementation, and broaden public and private sector partnerships for more impact and leverage. The MCC Acting Vice President of the Department of Compact Operations affirms that the Advisory Council is necessary and in the public interest. Additional information about MCC and its portfolio can be found at *www.mcc.gov.*

**DATES:** Charter reestablishment is scheduled for September 30, 2026.

**FOR FURTHER INFORMATION CONTACT:** MCC's Advisory Council Designated Federal Officer, Sheena Cooper at 202–521–3594, *mccadvisorycouncil@mcc.gov.*

*Authority:* Federal Advisory Committee Act, 5 U.S.C. App.

Dated: September 18, 2026.

**Brian Finkelstein,**

*Acting Vice President, General Counsel, and Corporate Secretary.*

[FR Doc. 2026–19405 Filed 9–22–26; 8:45 am]

**BILLING CODE 9211–03–P**

## MILLENNIUM CHALLENGE CORPORATION

**[MCC FR 26–09]**

### Renewal of the MCC Economic Advisory Council and Call for Nominations

**AGENCY:** Millennium Challenge Corporation.

**ACTION:** Notice.

**SUMMARY:** In accordance with the requirements of the Federal Advisory Committee Act, the Millennium Challenge Corporation (MCC) is renewing the charter for the MCC Economic Advisory Council (EAC) and is hereby soliciting representative nominations for the 2026–2028 term. The EAC serves MCC in an advisory capacity only and provides insight to sharpen MCC's analytical capacity and ensure continued expertise on relevant issues related to economic development. The EAC provides a platform for engagement with economic development and evaluation experts and contributes to MCC's mission to reduce poverty through sustainable and inclusive economic growth. MCC will use the advice, recommendations, and guidance from the EAC to inform threshold, compact, and concurrent regional compact development, implementation, and results measurement procedures; and assess future policy innovations and methodologies at MCC. The MCC Acting Vice President of the Department of Policy and Evaluation affirms that the EAC is necessary and in the public interest. The EAC is seeking members to comprise a diverse group of recognized thought leaders and experts representing academic institutions, think tanks, donor organizations, and development banks. Additional information about MCC and its portfolio can be found at *www.mcc.gov.*

**DATES:** Nominations for EAC members must be received on or before 5 p.m. EST on November 26, 2026. Further information about the nomination process is included below. MCC plans to host the first meeting of the 2026–2028 term of the MCC Advisory Council in early 2027. The EAC will meet at least two times a year in Washington, DC or via video/teleconferencing. Members who are unable to attend in-person meetings may have the option to dial-in via video/teleconferencing.

**SUPPLEMENTARY INFORMATION:** The EAC shall consist of approximately 25 individuals who are recognized experts in their field, academics, innovators, and thought leaders, representing academic organizations, independent think tanks, international development agencies, multilateral and regional development financial institutions, and foundations. Efforts will be made to include expertise from countries and regions where MCC operates, within the resource constraints of MCC to support logistic costs. Qualified individuals may self-nominate or be nominated by any individual or organization. To be considered for the EAC, nominators should submit the following information:

- Name, title, organization, and relevant contact information (including phone, mailing address, and email address) of the individual under consideration;
- A letter containing a brief biography for the nominee and description of why the nominee should be considered for membership;
- CV including professional and academic credentials.

Please do not send company, or organization brochures or any other information. Materials submitted should total two pages or less, excluding CV. Should more information be needed, MCC staff will contact the nominee, obtain information from the nominee's past affiliations, or obtain information from publicly available sources.

All members of the EAC will be independent of the agency, representing the views and interests of their respective institution or area of expertise, and not as Special Government employees. All Members shall serve without compensation. The duties of the EAC are solely advisory and any determinations to be made or actions to be taken on the basis of EAC advice shall be made or taken by appropriate officers of MCC.

Nominees selected for appointment to the EAC will be notified by return email and receive a letter of appointment. A selection team will review the nomination packages and make recommendations regarding membership to the MCC Vice President (or Acting Vice President) of the Department of Policy and Evaluation based on criteria including: (1) professional experience, and knowledge; (2) academic field and expertise; (3) experience within regions in which MCC works; (4) contribution of diverse regional or technical professional perspectives, and (5) availability and willingness to serve. Based upon the selection team's recommendations, the MCC Vice President (or the Acting Vice President) of the Department of Policy and Evaluation will select representatives.

In the selection of members for the EAC, MCC will seek to ensure a balanced representation and consider a cross-section of those directly affected, interested, and qualified, as appropriate to the nature and functions of the EAC.

Nominations are open to all individuals without regard to race, color, religion, sex, gender, national origin, age, mental or physical disability, marital status, sexual orientation, or location.

**FOR FURTHER INFORMATION CONTACT:** Nominators are asked to send all nomination materials by email to *MCCEACouncil@mcc.gov.* While email is strongly preferred, nominators may send nomination materials by mail to Millennium Challenge Corporation, Attn: Mesbah Motamed, Designated Federal Officer, MCC Economic Advisory Council, 1099 14th Street NW, Suite 700, Washington, DC 20005. Request for additional information can also be directed to Mesbah Motamed, 202–521–7874, *MCCEACouncil@mcc.gov.*

*Authority:* Federal Advisory Committee Act, 5 U.S.C. App.

Dated: September 18, 2026.

**Brian Finkelstein,**

*Acting Vice President, General Counsel, and Corporate Secretary.*

[FR Doc. 2026–19406 Filed 9–22–26; 8:45 am]

BILLING CODE 9211–03–P

## POSTAL REGULATORY COMMISSION

**[Docket Nos. MC2026–391 and K2026–380; MC2026–392 and K2026–381; MC2026–393 and K2026–382]**

### 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:* September 28, 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**

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).:* MC2026–393 and K2026–382; *Filing Title*: USPS Request to Add Priority Mail & USPS Ground Advantage Contract 1100 to the Competitive Product List and Notice of Filing Materials Under Seal; *Filing Acceptance Date:* September 18, 2026; *Filing Authority:* 39 U.S.C. 3642, 39 CFR 3035.105, and 39 CFR 3041.310; *Public Representative:* Christopher Mohr; *Comments Due:* September 28, 2026.

**III. Summary Proceeding(s)**

1. *Docket No(s).:* MC2026–391 and K2026–380; *Filing Title:* USPS Request to Add New Fulfillment Standardized Distinct Product, PM–GA Contract 1098, and Notice of Filing Materials Under Seal; *Filing Acceptance Date:* September 18, 2026; *Filing Authority:* 39 U.S.C. 3642 and 3633, 39 CFR 3035.105, and 39 CFR 3041.325.

2. *Docket No(s).:* MC2026–392 and K2026–381; *Filing Title:* USPS Request to Add New Mid-Market Standardized Distinct Product, PM–GA Contract 1099, and Notice of Filing Materials Under Seal; *Filing Acceptance Date:* September 18, 2026; *Filing Authority:* 39 U.S.C. 3642 and 3633, 39 CFR 3035.105, and 39 CFR 3041.325.

This Notice will be published in the **Federal Register**.

**Danielle LeFlore,**

*Legal Assistant.*

[FR Doc. 2026–19425 Filed 9–22–26; 8:45 am]

BILLING CODE 7710–FW–P

## POSTAL SERVICE

### Product Change—Priority Mail, and USPS Ground Advantage Negotiated Service Agreements; Priority Mail Negotiated Service Agreements

**AGENCY:** Postal Service.

**ACTION:** Notice.

**SUMMARY:** The Postal Service gives notice of filing a request with the Postal Regulatory Commission to add a domestic shipping services contract to the list of Negotiated Service Agreements in the Mail Classification Schedule's Competitive Products List.

**DATES:** *Date of required notice:* September 23, 2026.

**FOR FURTHER INFORMATION CONTACT:** Sean C. Robinson, 202–268–8405.

**SUPPLEMENTARY INFORMATION:** The United States Postal Service hereby gives notice that, pursuant to 39 U.S.C. 3642 and 3632(b)(3), it filed with the Postal Regulatory Commission the following requests:

[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).

| Date filed with Postal Regulatory Commission | Negotiated service agreement product category and No. | MC docket No. | K docket No. |
|---|---|---|---|
| 09/09/26 | PM–GA 1090 | MC2026–380 | K2026–370. |
| 09/09/26 | PM–GA 1091 | MC2026–381 | K2026–371. |
| 09/14/26 | PM–GA 1092 | MC2026–383 | K2026–373. |
| 09/14/26 | PM–GA 1093 | MC2026–384 | K2026–374. |
| 09/14/26 | PM–GA 1094 | MC2026–385 | K2026–375. |
| 09/14/26 | PM 957 | MC2026–386 | K2026–376. |
| 09/16/26 | PM–GA 1095 | MC2026–388 | K2026–377. |
| 09/16/26 | PM–GA 1096 | MC2026–389 | K2026–378. |
| 09/17/26 | PM–GA 1097 | MC2026–390 | K2026–379. |
| 09/18/26 | PM–GA 1098 | MC2026–391 | K2026–380. |
| 09/18/26 | PM–GA 1099 | MC2026–392 | K2026–381. |
| 09/18/26 | PM–GA 1100 | MC2026–393 | K2026–382. |

Documents are available at *www.prc.gov.*

**Sean C. Robinson,**

*Attorney, Corporate and Postal Business Law.*

[FR Doc. 2026–19402 Filed 9–22–26; 8:45 am]

BILLING CODE 7710–12–P

## SECURITIES AND EXCHANGE COMMISSION

**[Release No. 34–106419; File No. SR–NYSEARCA–2026–97]**

## Self-Regulatory Organizations; NYSE Arca, Inc.; Notice of Filing and Immediate Effectiveness of Proposed Rule Change To Amend Rule 7.10–E Clearly Erroneous Executions

September 18, 2026.

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 September 14, 2026, NYSE Arca, Inc. (''NYSE Arca'' 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 amend Rule 7.10–E (''Clearly Erroneous Executions'') in light of the Commission's approval of Overnight Protected Bands for 23/5 Trading. 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

NYSE Arca, Inc. (''NYSE Arca'' or the ''Exchange'') proposes to amend proposes to amend Rule 7.10–E (''Clearly Erroneous Executions'') in light of the Commission's approval of Overnight Protected Bands under the LULD Plan for 23/5 Trading.

Background

In May 2026, the Commission approved the Exchange's proposal (''Arca 23/5 Filing'') to introduce trading 23 hours a day, 5 days a week (''23/5 Trading'').[4] As part of that proposal, the Exchange made changes to Rule 7.10–E (''Clearly Erroneous Executions'') to treat transactions executed during the Overnight Trading Session in the same manner as transactions executed during the Early and Late Trading Sessions.

Subsequently, the Operating Committee of the Plan to Address Extraordinary Market Volatility (''LULD Plan'') filed proposed Amendment 27 to the LULD Plan, which proposed to establish price band protections during overnight trading hours (''Overnight Price Bands'').[5] The Operating Committee proposed that the Overnight Price Bands would initially be temporary static bands 20% above and below two reference points, and that after implementation, the Operating Committee would evaluate the performance of such Overnight Price Bands and propose appropriate changes in a new plan amendment.[6] On August 5, 2026, the Commission approved the proposal.[7]

In light of the Commission's approval of these changes to the LULD Plan, the Exchange now proposes to reverse the changes to Rule 7.10–E that were made as part of the Arca 23/5 Filing, and to make several other amendments to Rule 7.10–E in light of the Commission's approval of Overnight Price Bands.

In general, Rule 7.10–E describes the process a market participant may use to request cancellation of a transaction that was ''clearly erroneous.'' The current rule's central premise is that if LULD Price Bands under the LULD Plan were available and correct at the time the transaction was executed, the transaction is not eligible for clearly erroneous review. Specifically, Rule 7.10–E(c)(1) currently provides that ''[i]f the execution time of the transaction(s) under review is during the Core Trading Session, the transaction will not be reviewable as clearly erroneous'' except in certain limited circumstances, including when (A) the transaction is in an NMS stock that is not subject to the LULD Plan (*e.g.,* rights and warrants), (B) the transaction was executed at a

[1] 15 U.S.C. 78s(b)(1).

[2] 15 U.S.C. 78a.

[3] 17 CFR 240.19b–4.

[4] *See* Securities Exchange Act Release No. 105532 (May 21, 2026), 91 FR 31509 (May 27, 2026) (SR–NYSEARCA–2026–53) (''Arca 23/5 Filing'').

[5] *See* Securities Exchange Act Release No. 105596 (June 1, 2026), 91 FR 33774 (June 4, 2026) (File No. 4–631) (Notice of Filing of 27th Amendment to the National Market System Plan).

[6] *See id.*

[7] *See* Securities Exchange Act Release No. 106042 (August 5, 2026), 91 FR 51515 (August 10, 2026) (File No. 4–631) (Order Granting Approval of the 27th Amendment to the National Market System Plan to Address Extraordinary Market Volatility to Establish Temporary Price Band Protections in Overnight Trading).

time with LULD Price Bands were unavailable or trading should have been prevented due to a regulatory halt or other halt, or (C) several other limited circumstances.[8] In approving the existing version of the rule, the Commission noted that restricting clearly erroneous review in this way during times when LULD Price Bands were in effect was ''consistent with the Act and will further the goal of providing greater certainty to market participants that trades executed within the Price Bands will stand and not be broken. . . . Thus, the proposal is designed to limit the potential discordance between the LULD mechanism and CEE review process.'' [9]

Currently, LULD Price Bands are available only during the Core Trading Session, meaning that the restrictions on clearly erroneous review described above apply only during the Core Trading Session. With the introduction of Overnight Price Bands, the Exchange now proposes to extend the existing restrictions on clearly erroneous review to the period when Overnight Price Bands are in place. This proposed change would be consistent with the Commission's rationale in approving the current version of the rule because it would limit any potential discordance between the LULD mechanism and CEE review in the overnight trading session, providing greater certainty to market participants that trades executed with the Overnight Price Bands will stand and not be broken.

Reversal of Changes Made to Rule 7.10–E Pursuant to the Arca 23/5 Filing

As noted above, as part of the Arca 23/5 Filing,[10] the Exchange made changes to Rule 7.10–E to treat transactions executed during the Overnight Trading Session in the same manner as transactions executed during the Early and Late Trading Sessions. Given the Commission's subsequent approval of Overnight Price Bands, the Exchange proposes to reverse each of the changes made to Rule 7.10–E by the Arca 23/5 Filing.[11] As detailed below, this proposal would instead make clearly erroneous review of transactions executed during the Overnight Trading Session available in a manner similar to transactions executed during the Core Trading Session.

Proposed Changes to Rule 7.10–E(c)(1)

To implement this change, the Exchange proposes to add several definitions to Rule 7.10–E(c)(1). First, the Exchange would add that the term ''LULD Protected Hours'' includes the Core Trading Session and ''Overnight Protected Hours'' defined in Section VIII of the LULD Plan. Second, the Exchange would define ''LULD Price Bands'' or ''Price Bands'' to mean the Price Bands defined in Section V of the LULD Plan (*i.e.,* the Price Bands that apply during the Core Trading Session) and ''Overnight Price Bands'' as defined in Section VIII of the LULD Plan (*i.e.,* the Price Bands that apply to the Overnight Protected Hours from 9:00 p.m. ET through 4:00 a.m. ET).

The Exchange proposes to amend the current first sentence of Rule 7.10–E(c)(1) to replace the phrase ''Core Trading Session'' with ''LULD Protected Hours,'' to provide that ''[i]f the execution time of the transaction(s) under review is during LULD Protected Hours, the transaction will not be reviewable as clearly erroneous . . . .'' This change would extend the LULD-based restrictions on clearly erroneous review currently in place during the Core Trading Session to the Overnight Protected Hours.

The Exchange also proposes to amend Rule 7.10–E(c)(1)(B)'s reference to ''Percentage Parameter'' to incorporate the Percentage Parameter that applies to Overnight Protected Hours. The amended provision would provide for the applicability of clearly erroneous review if the price of the transaction to buy (sell) that is the subject of the clearly erroneous complaint is greater than (less than) the Reference Price by an amount that equals or exceeds the applicable Percentage Parameter defined in Appendix A to the LULD Plan (with respect to the Price Bands that apply during the Core Trading Session) or the ''Overnight Percentage Parameter defined in Section VIII of the LULD Plan'' (with respect to Overnight Protected Hours).

In addition to these changes, the Exchange also proposes to make a non-substantive change to Rule 7.10–E(c)(1)(A), substituting the term ''LULD Plan'' for the current text ''the Plan to Address Extraordinary Market Volatility Pursuant to Rule 608 of Regulation NMS under the Act (the 'Limit Up-Limit Down Plan' or 'LULD Plan,')'' as the ''LULD Plan'' would be defined in the proposed revision to Rule 7.10–E(c)(1).

Proposed Changes to Rule 7.10–E(c)(2), (d)(3), and (f)

As noted above, current Rule 7.10–E(c)(1)(A) permits clearly erroneous review even during the Core Trading Session when the transaction in question is in an NMS Stock that is not subject to the LULD Plan, *i.e.,* rights and warrants. Such transactions are reviewed for clearly erroneous status using the procedures set out in Rule 7.10–E(c)(2), including the Numerical Guidelines set out in the table accompanying Rule 7.10–E(c)(2)(A). The Exchange now proposes to introduce a similar provision regarding transactions in NMS Stocks not subject to the LULD Plan that are executed during the Overnight Protected Hours; such transactions would be subject to the same Numerical Guidelines as transactions occurring in the Early and Late Trading Sessions.

The heading of Rule 7.10–E(c)(2) currently addresses, in part, the ''[r]eview of transactions occurring during the Overnight, Early, or Late Trading Session or eligible for review pursuant to paragraph (c)(1)(A).'' The Exchange proposes to remove the reference to the Overnight Trading Session that was added by the Arca 23/5 Filing. The Exchange also proposes to replace the phrase ''eligible for review pursuant to paragraph (c)(1)(A)'' (which, in the current rule, means transactions executed during the Core Trading Session in NMS Stocks not subject to the LULD Plan) with ''during LULD Protected Hours in NMS Stocks not subject to the LULD Plan.'' This proposed language would cover transactions in NMS Stocks not subject to the LULD Plan in the Core Trading Session and expand the same treatment to transactions executed in NMS Stocks not subject to the LULD Plan during Overnight Protected Hours. As such, the proposed change is not novel.

The Exchange proposes to make the same changes everywhere else such language appears in the rule—namely, in the text of paragraphs (c)(2)(A), (c)(2)(B), (c)(2)(C), (c)(2)(D), (d)(3), and (f).[12] In each case, the Exchange proposes to remove the reference to the Overnight Trading Session added by the Arca 23/5 Filing and to replace the

[8] *See* Rule 7.10–E(c)(1)(A), (B), and (C).

[9] *See* Securities Exchange Act Release No. 95658 (September 1, 2022), 87 FR 55060 at 55063 (September 8, 2022) (SR–CboeBZX–2022–037) (Order Approving a Proposed Rule Change, as Modified by Amendment Nos. 1 and 2, to Amend BZX Rule 11.17, Clearly Erroneous Executions).

[10] *See* Arca 23/5 Filing, *supra* note 4.

[11] Specifically, the Exchange proposes reversing the changes made by the Arca 23/5 Filing to Rule 7.10–E(c)(2)(A)–(D), (d)(3), and (f).

[12] Rule 7.10–E(c)(2)(A)–(D) specifies general rules for applying clearly erroneous review to transactions where such review is not precluded by paragraph (c)(1). Rule 7.10–E(d)(3) specifies conditions where the Exchange may use a revised Reference Price for the purpose of clearly erroneous review in certain transactions where such review is not precluded by paragraph (c)(1). Rule 7.10–E(f) specifies that for transactions where clearly erroneous review is not precluded by paragraph (c)(1), an officer may initiate clearly erroneous review on his or her own motion.

phrase ''eligible for review pursuant to paragraph (c)(1)(A)'' with ''during LULD Protected Hours in NMS Stocks not subject to the LULD Plan.''

The Exchange also proposes to make corresponding changes to the headings of the table accompanying Rule 7.10–E(c)(2)(A). The Exchange proposes to change the heading of the second column from ''Core Trading Session Numerical Guidelines for transactions eligible for review pursuant to paragraph (c)(1)(A)'' to ''Numerical Guidelines for Transactions Executed During the Core Trading Session in NMS Stocks Not Subject to the LULD Plan.'' This change would simply replace the shorthand ''eligible for review pursuant to paragraph (c)(1)(A)'' with the fuller description that such transactions are ''executed during the Core Trading Session in NMS Stocks not subject to the LULD Plan,'' and is not a substantive change.

Similarly, the Exchange proposes to change the heading of the third column from ''Overnight, Early, and Late Trading Session Numerical Guidelines'' to ''Numerical Guidelines for Transactions Executed During the Early and Late Trading Session or During Overnight Protected Hours in NMS Stocks Not Subject to the LULD Plan.'' The proposed change removes the reference to the Overnight Trading Session added by the Arca 23/5 Filing and addresses the fact that transactions executed during Overnight Protected Hours in NMS Stocks not subject to the LULD Plan are eligible for clearly erroneous review—just as are transactions in NMS Stocks not subject to the LULD Plan executed during the Core Trading Sesion—but at the Numerical Guidelines that apply outside of the Core Trading Session.

Together, these proposed changes would extend the eligibility of clearly erroneous review for transactions in NMS Stocks not subject to the LULD Plan that is currently in place during the Core Trading Session to the Overnight Protected Hours, and would apply the Commission's recent approval of Overnight Price Bands to the clearly erroneous executions rule.

Implementation

The Exchange understands that the other national securities exchanges and FINRA will also file similar proposals, the substance of which are identical to this proposal. The Exchange proposes that this rule change would become operative at the commencement of 23/5 Trading, which is scheduled to commence industry-wide on December 6, 2026.

2. Statutory Basis

The Exchange believes that its proposal is consistent with the requirements of the Act and the rules and regulations thereunder that are applicable to a national securities exchange, and, in particular, with the requirements of Section 6(b) of the Act.[13] Specifically, the proposal is consistent with Section 6(b)(5) of the Act [14] because it would promote just and equitable principles of trade, remove impediments to, and perfect the mechanism of, a free and open market and a national market system, and, in general, protect investors and the public interest.

The Exchange believes that the proposed change is consistent with just and equitable principles of trade because it extends the basic premise of the current rule that clearly erroneous review should be generally unavailable any time a transaction is executed within LULD Price Bands at a time the Price Bands were available and correct. Currently, LULD Price Bands are available only during the Core Trading Session, meaning that the restrictions on clearly erroneous review described above apply only during the Core Trading Session. With the Commission's approval of Overnight Price Bands, the Exchange believes that reversing the changes made to the rule by the Arca 23/5 Filing and extending the current restrictions on clearly erroneous review to the period when Overnight Price Bands are in place would remove impediments to and perfect the mechanism of a free and open market and a national market system by enhancing the transparency and consistency of the rule.

The resulting rule would thus extend the LULD-related limits on clearly erroneous review that are applicable in the Core Trading Session to the overnight period. The proposed change would also be consistent with the Commission's rationale in approving the current version of the rule because it would limit any potential discordance between the LULD mechanism and CEE review in the overnight trading session, providing greater certainty to market participants that trades executed with the Overnight Price Bands will stand and not be broken.[15]

*B. Self-Regulatory Organization's Statement on Burden on Competition*

The Exchange believes the proposal is consistent with Section 6(b)(8) of the Act [16] in that it does not impose any burden on competition that is not necessary or appropriate in furtherance of the purposes of the Act. Rather than impacting competition, the proposed change would simply extend the basic premise of the current rule that clearly erroneous review should be generally unavailable any time a transaction is executed within LULD Price Bands at a time the Price Bands were available and correct. The Exchange understands that the other national securities exchanges and FINRA will also file similar proposals, the substance of which are identical to this proposal. Thus, the proposed rule change will help to ensure consistency across SROs without implicating any competitive issues.

*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 Act [17] and Rule 19b–4(f)(6) thereunder.[18] 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 prior to 30 days from the date on which it was filed, or such shorter time as the Commission may designate, if consistent with the protection of investors and the public interest, the proposed rule change has become effective pursuant to Section 19(b)(3)(A) of the Act and Rule 19b–4(f)(6)(iii) thereunder.

A proposed rule change filed under Rule 19b–4(f)(6) [19] normally does not become operative prior to 30 days after the date of the filing. However, pursuant to Rule 19b–4(f)(6)(iii),[20] the Commission may designate a shorter time if such action is consistent with the

[13] 15 U.S.C. 78f(b).

[14] 15 U.S.C. 78f(b)(5).

[15] *See* 87 FR 55060 at 55063, *supra* note 9.

[16] 15 U.S.C. 78f(b)(8).

[17] 15 U.S.C. 78s(b)(3)(A)(iii).

[18] 17 CFR 240.19b–4(f)(6). In addition, Rule 19b–4(f)(6) requires a self-regulatory organization to give the Commission written notice of its intent to file 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.

[19] 17 CFR 240.19b–4(f)(6).

[20] 17 CFR 240.19b–4(f)(6)(iii).

protection of investors and the public interest.

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) [21] 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–NYSEARCA–2026–97 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–NYSEARCA–2026–97. 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–NYSEARCA–2026–97 and should be submitted on or before October 14, 2026.

[21] 15 U.S.C. 78s(b)(2)(B).

[22] 17 CFR 200.30–3(a)(12).

For the Commission, by the Division of Trading and Markets, pursuant to delegated authority.[22]

**Sherry R. Haywood,**

*Assistant Secretary.*

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## SECURITIES AND EXCHANGE COMMISSION

**[Release No. 34–106410; File No. SR–FINRA–2026–020]**

## Self-Regulatory Organizations; Financial Industry Regulatory Authority, Inc.; Notice of Filing and Immediate Effectiveness of a Proposed Rule Change To Modify the Implementation Schedule of Amendments To Schedule A to the FINRA By-Laws Adopted in SR–FINRA–2024–019 as Modified in SR–FINRA–2025–007

September 18, 2026.

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 September 15, 2026, the Financial Industry Regulatory Authority, Inc. ("FINRA") filed with the Securities and Exchange Commission ("SEC" or "Commission") the proposed rule change as described in Items I, II, and III below, which Items have been prepared by FINRA. FINRA has designated the proposed rule change as "establishing or changing a due, fee or other charge" under Section 19(b)(3)(A)(ii) of the Act [3] and Rule 19b–4(f)(2) thereunder,[4] which renders the proposal effective upon receipt of this filing by the Commission. 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**

FINRA is proposing to modify the implementation schedule of amendments adopted in SR–FINRA–2024–019, as modified in SR–FINRA–2025–007, with respect to the adjustment of FINRA fees to provide sustainable funding for FINRA's regulatory mission.

The text of the proposed rule change is available on FINRA's website at *http://www.finra.org* and at the principal office of FINRA.

[1] 15 U.S.C. 78s(b)(1).

[2] 17 CFR 240.19b–4.

[3] 15 U.S.C. 78s(b)(3)(A)(ii).

[4] 17 CFR 240.19b–4(f)(2).

**II. Self-Regulatory Organization's Statement of the Purpose of, and Statutory Basis for, the Proposed Rule Change**

In its filing with the Commission, FINRA 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. FINRA 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

Background

In November 2024, FINRA filed for immediate effectiveness a proposed rule change to increase the revenues that FINRA, as a not-for-profit self-regulatory organization, relies upon to fund its regulatory mission.[5] The fees raised related to FINRA's core regulatory functions as well as select fees related to the use of FINRA programs and services and were designed to closely align FINRA's revenues with its projected costs. The fee increases would be phased in gradually over a five-year period from 2025 through 2029.[6]

Over recent years, FINRA's operating revenues have increased significantly—well beyond projections—and may continue increasing in the coming years. This revenue increase is driven by a combination of higher average daily trading volume, higher member revenues, and the impact of the 2024 Fee Filing.[7]

[5] *See* Securities Exchange Act Release No. 101696 (November 21, 2024), 89 FR 93709 (November 27, 2024) (Notice of Filing and Immediate Effectiveness of File No. SR–FINRA–2024–019) ("2024 Fee Filing").

[6] *See supra* note 5. For operational reasons and to give members and issuers additional time to budget and plan, FINRA modified the implementation schedule for two of the fee changes adopted in the 2024 Fee Filing: (i) the new fee related to review of private placements submitted to FINRA's Corporate Financing Department ("Corporate Financing") (the "Corporate Financing Private Placement Review Fee"); and (ii) the increases to the fee caps related to review of public offerings submitted to Corporate Financing (the "Corporate Financing Public Offering Review Fee"). Implementation of those fees was postponed from July 1, 2025 to January 1, 2027. *See* Securities Exchange Act Release No. 103232 (June 11, 2025), 90 FR 25684 (June 17, 2025) (Notice of Filing and Immediate Effectiveness of File No. SR–FINRA–2025–007).

[7] *See* FINRA, 2026 Annual Budget Summary, *https://www.finra.org/sites/default/files/2026-04/2026-finra-annual-budget-summary.pdf.*

In addition, FINRA's expenses have been reduced. In 2025, FINRA undertook a strategic realignment to enhance the efficiency and effectiveness of its operations. This realignment is consistent with FINRA's commitment to a culture of continuous improvement with a rigorous focus on carefully managing costs and identifying new efficiency opportunities where consistent with its mission. Among other changes, this included the consolidation of Enforcement, Member Supervision and Market Oversight functions into a new Regulatory Operations department; the consolidation of certain market services and utility functions into a new Market & Regulatory Services department; leveraging innovative technology throughout our regulatory program; a voluntary buyout for staff; and other organizational changes and enhancements.[8] This realignment has been primarily responsible for a ten percent budgeted expense reduction for fiscal year 2026.[9]

FINRA actively monitors its reserves and takes action as appropriate to address potential surpluses (or reserve levels above target).[10] In response to higher-than-anticipated fees received in 2025 and 2024, FINRA rebated $100 million of 2025 fees in March 2026, and rebated $50 million of 2024 fees in 2025.[11] FINRA is also prepared to further address revenue surpluses in 2026.

However, looking forward, if FINRA implements the remaining fee increases as scheduled, FINRA anticipates that its revenues will continue to exceed its expenses, resulting in excess reserve levels beyond those targeted under the Financial Guiding Principles.[12] Therefore, FINRA is now proposing to modify the implementation schedule for the remaining fee increases by delaying the implementation of those fee changes by two years.

Proposal

The proposed rule change would postpone for two years implementation of all fee changes adopted in the 2024 Fee Filing scheduled to take effect between January 1, 2027 and January 1, 2029. This includes the following core regulatory fees: Gross Income Assessment (or GIA), Trading Activity Fee (or TAF), Personnel Assessment (or PA), Branch Office System Processing Fee, Registration Fees, System Processing, and Renewal Late Fee. It also includes two use-based fees: Corporate Financing Private Placement Review Fee and Corporate Financing Public Offering Review Fee.[13]

During the two-year postponement, members would be charged at the 2026 rates. The postponement would result in the following implementation schedule for the remaining fee changes:

- On January 1, 2029, the previously adopted 2027 fee changes would take effect;
- On January 1, 2030, the previously adopted 2028 fee changes would take effect; and
- On January 1, 2031, the previously adopted 2029 fee changes would take effect.[14]

The postponed revenue collection resulting from the proposed rule change would result in member savings as compared to the 2024 Fee Filing. Savings for members is measured as the difference between the total revenue expected to be collected from the member under the fee changes adopted in the 2024 Fee Filing over the four-year transitional period (*i.e.,* 2027 through 2030) and the total expected to be collected from the member according to this proposed rule change over the same period. The median savings rate[15] for all members would be 7.2%, representing approximately $718 million in total savings to members over the four-year transitional period. As discussed further below, the estimated savings rates for FINRA members would be similar for members based on firm size and business model. The savings accrue over only the four-year transitional period, as under the proposed rule change the fee rates in 2031 and later years would be the same as under the 2024 Fee Filing.

The proposed rule change would allow FINRA to maintain its reserve balance at its target level based on FINRA's projected revenue and costs,[16] while preserving the equitable allocation of fees adopted in the 2024 Fee Filing.[17]

The proposed implementation schedule for each specific fee is described below.

[8] *See supra* note 7.

[9] *See supra* note 7.

[10] *See supra* note 7. FINRA's Financial Guiding Principles explain the extent to which FINRA relies on its financial reserves—originally derived from the sale of Nasdaq—to help support its regulatory mission. *See* FINRA's Financial Guiding Principles, *https://www.finra.org/sites/default/files/finra_financial_guiding_principles_0.pdf.* Information about FINRA's financial reserves is provided each year in FINRA's published annual financial reports. *See* FINRA Financial Reports and Policies, available at *https://www.finra.org/about/annual-reports.* FINRA strives to maintain an appropriate level of reserves, which the FINRA Board of Governors has determined to be at least one year of expenditures.

[11] *See* FINRA, 2026 Annual Budget Summary *supra* note 7.

[12] As explained in the 2024 Fee Filing, FINRA has made—and continues to make—reasonably conservative assumptions using a variety of information points, including historical data and anticipated trends. If key assumptions change materially, FINRA would consider various modifications as appropriate, including further fee rebates, reducing future fees in a manner that preserves FINRA's ability to support the demands of its mission, or investing in FINRA's operations to continue to meet the demands of the modern marketplace. *See* 2024 Fee Filing, *supra* note 5; FINRA, 2026 Annual Budget Summary, *supra* note 7.

[13] The Corporate Financing-related fees are scheduled to be implemented beginning on January 1, 2027. *See supra* note 6. This proposed rule change does not impact the following fees raised in the 2024 Fee Filing that were fully implemented in 2025 or 2026: Advertising Regulation Review, Branch Office Registration, Dispute Resolution Services Arbitration, Regulation T and Exchange Act Rule 15c3–3(n) Requests for Extension of Time, Continuing Education Regulatory Element, Late Disclosure, and Qualification Examination.

[14] FINRA includes the 2031 rates for completeness when comparing this proposed rule change (2027 to 2031) to the 2024 Fee Filing (2025 to 2029). FINRA notes, however, that no rate changes will occur in 2031 as compared to the 2024 Fee Filing (*i.e.,* under the 2024 Fee Filing, the 2029 rates would have applied in 2031, as they would under this proposed rule change).

[15] The savings rate for a member is its savings divided by the total revenue expected to be collected from the member under the fee changes adopted in the 2024 Fee Filing over the four-year transitional period.

[16] Anticipated costs would not include potential costs associated with new services that may be initiated or approved in the future. FINRA may submit separate fee filings to cover program costs for new services.

[17] FINRA has explained that numerous operations and services must be funded by general revenue sources, which include both core regulatory and other use-based fees. FINRA's current fee structure is designed to ensure sufficient funding to meet all of its regulatory obligations in a manner that equitably allocates fees among FINRA members, notwithstanding the fluctuations in different revenue streams and cost drivers that are naturally expected to occur over time. The Commission has historically agreed that this overall cost-based pricing structure ''is reasonable in that it achieves a generally equitable impact across FINRA's membership and correlates the fees assessed to the regulatory services provided by FINRA.'' *See* Securities Exchange Act Release No. 61042 (November 20, 2009), 74 FR 62616, 62620 (November 30, 2009) (Order Approving File No. SR–FINRA–2009–057); *see also* 2024 Fee Filing *supra* note 5.

### GROSS INCOME ASSESSMENT *

| Tier (Revenue) | 2026 (current) | 2027 (no change) | 2028 (no change) | 2029 | 2030 | 2031 |
|---|---|---|---|---|---|---|
| $0 to $1 million | $1,200 | $1,200 | $1,200 | $1,200 | $1,200 | $1,200 |
| Greater than $1 million up to $25 million | 0.1827% | 0.1827% | 0.1827% | 0.2056% | 0.2280% | 0.2280% |
| Greater than $25 million up to $50 million | 0.3909% | 0.3909% | 0.3909% | 0.4397% | 0.4877% | 0.4877% |
| Greater than $50 million up to $100 million | 0.0779% | 0.0779% | 0.0779% | 0.0876% | 0.0972% | 0.0972% |
| Greater than $100 million up to $5 billion | 0.0549% | 0.0549% | 0.0549% | 0.0618% | 0.0685% | 0.0685% |
| Greater than $5 billion up to $25 billion | 0.0597% | 0.0597% | 0.0597% | 0.0672% | 0.0745% | 0.0745% |
| Greater than $25 billion | 0.1286% | 0.1286% | 0.1286% | 0.1447% | 0.1604% | 0.1604% |

* Section 1(c) of Schedule A to the FINRA By-Laws sets forth the GIA.

### TRADING ACTIVITY FEE *

| Security Type | 2026 (current) | 2027 (no change) | 2028 (no change) | 2029 | 2030 | 2031 |
|---|---|---|---|---|---|---|
| Covered Equity Security | $0.000195 per share (up to $9.79 max per trade). | $0.000195 per share (up to $9.79 max per trade). | $0.000195 per share (up to $9.79 max per trade). | $0.000232 per share (up to $11.61 max per trade). | $0.000240 per share (up to $12.05 max per trade). | $0.000249 per share (up to $12.50 max per trade). |
| Options | $0.00329 per contract. | $0.00329 per contract. | $0.00329 per contract. | $0.00390 per contract. | $0.00404 per contract. | $0.00420 per contract. |
| Security Future | $0.000135 per contract (with $0.016 minimum per round trip transaction). | $0.000135 per contract (with $0.016 minimum per round trip transaction). | $0.000135 per contract (with $0.016 minimum per round trip transaction). | $0.00016 per contract (with $0.019 minimum per round trip transaction). | $0.000166 per contract (with $0.020 minimum per round trip transaction). | $0.000172 per contract (with $0.021 minimum per round trip transaction). |
| TRACE-Eligible Security (Other than Asset-Backed Security) or municipal security. | $0.00124 per bond (up to $1.24 max per trade). | $0.00124 per bond (up to $1.24 max per trade). | $0.00124 per bond (up to $1.24 max per trade). | $0.00147 per bond (up to $1.47 max per trade). | $0.00153 per bond (up to $1.53 max per trade). | $0.00158 per bond (up to $1.58 max per trade). |
| TRACE-Eligible Asset-Backed Security. | $0.00000124 times reported value (up to $1.24 max per trade). | $0.00000124 times reported value (up to $1.24 max per trade). | $0.00000124 times reported value (up to $1.24 max per trade). | $0.00000147 times reported value (up to $1.47 max per trade). | $0.00000153 times reported value (up to $1.53 max per trade). | $0.00000158 times reported value (up to $1.58 max per trade). |

* Section 1(b) of Schedule A to the FINRA By-Laws sets forth the TAF. Many members identify that they pass through TAF to customers.

### PERSONNEL ASSESSMENT *

| Tier (no. of reps) | 2026 (current) | 2027 (no change) | 2028 (no change) | 2029 | 2030 | 2031 |
|---|---|---|---|---|---|---|
| Reps 0–5 | $245 | $245 | $245 | $260 | $270 | $295 |
| Reps 6–25 | 235 | 235 | 235 | 250 | 260 | 285 |
| Reps 26 and greater | 225 | 225 | 225 | 240 | 250 | 275 |

* Section 1(e) of Schedule A to the FINRA By-Laws sets forth the PA.

### BRANCH OFFICE SYSTEM PROCESSING FEE *

| Fee | 2026 (current) | 2027 (no change) | 2028 (no change) | 2029 (no change) | 2030 | 2031 |
|---|---|---|---|---|---|---|
| Branch Office System Processing Fee (initial and annual) | $75 | $75 | $75 | $75 | $105 | $105 |

* Section 4(a)(1) and (2) of Schedule A to the FINRA By-Laws sets forth the Branch Office System Processing Fee (initial and annual).

### REGISTRATION FEES *

| Fee | 2026 (current) | 2027 (no change) | 2028 (no change) | 2029 (no change) | 2030 | 2031 |
|---|---|---|---|---|---|---|
| Initial/Transfer Registration Form U4 filing. | $125 | $125 | $125 | $125 | $175 | $175. |
| Termination U5 filing | $50 (plus $100 if late filed). | $50 (plus $100 if late filed). | $50 (plus $100 if late filed). | $50 (plus $100 if late filed). | $70 (plus $140 if late filed). | $70 (plus $140 if late filed). |
| Disclosure review | $155 | $155 | $155 | $155 | $215 | $215. |
| Electronic Fingerprinting | $20 | $20 | $20 | $20 | $28 | $28. |
| Non-Electronic Fingerprinting | $30 | $30 | $30 | $30 | $42 | $42. |

REGISTRATION FEES *—Continued

| Fee | 2026 (current) | 2027 (no change) | 2028 (no change) | 2029 (no change) | 2030 | 2031 |
| --- | --- | --- | --- | --- | --- | --- |
| Fingerprinting Processed Through Another SRO. | $30 | $30 | $30 | $30 | $42 | $42. |

* Section 4(b)(1)–(6) of Schedule A to the FINRA By-Laws sets forth Registration Fees. FINRA also proposes conforming changes to Section 15(g) of Schedule A to the FINRA By-Laws to align this proposed fee change with the same fees for Funding Portal members.

RENEWAL LATE FEE *

[The Renewal Late Fee is 10 percent of a member's cumulative final renewal statement with the following minimums and maximums]

| Fee | 2026 (current) | 2027 (no change) | 2028 (no change) | 2029 (no change) | 2030 | 2031 |
| --- | --- | --- | --- | --- | --- | --- |
| The minimum late fee FINRA will assess is | 100 | 100 | 100 | 100 | 140 | 140 |
| The maximum late fee FINRA will assess is | 5,000 | 5,000 | 5,000 | 5,000 | 7,000 | 7,000 |

* Section 4(b)(8) of Schedule A to the FINRA By-Laws sets forth the Renewal Late Fee.

SYSTEM PROCESSING FEE *

| | 2026 (current) | 2027 (no change) | 2028 (no change) | 2029 (no change) | 2030 | 2031 |
| --- | --- | --- | --- | --- | --- | --- |
| Number of securities regulators with which each registered person of a member is registered, excluding registration as an investment adviser representative | | | | | | |
| 1–5 | $70 | $70 | $70 | $70 | $100 | $100 |
| 6–20 | 95 | 95 | 95 | 95 | 125 | 125 |
| 21–40 | 110 | 110 | 110 | 110 | 140 | 140 |
| 41+ | 125 | 125 | 125 | 125 | 155 | 155 |

* Section 4(b)(7) of Schedule A to the FINRA By-Laws sets forth the System Processing Fee.

CORPORATE FINANCING PRIVATE PLACEMENT REVIEW FEE *

| Private placements (offerings >$25M) | 2026 (current) | 2027 (no change) | 2028 (no change) | 2029 | 2030 | 2031 |
| --- | --- | --- | --- | --- | --- | --- |
| Flat Fee | $0 | $0 | $0 | $300 | $300 | $300. |
| % of Offering | 0% | 0% | 0% | 0.008% | 0.008% | 0.008%. |
| Offering Cap | $0 | $0 | $0 | $500 million | $500 million | $500 million. |

* Section 7(c) of Schedule A to the FINRA By-Laws would set forth the Corporate Financing Private Placement Review Fee. This fee would apply only to private placement offerings of greater than $25 million and would be capped at $40,300 (0.008% of $500,000,000 offering + $300 flat fee). FINRA believes that this fee would be paid for by, or passed through to, issuers.

CORPORATE FINANCING PUBLIC OFFERING REVIEW FEE CAP *

| | 2026 (current) | 2027 (no change) | 2028 (no change) | 2029 | 2030 | 2031 |
| --- | --- | --- | --- | --- | --- | --- |
| Non-WKSI ** | $225,000 | $225,000 | $225,000 | $1,125,000 | $1,125,000 | $1,125,000 |
| WKSI | 225,000 | 225,000 | 225,000 | 389,000 | 467,000 | 560,000 |

* Section 7(a)–(b) of the Schedule A to the FINRA By-Laws sets forth the Corporate Financing Public Offering Review Fee. FINRA believes that this fee is paid for by, or passed through to, issuers.
** WKSI stands for Well Known Seasoned Issuer. The Commission recently proposed to eliminate the WKSI definition (as it relates to all issuers other than foreign private issuers) and establish two new categories of issuers: Eligible Listed Issuer and Seasoned Eligible Listed Issuer, both of which would be defined in Rule 405. *See* Registered Offering Reform, Securities Exchange Act Release No. 105513 (May 19, 2026), 91 FR 31022 (May 26, 2026). If these proposed changes are finalized, FINRA will consider if any changes to its fees are appropriate.

FINRA has filed the proposed rule change for immediate effectiveness. The effective date and the implementation date will be the date of filing. The proposed rule change would modify the previously adopted fee implementation schedule as follows: from January 1, 2027 through December 31, 2028, fees would remain at 2026 rates; implementation of fees scheduled to begin on January 1, 2027 would instead commence on January 1, 2029; implementation of fees scheduled to begin on January 1, 2028 would instead commence on January 1, 2030; and implementation of fees scheduled to begin on January 1, 2029 would instead commence on January 1, 2031.[18]

[18] FINRA notes that the proposed rule change would impact all members, including members that are funding portals or have elected to be treated as capital acquisition brokers ("CABs"), given that the funding portal and CAB rule sets incorporate the impacted FINRA rules by reference.

2. Statutory Basis

FINRA believes that the proposed rule change is consistent with the provisions of Section 15A(b)(5) of the Act,[19] which requires, among other things, that FINRA rules provide for the equitable allocation of reasonable dues, fees and other charges among members and issuers and other persons using any facility or system that FINRA operates or controls. FINRA further believes that the proposed rule change is consistent with the provisions of Section 15A(b)(6) of the Act,[20] which requires, among other things, that FINRA rules are not designed to permit unfair discrimination between customers, issuers, brokers or dealers.

The proposed rule change maintains the same equitable and not unfairly discriminatory allocation of fees adopted in the 2024 Fee Filing. The proposed rule change simply modifies the implementation schedule of this equitable allocation of fees, resulting in savings to members and users of FINRA services.[21] As described below, the savings are equitable and nondiscriminatory across members by size and business model.

*B. Self-Regulatory Organization's Statement on Burden on Competition*

FINRA does not believe that the proposed rule change will result in any burden on competition that is not necessary or appropriate in furtherance of the purposes of the Act.

Economic Impact Assessment

FINRA has undertaken an economic impact assessment, as set forth below, to analyze the regulatory need for the proposed rule change, its potential economic impacts—including anticipated costs, benefits, and distributional and competitive effects—relative to the current baseline, and the alternatives FINRA considered in assessing how best to meet its regulatory objectives.

Regulatory Need

Since the adoption of the 2024 Fee Filing, FINRA's financial position has improved materially relative to the projections underlying that filing. As a result of the 2025 strategic realignment discussed above, FINRA's expenses have been reduced, while operating revenues are expected to increase due to higher trading activities, higher member revenues, and the impact of the 2024 Fee Filing.

As discussed above, based on an analysis of funding sources, anticipated costs, and an assessment of current and projected market activities, FINRA has determined that a modification to the implementation schedule of the fee increases adopted in the 2024 Fee Filing is appropriate at this time.

Economic Baseline

The baseline for this proposed rule change includes FINRA's current and projected costs and revenues, the implementation schedule of fee increases adopted in the 2024 Fee Filing as modified by SR–FINRA–2025–007, and the direct and indirect allocation of those fees across members, associated persons, third parties, and investors. The baseline also encompasses the scope of activities conducted by FINRA to meet its mission and FINRA's current financial position.[22]

Economic Impact

The proposed rule change is designed to provide savings to FINRA members while preserving FINRA's ability to both maintain its reserve balance within levels targeted under the Financial Guiding Principles and continue to meet its regulatory mission. By delaying the implementation of fee increases, the proposed rule change would reduce the near-term fee burden on members without significantly altering the long-term fee structure or the equitable allocation of fees established in the 2024 Fee Filing.

FINRA's economic analysis below measures member savings, savings rates and the distribution of savings rates across members during the four-year transitional period (*i.e.,* 2027–2030). As mentioned above, total industry savings over this period are anticipated to be approximately $718 million, representing approximately 9% of total baseline revenue over the same period. On a per-member basis, the median four-year savings amount is $5,199, reflecting the fact that most FINRA members are small firms. The median four-year savings rate is 7.2%, and the average four-year savings rate is 6.7%.

Savings vary across years. The highest savings rates are in 2028, followed by 2029, 2027, and 2030, which has the lowest savings rate. This reflects the structure of the two-year delay in the phase-in schedule.

| | Median savings rates by category in each year (%) | | | |
|---|---|---|---|---|
| | 2027 | 2028 | 2029 | 2030 |
| By Firm Size: | | | | |
| Large | 5.56 | 14.12 | 8.43 | 3.34 |
| Medium | 6.13 | 14.45 | 8.28 | 2.62 |
| Small | 5.88 | 14.18 | 8.33 | 2.68 |
| Micro | 2.07 | 8.99 | 6.01 | 3.08 |
| By Firm Business Model: | | | | |
| Capital Markets and Investment Banking | 3.69 | 11.93 | 7.59 | 2.94 |
| Clearing and Carrying | 6.85 | 14.85 | 7.68 | 2.30 |
| Diversified | 6.84 | 14.51 | 7.84 | 2.21 |
| Retail | 3.37 | 11.61 | 7.27 | 3.50 |
| Trading and Execution | 5.86 | 13.30 | 7.56 | 2.05 |

To better understand the distribution of savings across members, FINRA analyzed the dispersion of four-year savings rates around the median for all members and for groupings defined by firm size and business model.

[19] 15 U.S.C. 78*o*–3(b)(5).

[20] 15 U.S.C 78*o*–3(b)(6).

[21] Users can include retail and institutional customers, counterparties, issuers or any other party that might directly or indirectly share the burden of these fees, where members may share the savings with them.

[22] Any additional fee changes would take into account the savings provided by this proposed rule change.

| | Number of members in category | Median savings rate (%) | % of members within one SD* of median | % of members within two SD* of median |
|---|---|---|---|---|
| All | 3,193 | 7.2 | 68.9 | 93.7 |
| By Firm Size: | | | | |
| Large | 153 | 8.2 | 72.5 | 96.1 |
| Medium | 202 | 8.0 | 77.3 | 94.1 |
| Small | 1,353 | 8.0 | 78.9 | 92.9 |
| Micro | 1,485 | 5.6 | 66.3 | 97.0 |
| By Firm Business Model: | | | | |
| Capital Markets and Investment Banking | 1,377 | 7.1 | 69.3 | 93.5 |
| Clearing and Carrying | 138 | 8.2 | 75.4 | 94.2 |
| Diversified | 159 | 8.0 | 72.4 | 93.8 |
| Retail | 1,092 | 6.8 | 69.8 | 93.1 |
| Trading and Execution | 427 | 7.5 | 71.5 | 94.0 |

*SD = Standard Deviation

As the table shows, approximately 69% of all members fall within one standard deviation, plus or minus, of the median savings rate (the central savings band). Approximately 94% of all members fall within two standard deviations. The dispersion of savings rates is similar across all firm size categories and business models.

Charts 1 through 10 provide additional detail on the dispersion of four-year savings rates by firm size, business model, and overall.[23] In each case, the proposed rule change limits the number of members that fall beyond two standard deviations from the median in either direction. In particular, the proposed rule change limits the number of members that would be expected to experience a materially higher savings rate than the median (as defined by two standard deviations). For the entire population of members, FINRA estimates that 0.2% would experience savings greater than two standard deviations from the median savings.

Taken together, these results indicate that the proposed rule change provides savings that are equitably distributed across the membership, maintaining a similar proportional allocation of fees across firm sizes and business models established in the 2024 Fee Filing.

FINRA does not anticipate that the proposed rule change will materially impact competition among members or between members and other providers of financial services. The proposed rule change is a one-time delay, maintaining the same long-term allocation of fees adopted in the 2024 Fee Filing. To the extent that the proposed rule change reduces the near-term cost burden on members, it may modestly benefit members relative to non-FINRA-regulated providers of financial services; however, FINRA does not believe this effect is material, as the fee delay does not alter the fundamental regulatory framework or the relative cost structure of FINRA membership.

Alternatives Considered

In developing this proposal, FINRA considered alternatives to the proposed two-year delay.

FINRA considered permanently reducing or eliminating certain of the fee increases adopted in the 2024 Fee Filing rather than delaying them, but did not pursue this approach because doing so could impair sustainable funding if key assumptions underlying FINRA's financial projections change materially.

FINRA also considered continuing to address revenue surpluses solely by issuing additional rebates rather than modifying the fee increase implementation schedule. FINRA determined that the proposed schedule modification is appropriate, as it provides members with greater certainty and predictability in their budgeting and planning processes than retrospective rebates.[24]

*C. Self-Regulatory Organization's Statement on Comments on the Proposed Rule Change Received From Members, Participants, or Others*

Written comments were neither solicited nor 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 Act[25] and paragraph (f)(2) of Rule 19b–4 thereunder.[26] 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 shall institute proceedings to determine whether the proposed rule 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 (*http://www.sec.gov/rules/sro.shtml*); or
- Send an email to *rule-comments@sec.gov.* Please include File Number SR–FINRA–2026–020 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–FINRA–2026–020. 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 (*http://www.sec.gov/rules/sro.shtml*). Copies of the filing will be available for inspection and copying at the principal office of FINRA. 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

[23] Charts 1 through 10 are contained in Exhibit 3, available on FINRA's website. *See* File No. SR–FINRA–2026–020 (Form 19b–4, Exhibit 3) (available on FINRA's website at *http://www.finra.org.*

[24] As noted, FINRA is prepared to further address revenue surpluses in 2026.

[25] 15 U.S.C. 78s(b)(3)(A).

[26] 17 CFR 240.19b–4(f)(2).

publication submitted material that is obscene or subject to copyright protection. All submissions should refer to File Number SR–FINRA–2026–020 and should be submitted on or before October 14, 2026.

For the Commission, by the Division of Trading and Markets, pursuant to delegated authority.[27]

**Sherry R. Haywood,**

*Assistant Secretary.*

[FR Doc. 2026–19393 Filed 9–22–26; 8:45 am]

**BILLING CODE 8011–01–P**

## SECURITIES AND EXCHANGE COMMISSION

**[Release No. 34–106415; File No. SR-CboeEDGA–2026–029]**

## Self-Regulatory Organizations; Cboe EDGA Exchange, Inc.; Notice of Filing and Immediate Effectiveness of a Proposed Rule Change To Amend Rule 11.13(a) To Replace the Term "Registered Clearing Agency" With "Qualified Clearing Agency" and Clarify That a Non-Member May Act as a Clearing Firm

September 18, 2026.

Pursuant to Section 19(b)(1) of the Securities Exchange Act of 1934 (the ''Act''),[1] and Rule 19b–4 thereunder,[2] notice is hereby given that on September 8, 2026, Cboe EDGA Exchange, Inc. (the ''Exchange'' or ''EDGA'') 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 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 Rule 11.13 (Clearance and Settlement; Anonymity) to: (i) replace the term ''registered clearing agency'' with ''Qualified Clearing Agency;'' [3] and (ii) clarify that a non-Member [4] may act as a Clearing Firm.

The text of the proposed rule change is also available on the Exchange's website (*http://markets.cboe.com/us/equities/regulation/rule_filings/edga/*), at the Exchange's Office of the Secretary, and at the Commission's Public Reference Room.

### 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

The Exchange proposes to amend Rule 11.13 (Clearance and Settlement; Anonymity) to: (i) replace the term ''registered clearing agency'' with ''Qualified Clearing Agency;'' [5] and (ii) clarify that a non-Member [6] may act as a Clearing Firm.[7]

Background and Proposed Rule Change

Rule 11.13(a) currently provides that all transactions through the facilities of the Exchange shall be cleared and settled through a registered clearing agency using a continuous net settlement system. The rule further provides that this requirement may be satisfied by direct participation, use of direct clearing services, or by entry into a correspondent clearing arrangement with another member that clears trades through a Qualified Clearing Agency. If a Member clears transactions through another Member that is a member of a Qualified Clearing Agency (''Clearing Member''), such Clearing Member shall affirm to the Exchange in writing, through a letter of authorization, letter of guarantee, or other agreement acceptable to the Exchange, its agreement to assume responsibility for clearing and settling any and all trades executed by the Member designating it as its clearing firm. The rules of any such clearing agency shall govern with respect to the clearance and settlement of any transactions executed by the Member on the Exchange.

First, the Exchange proposes to amend the following sentence in Rule 11.13(a):

''*All transactions through the facilities of the Exchange shall be cleared and settled through a registered clearing agency using a continuous net settlement system.*''

''*If a Member clears transactions through another Member that is a member of a Qualified Clearing Agency* (''*Clearing Member*''), *such Clearing Member shall affirm to the Exchange in writing, through letter of authorization, letter of guarantee, or other agreement acceptable to the Exchange, its agreement to assume responsibility for clearing and settling any and all trades executed by the Member designating it as its clearing firm.*''

The proposed rule text would state:

''*All transactions through the facilities of the Exchange shall be cleared and settled through a Qualified Clearing Agency using a continuous net settlement system.*''

''*If a Member clears transactions through another firm that is a member of a Qualified Clearing Agency* (''*Clearing Firm*''), *such Clearing Firm shall affirm to the Exchange in writing, through letter of authorization, letter of guarantee, or other agreement acceptable to the Exchange, its agreement to assume responsibility for clearing and settling any and all trades executed by the Member designating it as its Clearing Firm.*''

The Exchange proposes the above changes to its existing rule text: (i) to replace the term ''registered clearing agency'' with the defined term ''Qualified Clearing Agency'' and (ii) to clarify to market participants that a non-Member firm may clear transactions for a Member. The proposed change to introduce the term ''Qualified Clearing Agency'' in the first sentence of Rule 11.15(a) is a clarifying change to

[27] 17 CFR 200.30–3(a)(12).

[1] 15 U.S.C. 78s(b)(1).

[2] 17 CFR 240.19b–4.

[3] *See* Rule 1.5(w). The term ''Qualified Clearing Agency'' means a clearing agency registered with the Commission pursuant to Section 17A of the Act that is deemed qualified by the Exchange.

[4] *See* Rule 1.5(n). The term ''Member'' shall mean any registered broker or dealer that has been admitted to membership in the Exchange. A Member will have the status of a ''member'' of the Exchange as that term is defined in Section 3(a)(3) of the Act. Membership may be granted to a sole proprietor, partnership, corporation, limited liability company or other organization which is a registered broker or dealer pursuant to Section 15 of the Act, and which has been approved by the Exchange.

[5] *See* Rule 1.5(w). The term ''Qualified Clearing Agency'' means a clearing agency registered with the Commission pursuant to Section 17A of the Act that is deemed qualified by the Exchange.

[6] *See* Rule 1.5(n). The term ''Member'' shall mean any registered broker or dealer that has been admitted to membership in the Exchange. A Member will have the status of a ''member'' of the Exchange as that term is defined in Section 3(a)(3) of the Act. Membership may be granted to a sole proprietor, partnership, corporation, limited liability company or other organization which is a registered broker or dealer pursuant to Section 15 of the Act, and which has been approved by the Exchange.

[7] *See* proposed Rule 11.13(a), discussed *infra.* A ''Clearing Firm'' is a firm that is a member of and clears transactions through a Qualified Clearing Agency.

introduce a more precise term that is already defined in the Exchange's rulebook.[8] While the Exchange believes its current rule text does permit non-Members to clear transactions for a Member,[9] the proposed change to replace the term ''Member'' with the term ''firm'' and refer to a ''Clearing Firm'' rather than ''Clearing Member'' as described above provides necessary additional clarity to market participants. The proposed rule change does not alter the fundamental requirement that all transactions be cleared through a registered clearing agency using a continuous net settlement system. Non-Member Clearing Firms, along with Member Clearing Firms, remain subject to the membership requirements of a Qualified Clearing Agency and must execute appropriate guarantee agreements with the Exchange.

The Exchange notes that its affiliate equities exchanges Cboe BYX Exchange, Inc. (''BYX''), Cboe BZX Exchange, Inc. (''BZX''), and Cboe EDGX Exchange, Inc. (''EDGX'') plan to submit similar proposals [10] to make clear that a non-Member firm may clear transactions for a Member.

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 the Section 6(b)(5) [12] requirements that the rules of an exchange be 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 mechanism of a free and open market and a national market system, and, in general, to protect investors and the public interest. 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.

The Exchange believes that clarifying that a registered clearing agency is a Qualified Clearing Agency and that a non-Member may act as a Clearing Firm is consistent with Section 6(b)(5) of the Act because it promotes just and equitable principles of trade and removes impediments to and perfects the mechanism of a free and open market by providing transparency to market participants regarding the scope of firms that may provide clearing services to Members, which supports the efficient functioning of the clearance and settlement process and protects investors and the public interest. This proposed change is also not unfairly discriminatory because it applies equally to all market participants.

Additionally, the Exchange notes that the proposed clarification related to Qualified Clearing Agencies and non-Member clearing firms specifically fosters cooperation and coordination with persons engaged in clearing and settling transactions in securities by removing potential ambiguity regarding which entities may provide clearing services to Members. Enhanced clarity in this area facilities the establishment of clearing relationships and supports the prompt and accurate settlement of transactions, which directly protects investors and the public interest. The proposed change also removes impediments to and perfects the mechanism of a free and open market by ensuring that Members have access to a broader range of clearing arrangements without regulatory uncertainty.

*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. Specifically, the Exchange does not believe the proposed rule change will impose any burden on intramarket competition that is not necessary or appropriate in furtherance of the purposes of the Act. The proposed clarifying change to utilize the term Qualified Clearing Agency and to state that a non-Member may serve as a Clearing Firm will apply to all Members (and non-Members) equally.

Further, the Exchange does not believe the proposed rule change will impose any burden on intermarket competition that is not necessary or appropriate in furtherance of the purposes of the Act. The proposed rule change is not being made for competitive reasons, but rather to provide clarity and certainty to Members regarding the requirements for serving as a Clearing Firm.

*C. Self-Regulatory Organization's Statement on Comments on the Proposed Rule Change Received From Members, Participants, or Others*

The Exchange neither solicited nor received comments on the proposed rule change.

**III. Date of Effectiveness of the Proposed Rule Change and Timing for Commission Action**

Because the foregoing 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 after 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)(iii) of the Act [14] and subparagraph (f)(6) of Rule 19b–4 thereunder.[15]

A proposed rule change filed under Rule 19b–4(f)(6) [16] normally does not become operative prior to 30 days after the date of the filing. However, pursuant to Rule 19b–4(f)(6)(iii),[17] the Commission may 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 the proposed rule change may become operative immediately upon filing. The Exchange states that it is proposing clarifying edits to its rule text and is not seeking to introduce any new or novel

[8] *Supra* note 3.

[9] The Exchange notes that the second sentence of Rule 11.13(a) states that the requirement to clear and settle transactions through the Exchange may be satisfied by entry into a correspondent clearing arrangement with another member that clears trades through a Qualified Clearing Agency. The reference to ''member'' implies that this requirement may be satisfied by a non-Member firm. Additionally, the Exchange notes that filings were approved on its affiliate exchanges, Cboe BYX Exchange, Inc. (''BYX'') and Cboe BZX Exchange, Inc. (''BZX''), based on EDGX Rule 11.13(a) that specifically stated that ''. . . Exchange Rule 11.15(a) would no longer require a Qualified Clearing Agency be a Member in order to clear another Members' transactions executed on the Exchange.'' *See* Securities Exchange Act Release No. 74151 (January 27, 2015), 80 FR 5598 (February 2, 2015), SR–BYX–2015–06 (''BYX Rule 11.15(a) Amendment''), and Securities Exchange Act Release No. 74152 (January 27, 2015), 80 FR 5593 (February 2, 2015), SR–BATS–2015–07 (''BZX Rule 11.15(a) Amendment'').

[10] *See* SR–CboeBYX–2026–033; SR–CboeBZX–2026–075; SR–CboeEDGX–2026–061.

[11] 15 U.S.C. 78f(b).

[12] 15 U.S.C. 78f(b)(5).

[13] *Id.*

[14] 15 U.S.C. 78s(b)(3)(A)(iii).

[15] 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.

[16] 17 CFR 240.19b–4(f)(6).

[17] 17 CFR 240.19b–4(f)(6)(iii).

functionality that would require additional notice to Members. The Exchange further states that waiver of the operative delay would allow the Exchange to update its rulebook immediately upon effectiveness of the proposal. The Commission believes that waiving the 30-day operative delay is consistent with the protection of investors and the public interest as the proposal does not raise any new or novel issues. Therefore, the Commission hereby waives the 30-day operative delay and designates the proposed rule change to be operative upon filing.[18]

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)[19] 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–CboeEDGA–2026–029 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–CboeEDGA–2026–029. 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–CboeEDGA–2026–029 and should be submitted on or before October 14, 2026.

For the Commission, by the Division of Trading and Markets, pursuant to delegated authority.[20]

**Sherry R. Haywood,**

*Assistant Secretary.*

[FR Doc. 2026–19397 Filed 9–22–26; 8:45 am]

**BILLING CODE 8011–01–P**

[18] For purposes only of waiving the 30-day operative delay, the Commission has also considered the proposed rule's impact on efficiency, competition, and capital formation. *See* 15 U.S.C. 78c(f).

[19] 15 U.S.C. 78s(b)(2)(B).

[20] 17 CFR 200.30–3(a)(12), (59).

## SECURITIES AND EXCHANGE COMMISSION

**[Release No. 34–106409; File No. SR–FINRA–2026–021]**

## Self-Regulatory Organizations; Financial Industry Regulatory Authority, Inc.; Notice of Filing and Immediate Effectiveness of a Proposed Rule Change to Temporarily Pause Assessment of the Trading Activity Fee

September 18, 2026.

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 September 15, 2026, the Financial Industry Regulatory Authority, Inc. (''FINRA'') filed with the Securities and Exchange Commission (''SEC'' or ''Commission'') the proposed rule change as described in Items I, II, and III below, which Items have been prepared by FINRA. FINRA has designated the proposed rule change as ''establishing or changing a due, fee or other charge'' under Section 19(b)(3)(A)(ii) of the Act[3] and Rule 19b–4(f)(2) thereunder,[4] which renders the proposal effective upon receipt of this filing by the Commission. The Commission is publishing this notice to solicit comments on the proposed rule change from interested persons.

[1] 15 U.S.C. 78s(b)(1).

[2] 17 CFR 240.19b–4.

[3] 15 U.S.C. 78s(b)(3)(A)(ii).

[4] 17 CFR 240.19b–4(f)(2).

### I. Self-Regulatory Organization's Statement of the Terms of Substance of the Proposed Rule Change

FINRA is proposing to temporarily pause assessment of the Trading Activity Fee (''TAF'') for three months, for transactions from October 1, 2026 through December 31, 2026.

The text of the proposed rule change is available on FINRA's website at *http://www.finra.org* and at the principal office of FINRA.

### II. Self-Regulatory Organization's Statement of the Purpose of, and Statutory Basis for, the Proposed Rule Change

In its filing with the Commission, FINRA 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. FINRA 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

As a private not-for-profit self-regulatory organization, FINRA receives no taxpayer funding and instead relies on a mix of fees to generate the revenues it relies upon to fund its regulatory mission. FINRA derives roughly two thirds of its revenues from three core regulatory fees: the Trading Activity Fee (TAF), Gross Income Assessment (GIA), and Personnel Assessment (PA).[5] Each of these fees reflect one of the three critical components that drive FINRA's regulatory costs with respect to a particular member firm: (1) the firm's trading activity,[6] (2) the size of the firm

[5] *See* FINRA 2026 Annual Budget Summary, *https://www.finra.org/sites/default/files/2026-04/2026-finra-annual-budget-summary.pdf* (''2026 Budget Summary''). FINRA also derives approximately 25 percent of its revenue from user fees, including registration fees and qualification fees. *Id.*

[6] The TAF is a transaction-based fee that is assessed monthly on firm trading activity in covered securities across all markets. As discussed below, firms may pass through these assessments to their customers. *See infra* note 27. FINRA initially adopted the TAF in 2002, modeled on the Commission's transaction-based Section 31 fee. Subject to specified exemptions, the TAF is generally assessed on the sale of all exchange-listed securities wherever executed (except debt securities that are not TRACE-Eligible Securities), over-the-counter equity securities, security futures, TRACE-Eligible Securities (provided that the transaction is a Reportable TRACE Transaction), and all

Continued

measured by firm revenue, and (3) the number and role of persons registered with the firm. FINRA's fee structure is thus designed to seek recovery of costs in a manner that is allocated equitably among its large and diverse membership, and to collect a generally comparable amount of revenue from fees associated with each of these main components.[7] The Commission has agreed that this longstanding fee structure is reasonable.[8]

As set out in FINRA's public Financial Guiding Principles, FINRA targets break-even cash flows to appropriately fund its mission of protecting investors and promoting market integrity while facilitating vibrant capital markets.[9] FINRA also relies on financial reserves to support its mission.[10] FINRA actively monitors its reserves and takes appropriate action to address potential surpluses (reserve levels above target) or deficits (reserve levels below target).[11] In recent years, FINRA's operating revenues have increased beyond target, driven by a combination of higher average daily trading volume (driving increased TAF collection) and higher member firm revenues (driving increased GIA collection), as well as the impact of the 2024 Fee Filing. At the same time, FINRA's expenses have been reduced, including an approximately ten percent budgeted expense reduction for 2026.[12]

The proposed rule change is designed to address surplus TAF revenues for 2026 driven by higher trading volumes.[13] FINRA projected a 2026 TAF budget of $438.6 million, anticipating that trading volumes would continue to be elevated following the then-record highs reached in 2025, albeit at a more moderate pace.[14] However, year-to-date trading volumes for the first and second quarter of 2026 have exceeded 2025 actuals for the same period, resulting in TAF revenues that are projected to exceed the budgeted amount for 2026. In response, the proposed rule change is intended to reduce TAF 2026 revenues that are projected to exceed 2026 expectations because of higher-than-anticipated trading activity, consistent with the approach described in the 2024 Fee Filing and with FINRA's Financial Guiding Principles.

Specifically, FINRA is proposing to temporarily pause TAF revenue collection for transactions from October 1, 2026 through December 31, 2026. For transactions during the three-month period of October, November, and December 2026, the TAF rates set forth in Section 1 of Schedule A to the FINRA By-Laws would temporarily be set at $0.00 and monthly invoices would reflect a $0.00 TAF assessment.[15] During this period, members would, however, continue to report their monthly aggregate trading volumes in accordance with Section 1(b)(4) of Schedule A to the FINRA By-Laws.[16] Beginning with January 2027 transactions, the previous TAF fee rates will resume, with normal invoicing commencing in February 2027 (for January transactions).[17]

FINRA has filed the proposed rule change for immediate effectiveness. The effective date and the implementation date will be the date of filing. The proposed rule change would temporarily pause assessment of the TAF for three months, from October 1, 2026 through December 31, 2026, with TAF assessment resuming on January 1, 2027.[18]

2. Statutory Basis

FINRA believes that the proposed rule change is consistent with the provisions of Section 15A(b)(5) of the Act,[19] which requires, among other things, that FINRA rules provide for the equitable allocation of reasonable dues, fees, and other charges among members and issuers and other persons using any facility or system that FINRA operates or controls. FINRA further believes that the proposed rule change is consistent with the provisions of Section 15A(b)(6) of the Act,[20] which requires, among other things, that FINRA rules are not designed to permit unfair discrimination between customers, issuers, brokers, or dealers.

As stated in the 2024 Fee Filing, FINRA's core regulatory fees as well as select use-based fees are designed to allow FINRA to balance its cash flow sources, operating expenses and capital expenditures, and stabilize its financial reserves in a manner consistent with FINRA's public Financial Guiding Principles.[21] Because the proposed rule change is designed to address a surplus of TAF revenues resulting from increased trading volumes, FINRA believes that the proposed rule change would maintain the equitable allocation of reasonable fees under FINRA's existing, longstanding fee structure and is consistent with FINRA's Financial Guiding Principles. The proposed rule change also would apply on equal terms to all members that otherwise would have been subject to the TAF during the period, and therefore will preserve the same equitable and not unfairly discriminatory fee allocation that has long served as the foundation for FINRA's funding model and has been approved by the Commission.

*B. Self-Regulatory Organization's Statement on Burden on Competition*

FINRA does not believe that the proposed rule change will result in any burden on competition that is not necessary or appropriate in furtherance of the purposes of the Act.

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municipal securities subject to Municipal Securities Rulemaking Board reporting requirements. *See* FINRA By-Laws, Schedule A, Section 1(b). The proposed rule change would not change the scope of the TAF.

[7] *See* Securities Exchange Act Release No. 101696 (November 21, 2024), 89 FR 93709, 93710 (November 27, 2024) (Notice of Filing and Immediate Effectiveness of File No. SR–FINRA–2024–019) (''2024 Fee Filing'').

[8] *See, e.g.,* 2024 Fee Filing, *supra* note 7 at 93710. (''The Commission has historically agreed that this overall cost-based pricing structure 'is reasonable in that it achieves a generally equitable impact across FINRA's membership and correlates the fees assessed to the regulatory services provided by FINRA.' '') (*quoting* Securities Exchange Act Release No. 61042 (November 20, 2009), 74 FR 62616, 62620 (November 30, 2009) (Order Approving File No. SR–FINRA–2009–057)).

[9] FINRA's Financial Guiding Principles, *https://www.finra.org/sites/default/files/finra_financial_guiding_principles_0.pdf.*

[10] FINRA strives to maintain an appropriate level of reserves, which the FINRA Board of Governors has determined to be at least one year of expenditures. Information about FINRA's financial reserves is provided each year in FINRA's published annual financial reports. *See* FINRA Financial Reports and Policies, *https://www.finra.org/about/annual-reports.*

[11] *See* 2026 Budget Summary, *supra* note 5.

[12] *See* 2026 Budget Summary, *supra* note 5.

[13] In addition to the temporary TAF fee holiday proposed herein, FINRA has recently filed a proposed rule change to postpone for two years implementation of the remaining fee increases adopted in the 2024 Fee Filing. *See* SR–FINRA–2026–020.

[14] *See* 2026 Budget Summary, *supra* note 5.

[15] FINRA understands from members that structuring the rule change to establish TAF fee rates of $0.00 simplifies processes for members whose procedures provide for the systemic application of a fee rate across covered securities on a monthly basis.

[16] Section 1(b)(4) of Schedule A to the FINRA By-Laws requires members to report to FINRA the ''aggregate share, bond, contract, and/or round turn volume of sales of covered securities in a manner as prescribed by FINRA from time to time.'' Continued reporting of this transaction information regarding covered securities will provide FINRA with valuable insight into the fee amounts that otherwise would have been assessed for future financial planning purposes.

[17] *See* SR–FINRA–2026–020.

[18] The proposed rule change was filed after FINRA filed SR–FINRA–2026–020, which maintains TAF rates at their current levels through December 31, 2028. Accordingly, the text of the proposed rule change in Exhibit 5, available on FINRA's website at *https://www.finra.org,* reflects the TAF rates returning to their current levels as of January 1, 2027.

[19] 15 U.S.C. 78*o*–3(b)(5).

[20] 15 U.S.C 78*o*–3(b)(6).

[21] *See* 2024 Fee Filing, *supra* note 7; *see also* FINRA's Financial Guiding Principles, *supra* note 9.

Economic Impact Assessment

FINRA has undertaken an economic impact assessment, as set forth below, to analyze the potential economic impacts, including anticipated costs, benefits, and distributional and competitive effects, relative to the current baseline, and the alternatives FINRA considered in assessing how to best meet its regulatory objectives.

Regulatory Need

As discussed above, FINRA has determined to provide a TAF fee holiday for the fourth quarter of 2026 during which the TAF fee rate will be zero. The temporary fee rate is a result of net income that has exceeded projections, due primarily to higher-than-expected trading activity,[22] and informed by FINRA's anticipated reduced expenses for fiscal year 2026.

Economic Baseline

The baseline for the proposed rule change includes FINRA's costs and revenues, the current schedule of fees assessed by FINRA, and the direct and indirect allocation of TAF fees across members, associated persons, third parties, and investors.

FINRA funds its regulatory and other related activities primarily through a combination of regulatory fees and use-based fees. Regulatory fee revenues, such as the TAF, GIA, PA, and Branch Office Assessment, represented about 60% of FINRA's 2025 operating revenues.[23] FINRA estimates that approximately 186 member firms submitted TAF reports during the first six months of 2026.[24] FINRA estimates that the TAF fees that would be waived under the proposed rule change amount to approximately $160 million.

Economic Impact

FINRA assessed whether seasonal variations in trading might affect the allocation of savings to firms under the proposal. Based on historical TAF fees from January 2023 to June 2026, FINRA found that fourth-quarter TAF activity does not differ meaningfully from other quarters.[25] The proposed rule change is designed to maintain the current distribution of TAF fees allocated across firms by the amount of TAF reported. Based on FINRA's historical TAF fees by firm from January 2023 to June 2026, approximately 98% of TAF fees were reported by the top one-third of firms in terms of reported TAF fees, 1.9% by the middle one-third, and 0.1% by the remaining one-third. To project the fourth quarter 2026 distribution, FINRA applied historical fourth quarter averages. Without the proposed rule change, the top, middle, and bottom thirds of firms are anticipated to account for 98%, 1.9%, and 0.1% of TAF fees collected, respectively. Therefore, the allocation of fee savings across reporting firms is essentially the same as the allocation of fees paid through the first nine months of year. The fee holiday is thus not expected to materially alter the allocation of the TAF fee burden over the full year, as intended by the proposed rule change.

Individual firm savings would depend upon reportable trading that will occur during the fee holiday period, and FINRA recognizes that the level of trading activity may vary substantially across firms based on their business model and customers. FINRA estimates that, based on the number of TAF reporting firms in the baseline, about 1.08% of TAF reporting firms have historically reported zero TAF fees for the fourth quarter of the year with positive TAF fees for the rest of the year.

FINRA does not believe the proposed TAF fee holiday is likely to have a significant impact on trading behavior, as TAF represents a small portion of the average costs of transactions. FINRA estimates that the current equity TAF fee rate of 0.0195 cents per share represents roughly 5% of total broker-dealer execution costs (assuming that the fees are not passed through to the end user),[26] or about 1% of the transaction costs to the end investor (assuming that the fees are passed through to the end investor).

All core regulatory fees mentioned above are assessed directly to members. FINRA understands that many members shift at least some of the fees to other parties. For instance, it is common practice among clearing firms to ''pass-through'' the TAF to the underlying firm executing the trade. Further, FINRA understands that executing firms commonly pass the TAF directly on to their customers submitting orders.[27] Typically, TAF pass-through fees are reflected in the confirmation statement received by customers. FINRA understands that there may be differences in this practice across firms depending on each firm's business model. Competitive markets for the provision of brokerage and related financial intermediation services, along with difficulty in allocating certain fees to specific transactions, can limit the extent to which TAF can be passed-through. To the extent that member firms pass TAF fees directly on to counterparties or customers, there would be no material savings to firms from the fee holiday, although there may be small costs to adjust systems to reflect the temporary TAF rate of $0.00. Alternatively, the TAF holiday may benefit member firms directly, and whether their customers accrue any of those savings depends on individual firm practices and competitive conditions.

FINRA does not anticipate that the proposed rule change will unduly impact competition among members. The proposed rule change is designed to maintain the relative allocation of fees across its core regulatory fees and select use-based fees. Firms will continue to report their monthly aggregate trading volumes; however, implementation of the proposed rule change may require minimal incremental costs for firms.

Alternatives Considered

No other alternatives were considered for the proposed rule change.

*C. Self-Regulatory Organization's Statement on Comments on the Proposed Rule Change Received from Members, Participants, or Others*

Written comments were neither solicited nor 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)

[22] Equity TAF-eligible average daily volume was 10.5 billion in 2025, a 32% increase from 2024 levels. Equity TAF-eligible average daily volume was 11.4 billion in the first six months of 2026, a 44% increase from 2024 average daily volume.

[23] *See* FINRA 2025 Annual Financial Report, *https://www.finra.org/sites/default/files/2026-07/2025-finra-annual-financial-report.pdf.*

[24] While this estimate reflects the number of member firms that submitted TAF reports, many clearing firms pass through TAF fees to the broader group of executing brokers on whose trades the TAF is assessed. *See, e.g.,* FINRA's Trading Activity Fee Frequently Asked Questions 100.6 and 100.13, available at *https://www.finra.org/rules-guidance/guidance/faqs/trading-activity-fee.*

[25] The average monthly TAF fees for the fourth quarter of the year are 1.75% less than the average monthly TAF fees over the entire year, which is less than a quarter of the standard deviation below the whole sample average. The coefficient of variation for monthly TAF fees is 7.70%.

[26] The calculation does not consider direct employee costs or overhead. Part of broker-dealer execution costs is exchange/venue costs, which are highly variable and can only be estimated roughly. We also have to make rough estimates of some other costs to broker-dealers as they are priced in dollars per million dollars of transactions, not per share.

[27] FINRA conducted a prior study of a sample of members, which included approximately 25 retail investor-focused broker-dealers and approximately 15 institutional investor-focused broker-dealers, to better understand practices of TAF pass through. The research found that the majority of the retail focused firms did pass through the TAF to their customers. FINRA does not know the full extent of this practice across all members. *See* 2024 Fee Filing, *supra* note 7, 89 FR 93709, 93727 n.112.

of the Act[28] and paragraph (f)(2) of Rule 19b–4 thereunder.[29] 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 shall institute proceedings to determine whether the proposed rule 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 (*http://www.sec.gov/rules/sro.shtml*); or
- Send an email to *rule-comments@sec.gov.* Please include File Number SR–FINRA–2026–021 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–FINRA–2026–021. 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 (*http://www.sec.gov/rules/sro.shtml*). Copies of the filing will be available for inspection and copying at the principal office of FINRA. 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–FINRA–2026–021 and should be submitted on or before October 14, 2026.

For the Commission, by the Division of Trading and Markets, pursuant to delegated authority.[30]

**Sherry R. Haywood,**

*Assistant Secretary.*

[FR Doc. 2026–19392 Filed 9–22–26; 8:45 am]

**BILLING CODE 8011–01–P**

## SECURITIES AND EXCHANGE COMMISSION

**[Release No. 34–106421; File No. SR–BTNL–2026–001]**

## Self-Regulatory Organizations; Bitnomial Exchange, LLC; Notice of a Filing of a Proposed Rule Change Relating to Security Futures Product Listing Standards, Customer Margin and Related Rules

September 18, 2026.

Pursuant to Section 19(b)(7) of the Securities Exchange Act of 1934 (the ''Act'') and Rule 19b–7 thereunder,[1] notice is hereby given that on September 18, 2026, Bitnomial Exchange, LLC (''Bitnomial'' or the ''Exchange'') filed with the Securities and Exchange Commission (''SEC'' or ''Commission'') the proposed rule change described in Items I, II, and III 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. The proposed rule amendments will be filed concurrently with this SEC filing in two requests for approval by a vote of the Commodity Futures Trading Commission (''CFTC'') under Regulation 41.24(b), using the procedures of Regulation 40.5. The Exchange will submit its rules and procedures as BTNL–2026–105; Bitnomial Clearinghouse, LLC will submit the Chapter 8 amendments to Rules 803 and 806 as BTNL–2026–106.[2]

**I. Self-Regulatory Organization's Description and Text of the Proposed Rule Change**

The Exchange, a CFTC-designated contract market and national securities exchange notice-registered under Section 6(g) of the Act,[3] proposes amendments establishing generic listing standards and related requirements for cash-settled security futures products (''SFPs'') on individual equity securities. The generic standards govern eligible underlying securities, permitted contract types, funding, pricing, settlement and customer margin. The proposal includes the funding and settlement procedures in Exhibit 4, Attachment 4–B.

The amendments reproduced in Exhibit 4 cover the following provisions:

| Rule | Proposed change |
|---|---|
| 101—Definitions | Adds BD, SEA and SEC definitions; uses Contract termination in the settlement-price definitions. |
| 303—Participant admission requirements | Adds required broker-dealer registration and Exchange Act statutory-disqualification screening. |
| 402—Business conduct provisions | Adds an issuer-officer/director trading prohibition and a prohibition on trading while possessing material nonpublic information about the issuer or underlying security. |
| 405—Position Limits | Requires SFP limits or accountability under CFTC Regulation 41.25(b)(3), applying each trading date to perpetual security futures contracts. |
| 501—Market operations provisions | Makes SFP market hours, trading halts and resumptions subject to Rule 515. |
| 502—Contracts Offered | Authorizes cash-settled SFPs subject to Rule 515; provides for perpetual contracts without scheduled expiration and termination of trading with final settlement. |
| 509—Settlement Prices | Amends general price definitions and settlement provisions; makes SFP final settlement subject to Rule 515.4 and perpetual SFP funding and daily settlement subject to Rule 515.6. |
| 515—Security Futures Products Offered | Establishes listing standards, corporate-action adjustments, final settlement, customer notice, funding and daily-settlement mechanics, market hours, index methodology, halts and resumptions, and standard Contract Specifications. |
| 607—Notice to the Respondent, the CFTC, the SEC, and the Public. | Adds prompt SEC notice of final disciplinary sanctions to the extent required. |
| 803—Clearing Membership | Adds customer SFP broker-dealer registration and statutory-disqualification conditions, with conforming punctuation. |

[28] 15 U.S.C. 78s(b)(3)(A).

[29] 17 CFR 240.19b–4(f)(2).

[30] 17 CFR 200.30–3(a)(12).

[1] 15 U.S.C. 78s(b)(7); 17 CFR 240.19b–7.

[2] 7 U.S.C. 7a–2(c); 17 CFR 41.24(b), 41.22 and 40.5.

[3] 15 U.S.C. 78f(g).

| Rule | Proposed change |
|---|---|
| 806—Responsibilities of Clearing Members ....... | Specifies SFP customer-fund segregation in Rule 806.1 and requires collection of customer margin under the joint SEC/CFTC rules in Rule 806.21, with conforming punctuation. |

The affected existing rules have not previously been filed with the Commission pursuant to Section 19(b) of the Exchange Act.

The customer-margin amendment in Rule 806.21 is included in this proposed rule change and in the rule text in Exhibit 4.

Exhibit 4 contains the proposed text, with brackets for deletions and underscoring for additions. The text will be available at *https://bitnomial.com/exchange/,* at the Exchange's principal office, and through the Commission's filing record.

**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 comments concerning it. The statements may be examined at the places specified in Item IV below. The Exchange has summarized their principal points below.

*A. Self-Regulatory Organization's Statement of the Purpose of, and Statutory Basis for, the Proposed Rule Change*

1. Purpose

(a) Generic Security-Futures Framework and Intended Perpetual Products

The Exchange is establishing rules for its security-futures business following its notice registration. The proposal adds security-futures requirements to the Exchange's existing rules for electronic trading, clearing, membership, surveillance and discipline. It affects Participants, Clearing Members, intermediaries serving their customers, and investors trading the products. The proposal covers cash-settled security futures on individual equity securities, with standard Contract Specifications for perpetual futures under Rule 515.10. Options on security futures and security-based swaps are outside this filing; this proposal does not request authority to operate a general securities marketplace.[4]

The generic listing standards govern the eligibility of underlying securities and the permitted Contract terms. Rules 502.1 and 502.2 address product-submission routes, and Rule 502.3.6 authorizes cash-settled security futures products subject to Rule 515. Rules 515.1 and 515.2 establish initial and maintenance listing standards; Rule 515.3 specifies corporate-action adjustments; Rule 515.4 governs termination and final cash settlement; and Rule 515.5 requires customer notice. Rule 515.6 incorporates the Securities Perpetual Pricing procedures directly into the Exchange Rules and states the principal funding and daily-settlement mechanics. Rule 515.7 sets market hours, Rule 515.8 describes the underlying index, Rule 515.9 governs halts and resumptions, and Rule 515.10 sets out standard Contract Specifications, including unit size, tick size and the position limit. Contract Specifications must incorporate the pricing procedures as part of the Contract's Rules. The pricing procedures are included in Exhibit 4, Attachment 4–B and take precedence over inconsistent general daily-settlement provisions of Rule 509. Final settlement remains subject to Rule 515.4. Each Contract must comply with the proposed rules and the applicable standards for its underlying security.

Once the generic standards are effective, the Exchange will submit individual products to the CFTC for approval under Regulation 41.23(b), using the procedures of Regulation 40.5. Each product submission must include the applicable security-futures certifications under Regulation 41.22 and satisfy the conditions for trading in Regulation 41.25.[5] A separate SEC proposed-rule-change filing would not be required solely to list an individual product if its underlying security, contract type, funding methodology, pricing, settlement and other terms conform to the effective generic standards and the listing involves no additional rule change requiring an SEC filing. The Exchange will assess any product or rule change outside the generic standards for additional SEC filing requirements. Applicable product certifications, reporting and other regulatory obligations continue to apply.

The Exchange and Clearinghouse will file separate requests for approval by a vote of the CFTC under Regulation 41.24(b), using Regulation 40.5 procedures, concurrently with this SEC filing. The Exchange's request, BTNL–2026–105, covers the listing, trading and related rules and procedures, including the 15.25% SFP customer-margin floor implemented in the Exchange's procedures. The Clearinghouse's request, BTNL–2026–106, covers the Chapter 8 amendments to Rules 803 and 806, including the obligation to collect customer margin under the joint SEC/CFTC rules. For its initial single-stock perpetual futures, the Exchange intends to use separate Regulation 41.23(b) product-approval applications, beginning with BTNL–2026–107. The product applications will address individual contract terms and supporting analysis and are outside this generic-rule filing. The rules governing perpetual funding, position limits, continued listing and settlement remain part of this filing.

The amendments operate alongside existing rules. Rules 303 and 803 add eligibility requirements for Participants and Clearing Members. Rules 402, 405 and 501 add securities-specific protections to trading controls. Rules 502, 509 and 515 govern contract listing, settlement and other SFP requirements. Rule 607 extends disciplinary reporting to the SEC, and Rule 806 addresses customer accounts and collection of customer margin. The conflict safeguards discussed in subsection (g) also apply to the Exchange's SFP business.

(b) Underlying Securities and Listing Standards

Section 6(h)(3) of the Act and Section 2(a)(1)(D) of the Commodity Exchange Act (''CEA'') establish the applicable SFP listing requirements.[6] Rule 515.1 establishes initial eligibility, limited to issued and outstanding common stock or qualifying American Depositary Receipts (''ADRs'') registered under Section 12 of the Act, with a compliant issuer and an underlying listed on a national securities exchange and

[4] Exchange Act Sections 3(a)(55), (56) and (68), and 6(h)(6), 15 U.S.C. 78c(a)(55), (56), (68) and 78f(h)(6). See also SEC/CFTC, Joint Request for Comment on Further Implementation of Portfolio Margining and Cross-Margining of Securities and Derivatives, June 30, 2026, footnote 14 (stating that the Commissions have not exercised their authority to permit options on security futures).

[5] 7 U.S.C. 7a–2(c); 17 CFR 41.22, 41.23(b), 41.25 and 40.5. Product approval does not dispense with applicable SFP certifications or pre-trading requirements.

[6] 15 U.S.C. 78f(h)(3); 7 U.S.C. 2(a)(1)(D).

reported as a national market system security.[7]

The proposed initial quantitative tests require at least seven million publicly held shares, at least 2,000 holders, estimated deliverable supply exceeding 20 million shares, market capitalization of at least $100 billion, and average daily transaction value of at least $450 million over the prior six months (or at least $1 billion over the prior month for a security with a shorter listing history). The underlying must close at or above $3 for the five consecutive business days preceding listing. ADRs must meet one of the specified surveillance-sharing or trading-volume tests or have joint SEC/CFTC authorization. When-issued and otherwise contingent securities are excluded.

The maintenance tests include continued Section 12 registration, at least 6.3 million publicly held shares and 1,600 holders, average daily transaction value of at least $200 million in the prior quarter (with the specified $1 billion shorter-history test), deliverable supply exceeding 20 million shares, capitalization of at least $50 billion, and a requirement that the underlying has not closed below $3 per share for five consecutive Trading Days. Compliance with the maintenance standards is required on a continuing basis. Rule 515.2 permits the Exchange to prohibit opening transactions following a failure and to terminate trading in the affected Contract under Rule 515.4. Rule 515.5 requires customer notification when the Exchange announces that an underlying no longer satisfies maintenance standards.

(c) Position Limits

Rule 405.5 requires the Exchange to establish SFP position limits or accountability levels under CFTC Regulation 41.25(b)(3), publish them in Contract Specifications, and apply them at least during the last three trading days of an expiring contract month or, for a perpetually settled security futures contract, each trading date.[8] It also addresses positions exceeding limits solely because of a Rule 515.3 adjustment.

Rule 515.10.1 specifies a standard position limit of 200,000 contracts for the proposed single-stock perpetual futures, as reflected in the Contract Specifications and applied each trading date under Rule 405.5. At 100 shares per contract, this represents 20,000,000 shares. The limit must satisfy the applicable deliverable-supply requirements and be no less restrictive than comparable options limits. Any proposed increase would be evaluated under the applicable manipulation and listing standards and submitted through the applicable rule-amendment process.

(d) Perpetual Funding and Settlement

The proposed SFP trading schedule is 24/5. Rule 515.7 sets the weekly session from 19:00 Central Prevailing Time (CPT) on Sunday through 17:00 CPT on Friday, in place of Rule 501's default hours, subject to National Stock Exchange holidays and maintenance windows published on the Exchange's website and the trading halts described below. Trading may occur outside the underlying security's primary listing market's regular session.

Rule 515.10.1 states the standard Contract terms directly in the Rulebook. One Contract represents 100 shares, and the minimum trading unit is one ten-thousandth of a Contract, equivalent to 0.01 share. Prices are quoted in U.S. dollars per share. The minimum tick is $0.01 per share, equal to $1.00 per full Contract or $0.0001 per minimum trading unit. The template also specifies the 200,000-contract position limit and 25-contract reportable position level.

Rule 515.6 incorporates the Securities Perpetual Pricing procedures into the Exchange Rules and requires their incorporation into Contract Specifications. The rule explains the index input, funding schedule, premium measurement, rate calculation, payment direction, daily-settlement calculation, closing valuations and unavailable-input treatment. The detailed pricing procedures, included in Exhibit 4, Attachment 4–B, take precedence over inconsistent general daily-settlement provisions of Rule 509; final settlement on termination remains governed by Rule 515.4.

*Funding calculation and payments.* Funding occurs at 03:00, 11:00 and 19:00 CPT each calendar day, including weekends and holidays when trading is closed. During open trading, the Exchange records a Premium sample every 15 seconds, whether or not a trade occurs. Each sample compares bid-side and ask-side Contract Impact Prices with the underlying Index Price. Each impact price uses available depth from the best price outward, capped at USD 50,000 notional on that side. The final included price level may be partial, and available nonzero depth below the cap is used.

The weighted average Premium gives each included sample its original chronological weight within the Funding Interval. Closed, halted and maintenance periods contribute neither samples nor weights. An open-market sample with an unavailable eligible Index Price or an empty side of the Contract order book is assigned a zero Premium and retains its full weight. The denominator is the sum of the included sample weights; it equals 1,844,160 only when all 1,920 scheduled periods in an eight-hour interval contain samples. If no sample in the entire interval has an available Index Price and determinable impact prices on both sides, the last calculated Funding Rate carries forward, even if zero-valued samples were recorded; if no rate has yet been calculated, the rate is zero.

When a new rate can be calculated, the Funding Rate equals the weighted average Premium plus an adjustment equal to the fixed 0% interest component minus that average, with the adjustment constrained to −0.001% through 0.001%. An average Premium within 0.001% of zero therefore produces a zero Funding Rate. Outside that range, the Funding Rate equals the excess and retains its sign. The adjustment range does not cap the total Funding Rate.

A positive Funding Rate requires longs to pay shorts; a negative rate requires shorts to pay longs; and a zero rate produces no payment. The dollar payment is the absolute Funding Rate, converted to a decimal, multiplied by the absolute net open position for the Trading Account immediately before the Funding Time, the 100-share Contract multiplier and the applicable Settlement Price in dollars per share. Each payment uses its own Funding Rate and Settlement Price. The Clearinghouse applies the payments through the next applicable Variation Margin cycle and sums payments falling within that cycle. Payments are not settled bilaterally between Members. Later revisions to the underlying index do not alter a Funding Adjustment. Under Rule 515.6.9, methodology amendments operate prospectively and do not alter completed intervals.

*Daily and closing settlement.* Under Rule 515.6.6, the Settlement Price uses the median, or middle value, of the underlying Index Price, the Index Price plus the average Contract-to-index basis, and a Contract-price measure, with tick rounding under Rule 509.5. The Settlement Period is the two and one-half minutes immediately preceding the applicable valuation time, comprising ten 15-second sample periods. The basis measure averages the Contract bid-ask midpoint less the Index Price over open-trading samples with both quotes and an eligible index observation. The Contract-price measure uses the volume-weighted average price (VWAP)

[7] 15 U.S.C. 78l.

[8] 17 CFR 41.25(b)(3).

of trades, or, if there are no eligible trades, the time-weighted bid-ask midpoint over open-trading portions with both quotes. Quotes retained while trading is closed, halted or under maintenance are excluded. Observations first available at or after valuation are excluded.

If the Contract-price measure is unavailable but the Index Price and average basis are available, settlement uses the Index Price plus that basis. If the Index Price or average basis is unavailable but the Contract-price measure is available, settlement uses that measure. If neither measure is available but the Index Price is available, settlement uses the Index Price. If no price can be calculated under that waterfall, the last Settlement Price carries forward. If no previous Settlement Price exists, the Exchange determines and publishes an initial price before the first settlement. The Exchange and Clearinghouse retain their applicable authority to address unavailable, erroneous or unreliable prices, subject to Rule 515.

Rule 515.6.7 also requires a closing valuation at each scheduled weekly or holiday close. For Friday's 17:00 CPT close, the Settlement Period is 16:57:30 to 17:00 CPT. Friday's 19:00 Funding Rate uses observations from 11:00 to 17:00 CPT; the closed period from 17:00 to 19:00 contributes no samples or weights. An uninterrupted six-hour observation window contains 1,440 samples with weights totaling 1,037,520. The calculated rate is applied without a six-eighths adjustment. Friday's 19:00 funding payment uses that rate and the closing Settlement Price. Both carry forward through subsequent closed-market Funding Times, including the Sunday 19:00 reopening Funding Time for a standard weekend. The first scheduled Funding Time using resumed trading is Monday 03:00, subject to the calculation and fallback provisions. The closing valuation creates no additional Funding Time; funding remains a separate payment at each scheduled Funding Time during the closure.

*Underlying index.* Rules 515.1 and 515.10 require Contract Specifications to identify the applicable CF Hybrid Equity Index and incorporate the CF Hybrid Equity Indices Methodology Guide published by CF Benchmarks.[9] Rule 515.8 explains the calculation. CF Benchmarks selects one source at a time: national-stock-exchange quotations during covered pre-market, regular and after-hours sessions, and Blue Ocean ATS quotations during covered overnight sessions. Each second during scheduled publication, the index is the midpoint of the bid and offer from the same quotation record, subject to the methodology's contingency rules. The source and holiday schedule and interruption treatment appear in the incorporated guide, supplied as Exhibit 4, Attachment 4–A. The index is used to calculate funding and daily settlement; final settlement uses the underlying-market reference required by Rule 515.4. Continued index publication does not override a trading halt.

*Corporate actions.* Rule 515.3.1 requires adjustments preserving, as nearly as practicable, the economic position of holders immediately before a Corporate Action. Rule 515.3.2 requires distribution cash adjustments through the next Variation Margin cycle, from shorts to longs, equal per Contract to the per-share amount or Exchange-determined value times the Trading Unit, without duplicate settlement-price basis adjustments. Ordinary cash dividends produce a cash adjustment on the ex-dividend date.

Rules 515.3.3–515.3.10 specify the treatment by event. Splits and reverse splits rescale each open position by the post-action/pre-action share ratio, retain the standard Trading Unit and divide the variation-margin settlement-price basis by that ratio. Same-security stock dividends are treated as splits. Other-security or property distributions, distributed rights or warrants, spin-offs, special cash dividends and returns of capital produce cash adjustments for the amount or value distributed. Share-count changes in rights issues and qualifying reorganizations may also rescale positions. The Exchange determines appropriate treatment for split-offs and voluntary exchange offers, including elections and proration, subject to Rule 515.4. Ticker changes update Contract identifiers. A merger or similar transaction that cancels, converts or exchanges the underlying, or causes it to cease to be outstanding, triggers termination under Rule 515.4.4.

*Termination and final settlement.* Rule 502.4 permits termination of a perpetual Contract and requires final settlement of all open positions, subject to Rule 515.4 for SFPs. Rule 515.4 requires final cash settlement whenever trading is terminated, including discretionary termination, and retains the specified delisting, suspension, registration, maintenance, corporate-transaction, insolvency and fair-and-orderly-market triggers. The Exchange announces the termination date and time as far in advance as practicable; all trading ceases at that time.

The Final Settlement Price must satisfy SEC Rule 6h–1(b) and CFTC Regulation 41.25(c), including the underlying regular-session opening-price standard, the permitted alternatives when that price is unavailable, and the conditions on the Clearinghouse's authority to determine a final price.[10] The Securities Perpetual Pricing procedures explain the permitted alternatives, including settlement after the next opening becomes available. The final-settlement requirements apply independently of the median calculations used for daily settlement and funding.

The general amendments to Rule 509.1's Floating Market Price fallback sequence and Rule 509.7's options-pricing model also appear in Exhibit 4. The Rule 509 amendments do not create an SFP final-settlement exception to Rule 515.4 or change the priority of the pricing procedures under Rule 515.6.

(e) Trading, Surveillance and Discipline

Rule 402.17 prohibits trading an SFP by an officer or director of its underlying issuer within the meaning of Section 16 of the Act, and by anyone holding material nonpublic information about the issuer or underlying security.[11] The trading restriction is imposed by Rule 402.17; Section 16 does not itself impose an identical blanket prohibition for all transactions.

Rules 501.3 and 515.9 require SFP trading halts and coordinated resumptions, including regulatory halts of the underlying security, consistent with SEC Rule 6h–1 and CFTC Regulation 41.25(b)(2).[12] The Exchange is a member of the Intermarket Surveillance Group (''ISG''). Rule 209 authorizes the exchange of surveillance reports, Participant information and investigation assistance with other markets and regulators. Rules 503, 510 and 511 require registered User IDs, Participant and Clearing Member front-end audit trails, and customer-type indicators. Participant and Clearing Member records complement the Exchange's own order, trade and position records; Rule 512 separately governs public trading information.

The SFP surveillance program will compare Contract orders, executions and positions with activity in the underlying security and related securities, including listed options, and to issuer news and corporate actions.

[9] CF Benchmarks Ltd., *CF Hybrid Equity Indices—Methodology Guide,* Sections 4–6, supplied as Exhibit 4, Attachment 4–A and incorporated through Contract Specifications under Rule 515.1.

[10] 17 CFR 240.6h–1(a)(1) and (b); 17 CFR 41.25(c).

[11] 15 U.S.C. 78p.

[12] 17 CFR 240.6h–1; 17 CFR 41.1 and 41.25(b)(2).

Surveillance staff will review unusual price or volume movements, concentrated positions, wash trading, disruptive order activity, potential insider trading, and trading intended to influence funding, daily settlement or final settlement. Surveillance staff will also monitor compliance with the Rule 515 initial and maintenance liquidity tests and the 200,000-contract position limit. Average daily transaction value demonstrates activity over the measurement period; it does not establish uniform liquidity throughout the 24/5 trading week.

Surveillance will cover the scheduled trading week, including periods outside the underlying market's regular session. The Exchange will evaluate the availability, depth and integrity of the national-stock-exchange and Blue Ocean ATS inputs used during each interval. The Exchange has information-sharing coverage for the relevant underlying, options and index-source markets, including the information needed to investigate potential manipulation of index inputs. Item II.A.2(I)–(J) describes the coordinated-surveillance procedures and audit-trail records used in such investigations.

The Exchange will work with the SEC to provide data to evaluate the effectiveness of the product and its potential impact on the underlying.

Chapter 6 establishes investigation and disciplinary procedures. Rule 607 adds prompt SEC notice of final disciplinary sanctions to the extent required by Section 19(d) and Rule 19d–1.[13] The investigation, disciplinary and reporting provisions apply equally to affiliated and unaffiliated firms.

(f) Intermediaries, Customer Accounts and Clearing

Rules 303 and 803 require applicable broker-dealer registration and add the statutory-disqualification test under Section 3(a)(39) of the Act.[14] Rule 806.1 requires SFP customer funds to be held in futures accounts subject to CEA Section 4d segregation unless the Clearinghouse permits securities-account treatment under SEC Rule 15c3–3.[15] The exception does not waive applicable securities-account requirements. The associated customer-margin requirement in Rule 806.21 is included in this filing.

The contemplated cash–settled products will clear at Bitnomial Clearinghouse, LLC, a CFTC-registered derivatives clearing organization (''DCO''). The Exchange intends to rely on the statutory cash–settled SFP clearing-agency registration exemption under Section 17A(b)(7)(A), subject to the applicable conditions.[16]

*Customer margin and clearing margin.* Proposed Rule 806.21 requires Clearing Members to collect customer margin for security futures product positions at levels that comply with the margin rules jointly adopted by the CFTC and SEC.[17] Compliance with the Clearinghouse's risk-model requirement does not, by itself, satisfy the customer-margin rules. The proposed collection obligation supplements Rule 820's existing minimum-margin and customer-collection requirements. Rules 305.1.3–305.1.4 require Participants to comply with the Rules and the applicable rules of the clearinghouse accepting their contracts. Rules 806–808 establish Clearing Member compliance, financial-reporting and notification obligations; Chapter 6 provides disciplinary procedures.

*Amount and operation.* For SFPs, the Exchange will apply a 15.25% minimum initial and maintenance customer-margin floor to the current market value of each unhedged long or short position, subject to any higher applicable requirement and the joint rules' account and position treatment.[18] Required customer margin is recalculated as current market value changes.

The intermediary must determine account equity and required margin under the joint rules and require deposits when the requirement is not satisfied. Permissible deposits and valuation are governed by SEC Rule 404 and CFTC Regulation 41.46; account requirements by SEC Rule 402 and CFTC Regulation 41.44, withdrawals by SEC Rule 405 and CFTC Regulation 41.47, and undermargined accounts by SEC Rule 406 and CFTC Regulation 41.48.[19] Acceptance of an asset by the Clearinghouse for a different product or purpose does not establish its eligibility as customer margin for security futures.

Funding Adjustments are applied through Variation Margin in the next applicable cycle. The resulting credits and debits are reflected in customer account equity for purposes of the applicable margin calculations. The Exchange's 15.25% SFP customer-margin floor continues to apply.

The Clearinghouse and intermediaries may impose applicable higher requirements consistently with law. The proposal does not authorize new offsets below the amount that would apply if positions were margined separately. Such offsets require a compliant rule under SEC Rule 403(b)(2) and CFTC Regulation 41.45(b)(2), effective through the applicable approval processes.[20] Use of a portfolio risk model does not replace the required rule approval.

*Affected persons and implementation.* The customer-margin proposal affects Clearing Members carrying security futures for customers and their customers. Clearing Members remain responsible for administering customer-margin calculations, eligible collateral, collection and account restrictions under the joint SEC/CFTC rules. The obligation applies to affiliated and unaffiliated Clearing Members on the same basis, with no exception from margin collection, collateral eligibility or enforcement based on common ownership.

(g) Affiliated Futures Commission Merchant: Independent Oversight, Conflicts and Competition

*Affiliation and the regulatory concern.* NinjaTrader Clearing, LLC (''NinjaTrader'') is an affiliated futures commission merchant (''FCM'') and Clearing Member under common ultimate ownership with the Exchange. The affiliation creates potential incentives to favor NinjaTrader in access, information, commercial treatment or enforcement, and could disadvantage unaffiliated FCMs and introducing brokers competing for customer business. The Exchange addresses these risks through independent regulatory governance, outside FCM oversight, enforceable common-access rules, information barriers and conflict procedures.

*Independent regulatory oversight.* The Chief Compliance Officer/Chief Regulatory Officer (''CRO'') of the Exchange and Clearinghouse reports to the Board of Directors. The shared Board currently consists of five directors, four of whom are independent. Independent directors therefore hold a majority of the Board responsible for overseeing compliance, including matters involving an affiliated intermediary.

The Exchange Affiliate Conflict of Interest Policy, Document 210–100, will be in effect for the Exchange's security

[13] 15 U.S.C. 78s(d); 17 CFR 240.19d–1.

[14] 15 U.S.C. 78c(a)(39), 78o(b)(11).

[15] 7 U.S.C. 6d; 17 CFR 1.20 and 240.15c3–3.

[16] 15 U.S.C. 78q–1(b)(7)(A); 15 U.S.C. 78f(h)(3)(E)–(G).

[17] 17 CFR part 41, subpart E; 17 CFR 242.400–242.406.

[18] See 17 CFR 242.403(b)(1) and 17 CFR 41.45(b)(1) for the joint regulatory margin requirement. The 15.25% figure described here is the Exchange's customer-margin floor for SFPs.

[19] 17 CFR 242.402, 242.404–242.406; 17 CFR 41.44, 41.46–41.48.

[20] 17 CFR 242.403(b)(2); 17 CFR 41.45(b)(2); 15 U.S.C. 78g(c)(2)(B), 78s(b)(2).

futures product rules. The policy covers any affiliated FCM and expressly prohibits the Exchange from serving as the FCM's designated self-regulatory organization (''DSRO''). It also sets out affiliate information barriers, equal treatment and access requirements, separate personnel and governance, and escalation of identified conflicts by the CRO to the Regulatory Oversight Committee (''ROC'').

Under Rule 205.4, the Exchange's ROC consists entirely of Public Directors, reports to the Board, supervises the Chief Regulatory Officer and receives that officer's direct reports. The ROC monitors the sufficiency, effectiveness and independence of the regulatory program; oversees trade-practice and market surveillance, examinations and investigations; reviews regulatory resources and budget allocation and the hiring, termination and compensation of regulatory personnel; and reviews regulatory proposals. The ROC oversees both individual enforcement decisions and the resources needed to administer the regulatory program.

Four of the five current directors are independent; the proposal does not establish an 80% independence requirement in the Rulebook. Rule 202 contains the Public Director qualification process and requires periodic findings concerning material relationships. The conflict of interest policy requires at least two-thirds Public Directors on the Exchange Board and any committee to which the Board delegates responsibility. Rule 207 requires disclosure and abstention for specified named-party and financial-interest conflicts, with determinations and meeting records as provided in that rule. The director-qualification, disclosure and recusal requirements apply to decisions concerning NinjaTrader.

*NinjaTrader's designated self-regulatory organization.* The National Futures Association (''NFA'') serves as NinjaTrader's designated self-regulatory organization and primary self-regulatory supervisor of the FCM. The Exchange does not act as NinjaTrader's DSRO. NFA's independent FCM oversight exists alongside the Exchange's supervision of NinjaTrader's compliance with the rules applicable to its Exchange participation and clearing membership, including SFP rules. The CFTC remains the federal FCM regulator; applicable SEC authority and securities obligations also remain in place.

The DSRO designation assigns specified examination and financial-supervision functions under CFTC Regulation 1.52.[21] NFA also oversees NinjaTrader under its applicable member and SFP rules, alongside the Exchange's oversight of compliance with its own SFP rules. NFA's member and SFP responsibilities extend beyond its DSRO designation. The designation does not transfer every securities-law obligation to NFA, require NFA to examine every Exchange rule annually, or relieve the Exchange of its duty to supervise its affiliated member. Any allocation of Exchange Act responsibilities under Rules 17d–1 or 17d–2 would require a separate arrangement.[22]

| Function | Allocation described by this filing |
|---|---|
| Independent governance of Exchange regulation. | Board oversight and the all-Public-Director ROC; direct CRO reporting under Rule 205.4. |
| NinjaTrader's primary FCM self-regulatory supervision. | NFA as DSRO and NFA member regulator, within the applicable designation and rules. |
| Compliance with Exchange and applicable Clearinghouse rules. | Bitnomial retains oversight, including surveillance, investigation, member information requirements and discipline. |
| Applicable SFP securities-law obligations .......... | The Exchange and each intermediary retain their respective obligations; the DSRO designation does not transfer all SFP supervision to NFA. |

*Information barriers.* Rule 1012.3 prohibits the affiliate and its customers from access to Exchange or Clearinghouse material nonpublic information and limits the affiliate's information access to that available to other Participants or Clearing Members, as applicable. The restrictions protect competing firms' trading and customer information as well as regulatory information. Rule 206 restricts use and disclosure of information obtained through official duties, and Rule 1001 addresses official trading and misuse of material nonpublic information.

The conflict of interest policy provides for separate personnel, offices, governing bodies and information systems and firewalls for the Exchange and the affiliated FCM, restricted access to nonpublic regulatory information, and escalation to the CRO and ROC. It limits the Exchange's access to the affiliate's nonpublic information to the same basis as for other Clearing Members. The Exchange and its Clearinghouse share a Board, as Rule 101 expressly provides; the policy requires separation of the Exchange and Clearinghouse from the affiliated FCM.

*Equal access and treatment.* Rule 1012 requires public disclosure of affiliations, prohibits preferential treatment and inherent advantages, and subjects affiliates to the same access criteria and Rules as comparable unaffiliated firms. Rule 205.3 prohibits discriminatory restrictions or burdens on access among similarly situated Participants or categories. Chapter 3 and Rule 803 govern participation and clearing eligibility through common criteria.

The equal-treatment requirements apply to admission, continued eligibility, trading and information access, and administration and enforcement of the SFP rules. Neither a customer nor an introducing broker is required by this proposal to use NinjaTrader. NinjaTrader has no exclusive right to SFP products or preferred order flow under the proposal. Competing intermediaries may obtain access through eligible firms on the same terms. Affiliation provides no exception from registration, customer protections, position limits, margin obligations or enforcement.

Under the conflict of interest policy, an affiliated FCM shall not be the sole Clearing Member. At least two existing unaffiliated Clearing Members are required before the FCM can become a Clearing Member, and the Exchange shall notify CFTC staff in a timely manner if that number falls below two. The unaffiliated-member requirement applies across the Exchange; it does not limit the affiliate's share of SFP customer business.

*Wave Securities and PCX precedent.* The Commission's 2001 order approving ArcaEx distinguished Wave Securities'

[21] 17 CFR 1.52, including the scope and retained responsibilities in paragraph (d).

[22] 17 CFR 240.17d–1 and 240.17d–2.

introducing-broker activity from its outbound order-routing function. For the introducing-broker activity, the Commission relied on Wave acting as a user/member on the same terms as other members, the availability of sponsored access from other members, nondiscrimination requirements and information barriers separating that activity from PCX and its facilities. On those facts, the Commission did not consider the introducing-broker function necessarily an exchange facility. It cautioned that the analysis would change if Wave became the sole or predominant source of sponsored access or the information barriers proved ineffective.[23]

The same order identified the conflict between an exchange's commercial interests and its regulatory responsibilities for an affiliated broker-dealer, and stated that the exchange must not be the SRO primarily responsible for examining that broker-dealer. NASD was the designated examining authority for Wave's functions that were not PCX facilities. By contrast, the order treated Wave's outbound routing function as a facility because it was uniquely linked to and endorsed by ArcaEx, with resulting Exchange oversight and rule-filing responsibilities.

The later 2005 Archipelago/PCX acquisition order addressed different ownership and operating arrangements. Its Wave and Arca Trading inbound-router exceptions were temporary and conditional, and it stated that an affiliated inbound-router function would be an exchange facility. Its permanent outbound-router discussion concerned an exchange facility, optional use and expanded NASD oversight under a separate regulatory allocation.[24] The conditions applicable to routing functions differ from the 2001 analysis of introducing-broker activity.

The Exchange addresses conflicts arising from NinjaTrader's participation as an affiliated FCM and Clearing Member as follows: NFA supervises the FCM within the scope of its authority; the Board, ROC and CRO oversee independent Exchange regulation; Rules 1012.2 and 1012.4 require equal treatment and common access; and Rule 1012.3 addresses information advantages. The conflict of interest policy's separation and unaffiliated-member conditions will apply alongside these protections for the Exchange's security futures product rules. The Exchange relies on the independent oversight, equal-treatment requirements and information barriers described above. The unaffiliated-member requirement does not, by itself, prevent an affiliate from becoming a predominant source of SFP access. The orders do not provide blanket authorization for affiliated FCMs, determine NinjaTrader's facility status, or make a CFTC DSRO designation equivalent to the NASD/PCX Exchange Act allocation. The present filing rests on the Exchange's Rulebook, the conflict of interest policy, governance and the regulatory responsibilities applicable to its SFP activity.

2. Statutory Basis

*Section 6(b)(1): organization and enforcement capacity.*[25] The CRO reports directly to a ROC composed entirely of Public Directors. The Board, currently comprising four independent directors out of five, oversees compliance. The ROC's review of regulatory resources and the conflict-disclosure and recusal requirements help protect regulatory decisions from the affiliate's commercial interests. Participant and Clearing Member obligations permit the Exchange to obtain information, and Chapter 6 establishes investigation and enforcement procedures. NFA supervises the affiliated FCM within the scope of its authority, while the Exchange retains its own enforcement responsibilities. SFP supervision must cover the applicable securities-law requirements as well as financial examinations.

*Section 6(b)(5): investor protection and nondiscrimination.*[26] Initial and continuing eligibility criteria, prohibitions on issuer-insider trading and trading on material nonpublic information, coordinated trading halts, settlement and adjustment provisions, registration screening and customer-account requirements are designed to protect investors and prevent fraudulent or manipulative conduct. Rule 1012's equal-treatment and information-access restrictions, Rules 206 and 1001, and Rule 207's conflict controls address the risk that an affiliated firm benefits from confidential information or favorable decisions. The equal-treatment and conflict requirements apply to SFP activity and protect customers, issuers, brokers and dealers from discriminatory treatment.

*Section 6(b)(8): competition.*[27] Affiliated and unaffiliated intermediaries must meet the same admission criteria and comply with the same SFP rules. Access to the market is not reserved for the Exchange's affiliate, and independent regulatory oversight helps prevent preferential access to information or favorable treatment in enforcement. The proposed eligibility, surveillance, registration and customer-protection requirements are necessary to protect investors and maintain fair and orderly markets. For the reasons described above and in Item II.B, the Exchange believes the proposal does not impose any burden on competition that is not necessary or appropriate in furtherance of the purposes of the Act.

*Section 6(h)(3): listing standards and conditions for trading.* Section 6(h)(3) establishes the requirements for SFP listing standards and conditions for trading.[28] The following discussion addresses each statutory requirement in order, identifies the relevant proposed or existing Exchange provisions, and explains how the requirements apply to the proposed cash-settled security futures on individual securities. The Exchange will list a Contract only when the applicable statutory conditions and product-specific requirements have been satisfied.

*(A) Registration of the underlying security.* Paragraph (A) generally requires each underlying security, including each component of a narrow-based security index, to be registered under Section 12 of the Act, subject to joint SEC/CFTC modifications authorized by Section 6(h)(4).[29] Proposed Rule 515.1.1 requires Section 12 registration of the common stock or qualifying ADR at initial listing. Rule 515.2.1 requires continued registration, and Rule 515.4.2 requires termination of trading if that registration ceases, with final cash settlement under Rule 515.4. The present proposal covers individual equity securities; it does not authorize narrow-based, multi-security index futures. Use of a single-security reference index for funding and daily settlement does not dispense with registration of the underlying security.

*(B) Payment and delivery arrangements for physical settlement.* Paragraph (B) requires arrangements with a registered clearing agency for payment and delivery of the underlying

[23] Securities Exchange Act Release No. 34–44983 (October 25, 2001), 66 FR 55225, 55233–55235 (November 1, 2001), File No. SR–PCX–00–25, Sections IV.E.2, IV.E.2.a and IV.E.2.b. Official text: *https://www.govinfo.gov/content/pkg/FR-2001-11-01/html/01-27417.htm.*

[24] Securities Exchange Act Release No. 34–52497 (September 22, 2005), 70 FR 56949, 56958–56959 (September 29, 2005), File No. SR–PCX–2005–90, especially the distinct affiliated outbound- and inbound-router discussions and footnote 107. Official text: *https://www.govinfo.gov/content/pkg/FR-2005-09-29/html/E5-5314.htm.*

[25] 15 U.S.C. 78f(b)(1).

[26] 15 U.S.C. 78f(b)(5).

[27] 15 U.S.C. 78f(b)(8).

[28] 15 U.S.C. 78f(h)(3); 7 U.S.C. 2(a)(1)(D).

[29] 15 U.S.C. 78f(h)(3)(A), (4)(A); 15 U.S.C. 78l.

securities when an SFP is not cash settled.[30] Rule 502.3.6 limits the proposed SFP authorization to cash-settled products, and Rule 515.4 requires final cash settlement of all open positions upon termination. Accordingly, the proposal does not involve delivery of securities and does not trigger paragraph (B)'s physical-delivery arrangement requirement. A physically settled product would fall outside this proposed authorization and would require the applicable rule changes and delivery arrangements before listing.

*(C) Standards no less restrictive than comparable options standards.* Paragraph (C) requires SFP listing standards to be no less restrictive than comparable options listing standards.[31] Rule 515.1 establishes initial registration, issuer-compliance, exchange-listing, public-float, holder, deliverable-supply, capitalization, trading-value, price and ADR tests. Rule 515.2 provides continuing registration and quantitative maintenance tests; Rules 515.4 and 515.5 address termination and customer notice. The proposed $100 billion initial capitalization and $450 million six-month average daily transaction-value tests, together with the other criteria described in Item II.A.1(b), limit eligible underliers to highly capitalized and actively traded securities.

The statutory comparison applies to the standards as a whole, including continued eligibility and the consequences of a failure. High capitalization or trading-value thresholds alone do not establish compliance with every comparable options requirement. Before listing, the Exchange will substantiate the comparison for the applicable underlying, including continued issuer compliance, national-market-system status, ADR surveillance conditions and the treatment of maintenance failures. Rule 405.5 separately requires SFP position limits or accountability under CFTC Regulation 41.25(b)(3), applying each trading date to perpetual contracts. Rule 515.10.1 specifies a position limit of 200,000 contracts for the proposed single-stock perpetual futures. The position limit must satisfy the applicable deliverable-supply and options-comparability requirements.[32]

*(D) Eligible types of underlying equity securities.* Paragraph (D) generally limits security futures to common stock and other equity securities jointly determined appropriate by the SEC and CFTC, subject to their authority under Section 6(h)(4).[33] Rule 515.1.1 permits common stock and ADRs representing common stock or ordinary shares. Rule 515.1.9 imposes the specified ADR surveillance-sharing or trading-volume conditions or requires joint SEC/CFTC authorization, and Rule 515.1.10 excludes when-issued and other issuance-contingent securities. An ADR must also be within the equity-security classes permitted by the Commissions; meeting an Exchange liquidity test alone is not sufficient.

*(E) Linked and coordinated clearing.* Paragraph (E) addresses clearing arrangements that permit an SFP purchased on one market to be offset on another market trading that product.[34] The proposed products will clear at Bitnomial Clearinghouse, LLC. The Exchange intends to rely on the clearing-agency registration exemption in Section 17A(b)(7)(A), subject to its conditions, including CFTC regulation of the clearing agency and the limitation concerning the activities that would otherwise require SEC registration.[35] The registration exemption and the Clearinghouse's DCO registration do not, by themselves, establish an intermarket clearing link.

Section 6(h)(7) separately permits trading without the linked-clearing standard until the statutory compliance date, which is tied to the specified relative trading-volume threshold and joint notice by the Commissions. Section 6(h)(4)(B) also authorizes a joint exemption by order.[36] Before trading, the Exchange will document the applicability of the statutory deferral or any joint exemptive order on which it relies. If neither applies, the required linked and coordinated clearing provisions must be in place. The proposal does not provide for offsetting positions on another market through an established intermarket link.

*(F) Broker-dealer suitability obligations.* Paragraph (F) requires transactions to be effected only by a broker or dealer subject to suitability rules comparable to those of a national securities association registered under Section 15A(a).[37] Rules 303 and 803 require the applicable broker-dealer registration and statutory-disqualification screening. Substantive SFP suitability obligations arise under FINRA Rule 2370 for FINRA members and under NFA Compliance Rule 2–30(j) for NFA Members that are not also FINRA members and their Associates, in each case subject to the rule's scope.[38] The suitability rules cover customer information, account approval, recommendations, the customer's ability to understand and bear the risks, supervision and recordkeeping. Registration and disqualification screening are required in addition to compliance with the suitability rules.

The Exchange has SFP intermediary suitability checks in place. Before permitting an intermediary to conduct SFP activity, the Exchange verifies its applicable registration, membership and suitability regime, including the responsibility for account approval and supervision. The suitability review covers the futures commission merchants, introducing brokers, commodity trading advisors, commodity pool operators and associated persons that solicit, accept orders for or otherwise deal in SFP transactions within CFTC Regulation 41.22(d), subject to the exceptions permitted by the Exchange Act and its rules. Rules 303 and 803 govern admission; Rule 401.1 requires continuing compliance with applicable law, Rule 402.15 requires supervision, and Chapter 6 establishes enforcement procedures. As explained in Item II.A.1(g), NFA's DSRO designation alone does not establish the applicable suitability regime or allocate every SFP sales-practice obligation to NFA.

*(G) Dual trading.* Paragraph (G) subjects SFPs to the applicable prohibitions under CEA Section 4j and its rules or Exchange Act Section 11(a) and its rules, except as otherwise permitted.[39] The Exchange operates an electronic trading system, without an open-outcry trading floor. The floor-broker dual-trading prohibition addresses execution of customer and specified proprietary or controlled-account trades during the same trading session.[40]

CFTC Regulation 41.27(b)(2) separately addresses an electronic market that gives participants a time or place advantage or permits them to override the predetermined matching algorithm. The Exchange's SFP market gives participants no time or place advantage and no ability to override the

[30] 15 U.S.C. 78f(h)(3)(B).

[31] 15 U.S.C. 78f(h)(3)(C).

[32] 17 CFR 41.25(b)(3).

[33] 15 U.S.C. 78f(h)(3)(D), (4)(A).

[34] 15 U.S.C. 78f(h)(3)(E).

[35] 15 U.S.C. 78q–1(b)(7)(A); 15 U.S.C. 78f(h)(3)(E)–(G).

[36] 15 U.S.C. 78f(h)(7), (4)(B).

[37] 15 U.S.C. 78f(h)(3)(F); 15 U.S.C. 78o–3(a).

[38] FINRA Rule 2370(b)(16)–(19); NFA Compliance Rule 2–30, including paragraph (j), which applies to Members that are not also FINRA members and their Associates, subject to the rule's terms; 17 CFR 41.22(d).

[39] 15 U.S.C. 78f(h)(3)(G); 7 U.S.C. 6j; 15 U.S.C. 78k(a).

[40] 7 U.S.C. 6j(b); 17 CFR 41.22(e) and 41.27(a)(5), (b). Any exception must satisfy its applicable conditions under Regulation 41.27.

matching algorithm. Rule 504.7 provides for predetermined, nondiscretionary central-limit-order-book matching on a price-time-priority basis, or as otherwise specified in Contract Specifications; the SFP configuration and participant privileges do not trigger Regulation 41.27(b)(2). Accordingly, Regulation 41.27(b)(2) does not require a separate dual-trading prohibition for the proposed SFP market. The Exchange will reassess this treatment if matching features or participant privileges change and satisfy any resulting rule-approval requirement before using a feature that triggers paragraph (b)(2).

Rules 402.16 and 403 restrict misuse of nonpublic order information and prearranged or noncompetitive execution. Permitted pre-execution communications remain subject to Rule 403's customer-consent, information-use and order-entry conditions, and eligible block trades remain subject to Rule 505. Rules 503, 510 and 511 provide user, order and customer-type records for reviewing customer and proprietary activity. The Exchange will also confirm the applicable treatment under Exchange Act Section 11(a) and the conditions of any exception relied upon. Rule 401.1 requires compliance with applicable law, and Chapter 6 establishes enforcement procedures.

*(H) Resistance to manipulation.* Paragraph (H) requires that SFP trading not be readily susceptible to manipulation of the product's price or to causing or being used in manipulation of the underlying security or related options.[41] Rule 515's eligibility tests address concentration and underlying-market liquidity; Rule 405.5 governs position limits or accountability; and Rules 402.3–402.7 and 403 prohibit manipulative, deceptive and disruptive conduct. Proposed Rule 402.17 adds restrictions on trading by officers and directors of the underlying issuer and trading on material nonpublic information. Rules 515.1, 515.6 and 515.8 incorporate and describe the reference-index methodology and perpetual pricing procedures, including closing valuations and unavailable-input treatment. Rule 515.9 governs trading halts and resumptions, and Rule 515.10 states the standard Contract terms. Rule 515.4 makes final cash settlement subject to the regulatory underlying-opening-price standard.

The Exchange must also assess manipulation risk for each proposed product by reviewing funding and settlement inputs, available order-book depth, liquidity in the source markets, corporate actions and procedures for market interruptions. The review must cover trading outside the underlying market's regular session during the 24/5 trading week. The Exchange will assess the effectiveness of the rules using the product's design, trading data and surveillance coverage. As stated in Item II.A.1(e), the Exchange will work with the SEC to provide data to evaluate the product's effectiveness and potential impact on the underlying.

*(I) Coordinated surveillance.* Paragraph (I) requires procedures for coordinated surveillance among the SFP market, markets trading the underlying security and markets trading related securities to detect manipulation and insider trading.[42] The Exchange shares regulatory information with participating markets through its ISG membership. Rule 209 authorizes the exchange of surveillance reports and Participant information, assistance with investigations, and requests to Participants and Clearing Members for information needed by another market. Rule 313 authorizes inspection and production of records, including information concerning activity in related markets. Rule 515.1.9 imposes additional surveillance conditions for ADRs.

The Exchange has coordinated-surveillance procedures and information-sharing coverage in place for the relevant underlying and related securities markets, including options markets and the source markets contributing to the reference index. The procedures provide for regulatory information requests and responses to detect manipulation and insider trading, including potential influence on index inputs during the 24/5 schedule. The Exchange will maintain the relevant coverage as products and source markets change. The Regulation 41.22(g) certification rests on information-sharing coverage of the relevant markets under the ISG arrangements and Rule 209; ISG membership alone is not sufficient.

The Exchange's real-time monitoring, automated trade surveillance and position review will compare SFP orders, trades and positions with underlying and related-market activity, issuer news and corporate actions. As described in Item II.A.1(e), surveillance staff will review manipulation and insider-trading indicators, concentrations, wash trading, disruptive order patterns, and activity around funding and settlement observations. Staff will investigate alerts and referrals, obtain relevant records through the Exchange's rules and information-sharing arrangements, document the analysis and disposition, and escalate potential violations for action under Chapter 6. The Chief Regulatory Officer directs the regulatory response under the oversight of the all-Public-Director Regulatory Oversight Committee described in Rule 205.4. Surveillance findings may result in investigation, corrective action and discipline under Chapter 6.

*(J) Audit trails.* Paragraph (J) requires audit trails necessary or appropriate to facilitate the coordinated surveillance required by paragraph (I).[43] The Exchange's own order, trade and position records and the front-end records required of Participants and Clearing Members serve complementary purposes. Rule 503 requires unique, registered User IDs and identification of the user entering each order. Rule 510 requires front-end records of order entry, modification, cancellation and execution, including timestamps that cannot be modified by the person entering the order, retention for at least five years, and production in a standard format on request. Rule 511 requires the correct customer-type indicator. Rule 512's public market-data requirements are separate from these audit-trail obligations.

The Exchange maintains order-lifecycle records, retention and reconstruction controls. The SFP audit-trail program will link submissions, modifications, cancellations, rejections and executions with the relevant order identifiers, registered user, trading account, clearing firm and customer-type information, together with cleared trades, allocations and positions as applicable. The linked records allow the Exchange to reconstruct order and trading activity and compare it with activity in the underlying and related markets. Funding and settlement review will also use the relevant index observations and calculation records to examine whether order or trading activity influenced a payment or settlement price.

Exchange audit-trail records are subject to DCM Core Principle 10 and CFTC Regulations 38.550–38.553, with retention and production under Regulation 1.31; the separate Rule 510 obligations apply to Participants and Clearing Members.[44] Compliance review will compare participant and Exchange records, check user and account identification, and investigate gaps or

[41] 15 U.S.C. 78f(h)(3)(H).

[42] 15 U.S.C. 78f(h)(3)(I).

[43] 15 U.S.C. 78f(h)(3)(J).

[44] 7 U.S.C. 7(d)(10); 17 CFR 38.550–38.553 and 1.31; 17 CFR 41.22(g)–(h).

discrepancies. Rule 313 authorizes inspection and information requests, and Chapter 6 provides for remediation and enforcement of applicable requirements. The Exchange uses the order-lifecycle records and associated controls to maintain the audit trail required for coordinated surveillance under Regulation 41.22(h).

*(K) Coordinated trading halts.* Paragraph (K) requires procedures to coordinate halts with markets trading the underlying and related securities.[45] Rule 501.3 makes SFP halts and resumptions subject to Rule 515.9. Rule 515.9.1 requires a halt while a regulatory halt, as defined in CFTC Regulation 41.1 and SEC Rule 6h–1, is in effect in any underlying security.[46] Rule 515.9.2 also requires a halt whenever the primary listing exchange halts or pauses the underlying, expressly including news-pending and other regulatory halts, single-security pauses, market-wide circuit breakers and corporate-action halts. Under Rule 515.9.3, SFP trading may resume only after trading in each affected underlying has resumed on its primary listing exchange, within Contract Market Hours and subject to any continuing halt. Rule 515.9.4 states the Exchange's procedures for coordination with the primary listing exchange and other markets trading the underlying and related securities; Rule 209 authorizes the necessary information sharing. The halt and resumption requirements apply throughout the published 24/5 trading schedule. Continued index publication does not authorize trading during a halt; scheduled closures and the pricing procedures' funding and settlement carry-forwards do not override the halt requirements.

*(L) Margin requirements.* Paragraph (L) requires compliance with the joint margin regulations prescribed under Section 7(c)(2)(B) and expressly permits an exchange to require higher margin levels when necessary or appropriate.[47] Proposed Rule 806.21 requires Clearing Members to collect customer margin in compliance with the joint SEC/CFTC rules, supplementing Rule 820's margin-collection requirements. The Exchange will apply a 15.25% minimum initial and maintenance customer-margin floor for SFPs, subject to any higher applicable requirement and the joint rules' account and position treatment. Item II.A.1(f) explains current-market-value measurement, eligible deposits, account equity, deficiencies and funding adjustments. The proposal does not authorize otherwise unapproved offsets or treat a Clearinghouse risk-model result as a substitute for the customer-margin requirement.

*Section 7(c)(2)(B): customer margin.* The Exchange believes the customer-margin proposal is consistent with Section 7(c)(2)(B) and the joint security-futures margin rules.[48] Applying the Exchange's 15.25% SFP customer-margin floor to current market value, restricting deposits to eligible assets at permitted values, and requiring collection and action on deficiencies support financial integrity and protection against credit exposures. The applicable margin must also satisfy the statutory comparability requirements for exchange-traded options. The proposal does not seek approval of a portfolio model or offset methodology as independently satisfying the comparability requirements.

*B. Self-Regulatory Organization's Statement on Burden on Competition*

The Exchange permits multiple eligible intermediaries, whether affiliated or unaffiliated, to offer SFPs. Customers and introducing brokers are not required to use NinjaTrader or any other affiliate to access the Exchange's SFP market.

The proposed rules require underlying securities to meet liquidity and eligibility standards, intermediaries to satisfy applicable registration, account-control, customer-notice and compliance requirements, and traders to comply with position limits, trading halts and market-conduct rules. Such requirements limit the products eligible for listing and may require firms offering SFPs to incur compliance costs. The requirements are designed to protect investors, maintain financial integrity and orderly markets, and reduce the risk of manipulation. Eligibility and conduct requirements apply equally to affiliated and unaffiliated firms in comparable circumstances.

The customer-margin obligation and the Exchange's 15.25% SFP customer-margin floor apply without regard to affiliation. An affiliated firm receives neither a lower floor nor a special margin offset under the proposal. Higher margin requirements may be imposed to reflect risk, consistently with applicable rules, and may not be used to favor an affiliate.

NinjaTrader's affiliation could create incentives to favor it over competing FCMs and introducing brokers. As described in Item II.A.1(g), the Exchange addresses that risk through independent regulatory oversight, NFA supervision of the affiliated FCM, information barriers, equal access and prohibitions on preferential treatment. The Exchange believes that applying the same access, conduct and customer-protection requirements to comparable intermediaries, together with the safeguards governing its affiliate, prevents the proposal from imposing any burden on competition that is not necessary or appropriate in furtherance of the purposes of the Act.

*C. Self-Regulatory Organization's Statement on Comments on the Proposed Rule Change Received From Members, Participants, or Others*

The Exchange is not soliciting public comments on the proposed rule change and has no written comments to submit. No materials are submitted under Exhibit 2 with this initial filing.

## III. Date of Effectiveness of the Proposed Rule Change and Timing for Commission Action

The Exchange's request, BTNL–2026–105, and the Clearinghouse's Chapter 8 request, BTNL–2026–106, will be filed concurrently with this SEC filing for approval by a vote of the CFTC under Regulation 41.24(b), using Regulation 40.5 procedures. Copies of the two requests are included as Exhibit 5, Attachments 5–A and 5–B, respectively. The Exchange and Clearinghouse expect CFTC approval of each request within the 45-day review period following receipt of that submission under Regulation 40.5(c)(1). The proposed rules remain subject to the applicable CFTC approvals.

Under Section 19(b)(7)(B), the proposed rule change becomes effective upon CFTC approval.[49] Trading will begin only after the applicable approvals for the SFP rules, including customer margin, separate product approvals, and other launch requirements have been satisfied.

At any time within 60 days of CFTC approval, the Commission, after consultation with the CFTC, may summarily abrogate the proposed rule change and require refiling under Section 19(b)(1) if it appears that the change unduly burdens competition or efficiency, conflicts with the securities laws, or is inconsistent with the public interest and protection of investors.[50]

## IV. Solicitation of Comments

Interested persons are invited to submit written data, views, and arguments concerning the foregoing,

[45] 15 U.S.C. 78f(h)(3)(K).

[46] 17 CFR 240.6h–1; 17 CFR 41.1 and 41.25(b)(2).

[47] 15 U.S.C. 78f(h)(3)(L); 15 U.S.C. 78g(c)(2)(B).

[48] 15 U.S.C. 78g(c)(2)(B).

[49] 15 U.S.C. 78s(b)(7)(B).

[50] 15 U.S.C. 78s(b)(7)(C).

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 (*http://www.sec.gov/rules/sro.shtml*); or

• Send an email to *rule-comments@sec.gov.* Please include File Number SR–BTNL–2026–001 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–BTNL–2026–001. 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 (*http://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–BTNL–2026–001 and should be submitted on or before October 14, 2026.

For the Commission, by the Division of Trading and Markets, pursuant to delegated authority.[51]

**Sherry R. Haywood,**

*Assistant Secretary.*

[FR Doc. 2026–19408 Filed 9–22–26; 8:45 am]

**BILLING CODE 8011–01–P**

[51] 17 CFR 200.30–3(a)(73).

## SECURITIES AND EXCHANGE COMMISSION

**[Release No. 34–106420; File No. SR–COIN–2026–002]**

## Self-Regulatory Organizations; Coinbase Derivatives, LLC; Notice of Filing and Immediate Effectiveness of a Proposed Rule Change Relating to the Adoption of Coinbase Derivatives, LLC's Rules Governing Cash Settled Futures on Individual Equity Securities and Exchange-Traded Fund Shares, Including Perpetual Single-Stock Futures

September 18, 2026.

Pursuant to Section 19(b)(7) of the Securities Exchange Act of 1934 (the ''Act''),[1] notice is hereby given that on September 18, 2026, Coinbase Derivatives, LLC (''CDE'' or ''Exchange'') filed with the Securities and Exchange Commission (''SEC'' or ''Commission'') the proposed rule change described in Items I, II, and III 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. CDE has also filed this proposed rule change concurrently with the Commodity Futures Trading Commission (''CFTC''). The Exchange on September 18, 2026 submitted the proposed rule change to the CFTC for approval. The CFTC has not yet approved the proposed rule change.

### I. CDE's Description and Text of the Proposed Rule Change

CDE is registered with the CFTC as a designated contract market under the CEA. CDE is making this filing in its capacity as a national securities exchange for security futures products (''SFPs'') registered pursuant to the notice registration provisions of Section 6(g) of the Act[2] to establish the rules governing the SFPs it plans to list for trading. Under its notice registration, CDE plans to list cash settled futures on individual equity securities and exchange-traded fund shares, including perpetual single-stock futures, as set forth in this proposed rule change.

CDE is adopting new Chapter 12 (Security Futures Products) of the CDE Rulebook to establish the listing standards, contract terms, corporate-action adjustment procedures, and trading, clearing, and settlement rules pursuant to which the Exchange will list and trade cash settled futures on individual equity securities and exchange-traded fund shares, including perpetual single-stock futures (collectively, the ''Proposed Rules''). Unlike a security futures product that provides for a fixed expiration and a scheduled final settlement, the contracts that CDE proposes to list under Chapter 12 (each, a ''Contract'') are perpetual security futures products that have no fixed expiration date; the Contracts are cash settled and do not provide for delivery of, or convey ownership in, the underlying security.

### II. CDE'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. CDE's Statement of the Purpose of, and Statutory Basis for the Proposed Rule Change*

1. Purpose

CDE proposes to adopt Chapter 12 (Security Futures Products) of the CDE Rulebook to allow the listing and trading of cash settled futures on individual equity securities and exchange-traded fund shares, including perpetual single-stock futures. Chapter 12 establishes, as an integrated framework, the listing standards, contract specifications, corporate-action adjustments, and trading, clearing, and settlement rules applicable to the Contracts. Proposed Chapter 12 comprises Rules 1201 through 1225. The Exchange will adopt under a separate rule filing pursuant to Section 19(b)(2) of the Act and Rule 19b–4

[1] 15 U.S.C. 78s(b)(7).

[2] 15 U.S.C. 78f(g). On September 1, 2026, CDE, in its capacity as a designated contract market under the Commodity Exchange Act, submitted a Form 1–N notice filing to the Commission to register as a national securities exchange for security futures products pursuant to the notice registration provisions of Section 6(g) of the Act. On September 8, 2026, the Commission issued a notice acknowledging receipt of such written notice and effectiveness of CDE's notice registration as a national securities exchange contemporaneously with CDE's submission of the 1–N notice on September 1, 2026. *See* Acknowledgement of Receipt of Notice of Registration as a National Securities Exchange Pursuant to Section 6(g) of the Securities Exchange Act of 1934 by Coinbase Derivatives, LLC (September 8, 2026) [Release No. 34–106295; File No. 10–252], *available at https://www.sec.gov/files/rules/other/2026/34-106295.pdf.*

thereunder proposed rules addressing margin.[3]

As detailed further below, the proposed Chapter 12 specifies the scope and application of the Chapter (Rule 1201); defines terms used in the Chapter (Rule 1202); establishes initial and continued listing standards for the underlying securities (Rule 1203); provides for the publication of a contract-specific Product Appendix for each Contract (Rule 1204); and sets out rules governing trading hours (Rule 1205), participant access and order entry (Rule 1206), regulatory halts and trading halts (Rule 1207), position limits and position accountability (Rule 1208), daily settlement prices and price controls (Rule 1209), the absence of a scheduled final settlement (Rule 1210), the determination of an index price (Rule 1211), funding payments (Rule 1212), adjustments for corporate actions (Rule 1213), wind-down, termination, and delisting (Rule 1214), U.S. withholding tax and participant eligibility (Rule 1216), the prohibition on trading by certain persons (Rule 1217), reporting and publication (Rule 1218), block trades and basis trades (Rule 1219), error trades and price adjustments (Rule 1220), clearing (Rule 1221), approved securities (Rule 1222), amendments, additions, suspensions, and delistings (Rule 1223), participant disclosures (Rule 1224), and data publication (Rule 1225).[4]

Rule 1201. Scope and Application

Rule 1201 provides that Chapter 12 governs the listing, trading, clearing, adjustment, and settlement on the Exchange of security futures products as defined in Section 1a(45) of the CEA and Section 3(a)(56) of the Act, including perpetual futures contracts on individual equity securities and exchange-traded fund shares. The rule further provides that all rules of the Exchange apply to the Contracts, but in the event of any conflict, Chapter 12 governs. Matters not specifically addressed in Chapter 12 shall be governed by the other rules of the Exchange, the rules of Nodal Clear, LLC (the ''Clearing House''), and applicable law.

Rule 1202. Definitions

Rule 1202 proposes adding defined terms to be used in Chapter 12. Among other terms, Rule 1202 defines:

- ''Clearing House'' to mean Nodal Clear, LLC, or any successor clearing organization designated by the Exchange in accordance with applicable law.
- ''Contract Unit'' to mean the number of shares of the Underlying Security represented by one Contract, as specified in the applicable Product Appendix.
- ''Corporate Action'' to mean any stock split, reverse split, fractional split, stock dividend, stock distribution, cash dividend, extraordinary or special dividend, rights offering, spin-off, merger, acquisition, tender offer, ticker change, name change, delisting, suspension, or other event affecting the economics, reference price, or continued listing of a Contract.
- ''Corporate Action Circular'' to mean a notice published by the Exchange on the Exchange website describing the treatment of a Corporate Action affecting a Contract.
- ''Corporate Action Reference Price'' to mean the price of the Underlying Security or other relevant value, in each case as determined by the Exchange at the time of the relevant Corporate Action pursuant to the applicable Product Appendix, Corporate Action Circular, or other Exchange procedures.
- ''Daily Settlement Price'' to mean the daily settlement price for a Contract determined under Exchange Rule 1209.
- ''Exchange Act'' to mean the Act.
- ''Funding Interval'' means the interval specified in the applicable Product Appendix or identified Market Reference Materials for calculation of Funding Rates and Funding Payments.
- ''Funding Payment'' to mean the amount debited or credited to an open position under Exchange Rule 1212.
- ''Funding Rate'' to mean the rate determined pursuant to the applicable Product Appendix or identified Market Reference Materials.
- ''Index Price'' to mean the reference price for the Underlying Security determined under Exchange Rule 1211.
- ''Mark Price'' to mean the mark price of a Contract as determined by the Exchange.
- ''Market Reference Materials'' to mean Exchange-published materials identified in the applicable Product Appendix that set forth Index Price methodology, funding methodology, price fluctuation limits, trading parameters, or related operational terms for a Contract.
- ''NMS security'' by reference to the meaning set forth in Rule 600 under the Act.
- ''Primary Listing Exchange'' to mean the national securities exchange on which the Underlying Security is primarily listed.
- ''Product Appendix'' to mean the contract-specific appendix, specification, or other contract terms published by the Exchange for a Contract pursuant to Exchange Rule 1204.
- ''Regulatory Halt'' to mean a halt, pause, suspension, or similar regulatory trading interruption in the Underlying Security, including any halt under the Plan to Address Extraordinary Market Volatility, NYSE Rule 7.12, Nasdaq Rule 4121, or successor provisions.
- ''Underlying Security'' to mean the equity security, including an exchange-traded fund share or other eligible equity security, to which a Contract relates.

Rule 1203. Listing Standards

Rule 1203 sets out the standards pursuant to which the Exchange will list Contracts. The proposed listing standards are similar to the sample listing standards published in Staff Legal Bulletin No. 15[5] except that Rule 1203:

i. Provides for the trading of perpetual futures contracts on individual equity securities and exchange-traded fund shares as SFPs.

ii. Includes more stringent listing standard requirements, including that the Underlying Security's estimated deliverable supply, determined consistent with Appendix A to Subpart C of Part 41 of the CFTC's regulations, must exceed 20 million shares; the Underlying Security must have a minimum market capitalization of at least $100 billion; and the Underlying Security must have a minimum average daily value of transactions (''ADVT'') of at least $450 million over the prior six months, except where the Underlying Security has been listed for trading for less than six months, in which case the requirement would be a minimum ADVT of at least $1 billion over the prior month.

iii. Includes more stringent maintenance listing standard requirements, including that the Underlying Security must have an estimated deliverable supply in excess of 20 million shares; the Underlying Security must have a minimum market capitalization of at least $50 billion; and the Underlying Security must have had a minimum ADVT of at least $200 million over the prior calendar quarter, except where the Underlying Security has been listed for trading for less than

[3] Proposed Rule 1215 will address customer margin, and Rules 1212(c), 1213(e) and (f), and 1221(c) clarify the application of the margin rules in specific contexts.

[4] In addition, CDE proposes to amend Rule 101 to add the defined term ''SEC'' to mean the U.S. Securities and Exchange Commission.

[5] SEC Division of Market Regulation: Staff Legal Bulletin No. 15: Listing Standards for Trading Security Futures Products (September 5, 2001).

a quarter, in which case the requirement would be a minimum ADVT of at least $1 billion over the period traded during the calendar quarter.

Rule 1203(a) provides that the Exchange shall list a Contract only if the Underlying Security satisfies each of the following requirements. *First,* it must be a common stock or a security issued by an exchange-traded fund (''ETF Share''), and the issuer is in compliance with any applicable requirements of the Exchange Act. *Second,* it must be registered under Section 12 of the Exchange Act, and its issuer must be in compliance with any applicable requirements of the Exchange Act. *Third,* it must be listed on a national securities exchange or traded through the facilities of a national securities association and reported as an NMS security. *Fourth,* there must be at least seven million shares outstanding that are owned by persons other than those required to report their security holdings pursuant to Section 16(a) of the Act. *Fifth,* its estimated deliverable supply, as reasonably determined by the Exchange consistent with Appendix A to Subpart C of Part 41 of the CFTC's regulations, must exceed 20 million shares. *Sixth,* it must have a minimum market capitalization of at least $100 billion. *Seventh,* it must have a minimum ADVT of at least $450 million over the prior six months, except where the Underlying Security has been listed for trading for less than six months, in which case the Underlying Security must have had a minimum ADVT of at least $1 billion over the prior month. *Eighth,* in the case of an Underlying Security other than an ETF Share, there must be at least 2,000 security holders. *Ninth,* in the case of an Underlying Security that is an ETF Share, it must have had a total trading volume (in all markets in which the Underlying Security has traded) of at least 2,400,000 shares or receipts evidencing the Underlying Security in the preceding 12 months. *Tenth,* if the Underlying Security is a ''covered security'' as defined under Section 18(b)(1)(A) of the Securities Act of 1933 (''Securities Act''), the market price per share of the Underlying Security has been at least $3.00 for the previous five consecutive business days preceding the date on which the Exchange commences to list and trade the Contract on said Underlying Security. For purposes of this condition, the market price of such Underlying Security is measured by the closing price reported in the primary market in which the Underlying Security is traded. *Eleventh,* if the Underlying Security is not a ''covered security'' as defined under Section 18(b)(1)(A) of the Securities Act, the market price per share of the Underlying Security must be at least $7.50 for the previous five consecutive business days preceding the date on which the Exchange commences to list and trade the Contract on said Underlying Security. As with the tenth condition, for purposes of the eleventh condition, the market price of the Underlying Security is measured by the closing price reported in the primary market in which the Underlying Security is traded. *Lastly,* the Exchange shall not list for trading any Contract where the Underlying Security is a ''Restructure Security,'' as defined below, that is not yet issued and outstanding, regardless of whether the Restructure Security is trading on a ''when issued'' basis or on another basis that is contingent upon the issuance or distribution of shares.

In addition, Rule 1203(a) includes interpretations for requirements (4), (8), (10), and (11). Interpretation of Rule 1203(a)(4) provides that ''[i]n the case of an equity security that a company issues or anticipates issuing as the result of a spin-off, reorganization, recapitalization, restructuring or similar corporate transaction ('Restructure Security'), the Exchange may assume that this requirement is satisfied if, based on a reasonable investigation, the Exchange determines that, on the product's intended listing date: (A) at least 40 million shares of the Restructure Security will be issued and outstanding; or (B) the Restructure Security will be listed on an exchange or automated quotation system that is subject to an initial listing requirement of no less than seven million publicly owned shares.'' The interpretation further provides that ''[i]n the case of a Restructure Security issued or distributed to the holders of the equity security that existed prior to the ex-date of a spin-off, reorganization, recapitalization, restructuring or similar corporate transaction ('Original Equity Security'), the Exchange may consider the number of outstanding shares of the Original Equity Security prior to the spin-off, reorganization, recapitalization, restructuring or similar corporate transaction ('Restructuring Transaction').''

Interpretation of Rule 1203(a)(8) provides that ''[i]f the security under consideration is a Restructure Security, the Exchange may assume that this requirement is satisfied if, based on a reasonable investigation, the Exchange determines that, on the product's intended listing date: (A) at least 40 million shares of the Restructure Security will be issued and outstanding; or (B) the Restructure Security will be listed on an exchange or automated quotation system that is subject to an initial listing requirement of at least 2,000 shareholders.'' The interpretation further provides that ''[i]n the case of a Restructure Security issued or distributed to the holders of the Original Equity Security, the Exchange may consider the number of shareholders of the Original Equity Security prior to the Restructuring Transaction.''

Interpretation of Rule 1203(a)(10) provides for a ''Look-Back Test,'' which provides that ''[i]n determining whether a Restructure Security that is issued or distributed to the shareholders of an Original Equity Security (but not a Restructure Security that is issued pursuant to a public offering or rights distribution) satisfies this requirement, the Exchange may 'look back' to the market price history of the Original Equity Security prior to the ex-date of the Restructuring Transaction if the following Look-Back Test is satisfied: (a) The Restructure Security has an aggregate market value of at least $500 million; (b) The aggregate market value of the Restructure Security equals or exceeds the Relevant Percentage (defined below) of the aggregate market value of the Original Equity Security; (c) The aggregate book value of the assets attributed to the business represented by the Restructure Security equals or exceeds both $50 million and the Relevant Percentage of the aggregate book value of the assets attributed to the business represented by the Original Equity Security; or (d) The revenues attributed to the business represented by the Restructure Security equals or exceeds both $50 million and the Relevant Percentage of the revenues attributed to the business represented by the Original Equity Security.'' The interpretation further provides that ''[f]or purposes of determining whether the Look-Back Test is satisfied, the term 'Relevant Percentage' means: (i) 25%, when the applicable measure determined with respect to the Original Equity Security or the business it represents includes the business represented by the Restructure Security; and (ii) 33-1/3%, when the applicable measure determined with respect to the Original Equity Security or the business it represents excludes the business represented by the Restructure Security.'' The interpretation further specifies that ''in calculating comparative aggregate market values, the Exchange will use the Restructure Security's closing price on its primary market on the last business day prior to the date on which the Restructure Security is selected as an Underlying

Security for a Contract ('Selection Date'), or the Restructure Security's opening price on its primary market on the Selection Date, and will use the corresponding closing or opening price of the related Original Equity Security,'' and that, ''in calculating comparative asset values and revenues, the Exchange will use the issuer's (i) latest annual financial statements; or (ii) most recently available interim financial statements (so long as such interim financial statements cover a period of not less than three months), whichever are more recent. Those financial statements may be audited or unaudited and may be pro forma.''

Interpretation of Rule 1203(a)(10) also provides guidance on ''Restructure Securities Issued in Public Offering or Rights Distribution,'' providing that ''[i]n determining whether a Restructure Security that is distributed pursuant to a public offering or a rights distribution satisfies requirement 10, the Exchange may look back to the market price history of the Original Equity Security if: (i) the foregoing Look-Back Test is satisfied; (ii) the Restructure Security trades 'regular way' on an exchange or automatic quotation system for at least five trading days immediately preceding the Selection Date; and (iii) at the close of trading on each trading day on which the Restructure Security trades 'regular way' prior to the Selection Date, as well as at the opening of trading on Selection Date, the market price of the Restructure Security was at least $3.00.''

Interpretation of Rule 1203(a)(10) further provides for a ''Limitation on Use of Look-Back Test.'' Specifically, ''[e]xcept in the case of a Restructure Security that is distributed pursuant to a public offering or rights distribution, the Exchange will not rely upon the market price history of an Original Equity Security for any trading day unless it also relies upon the trading volume history for that trading day. In addition, once the Exchange commences to rely upon a Restructure Security's trading volume and market price history for any trading day, the Exchange will not rely upon the trading volume and market price history of the related Original Equity Security for any trading day thereafter.''

Interpretation of Rule 1203(a)(11) provides for an interpretation that is identical to the interpretation provided for requirement 10, except that the relevant market price of the Restructure Security for purposes of determining whether a Restructure Security that is distributed pursuant to a public offering or rights distribution satisfies requirement 11 is $7.50, instead of $3.00.

Rule 1203(b) provides that the Exchange shall not list additional Contracts on an Underlying Security, and may prohibit opening purchase transactions in an existing Contract, to the extent it deems such action necessary or appropriate, unless the Underlying Security meets each of the following maintenance requirements; provided that, if the Underlying Security is an ETF Share, the applicable requirements for initial listing of the related Contract (as described in Rule 1203(a) above) shall apply in lieu of the following maintenance requirements. *First,* it must be registered under Section 12 of the Exchange Act. *Second,* there must be at least 6,300,000 shares outstanding that are owned by persons other than those who are required to report their security holdings under Section 16(a) of the Exchange Act. *Third,* there must be at least 1,600 shareholders. *Fourth,* it must have had a minimum ADVT of at least $200 million for the prior calendar quarter, except where the Underlying Security has been listed for trading for less than a quarter, in which case the Underlying Security must have had a minimum average daily value of transactions of at least $1 billion over the period traded during the calendar quarter. *Fifth,* its estimated deliverable supply, as reasonably determined by the Exchange consistent with Appendix A to Part 41 of the CFTC Regulations, must exceed 20 million shares. *Sixth,* it must have a minimum market capitalization of at least $50 billion. *Seventh,* the market price per share must have closed above $3.00 for five consecutive business days. The market price per share of the Underlying Security will be measured by the closing price reported in the primary market in which the Underlying Security traded.

Interpretation of Rule 1203(b)(7) provides that, ''[i]f a Restructure Security is approved for Security Futures Product trading under the initial listing standards in Rule 1203(a), the market price history of the Original Equity Security prior to the commencement of trading in the Restructure Security, including 'when-issued' trading, may be taken into account in determining whether this requirement is satisfied.''

Rule 1203(b)(7) further provides that if prior to the withdrawal from trading of a Contract covering an Underlying Security that has been found not to meet the Exchange's requirements for continued approval, the Exchange determines that the Underlying Security again meets the Exchange's requirements, the Exchange may list additional Contracts on the Underlying Security and may lift any restriction on opening purchase transactions.

Rule 1203(c) provides that the Exchange shall maintain coordinated surveillance procedures with each Primary Listing Exchange and with other markets on which related securities or derivatives trade, sufficient to detect manipulation and insider trading.

Rule 1203(d) provides that the Exchange shall review each listed Underlying Security against the listing standards not less frequently than semi-annually.

Rule 1203(e) provides that whenever the Exchange announces that approval of an Underlying Security has been withdrawn for any reason or that the Exchange has been informed that the issuer of an Underlying Security has ceased to be in compliance with Exchange Act reporting requirements, each Participant Firm shall, prior to effecting any transaction in Contracts with respect to such Underlying Security for any Customer, inform such Customer of such fact and that the Exchange may prohibit further transactions in such Contracts as it determines is necessary and appropriate.

Rule 1204. Product Appendix

Rule 1204 provides that the Exchange shall publish for each Contract a Product Appendix. The Product Appendix functions as the specification sheet for a given Contract and specifies, as applicable, (1) the Underlying Security; (2) the contract code; (3) the Contract Unit; (4) the minimum price increment and tick value; (5) the trading hours; (6) the Daily Settlement Price methodology; (7) the Index Price source and methodology, including any identified Market Reference Materials; (8) the Funding Rate methodology, Funding Payment treatment, and any identified Market Reference Materials; (9) the applicable position limit, accountability level, and reportable level; (10) the applicable price fluctuation limits and other price controls, including any identified Market Reference Materials; (11) the block trade minimum quantity and related conditions, if any; (12) the fees and charges applicable to the Contract; and (13) such other terms as the Exchange may specify. The rule further provides that ''[e]ach Product Appendix forms part of these Rules,'' and that ''[a]mendments to a Product Appendix shall be made in accordance with Rule 1223 and applicable law.'' Rule 1204(d) provides that for each Contract listed by the Exchange, the Contract's terms shall be in accordance with the schedule provided in such paragraph (d).

Rule 1205. Trading Hours

Rule 1205 establishes the defined trading hours during which the Contracts will trade. Contracts shall trade from Sunday at 20:00 Eastern Time through Friday at 17:00 Eastern Time, except during holidays, maintenance windows, or other periods specified by the Exchange. The rule further provides that the Exchange may modify trading hours for a Contract by rule, filing, certification, notice, or other action permitted by applicable law.

Rule 1206. Participant Access and Order Entry

Rule 1206 provides that access to trading in Contracts shall be governed by the CDE Rulebook, as filed with the Commission on September 1, 2026, concerning membership, access, customer protection, order entry, market conduct, and supervision, except as otherwise provided in Chapter 12. Rule 1206 further provides that only futures commission merchants, introducing brokers, commodity trading advisors, commodity pool operators, or associated persons subject to suitability rules comparable to those of a national securities association registered under Section 15A(a) of the Act may solicit, accept any order for, or otherwise deal in any transaction in or in connection with a Contract.

Rule 1207. Regulatory Halts and Trading Halts

Rule 1207 provides that trading in a Contract shall be halted at all times during which a Regulatory Halt has been instituted for the Underlying Security, and that all Contracts are subject to market-wide circuit breakers and coordinated halts applicable to the U.S. equity markets. The rule further provides that the Exchange may halt, pause, suspend, reject, cancel, or restrict trading in a Contract where necessary to maintain a fair and orderly market, including in connection with (1) a Corporate Action; (2) a market disruption; (3) an Index Price disruption or data outage; (4) a clearly erroneous or aberrant market condition; or (5) a planned or unplanned wind-down, delisting, or termination of the Contract.

Rule 1207 further provides that the Exchange shall maintain procedures to coordinate trading halts and resumptions with the Primary Listing Exchange, the Clearing House, and other relevant markets, and that trading in a Contract shall resume in accordance with Exchange procedures after the relevant halt condition has ended and the Exchange determines that resumption is consistent with investor protection and fair and orderly markets.

Rule 1208. Position Limits and Position Accountability

Rule 1208 provides that each Contract shall be subject to such position limit, accountability level, and reportable level as the Exchange establishes and publishes in the applicable Product Appendix. Rule 1208(a) provides that limits for each Contract shall be set at 200,000 contracts in the context of 100 share contracts (or the equivalent thereto, to the extent contracts are listed in another size). Rule 1208 further provides that, because Contracts have no fixed expiration date, any position limits established under the rule apply at all times and are not limited to any period preceding expiration. The rule provides that the Exchange shall review applicable position limits and accountability levels not less frequently than semi-annually, or more frequently if the Exchange determines appropriate.

Rule 1208 provides that the Exchange shall establish position limits or accountability levels for each Contract consistent with applicable law, including CFTC Regulation § 41.25(b)(3), and may revise such levels based on deliverable supply, trading volume, market conditions, or other relevant factors. Where a position exceeds an otherwise applicable limit solely as a result of an adjustment under Rule 1213, the rule provides that such excess shall not constitute a violation, provided that no position-increasing transactions may be effected until the position is reduced below the applicable limit, unless otherwise permitted by the Exchange.

The rule also provides that applications for exemptions or waivers permitted by law shall be made to the Exchange in such form and manner as the Exchange may prescribe, and that positions shall be aggregated, and netting shall be permitted or prohibited, in each case as provided by applicable law and the CDE Rulebook.

Rule 1209. Daily Settlement Price and Price Controls

Rule 1209(a) provides that the Daily Settlement Price for a Contract shall be determined at 16:00 Eastern Time as follows, in order: (1) the one-minute volume-weighted average price of the Contract, rounded to the nearest tradable tick; (2) if the foregoing is unavailable, the one-minute time-weighted average of the midpoint of the best bid and best offer for the Contract, rounded to the nearest tradable tick; and (3) if no two-sided market is available during the sixty (60) seconds preceding 16:00 Eastern Time, the Index Price less the difference between the prior day's Index Price and the prior day's Daily Settlement Price.

Rule 1209 further provides that the Exchange may determine a Daily Settlement Price using another methodology where necessary to reflect an accurate price or maintain a fair and orderly market, and shall publish notice of any such action as soon as practicable; that each Contract shall be subject to such price fluctuation limits, dynamic price bands, and other price controls as the Exchange establishes in the applicable Product Appendix and identified Market Reference Materials; and that the Exchange's generally applicable fast-market, order-management, and market-integrity controls apply to Contracts.

Rule 1210. No Scheduled Final Settlement

Rule 1210 provides that Contracts have no fixed expiration date and no scheduled final settlement and a Contract may be terminated and settled in cash only upon an event specified in Rule 1213 or Rule 1214. Convergence between the price of a Contract and the price of the Underlying Security is effected through the funding mechanism described in Rule 1212, the applicable Product Appendix, and identified Market Reference Materials.[6]

Rule 1211. Index Price

Rule 1211 provides that the Exchange shall determine an Index Price for each Contract pursuant to a transparent, objective methodology designed to reflect the price of the Underlying Security in a manner that is reliable and resistant to manipulation. Rule 1211 provides that the Index Price methodology for each Contract shall be set forth in the applicable Product Appendix or identified Market Reference Materials published prior to listing; and that the methodology may incorporate direct equity feeds and such related inputs, validation checks, fallbacks, and operational controls as the Exchange specifies for the relevant Contract.

The rule further provides that where the Index Price is unavailable, delayed, stale, erroneous, or materially inaccurate, the Exchange may determine

[6] SEC Rule 6h–1(b) and CFTC Regulation § 41.25(c) provide that the final settlement price of a cash-settled security futures product must fairly reflect the opening price of the underlying security or securities. Because the Contracts are perpetual security futures products that have no fixed expiration date and do not contemplate a final settlement price within the meaning of those rules, those provisions do not apply.

substitute inputs, replacement values, or other measures in accordance with the applicable Product Appendix, identified Market Reference Materials, and such authority as may be necessary to maintain a fair and orderly market; and that the Exchange shall provide notice of any material change to the Index Price methodology, except where immediate action is necessary to protect investors, the public interest, or the fair and orderly operation of the market. Rule 1211(f) provides that for each Contract listed by the Exchange, the Index Price shall be calculated in accordance with the schedule provided in such paragraph (f).

Rule 1212. Funding Payments

Rule 1212 provides that open positions are subject to Funding Payments. The rule also provides that the Funding Rate methodology, Funding Payment mechanics, Funding Interval, publication practices, and operational timing for each Contract shall be set forth in the applicable Product Appendix and identified Market Reference Materials.

The rule further provides that Funding Payments may be processed through the Clearing House as cash adjustments separate from variation margin; and that the Exchange may suspend, defer, modify, or decline to publish or apply Funding Rates or Funding Payments during market disruptions, trading halts, data outages, Corporate Actions, or other circumstances where the Exchange determines such action is necessary to maintain a fair and orderly market.[7] Rule 1212 further provides that, where a Contract is closed, paused, or halted for an entire Funding Interval, the Exchange may decline to publish a Funding Rate for that interval, as specified in the applicable Product Appendix or identified Market Reference Materials. Rule 1212(f) provides that for each Contract listed by the Exchange, Funding Payments shall be calculated in accordance with the schedule provided in such paragraph (f).

Rule 1213. Adjustments for Corporate Actions

Rule 1213 provides that the Exchange shall determine the treatment of a Corporate Action affecting a Contract and shall publish a Corporate Action Circular specifying the applicable treatment, timing, and operational details, and that the Clearing House shall process any resulting position adjustments, cash adjustments, settlements, or related actions in accordance with the CDE Rulebook, its own rules, and applicable procedures. The rule provides that the Contract Unit shall not be redefined by any adjustment under the rule, and that an adjustment under the rule is intended solely to preserve, as nearly as practicable, the aggregate economic exposure represented by an open position immediately before the relevant Corporate Action.

Rule 1213(d)–(p) specifies the treatment of particular Corporate Actions, in the manner specified in the applicable Product Appendix or Corporate Action Circular, including:

- Ordinary cash dividends. No adjustment shall be made for an ordinary cash dividend. The economic effect of such dividend is expected to be reflected through the market price and funding mechanism.
- Stock splits, reverse splits, fractional splits, stock dividends, and similar stock distributions. The Exchange shall adjust open position quantity by the applicable ratio and adjust the relevant reference price inversely, so that aggregate economic exposure is preserved as nearly as practicable.[8]
- Settlement-price restatement. The Exchange may restate the prior Daily Settlement Price where appropriate to avoid a mechanical variation-margin gain or loss caused solely by such an adjustment.[9]
- Special or extraordinary cash dividends. The Exchange may determine, in its discretion, whether an adjustment is appropriate for a special or extraordinary cash dividend and, if so, may apply such position, or price adjustment, as it determines appropriate by reference to the Corporate Action Reference Price or other relevant values determined at the time of the event.
- Rights offerings. The Exchange may adjust open position quantity, relevant reference prices, and any resulting residual amount in the manner specified in the applicable Product Appendix or Corporate Action Circular.
- Spin-offs. Where the Underlying Security is subject to a spin-off or similar separation event, the Exchange may settle open positions at the blended value of the Underlying Security price and the price of any spin-off Underlying Security price.
- Mergers and acquisitions. Where the Underlying Security is subject to a merger, acquisition, tender offer, cash transaction, stock-for-stock transaction, mixed consideration transaction, or similar event inconsistent with continued listing of the Contract, the Exchange may terminate the affected Contract and settle open positions in cash using the value of the transaction consideration and any related Underlying Security price, in each case as determined by the Exchange at the time of the event and specified in the applicable Corporate Action Circular. A successor Contract may be listed where appropriate.
- Ticker and name changes. The Exchange may halt trading, update symbology and market-data references, and reopen trading without economic adjustment.
- Delisting or trading suspension of Underlying Security. If the Underlying Security is delisted, suspended, or otherwise becomes unavailable for continued listing without sufficient prior notice to permit an orderly wind-down, trading in the affected Contract shall halt and open positions shall be settled at a publicly published fair value or such other value as the Exchange determines under the Rules, after which the Contract shall be delisted.

Rules 1213(m) through (p) address the timing and operational aspects of any adjustment or settlement, the treatment of margin across an adjustment, the maintenance of books and records linking any adjusted or settled position to the relevant pre-event position, and the publication of a Corporate Action Circular for each Corporate Action the Exchange determines to be material to a Contract.

[7] Proposed Rule 1212(c) provides that ''Funding Payments may be processed through the Clearing House as cash adjustments separate from variation margin.'' As noted, the Exchange will adopt under a separate rule filing pursuant to Section 19(b)(2) of the Act and Rule 19b–4 thereunder proposed rules addressing margin.

[8] Proposed Rule 1213(e) provides: ''Stock splits, reverse splits, fractional splits, stock dividends, and similar stock distributions. The Exchange shall adjust open position quantity by the applicable ratio and adjust the relevant reference price inversely, so that aggregate economic exposure is preserved as nearly as practicable. Such adjustments are intended solely to preserve the holder's existing economic exposure, as nearly as practicable, and constitute a continuation of the holder's existing position rather than the establishment of a new position, liquidation of an existing position, or replacement of a Contract. Any resulting fractional Contract shall be handled in the manner specified in the applicable Product Appendix or Corporate Action Circular.'' As noted, the Exchange will adopt under a separate rule filing pursuant to Section 19(b)(2) of the Act and Rule 19b–4 thereunder proposed rules that address handling of margin.

[9] Proposed Rule 1213(f) provides: ''Settlement-price restatement. Where appropriate to avoid a mechanical variation-margin gain or loss caused solely by an adjustment under paragraph (e), the Exchange may restate the prior Daily Settlement Price.'' As noted, the Exchange will adopt under a separate rule filing pursuant to Section 19(b)(2) of the Act and Rule 19b–4 thereunder proposed rules addressing margin.

Rule 1214. Wind-Down, Termination, and Delisting

Rule 1214 governs wind-down, termination, and delisting. Rule 1214 provides that, where an Underlying Security ceases to satisfy the listing standards in Rule 1203, becomes subject to a Corporate Action inconsistent with continued listing, is delisted from its Primary Listing Exchange, or otherwise becomes unsuitable for continued trading as a Contract, the Exchange may provide for an orderly wind-down, termination, delisting, cash settlement, or forced position closure.

The rule states that, except where shorter notice is necessary to protect investors or maintain fair and orderly markets, the Exchange shall provide no less than 10 Business Days' notice before a planned wind-down, termination, or delisting. Where the Exchange delists or terminates a Contract, the last trading day shall be the trading day on which trading in the Contract ceases, and the Daily Settlement Price for that trading day shall be used to close out or cash settle open positions, unless the Exchange determines that an alternative procedure is necessary. Rule 1214 further specifies that this rule governs planned or orderly wind-downs, in contrast to Rule 1213(l), which governs unanticipated delistings or suspensions of the Underlying Security that make an orderly wind-down impracticable. The rule further provides that the Exchange shall publish a notice describing any wind-down, termination, or delisting under this rule.

Rule 1216. U.S. Withholding Tax and Participant Eligibility

Rule 1216 provides that the Exchange may establish participant or Clearing Member eligibility requirements, certifications, representations, or undertakings relating to U.S. withholding tax, dividend-equivalent withholding, FATCA, qualified intermediary status, qualified derivatives dealer status, or related matters applicable to Contracts.

Rule 1217. Prohibition on Trading by Certain Persons

Rule 1217 states that no person may trade in a Contract if prohibited from doing so by applicable law, including any person who is a director or officer, subject to Section 16 of the Act, of an issuer of an Underlying Security, to the extent prohibited by law, or who is in possession of material non-public information regarding such issuer and is prohibited by law from trading.

Rule 1218. Reporting and Publication

Pursuant to Rule 1218, the Exchange shall comply with applicable CFTC and SEC reporting requirements relating to Contracts, including Parts 16 and 17 of the CFTC's regulations and any successor provisions. The Exchange shall publish for each Contract such market information as may be required by law or by the Exchange's applicable filings, including Daily Settlement Price, trading volume, open interest, and such funding and reference-price information as the Exchange specifies in the applicable Product Appendix or identified Market Reference Materials. The rule provides that the Exchange shall maintain and submit such files, reports, and records as are required by applicable law and by the Exchange's regulatory obligations for Contracts.

Rule 1219. Block Trades and Basis Trades

Rule 1219 provides that block trades in Contracts are permitted, subject to such minimum quantity thresholds, participant eligibility requirements, reporting times, price-reasonability requirements, and other conditions as the Exchange may establish in the applicable Product Appendix or by notice. The rule reserves the treatment of basis trades.

Rule 1220. Error Trades and Price Adjustments

Rule 1220 states that Contracts are subject to the CDE Rulebook governing error trades, trade cancellations, price adjustments, and clearly erroneous executions, except as otherwise provided in Chapter 12.

Rule 1221. Clearing

Rule 1221 provides that all Contracts shall be cleared by the Clearing House, and that the Exchange shall maintain such linked and coordinated clearing arrangements, risk-management procedures, communication protocols, and operational processes with the Clearing House as are required by law and by the Exchange's applicable filings. The rule further provides that nothing in Chapter 12 would limit the authority of the Clearing House under its own rules with respect to margin collection, settlement processing, default management, or other clearing functions, except as otherwise required by law.[10]

Rule 1222. Approved Securities

Rule 1222 provides that the Underlying Securities approved as the subject of Contracts shall be those identified in the applicable Product Appendices or in a list published by the Exchange, as amended from time to time in accordance with Rule 1223 and applicable law.

Rule 1223. Amendments, Additions, Suspensions, and Delistings

Rule 1223 provides that the Exchange may list, add, amend, suspend, terminate, or delist Contracts and Product Appendices in accordance with the Act, the CEA, applicable SEC and CFTC rules and regulations, and the CDE Rulebook. The rule permits, without limitation, amendments pursuant to Section 19(b)(7) or Section 19(b)(2) of the Act, CFTC Regulation 41.24, or other applicable provisions, as required by law; and specifies that the Exchange may suspend, terminate, or delist a Contract in accordance with Rule 1213 or Rule 1214, or where necessary to maintain a fair and orderly market.

Rule 1224. Participant Disclosures

Rule 1224 provides that the Exchange shall publish disclosures covering, as applicable, (a) the cash-settled nature of the Contracts; (b) the fact that holders do not obtain ownership of the Underlying Security; (c) the funding mechanism; (d) extended-hours liquidity and pricing risks; (e) the treatment of Corporate Actions; (f) the possibility of termination, delisting, or cash settlement upon specified events; and (g) such other matters as the Exchange determines appropriate or as may be required by law.

Rule 1225. Data Publication

Rule 1225 provides that, for 18 months from the initial listing of the first Contract, or for such other period as may be required by applicable filings or exemptive relief, the Exchange shall make publicly available in machine-readable form such data relating to Contracts as may be required by law or by the Exchange's applicable filings, which may include (a) Daily Settlement Prices; (b) Index Prices, Mark Prices, Funding Rates, and related basis information; (c) daily or periodic aggregate long and short positions by participant or account type; (d) trading volume and open interest; and (e) such

[10] Proposed Rule 1221(c) provides that ''Nothing in this Chapter limits the authority of the Clearing House under its own rules with respect to margin collection, settlement processing, default management, or other clearing functions, except as otherwise required by law.'' As noted, the Exchange will adopt under a separate rule filing pursuant to Section 19(b)(2) of the Act and Rule 19b–4 thereunder proposed rules addressing margin.

other data as may be required by law, filing, order, or Exchange rule.[11]

The text of Chapter 12 and the rules thereunder are set forth in Exhibit 4.

2. Statutory Basis

Section 6(h)(3) of the Act[12] contains listing standards and conditions for trading SFPs. The Exchange believes that the proposed amendments to Chapter 12 are consistent with Section 6(h)(3), and that they are designed to prevent fraudulent and manipulative acts and practices, to promote just and equitable principles of trade, and in general to protect investors and the public interest.

CDE has established and shall monitor and enforce compliance with the listing standards for the Contracts. The proposed listing standards require a liquid underlying market for any Contracts the Exchange will list for trading, and therefore the proposed contracts are not readily susceptible to manipulation. Specifically, Rule 1203(a) requires that the Underlying Security must exceed 20 million shares in estimated deliverable supply (Rule 1203(a)(5)), have a minimum market capitalization of at least $100 billion (Rule 1203(a)(6)), and have had a minimum ADVT of at least $450 million over the prior six months (or, if listed and trading for less than six months, at least $1 billion over the prior month) (Rule 1203(a)(7)). CDE initially intends to list Contracts on the most highly liquid securities as measured by ADVT. Pursuant to Rule 1203(b), CDE will not list additional Contracts on an Underlying Security, and may prohibit opening purchase transactions in an existing Contract, to the extent it deems such action necessary or appropriate, if the Underlying Security does not meet the maintenance listing standard requirements established under the rule. Under the maintenance standards, the Underlying Security must have a market capitalization of at least $50 billion and minimum ADVT of at least $200 million over the prior calendar quarter (or, if listed for less than a quarter, at least $1 billion over the prior period traded during the calendar quarter). As such, the proposed listing standards assure a robust market for the Underlying Security to protect against manipulation.

Trading in the Contracts will be subject to the CDE Rulebook, which includes prohibitions on manipulation (Rule 508). CDE Rulebook Chapters 4 and 5 contain multiple prohibitions precluding anyone subject to the rules of the Exchange from disadvantaging their customers. As with any product listed for trading on CDE, these rules will apply to transactions in the Contracts, and trading activity in the Contracts will be subject to monitoring and surveillance by CDE's Market Regulation Department. Chapter 7 of the Rulebook contains provisions that allow the Exchange to discipline, suspend or expel members or market participants that violate any applicable Rules of the Exchange. Trading in the Contracts will be subject to Chapter 7, and the Market Regulation Department has the authority to exercise its enforcement power in the event rule violations in these contracts are identified. Market participants may use the arbitration provisions set forth in Chapter 8 of the CDE Rulebook to settle disputes with respect to trading of the Contracts.

Pursuant to Rule 1208(c), CDE will establish position limits and accountability levels for any Contracts it lists pursuant to the Proposed Rules as required by and consistent with CFTC Regulation § 41.25(b)(3). As applicable, CDE will also follow the guidance in Appendix A to Subpart C of Part 41—Guidance on and Acceptable Practices for Position Limits and Position Accountability for Security Futures Products. Transactions in the Contracts will be cleared by the Clearing House, a derivatives clearing organization registered with the CFTC, and will be subject to all CFTC regulations related to clearing of futures. The Contracts will be listed for trading on the CDE's own electronic trading platform, which provides for competitive and open execution of transactions. The Exchange will publish daily information regarding trading volume, open interest and price information for the Contracts. The CDE Rulebook will be amended as of the effective date to reflect the Proposed Rules and made publicly available on the CDE website.

Below is a summary how CDE would comply with each requirement or condition under Section 6(h)(3) of the Act, as applicable.

*Section 6(h)(3)(A)* of the Act[13] requires that any security underlying a SFP be registered pursuant to Section 12 of the Act.[14] This requirement is addressed by Rules 1203(a)(1) and (a)(2), which provide that the Exchange shall list a Contract only if the Underlying Security is a common stock or ETF Share registered under Section 12 of the Act, and its issuer is in compliance with any applicable requirements of the Act.

*Section 6(h)(3)(B)* of the Act[15] is applicable only to physically delivered security futures products. This requirement is therefore inapplicable to the Contracts.

*Section 6(h)(3)(C)* of the Act[16] provides that listing standards for SFPs must be no less restrictive than comparable listing standards for options traded on a national securities exchange or national securities association registered pursuant to Section 15A(a) of the Act.[17] CDE believes that the proposed listing standards for the Contracts set forth in Rule 1203 are no less restrictive than comparable listing standards for exchange-traded options.

*Section 6(h)(3)(D)* of the Act[18] requires that each SFP be based on common stock or such other equity securities as the Commission and CFTC jointly determine are appropriate. This requirement is addressed by Rules 1203(a)(1) and (a)(2), which provide that the Exchange shall list a Contract only if the Underlying Security is a common stock or ETF Share registered under Section 12 of the Act, and its issuer is in compliance with any applicable requirements of the Act.

*Section 6(h)(3)(E)* of the Act[19] imposes requirements with respect to linkages and coordinated clearing with other clearing agencies that clear SFPs, which permits the SFP to be purchased on one market and offset on another market that trades such product. This provision is inapplicable. The SEC and CFTC have not adopted rules implementing this part of the statute, and only the Clearing House will clear the Contracts that CDE proposes to list. As such, there are no linked or coordinated clearing arrangements relating to the Contracts. Additionally, Section 6(h)(7) of the Act states that a national securities exchange may trade a securities futures product that does not conform with any listing standard promulgated to meet the requirement of Section 6(h)(3)(E) until a compliance date which must be announced jointly by the Commission and the CFTC.[20]

[11] In addition, the Exchange represents that it will work with the SEC to provide data as appropriate for the SEC to evaluate security futures products.

[12] 15 U.S.C. 78f(h)(3).

[13] 15 U.S.C. 78f(h)(3)(A).

[14] 15 U.S.C. 78*l*.

[15] 15 U.S.C. 78f(h)(3)(B).

[16] 15 U.S.C. 78f(h)(3)(C). The listing standards are also consistent with the sample listing standards published in Staff Legal Bulletin No. 15, *see supra* n.5.

[17] 15 U.S.C. 78o–3(a).

[18] 15 U.S.C. 78f(h)(3)(D).

[19] 15 U.S.C. 78f(h)(3)(E).

[20] Compliance date is defined as the later of "(i) 180 days after the end of the first full calendar month period in which the average aggregate comparable share volume for all security futures products based on single equity securities traded on all national securities exchanges, any national

Continued

*Section 6(h)(3)(F)* of the Act [21] requires that only a broker or dealer subject to suitability rules comparable to those of a national securities association registered pursuant to Section 15A(a) of the Act [22] effect transactions in an SFP. An intermediary acting on behalf of customers trading SFPs must be registered with the CFTC as a futures commission merchant (''FCM'') and registered or notice registered with the SEC as a broker-dealer. Any intermediary that is fully registered as a broker-dealer will be a member of the Financial Industry Regulatory Authority, Inc. (''FINRA''), and will thus be subject to FINRA's suitability rules. In addition, the intermediary, as a registered FCM, must also be a member of the National Futures Association (''NFA''), which is a registered futures association under the CEA and thus will also be subject to the suitability and sales practice rules of NFA, which are comparable to those of FINRA.[23]

*Section 6(h)(3)(G)* of the Act [24] requires that each SFP be subject to the prohibition against dual trading in Section 4j of CEA.[25] This provision is inapplicable to the Exchange. Trading of the Contracts will occur electronically, and the prohibition on dual trading in SFPs under Regulation § 41.27 [26] applies to a contract market operating an electronic trading system only if such market provides participants with a time or place advantage or the ability to override a predetermined matching algorithm, which features are not present on the Exchange.

*Section 6(h)(3)(H)* of the Act [27] provides that trading in a SFP must not be readily susceptible to manipulation of the price of such SFP, nor to causing or being used in the manipulation of the price of any Underlying Security, option on such security, or option on a group or index including such securities. CDE believes that its listing standards are designed to ensure that CDE SFPs and the underlying securities would not be readily susceptible to price manipulation. CDE's proposed Rule 1203(a) requires, among other things, that the Underlying Security must exceed 20 million shares in estimated deliverable supply (Rule 1203(a)(5)), have an outstanding market capitalization of at least $100 billion (Rule 1203(a)(6)), and have had a minimum ADVT of at least $450 million over the prior six months (or, if listed and trading for less than six months, at least $1 billion over the prior month) (Rule 1203(a)(7)). CDE initially intends to list Contracts on the most highly liquid securities as measured by ADVT. Pursuant to Rule 1203(b), CDE will not list additional Contracts on an Underlying Security, and may prohibit opening purchase transactions in an existing Contract, to the extent it deems such action necessary or appropriate, if the Underlying Security does not meet the maintenance listing standard requirements established under the rule. Under the maintenance standards, the Underlying Security must have a minimum market capitalization of at least $50 billion and minimum ADVT of at least $200 million over the prior calendar quarter (or, if listed for less than a quarter, at least $1 billion over the prior period traded during the calendar quarter). As such, the proposed listing standards assure a robust market for the Underlying Security to protect against manipulation. These listing standards are also the basis for establishing position limits based on a percentage of the estimated deliverable supply in accordance with CFTC Regulation § 41.25(b)(3)(i), which will assure the position limits are appropriately calibrated to protect against manipulation.

In addition, Chapter 5 of the CDE Rulebook prohibits fraudulent acts (Rule 505); fictitious, wash, and non-competitive transactions (Rule 506); market disruption (Rule 507); market manipulation (Rule 508); and disruptive trading practices (Rule 509). Rules 519 through 528 govern the priority of customers' orders, handling of customer orders, disclosure of orders, simultaneous buy and sell orders for different beneficial owners, wash sales, prearranged, pre-negotiated, and noncompetitive trades, responsibility for customer orders, discretionary orders, and priority of execution, including the exposure requirement applicable to pre-execution communications. All trading is subject to monitoring and surveillance by the Market Regulation Department. The disciplinary process, from preliminary inquiry through investigation, notice of charges, hearing, and sanctions, is set out in Chapter 7 of the CDE Rulebook. Rule 719 spells out the disciplinary capabilities of the Exchange which include, but are not limited to, the ability to summarily suspend, revoke, limit, condition, restrict or qualify a participant's trading privileges and/or ability to otherwise access the Exchange's trading system.

*Section 6(h)(3)(I)* of the Act [28] requires that procedures be in place for coordinated surveillance among the market on which a SFP is traded, any market on which any security underlying the SFP is traded, and other markets on which any related security is traded to detect manipulation and insider trading. Rule 1203(c) provides that the Exchange shall maintain coordinated surveillance procedures with each Primary Listing Exchange and with other markets on which related securities or derivatives trade, sufficient to detect manipulation and insider trading, and shall maintain audit trails sufficient to support such surveillance. CDE and the markets on which the Underlying Securities are traded are members of the Intermarket Surveillance Group, which facilitates the sharing of information and the coordination of regulatory efforts among exchanges trading securities and other products to address potential intermarket manipulation and trading abuse. In addition, Rule 215 permits CDE to enter into information-sharing agreements or other arrangements or procedures to coordinate surveillance with other markets on which financial instruments related to the contracts trade, with domestic or foreign self-regulatory organizations, associations, boards of trade, and their respective regulators. Accordingly, the Exchange has procedures in place for coordinated surveillance.

*Section 6(h)(3)(J)* of the Act [29] requires that the market on which the security futures product is traded has in place audit trails necessary or appropriate to facilitate the coordinated surveillance required in subparagraph (I), as discussed above. The Exchange's audit trail is maintained in accordance with Core Principle 10 in CEA Section 5(d)(10) [30] and CFTC Regulations § 38.550,[31] § 38.551 [32] and § 38.552.[33] The Exchange retains this highly granular audit trail for a minimum of 5 years, as required by CFTC Regulation § 1.31(b).[34] Rule 524(b) requires that the

securities associations registered pursuant to section 15A(a), and all other persons equals or exceeds 10% of the average aggregate comparable share volume of options on single equity securities traded on all national securities exchanges and any national securities associations registered pursuant to section 15A(a); or (ii) 2 years after the date on which trading in any security futures product commences under this title.'' *See* 15 U.S.C. 78f(h)(7)(C).

[21] 15 U.S.C. 78f(h)(3)(F).

[22] 15 U.S.C. 78o–3(a).

[23] *Id.*

[24] 15 U.S.C. 78f(h)(3)(G).

[25] 7 U.S.C. 6j.

[26] 17 CFR 41.27.

[27] 15 U.S.C. 78f(h)(3)(H).

[28] 15 U.S.C. 78f(h)(3)(I).

[29] 5 U.S.C. 78f(h)(3)(J).

[30] 7 U.S.C. 7(d)(10).

[31] 17 CFR 38.550.

[32] 17 CFR 38.551.

[33] 17 CFR 38.552.

[34] 17 CFR 1.31(b).

electronic audit trail associated with any system that accesses the Exchange contain a complete and accurate record of all activity through that connection, retained for five years, with timestamps at the highest level of precision achievable by the operating system and in no event less precise than one hundredth of a second, recorded in a form not modifiable by the person entering the order, and produced to the Exchange in the required format on request. CDE publishes required audit trail file specifications for its FIX and binary interfaces. Rule 401(c) requires the Market Regulation Department to conduct annual reviews of compliance with the Exchange's audit trail and recordkeeping requirements by all Participants responsible for or in control of the creation of audit trail records, including reviews of randomly selected samples of front-end audit trail data for order routing systems, review of the process by which user identifications are assigned and maintained, review of usage patterns associated with user identifications, and testing of account numbers and customer type indicator codes for accuracy and improper use. Audit trail and recordkeeping violations by participants are subject to the Exchange's disciplinary rules, including Rule 401(c), which permits the Market Regulation Department to impose summary sanctions against audit trail violations.

*Section 6(h)(3)(K)* of the Act [35] requires that a market on which a SFP is traded have in place procedures to coordinate trading halts between such market and any market on which any security underlying the SFP is traded and other markets on which any related security is traded. Proposed Rule 1207 provides, in accordance with CFTC Regulation § 41.25(b)(2)(i),[36] that ''[t]rading in a Contract shall be halted at all times during which a Regulatory Halt has been instituted for the Underlying Security.''

*Section 6(h)(3)(L)* of the Act [37] requires that the margin requirements for a SFP comply with the regulations prescribed pursuant to Section 7(c)(2)(B) of the Act.[38] CDE has proposed amendments to its margin rules generally imposing a minimum margin requirement of not less than 15% of the current market value of the security futures consistent with the requirements of CFTC Regulation § 41.45(b)(1) [39] and SEC Rule 242.403(b)(1).[40] [41] Thus, CDE believes that its customer margin rules are consistent with the requirements of the Act.

For the reasons described above, CDE believes that the listing standards submitted herewith satisfy the requirements set forth in Section 6(h)(3) of the Act. CDE also believes that its proposed rule changes are consistent with Section 6(b) of the Act,[42] in general, and further the objectives of Section 6(b)(5) of the Act,[43] in particular, in that they are designed to remove impediments to and perfect the mechanism for a free and open market and a national market system, and, in general, to protect investors and the public interest, and are not designed to permit unfair discrimination between customers, issuers, brokers, or dealers. In addition, the proposal is consistent with Section 6(b)(1) and Section 6(b)(8) of the Act.[44]

Specifically, CDE's existing rules are designed to ensure (i) the independence of CDE's regulatory functions, including surveillance, investigations, and disciplinary matters; (ii) that no affiliate receives unfair preferential treatment or competitive advantages; and (iii) the maintenance of information barriers to protect confidential regulatory and other non-public information.[45] The CDE compliance program is overseen by the Regulatory Oversight Committee (''ROC''), which consists entirely of independent Public Directors. It oversees the sufficiency, effectiveness, and independence of CDE's regulatory program, including surveillance, investigations, staffing, compensation, and the regulatory budget. The CDE Chief Regulatory Officer reports directly to the ROC. CDE's rules disqualify affiliate officers, Participant personnel, individuals with specified financial relationships, and their immediate family members from serving as Public Directors. ROC members are subject to heightened restrictions on compensation and consulting relationships. CDE's Market Regulation Department determines the scope of inquiries and investigations in its sole discretion and must function independently of CDE's commercial interests. Officials and directors are prohibited from interfering with disciplinary actions, and conflicted individuals must recuse themselves.

Rule 307 permits Coinbase Financial Markets, Inc. (''CFM''), a CFTC-registered FCM and an affiliate of the Exchange, to be a Participant, or customer of a Participant, for the purpose of trading Exchange products, provided that (1) CFM shall neither receive preferential pricing from the Exchange nor shall it have an inherent advantage over any other Participant with respect to the Exchange's trading system or procedures, (2) CFM shall not have access to the Exchange's material nonpublic information, and the Exchange shall ensure CFM's access to information is limited to public information available to all Participants, and (3) CFM shall be subject to the same access criteria and must abide by the same Rules as all other Participants. Rule 307 is a filed, enforceable Exchange Rule, and subject to Chapter 7 sanctions including censure, fine, disgorgement, suspension, and termination. Information barriers run in both directions, are enforced operationally, and are surveilled by a team independent of both entities. Moreover, sensitive affiliate information is subject to strict access controls, communications between entities must occur at arm's length, and technological, physical, and organizational barriers restrict access to confidential information and surveillance systems. Compliance with these controls is reinforced through periodic conflicts attestations and trainings, external communications surveillance, and restrictions on trading. The rules also require a single published fee schedule with no affiliate category (Rules 305(a)–(b)) and fully inclusive, real-time data to all Participants on the same terms and latency (Rule 538). Moreover, CFM is subject to the same substantive prohibitions as any other Participant; the Rulebook contains no affiliate carve-out from any Chapter 3 through Chapter 9 obligation, and affiliates remain subject to CDE's oversight and disciplinary authority to the same extent as all other market participants. In addition, among other things, the rules impose a standing prohibition on use or disclosure of material non-public information by any director, officer, or committee member (Rule 213(g)), require all inspection and financial-condition data to be treated confidentially (Rule 405), and provide that no person shall take action based on non-public order information, however acquired (Rule 521). Rule 207(d) further provides that the Exchange Participant Committee ''shall

[35] 15 U.S.C. 78f(h)(3)(K).

[36] 17 CFR 41.25(b)(2).

[37] 15 U.S.C. 78f(h)(3)(L).

[38] 15 U.S.C. 78g(c)(2)(B).

[39] 17 CFR 41.45(b)(1).

[40] 17 CFR 242.403(b)(1).

[41] *See* Customer Margin Rules Relating to Security Futures, 85 FR 75112 (Nov. 24, 2020).

[42] 15 U.S.C. 78f(b).

[43] 15 U.S.C. 78f(b)(5).

[44] 15 U.S.C. 78f(b)(1), (b)(8).

[45] As part of its Form 1–N filing, CDE submitted a copy of its Rulebook to the Commission. *See supra* n.2.

not, and shall not permit the Exchange to, restrict access or impose burdens on access in a discriminatory manner, within each category or class of Participants or between similarly-situated categories or classes of Participants''; as such, the Rulebook assures that Exchange structure does not burden competition.

Finally, CFM is subject to regulatory oversight by the National Futures Association (''NFA''), an unaffiliated registered futures association that performs CFM's financial and capital surveillance as its designated self-regulatory organization. As a registered futures commission merchant, CFM is subject to significant independent oversight by NFA.

*B. CDE's Statement on Burden on Competition*

CDE does not believe that proposed Chapter 12 and the rule thereunder will impose any burden on competition not necessary or appropriate in furtherance of the purposes of the Act. The proposed rule changes will simply allow CDE to list certain security futures products, including perpetual futures on individual equity securities and exchange-traded fund shares. Nothing in the filing restricts or impedes another exchange from offering security futures products for trading subject to its compliance with applicable regulatory requirements under the Act, the CEA, and the respective rules of the Commission and the CFTC governing security futures products.

*C. CDE's Statement on Comments on the Proposed Rule Change Received From Members, Participants, or Others*

The Exchange has not solicited, and does not intend to solicit, comments on this proposed rule change. The Exchange has not received any unsolicited written comments from members or other interested parties.

## III. Date of Effectiveness of the Proposed Rule Change and Timing for Commission Action

The proposed rule change is not yet effective because the CFTC has not yet approved the proposed rule change. At any time within 60 days of the date of effectiveness of the proposed rule change, the Commission, after consultation with the CFTC, may summarily abrogate the proposed rule change and require that the proposed rule change be refiled in accordance with the provisions of Section 19(b)(1) of the Act.[46]

[46] 15 U.S.C. 78s(b)(1).

## 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–CDE–2026–002 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–COIN–2026–002. 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 (*http://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–COIN–2026–002 and should be submitted on or before October 14, 2026.

For the Commission, by the Division of Trading and Markets, pursuant to delegated authority.[47]

**Sherry R. Haywood,**

*Assistant Secretary.*

[FR Doc. 2026–19407 Filed 9–22–26; 8:45 am]

**BILLING CODE 8011–01–P**

[47] 17 CFR 200.30–3(a)(73).

## SECURITIES AND EXCHANGE COMMISSION

**[Release No. 34–106414; File No. SR–CboeBZX–2026–076]**

## Self-Regulatory Organizations; Cboe BZX Exchange, Inc.; Notice of Filing and Immediate Effectiveness of a Proposed Rule Change To Amend Rule 11.15(a) To Clarify That a Non-Member May Act as a Clearing Firm

September 18, 2026.

Pursuant to Section 19(b)(1) of the Securities Exchange Act of 1934 (the ''Act''),[1] and Rule 19b–4 thereunder,[2] notice is hereby given that on September 8, 2026, Cboe BZX Exchange, Inc. (the ''Exchange'' or ''BZX'') 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 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 Rule 11.15(a) (Clearance and Settlement; Anonymity) to clarify that a non-Member may act as a Clearing Firm.

The text of the proposed rule change is also available on the Exchange's website (*http://markets.cboe.com/us/equities/regulation/rule_filings/bzx/*), at the Exchange's Office of the Secretary, and at the Commission's Public Reference Room.

## 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.

[1] 15 U.S.C. 78s(b)(1).

[2] 17 CFR 240.19b–4.

*A. Self-Regulatory Organization's Statement of the Purpose of, and Statutory Basis for, the Proposed Rule Change*

1. Purpose

The Exchange proposes to amend Rule 11.15 (Clearance and Settlement; Anonymity) to clarify that a non-Member [3] may act as a Clearing Firm.[4]

Background and Proposed Rule Change

Rule 11.15(a) currently provides that all transactions through the facilities of the Exchange shall be cleared and settled through a Qualified Clearing Agency [5] using a continuous net settlement system. The rule further provides that this requirement may be satisfied by direct participation, use of direct clearing services, or by entry into a correspondent clearing arrangement with another Member that clears trades through a Qualified Clearing Agency. If a Member clears transactions through another Member that is a member of a Qualified Clearing Agency (''Clearing Member''), such Clearing Member shall affirm to the Exchange in writing, through a letter of authorization, letter of guarantee, or other agreement acceptable to the Exchange, its agreement to assume responsibility for clearing and settling any and all trades executed by the Member designating it as its clearing firm. The rules of any such clearing agency shall govern with respect to the clearance and settlement of any transactions executed by the Member on the Exchange.

The Exchange proposes to amend the following sentences in Rule 11.15(a):

''*This requirement may be satisfied by direct participation, use of direct clearing services, or by entry into a correspondent clearing arrangement with another Member that clears trades through a Qualified Clearing Agency. If a Member clears transactions through another Member that is a member of a Qualified Clearing Agency (''Clearing Member''), such Clearing Member shall affirm to the Exchange in writing, through letter of authorization, letter of guarantee, or other agreement acceptable to the Exchange, its agreement to assume responsibility for clearing and settling any and all trades executed by the Member designating it as its clearing firm.*''

The proposed rule text would state:

''*This requirement may be satisfied by direct participation, use of direct clearing services, or by entry into a correspondent clearing arrangement with another member that clears trades through a Qualified Clearing Agency. If a Member clears transactions through another firm that is a member of a Qualified Clearing Agency (''Clearing Firm''), such Clearing Firm shall affirm to the Exchange in writing, through letter of authorization, letter of guarantee, or other agreement acceptable to the Exchange, its agreement to assume responsibility for clearing and settling any and all trades executed by the Member designating it as its Clearing Firm.*''

The Exchange proposes the above changes to its existing rule text to clarify to market participants that a non-Member firm may clear transactions for a Member. The Exchange notes that Rule 11.15(a) was previously amended in 2015 to align with the rules of the Exchange's affiliate exchanges, Cboe EDGA Exchange, Inc. (''EDGA''), and Cboe EDGX Exchange, Inc. (''EDGX'').[6] Specifically, the Rule 11.15(a) Amendment provided that ''. . . Exchange Rule 11.15(a) would no longer require a Qualified Clearing Agency be a Member in order to clear another Members' transactions executed on the Exchange.'' [7] While the intent of the Rule 11.15(a) Amendment was to provide that non-Members could clear other Members' transactions executed on the Exchange, the Exchange believes the proposed changes to replace the term ''Member'' with the term ''firm'' and refer to a ''Clearing Firm'' rather than ''Clearing Member'' as described above provides necessary additional clarity to market participants. The proposed rule change does not alter the fundamental requirement that all transactions be cleared through a registered clearing agency using a continuous net settlement system. Non-Member Clearing Firms, along with Member Clearing Firms, remain subject to the membership requirements of a Qualified Clearing Agency and must execute appropriate guarantee agreements with the Exchange.

The Exchange notes that its affiliate equities exchanges Cboe BYX Exchange, Inc. (''BYX''), Cboe EDGA Exchange, Inc. (''EDGA''), and Cboe EDGX Exchange, Inc. (''EDGX'') plan to submit similar proposals [8] to make clear that a non-Member firm may clear transactions for a Member.

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 the Section 6(b)(5) [10] requirements that the rules of an exchange be 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 mechanism of a free and open market and a national market system, and, in general, to protect investors and the public interest. Additionally, the Exchange believes the proposed rule change is consistent with the Section 6(b)(5) requirement that the rules of an exchange not be designed to permit unfair discrimination between customers, issuers, brokers, or dealers.

The Exchange believes that clarifying that a non-Member may act as a Clearing Firm is consistent with Section 6(b)(5) of the Act because it promotes just and equitable principles of trade and removes impediments to and perfects the mechanism of a free and open market by providing transparency to market participants regarding the scope of firms that may provide clearing services to Members, which supports the efficient functioning of the clearance and settlement process and protects investors and the public interest. Further, the proposed change seeks to better align the Rule text with the intent of the Rule 11.15(a) Amendment, which explicitly provided that non-Member firms could clear other Members' transactions on the Exchange. This proposed change is not unfairly discriminatory because it applies equally to all market participants.

[3] *See* Rule 1.5(n). The term ''Member'' shall mean any registered broker or dealer that has been admitted to membership in the Exchange. A Member will have the status of a ''member'' of the Exchange as that term is defined in Section 3(a)(3) of the Act. Membership may be granted to a sole proprietor, partnership, corporation, limited liability company or other organization which is a registered broker or dealer pursuant to Section 15 of the Act, and which has been approved by the Exchange.

[4] *See* proposed Rule 11.15(a), discussed *infra.* A ''Clearing Firm'' is a firm that is a member of and clears transactions through a Qualified Clearing Agency.

[5] *See* Rule 1.5(u). The term ''Qualified Clearing Agency'' means a clearing agency registered with the Commission pursuant to Section 17A of the Act that is deemed qualified by the Exchange.

[6] *See* Securities Exchange Act Release No. 74152 (January 27, 2015), 80 FR 5593 (February 2, 2015), SR–BATS–2015–07 (''Rule 11.15(a) Amendment'').

[7] *Id.* at 5594.

[8] *See* SR–CboeBYX–2026–033; SR–CboeEDGA–2026–029; SR–CboeEDGX–2026–061.

[9] 15 U.S.C. 78f(b).

[10] 15 U.S.C. 78f(b)(5).

Additionally, the Exchange notes that the proposed change specifically fosters cooperation and coordination with persons engaged in clearing and settling transactions in securities by removing potential ambiguity regarding which entities may provide clearing services to Members. Enhanced clarity in this area facilities the establishment of clearing relationships and supports the prompt and accurate settlement of transactions, which directly protects investors and the public interest. The proposed change also removes impediments to and perfects the mechanism of a free and open market by ensuring that Members have access to a broader range of clearing arrangements without regulatory uncertainty.

*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. Specifically, the Exchange does not believe the proposed rule change will impose any burden on intramarket competition that is not necessary or appropriate in furtherance of the purposes of the Act. The proposed clarifying change to state that a non-Member may serve as a Clearing Firm will apply to all Members (and non-Members) equally.

Further, the Exchange does not believe the proposed rule change will impose any burden on intermarket competition that is not necessary or appropriate in furtherance of the purposes of the Act. The proposed rule change is not being made for competitive reasons, but rather to provide clarity and certainty to Members regarding the requirements for serving as a Clearing Firm. As such, the Exchange does not believe the proposed rule change raises any competitive concerns.

*C. Self-Regulatory Organization's Statement on Comments on the Proposed Rule Change Received From Members, Participants, or Others*

The Exchange neither solicited nor received comments on the proposed rule change.

**III. Date of Effectiveness of the Proposed Rule Change and Timing for Commission Action**

Because the foregoing 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 after 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)(iii) of the Act [11] and subparagraph (f)(6) of Rule 19b–4 thereunder.[12]

A proposed rule change filed under Rule 19b–4(f)(6) [13] normally does not become operative prior to 30 days after the date of the filing. However, pursuant to Rule 19b4(f)(6)(iii),[14] the Commission may 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 the proposed rule change may become operative immediately upon filing. The Exchange states that it is proposing clarifying edits to its rule text and is not seeking to introduce any new or novel functionality that would require additional notice to Members. The Exchange further states that waiver of the operative delay would allow the Exchange to update its rulebook immediately upon effectiveness of the proposal. The Commission believes that waiving the 30-day operative delay is consistent with the protection of investors and the public interest as the proposal does not raise any new or novel issues. Therefore, the Commission hereby waives the 30-day operative delay and designates the proposed rule change to be operative upon filing.[15]

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) [16] of the Act to determine whether the proposed rule change should be approved or disapproved.

[11] 15 U.S.C. 78s(b)(3)(A)(iii).

[12] 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.

[13] 17 CFR 240.19b–4(f)(6).

[14] 17 CFR 240.19b–4(f)(6)(iii).

[15] For purposes only of waiving the 30-day operative delay, the Commission has also considered the proposed rule's impact on efficiency, competition, and capital formation. *See* 15 U.S.C. 78c(f).

[16] 15 U.S.C. 78s(b)(2)(B).

**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–CboeBZX–2026–076 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–CboeBZX–2026–076. 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–CboeBZX–2026–076 and should be submitted on or before October 14, 2026.

For the Commission, by the Division of Trading and Markets, pursuant to delegated authority.[17]

**Sherry R. Haywood,**

*Assistant Secretary.*

[FR Doc. 2026–19396 Filed 9–22–26; 8:45 am]

BILLING CODE 8011–01–P

[17] 17 CFR 200.30–3(a)(12), (59).

## SECURITIES AND EXCHANGE COMMISSION

**[Release No. 34–106412; File No. SR–CboeEDGX–2026–061]**

**Self-Regulatory Organizations; Cboe EDGX Exchange, Inc.; Notice of Filing and Immediate Effectiveness of a Proposed Rule Change To Amend Rule 11.13(a) To Replace the Term "registered clearing agency" With "Qualified Clearing Agency;" Clarify That a Non-Member May Act as a Clearing Firm; and Require That a Member Seeking To Participate in the Exchange's Overnight Trading Session Maintain a Separate, Effective Letter of Guarantee or Authorization From a Clearing Firm**

September 18, 2026.

Pursuant to Section 19(b)(1) of the Securities Exchange Act of 1934 (the ''Act''),[1] and Rule 19b–4 thereunder,[2] notice is hereby given that on September 9, 2026, Cboe EDGX Exchange, Inc. (the ''Exchange'' or ''''EDGX'''') 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 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: (i) replace the term ''registered clearing agency'' with ''Qualified Clearing Agency;'' (ii) clarify that a non-Member may act as a Clearing Firm; and (iii) require that a Member seeking to participate in the Exchange's Overnight Trading Session must maintain a separate, effective letter of guarantee or authorization from a Clearing Firm that is properly authorized by the relevant Qualified Clearing Agency to clear and settle transactions effected during the Overnight Trading Session.

The text of the proposed rule change is also available on the Exchange's website (*http://markets.cboe.com/us/options/regulation/rule_filings/edgx/*), at the Exchange's Office of the Secretary, and at the Commission's Public Reference Room.

[1] 15 U.S.C. 78s(b)(1).

[2] 17 CFR 240.19b–4.

### 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

The Exchange proposes to amend Rule 11.13 (Clearance and Settlement; Anonymity) to: (i) replace the term ''registered clearing agency'' with ''Qualified Clearing Agency;'' [3] (ii) clarify that a non-Member [4] may act as a Clearing Firm [5]; and (iii) require that a Member seeking to participate in the Exchange's Overnight Trading Session [6] must maintain a separate, effective letter of guarantee or authorization from a Clearing Firm that is properly authorized by the relevant Qualified Clearing Agency to clear and settle transactions effected during the Overnight Trading Session.[7] The Exchange also proposes to provide that the Exchange may prevent a Member's access and connectivity to the Exchange during the Overnight Trading Session if an effective letter of guarantee or authorization required to participate in the Overnight Trading Session is not on file with the Exchange. As described below, the proposed rule change is based on the rules of the Exchange's affiliate options exchange, Cboe Exchange, Inc. (''C1''), specifically C1 Rule 3.61(a)(1) and (2), and is tailored to EDGX's equities rules and EDGX's Overnight Trading Session.

[3] *See* Rule 1.5(w). The term ''Qualified Clearing Agency'' means a clearing agency registered with the Commission pursuant to Section 17A of the Act that is deemed qualified by the Exchange.

[4] *See* Rule 1.5(n). The term ''Member'' shall mean any registered broker or dealer that has been admitted to membership in the Exchange. A Member will have the status of a ''member'' of the Exchange as that term is defined in Section 3(a)(3) of the Act. Membership may be granted to a sole proprietor, partnership, corporation, limited liability company or other organization which is a registered broker or dealer pursuant to Section 15 of the Act, and which has been approved by the Exchange.

[5] *See* proposed Rule 11.13(a), discussed *infra.* A ''Clearing Firm'' is a firm that is a member of and clears transactions through a Qualified Clearing Agency.

[6] See Rule 1.5 (jj) as approved in the Overnight Trading Hours Filing (discussed *infra*). The term ''Overnight Trading Session'' shall mean the time between 9:00 p.m. on any night preceding a business day and 4:00 a.m. Eastern Time on the following calendar day. The Exchange notes that this rule text, while effective, is not incorporated into the Exchange's rulebook as it is not yet operational.

[7] The Exchange received approval to extend its trading hours from 16 hours per day, five days per week to 23 hours per day, five days per week. *See* Securities Exchange Act Release No. 105587 (May 29, 2026), 91 FR 33238 (June 3, 2026), SR–CboeEDGX–2026–019 (''Overnight Trading Hours Filing'').

Background and Proposed Rule Change

Rule 11.13(a) currently provides that all transactions through the facilities of the Exchange shall be cleared and settled through a registered clearing agency using a continuous net settlement system. The rule further provides that this requirement may be satisfied by direct participation, use of direct clearing services, or by entry into a correspondent clearing arrangement with another member that clears trades through a Qualified Clearing Agency. If a Member clears transactions through another Member that is a member of a Qualified Clearing Agency (''Clearing Member''), such Clearing Member shall affirm to the Exchange in writing, through a letter of authorization, letter of guarantee, or other agreement acceptable to the Exchange, its agreement to assume responsibility for clearing and settling any and all trades executed by the Member designating it as its clearing firm. The rules of any such clearing agency shall govern with respect to the clearance and settlement of any transactions executed by the Member on the Exchange.

First, the Exchange proposes to amend the following sentences in Rule 11.13(a):

''*All transactions through the facilities of the Exchange shall be cleared and settled through a registered clearing agency using a continuous net settlement system.*''

''*If a Member clears transactions through another Member that is a member of a Qualified Clearing Agency (''Clearing Member''), such Clearing Member shall affirm to the Exchange in writing, through letter of authorization, letter of guarantee, or other agreement acceptable to the Exchange, its agreement to assume responsibility for clearing and settling any and all trades executed by the Member designating it as its clearing firm.*''

The proposed rule text would state:

''*All transactions through the facilities of the Exchange shall be cleared and settled through a Qualified Clearing*

*Agency using a continuous net settlement system.*''

''*If a Member clears transactions through another firm that is a member of a Qualified Clearing Agency (*''*Clearing Firm*''*), such Clearing Firm shall affirm to the Exchange in writing, through letter of authorization, letter of guarantee, or other agreement acceptable to the Exchange, its agreement to assume responsibility for clearing and settling any and all trades executed by the Member designating it as its Clearing Firm.*''

The Exchange proposes the above changes to its existing rule text: (i) to replace the term ''registered clearing agency'' with the defined term ''Qualified Clearing Agency'' and (ii) to clarify to market participants that a non-Member firm may clear transactions for a Member. The proposed change to introduce the term ''Qualified Clearing Agency'' in the first sentence of Rule 11.15(a) is a clarifying change to introduce a more precise term that is already defined in the Exchange's rulebook.[8] While the Exchange believes its current rule text does permit non-Members to clear transactions for a Member,[9] the proposed change to replace the term ''Member'' with the term ''Firm'' and refer to a ''Clearing Firm'' rather than ''Clearing Member'' provides necessary additional clarity to market participants. The proposed rule change does not alter the fundamental requirement that all transactions be cleared through a registered clearing agency using a continuous net settlement system. Non-Member Clearing Firms, along with Member Clearing Firms, remain subject to the membership requirements of a Qualified Clearing Agency and must execute appropriate guarantee agreements with the Exchange.

The Exchange notes that its affiliate equities exchanges Cboe BYX Exchange, Inc. (''BYX''), Cboe BZX Exchange, Inc. (''BZX''), and Cboe EDGA Exchange, Inc. (''EDGA'') plan to submit similar proposals [10] to make clear that a non-Member firm may clear transactions for a Member.

Next, the Exchange proposes to amend Rule 11.13(a) to include a provision addressing the Overnight Trading Session [11] and the need for a Member to maintain a separate letter of guarantee or authorization to participate in the Overnight Trading Session. The Exchange proposes to add language to Rule 11.13(a) based on substantially similar language found in the rules of its affiliate options exchange, C1.

C1 Rule 3.61(a)(1) provides that each Trading Permit Holder [12] with trading functions on C1 shall provide a letter of guarantee or authorization for its trading activities from a Clearing Trading Permit Holder [13] in a form and manner prescribed by C1.[14] It further provides that, in order to participate in Global Trading Hours (''GTH''),[15] a Trading Permit Holder must have a letter of guarantee from a Clearing Trading Permit Holder that is properly authorized by the Options Clearing Corporation (''OCC'') to operate during GTH. C1 Rule 3.61(a)(2) provides that a Trading Permit Holder may not engage in any trading activities on C1 if an effective letter of guarantee or authorization required to engage in those activities is not on file with C1, and that C1 may prevent access and connectivity to C1 by that Trading Permit Holder.

The Exchange proposes to adopt substantially similar language as is currently found in C1 Rule 3.61(a)(1)–(2) in Rule 11.13(a), with differences only to account for terminology applicable to EDGX. Specifically, the proposed rule change would add language to Rule 11.13(a) providing that, in order to participate in the Overnight Trading Session, which is substantially similar in operating hours to C1's GTH applicable to index options, a Member must provide a separate letter of guarantee or authorization from a Clearing Firm that is properly authorized [16] by the relevant Qualified Clearing Agency to clear and settle transactions during the Overnight Trading Session. The proposed rule change would also provide that a Member may not participate in trading activities on the Exchange during the Overnight Trading Session if an effective [17] letter of guarantee or authorization required to participate in the Overnight Trading Session is not on file with the Exchange, and that the Exchange may prevent access and connectivity to the Exchange during the Overnight Trading Session by that Member.

The proposed language uses ''Member'' rather than ''Trading Permit Holder,'' ''Clearing Firm'' rather than ''Clearing Trading Permit Holder,'' ''Qualified Clearing Agency'' rather than ''Options Clearing Corporation,'' and ''Overnight Trading Session'' rather than ''Global Trading Hours'' or ''GTH,'' to conform to EDGX's existing rule terminology. These adaptations reflect the fact that EDGX is an equities exchange and the Overnight Trading Session on EDGX is substantially similar to C1's GTH session applicable to index options for purposes of this requirement.

The Exchange believes these proposed amendments are necessary to ensure that Members seeking to participate in the Overnight Trading Session have a Clearing Firm relationship that is specifically authorized for overnight clearing and settlement operations, thereby supporting the integrity of the clearance and settlement process during the Overnight Trading Session and ensuring that adequate financial responsibility exists for all trades executed during that session.

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[8] *Supra* note 3.

[9] The Exchange notes that the second sentence of Rule 11.13(a) states that the requirement to clear and settle transactions through the Exchange may be satisfied by entry into a correspondent clearing arrangement with another member that clears trades through a Qualified Clearing Agency. The reference to ''member'' implies that this requirement may be satisfied by a non-Member firm. Additionally, the Exchange notes that filings were approved on its affiliate exchanges, Cboe BYX Exchange, Inc. (''BYX'') and Cboe BZX Exchange, Inc. (''BZX''), based on EDGX Rule 11.13(a) that specifically stated that '' . . . Exchange Rule 11.15(a) would no longer require a Qualified Clearing Agency be a Member in order to clear another Members' transactions executed on the Exchange.'' *See* Securities Exchange Act Release No. 74151 (January 27, 2015), 80 FR 5598 (February 2, 2015), SR–BYX–2015–06 (''BYX Rule 11.15(a) Amendment''). and Securities Exchange Act Release No. 74152 (January 27, 2015), 80 FR 5593 (February 2, 2015), SR–BATS–2015–07 (''BZX Rule 11.15(a) Amendment'').

[10] *See* SR–CboeBYX–2026–033; SR–CboeBZX–2026–075; SR–CboeEDGA–2026–029.

[11] The Exchange recently received approval to introduce an Overnight Trading Session between the hours of 9 p.m. and 4 a.m. ET. *See* Securities Exchange Act Release No. 105587 (May 29, 2026), 91 FR 33238 (June 3, 2026), SR–CboeEDGX–2026–019 (''EDGX 23x5 Filing'').

[12] *See* Eleventh Amended and Restated Bylaws of Cboe Exchange, Inc., Section 1.1(f). The term ''Trading Permit Holder'' means any individual, corporation, partnership, limited liability company or other entity authorized by the Rules that holds a Trading Permit.

[13] *See* C1 Rule 1.1. The term ''Clearing Trading Permit Holder'' means a Trading Permit Holder that has been admitted to membership in the Clearing Corporation pursuant to the provisions of the Rules of the Clearing Corporation and is self-clearing or that clears transactions for other Trading Permit Holders.

[14] *See* C1 Rule 3.61(a)(1).

[15] *See* C1 Rule 5.1(c). Global Trading Hours for index options are the hours between 8:15 p.m. (previous day) to 9:25 a.m. on Monday through Friday, and Global Trading Hours for equity options (including options on individual stocks, ETFs, ETNs, and other securities) are from 7:30 a.m. to 9:25 a.m. Monday through Friday.

[16] The Exchange will receive confirmation from the Qualified Clearing Agency that a Clearing Firm is eligible to clear and settle transactions during the Overnight Trading Session.

[17] A letter of guarantee or authorization is effective if a Clearing Firm represents that it is a member of the National Securities Clearing Corporation (''NSCC''), provides its NSCC clearing number, lists the Member firm for which it will accept full responsibility for clearing and settling, is properly executed, and is provided to the Exchange.

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.[18] Specifically, the Exchange believes the proposed rule change is consistent with the Section 6(b)(5) [19] requirements that the rules of an exchange be 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 mechanism of a free and open market and a national market system, and, in general, to protect investors and the public interest. Additionally, the Exchange believes the proposed rule change is consistent with the Section 6(b)(5)[20] requirement that the rules of an exchange not be designed to permit unfair discrimination between customers, issuers, brokers, or dealers.

The Exchange believes that clarifying that a registered clearing agency is a Qualified Clearing Agency and that a non-Member may act as a Clearing Firm is consistent with Section 6(b)(5) of the Act because it promotes just and equitable principles of trade and removes impediments to and perfects the mechanism of a free and open market by providing transparency to market participants regarding the scope of firms that may provide clearing services to Members, which supports the efficient functioning of the clearance and settlement process and protects investors and the public interest. This proposed change is also not unfairly discriminatory because it applies equally to all market participants.

Additionally, the Exchange notes that the proposed clarification related to Qualified Clearing Agencies and non-Member clearing firms specifically fosters cooperation and coordination with persons engaged in clearing and settling transactions in securities by removing potential ambiguity regarding which entities may provide clearing services to Members. Enhanced clarity in this area facilities the establishment of clearing relationships and supports the prompt and accurate settlement of transactions, which directly protects investors and the public interest. The proposed change also removes impediments to and perfects the mechanism of a free and open market by ensuring that Members have access to a broader range of clearing arrangements without regulatory uncertainty.

The Exchange further believes the proposed rule change is compliant with the Act because it would ensure that Members participating in the Overnight Trading Session have appropriate clearing and settlement arrangements in place that are specifically authorized for operations during the Overnight Trading Session. By requiring a separate letter of guarantee or authorization from a Clearing Firm that is properly authorized by the relevant Qualified Clearing Agency to clear and settle transactions during the Overnight Trading Session, the proposal supports the integrity of the clearance and settlement process, reduces the risk of failed settlements, and ensures that adequate financial responsibility exists for all trades executed during the Overnight Trading Session. Similarly, the proposed rule change is designed to prevent fraudulent and manipulative acts and practices because the proposal to require an additional letter of guarantee to participate in the Overnight Trading Session ensures that only those Members with proper clearing and settlement arrangements may trade during the Overnight Trading Session. This requirement protects against the risk that trades executed during the Overnight Trading Session may be effected without adequate financial backing for their clearance and settlement, thereby reducing systemic risk and protecting the integrity of the market.

Additionally, the Exchange believes the proposed rule change is designed to promote just and equitable principles of trade and to remove impediments to and perfect the mechanism of a free and open market and a national market system. The Exchange's proposed requirement for a separate Overnight Trading Session guarantee is substantially similar to the existing requirement on its affiliate options exchange, C1, which requires a separate letter of guarantee in order to participate in GTH. The proposal establishes a clear, uniform framework for Members seeking to participate in the Overnight Trading Session and provides clarity and certainty to Members regarding the requirements for Overnight Trading Session participation, which the Exchange believes will facilitate orderly trading during that session.

The Exchange further believes that the proposed rule change is designed to foster cooperation and coordination with persons engaged in clearing, settling, and facilitating transactions in securities, consistent with Section 6(b)(5) of the Act. By requiring that the Clearing Firm issuing the letter of guarantee or authorization be properly authorized by the relevant Qualified Clearing Agency to clear and settle transactions during the Overnight Trading Session, the proposal ensures coordination between the Exchange, its Members, Clearing Firms, and the Qualified Clearing Agency with respect to overnight clearing and settlement operations.

In addition, the Exchange believes that the proposed rule change is not designed to permit unfair discrimination because the requirement to maintain a separate letter of guarantee or authorization for Overnight Trading Session participation will apply equally to all Members seeking to participate in the Overnight Trading Session. The proposal does not create any preferential treatment among Members; rather, it establishes a uniform standard that all Members must satisfy to engage in Overnight Trading Session activity. Should a Member not wish to participate in the Overnight Trading Session, it would not be required to obtain any additional authorization to continue trading during other trading sessions offered by the Exchange.

*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. Specifically, the Exchange does not believe the proposed rule change will impose any burden on intramarket competition that is not necessary or appropriate in furtherance of the purposes of the Act. The proposed clarifying change to utilize the term Qualified Clearing Agency and to state that a non-Member may serve as a Clearing Firm will apply to all Members (and non-Members) equally. Further, the proposed requirement to maintain a separate letter of guarantee or authorization for Overnight Trading Session participation applies equally to all Members seeking to participate in the Overnight Trading Session on an equal and non-discriminatory basis. The requirement is intended to support clearing and settlement readiness during the Overnight Trading Session, rather than to restrict competition. Any Member that obtains the requisite letter of guarantee or authorization from a properly authorized Clearing Firm may participate in the Overnight Trading

[18] 15 U.S.C. 78f(b).

[19] 15 U.S.C. 78f(b)(5).

[20] *Id.*

Session on the same terms as any other Member.

Further, the Exchange does not believe the proposed rule change will impose any burden on intermarket competition that is not necessary or appropriate in furtherance of the purposes of the Act. The proposed rule change is not being made for competitive reasons, but rather to provide clarity and certainty to Members regarding the requirements for serving as a Clearing Firm and for Overnight Trading Session participation. The Exchange also anticipates that competitor exchanges will introduce similar requirements for participation in the Overnight Trading Session. As such, the Exchange does not believe the proposed rule change raises any competitive concerns.

*C. Self-Regulatory Organization's Statement on Comments on the Proposed Rule Change Received From Members, Participants, or Others*

The Exchange neither solicited nor received comments on the proposed rule change.

**III. Date of Effectiveness of the Proposed Rule Change and Timing for Commission Action**

Because the foregoing 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 after 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)(iii) of the Act [21] and subparagraph (f)(6) of Rule 19b–4 thereunder.[22]

A proposed rule change filed under Rule 19b–4(f)(6) [23] normally does not become operative prior to 30 days after the date of the filing. However, pursuant to Rule 19b–4(f)(6)(iii),[24] the Commission may 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 the proposed rule change may become operative immediately upon filing. The Exchange states that its proposal to clarify that a non-Member may act as a Clearing Firm does not introduce any new or novel functionality and is a clarifying change. The Exchange further states that waiver of the operative delay would allow the Exchange to update its rulebook immediately upon effectiveness of the proposal. The Exchange also states that the introduction of a separate letter of guarantee or authorization to participate in the Overnight Trading Session is substantially similar to the requirements of the Exchange's affiliated options exchange, C1. The Commission believes that waiving the 30-day operative delay is consistent with the protection of investors and the public interest as the proposal does not raise any new or novel issues. Therefore, the Commission hereby waives the 30-day operative delay and designates the proposed rule change to be operative upon filing.[25]

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) [26] 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–CboeEDGX–2026–061 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–CboeEDGX–2026–061. 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–CboeEDGX–2026–061 and should be submitted on or before October 14, 2026.

For the Commission, by the Division of Trading and Markets, pursuant to delegated authority.[27]

**Sherry R. Haywood,**

*Assistant Secretary.*

[FR Doc. 2026–19395 Filed 9–22–26; 8:45 am]

BILLING CODE 8011–01–P

## SECURITIES AND EXCHANGE COMMISSION

**[Release No. 34–106411; File No. SR–CboeBYX–2026–033]**

### Self-Regulatory Organizations; Cboe BYX Exchange, Inc.; Notice of Filing and Immediate Effectiveness of a Proposed Rule Change Relating To Amend Rule 11.15(a) To Clarify That a Non-Member May Act as a Clearing Firm

September 18, 2026.

Pursuant to Section 19(b)(1) of the Securities Exchange Act of 1934 (the ''Act''),[1] and Rule 19b–4 thereunder,[2] notice is hereby given that on September 8, 2026, Cboe BYX Exchange, Inc. (the ''Exchange'' or ''BYX'') 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 Exchange. The Commission is publishing this notice to solicit comments on the proposed rule change from interested persons.

[21] 15 U.S.C. 78s(b)(3)(A)(iii).

[22] 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.

[23] 17 CFR 240.19b–4(f)(6).

[24] 17 CFR 240.19b–4(f)(6)(iii).

[25] For purposes only of waiving the 30-day operative delay, the Commission has also considered the proposed rule's impact on efficiency, competition, and capital formation. *See* 15 U.S.C. 78c(f).

[26] 15 U.S.C. 78s(b)(2)(B).

[27] 17 CFR 200.30–3(a)(12), (59).

[1] 15 U.S.C. 78s(b)(1).

[2] 17 CFR 240.19b–4.

**I. Self-Regulatory Organization's Statement of the Terms of Substance of the Proposed Rule Change**

The Exchange proposes to amend Rule 11.15(a) (Clearance and Settlement; Anonymity) to clarify that a non-Member may act as a Clearing Firm.

The text of the proposed rule change is also available on the Exchange's website (*http://markets.cboe.com/us/equities/regulation/rule_filings/byx/*), at the Exchange's Office of the Secretary, and at the Commission's Public Reference Room.

**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

The Exchange proposes to amend Rule 11.15 (Clearance and Settlement; Anonymity) to clarify that a non-Member [3] may act as a Clearing Firm.[4]

Background and Proposed Rule Change

Rule 11.15(a) currently provides that all transactions through the facilities of the Exchange shall be cleared and settled through a Qualified Clearing Agency [5] using a continuous net settlement system. The rule further provides that this requirement may be satisfied by direct participation, use of direct clearing services, or by entry into a correspondent clearing arrangement with another Member that clears trades through a Qualified Clearing Agency. If a Member clears transactions through another Member that is a member of a Qualified Clearing Agency (''Clearing Member''), such Clearing Member shall affirm to the Exchange in writing, through a letter of authorization, letter of guarantee, or other agreement acceptable to the Exchange, its agreement to assume responsibility for clearing and settling any and all trades executed by the Member designating it as its clearing firm. The rules of any such clearing agency shall govern with respect to the clearance and settlement of any transactions executed by the Member on the Exchange.

The Exchange proposes to amend the following sentences in Rule 11.15(a):

''*This requirement may be satisfied by direct participation, use of direct clearing services, or by entry into a correspondent clearing arrangement with another Member that clears trades through a Qualified Clearing Agency. If a Member clears transactions through another Member that is a member of a Qualified Clearing Agency (''Clearing Member''), such Clearing Member shall affirm to the Exchange in writing, through letter of authorization, letter of guarantee, or other agreement acceptable to the Exchange, its agreement to assume responsibility for clearing and settling any and all trades executed by the Member designating it as its clearing firm.*''

The proposed rule text would state:

''*This requirement may be satisfied by direct participation, use of direct clearing services, or by entry into a correspondent clearing arrangement with another member that clears trades through a Qualified Clearing Agency. If a Member clears transactions through another firm that is a member of a Qualified Clearing Agency (''Clearing Firm''), such Clearing Firm shall affirm to the Exchange in writing, through letter of authorization, letter of guarantee, or other agreement acceptable to the Exchange, its agreement to assume responsibility for clearing and settling any and all trades executed by the Member designating it as its Clearing Firm.*''

The Exchange proposes the above changes to its existing rule text to clarify to market participants that a non-Member firm may clear transactions for a Member. The Exchange notes that Rule 11.15(a) was previously amended in 2015 to align with the rules of the Exchange's affiliate exchanges, Cboe EDGA Exchange, Inc. (''EDGA''), and Cboe EDGX Exchange, Inc. (''EDGX'').[6] Specifically, the Rule 11.15(a) Amendment provided that ''. . . Exchange Rule 11.15(a) would no longer require a Qualified Clearing Agency be a Member in order to clear another Members' transactions executed on the Exchange.'' [7] While the intent of the Rule 11.15(a) Amendment was to provide that non-Members could clear other Members' transactions executed on the Exchange, the Exchange believes the proposed changes to replace the term ''Member'' with the term ''firm'' and refer to a ''Clearing Firm'' rather than ''Clearing Member'' as described above provides necessary additional clarity to market participants. The proposed rule change does not alter the fundamental requirement that all transactions be cleared through a registered clearing agency using a continuous net settlement system. Non-Member Clearing Firms, along with Member Clearing Firms, remain subject to the membership requirements of a Qualified Clearing Agency and must execute appropriate guarantee agreements with the Exchange.

The Exchange notes that its affiliate equities exchanges Cboe BZX Exchange, Inc. (''BZX''), Cboe EDGA Exchange, Inc. (''EDGA'') and Cboe EDGX Exchange, Inc. (''EDGX'') plan to submit similar proposals [8] to make clear that a non-Member firm may clear transactions for a Member.

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 the Section 6(b)(5) [10] requirements that the rules of an exchange be 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 mechanism of a free and open market and a national market system, and, in general, to protect

[3] *See* Rule 1.5(n). The term ''Member'' shall mean any registered broker or dealer that has been admitted to membership in the Exchange. A Member will have the status of a ''member'' of the Exchange as that term is defined in Section 3(a)(3) of the Act. Membership may be granted to a sole proprietor, partnership, corporation, limited liability company or other organization which is a registered broker or dealer pursuant to Section 15 of the Act, and which has been approved by the Exchange.

[4] *See* proposed Rule 11.15(a), discussed *infra.* A ''Clearing Firm'' is a firm that is a member of and clears transactions through a Qualified Clearing Agency.

[5] *See* Rule 1.5(u). The term ''Qualified Clearing Agency'' means a clearing agency registered with the Commission pursuant to Section 17A of the Act that is deemed qualified by the Exchange.

[6] *See* Securities Exchange Act Release No. 74151 (January 27, 2015), 80 FR 5598 (February 2, 2015), SR–BYX–2015–06 (''Rule 11.15(a) Amendment'').

[7] *Id.* at 5599.

[8] *See* SR–CboeBZX–2026–075; SR–CboeEDGA–2026–029; SR–CboeEDGX–2026–061.

[9] 15 U.S.C. 78f(b).

[10] 15 U.S.C. 78f(b)(5).

investors and the public interest. Additionally, the Exchange believes the proposed rule change is consistent with the Section 6(b)(5) requirement that the rules of an exchange not be designed to permit unfair discrimination between customers, issuers, brokers, or dealers.

The Exchange believes that clarifying that a non-Member may act as a Clearing Firm is consistent with Section 6(b)(5) of the Act because it promotes just and equitable principles of trade and removes impediments to and perfects the mechanism of a free and open market by providing transparency to market participants regarding the scope of firms that may provide clearing services to Members, which supports the efficient functioning of the clearance and settlement process and protects investors and the public interest. Further, the proposed change seeks to better align the Rule text with the intent of the Rule 11.15(a) Amendment, which explicitly provided that non-Member firms could clear other Members' transactions on the Exchange. This proposed change is not unfairly discriminatory because it applies equally to all market participants.

Additionally, the Exchange notes that the proposed change specifically fosters cooperation and coordination with persons engaged in clearing and settling transactions in securities by removing potential ambiguity regarding which entities may provide clearing services to Members. Enhanced clarity in this area facilities the establishment of clearing relationships and supports the prompt and accurate settlement of transactions, which directly protects investors and the public interest. The proposed change also removes impediments to and perfects the mechanism of a free and open market by ensuring that Members have access to a broader range of clearing arrangements without regulatory uncertainty.

*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. Specifically, the Exchange does not believe the proposed rule change will impose any burden on intramarket competition that is not necessary or appropriate in furtherance of the purposes of the Act. The proposed clarifying change to state that a non-Member may serve as a Clearing Firm will apply to all Members (and non-Members) equally.

Further, the Exchange does not believe the proposed rule change will impose any burden on intermarket competition that is not necessary or appropriate in furtherance of the purposes of the Act. The proposed rule change is not being made for competitive reasons, but rather to provide clarity and certainty to Members regarding the requirements for serving as a Clearing Firm. As such, the Exchange does not believe the proposed rule change raises any competitive concerns.

*C. Self-Regulatory Organization's Statement on Comments on the Proposed Rule Change Received From Members, Participants, or Others*

The Exchange neither solicited nor received comments on the proposed rule change.

**III. Date of Effectiveness of the Proposed Rule Change and Timing for Commission Action**

Because the foregoing 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 after 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)(iii) of the Act [11] and subparagraph (f)(6) of Rule 19b–4 thereunder.[12]

A proposed rule change filed under Rule 19b–4(f)(6) [13] normally does not become operative prior to 30 days after the date of the filing. However, pursuant to Rule 19b–4(f)(6)(iii),[14] the Commission may 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 the proposed rule change may become operative immediately upon filing. The Exchange states that it is proposing clarifying edits to its rule text and is not seeking to introduce any new or novel functionality that would require additional notice to Members. The Exchange further states that waiver of the operative delay would allow the Exchange to update its rulebook immediately upon effectiveness of the proposal. The Commission believes that waiving the 30-day operative delay is consistent with the protection of investors and the public interest as the proposal does not raise any new or novel issues. Therefore, the Commission hereby waives the 30-day operative delay and designates the proposed rule change to be operative upon filing.[15]

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) [16] 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–CboeBYX–2026–033 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–CboeBYX–2026–033. 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

[11] 15 U.S.C. 78s(b)(3)(A)(iii).

[12] 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.

[13] 17 CFR 240.19b–4(f)(6).

[14] 17 CFR 240.19b–4(f)(6)(iii).

[15] For purposes only of waiving the 30-day operative delay, the Commission has also considered the proposed rule's impact on efficiency, competition, and capital formation. *See* 15 U.S.C. 78c(f).

[16] 15 U.S.C. 78s(b)(2)(B).

publication submitted material that is obscene or subject to copyright protection. All submissions should refer to file number SR–CboeBYX–2026–033 and should be submitted on or before October 14, 2026.

For the Commission, by the Division of Trading and Markets, pursuant to delegated authority.[17]

**Sherry R. Haywood,**

*Assistant Secretary.*

[FR Doc. 2026–19394 Filed 9–22–26; 8:45 am]

**BILLING CODE 8011–01–P**

[17] 17 CFR 200.30–3(a)(12), (59).

## SECURITIES AND EXCHANGE COMMISSION

**[Release No. 34–106422; File No. SR–KALSHIEX–2026–02]**

## Self-Regulatory Organizations; KalshiEX LLC; Notice of Filing and Immediate Effectiveness of a Proposed Rule Change Relating to Listing Standards for Security Futures Products

September 18, 2026.

Pursuant to Section 19(b)(7) of the Securities Exchange Act of 1934 (''Act''),[1] and Rule 19b–7 under the Act,[2] notice is hereby given that on September 18, 2026, KalshiEX LLC (''Kalshi'' or ''Exchange'') filed with the Securities and Exchange Commission (''Commission'') the proposed rule change described in Items I, II and III 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. Kalshi has submitted the proposed rule change to the Commodity Futures Trading Commission (''CFTC'') for approval under Section 5c(c) of the Commodity Exchange Act (''CEA'') [3] on September 18, 2026. The CFTC has not yet approved the proposed rule change.

### I. Self-Regulatory Organization's Description and Text of the Proposed Rule Change

Kalshi proposes to adopt Chapter 14 of its Rulebook to enable the Exchange, pursuant to its designation by the CFTC as a contract market (a ''DCM'') and notice-registration with the SEC as a national securities exchange under the Act, to list contracts that convey exposure to the price of an underlying equity security, have no pre-specified expiration date and are designated as Perpetual SFPs in their respective contract specifications (such contracts, ''Perpetual SFPs'') as security futures.

Holders of long and short positions in Perpetual SFPs will exchange periodic payment obligations in the form of ''funding payments'' that vary based on the price of the equity security underlying a Perpetual SFP (the ''Underlying Security'') relative to the price of the Perpetual SFP. The method through which the Exchange will calculate Perpetual SFP funding payment obligations and associated settlement mechanics are set forth in Rule 14.10, discussed below.

When the price of a Perpetual SFP exceeds the price of its Underlying Security, payment will be due from long-side holders of the Perpetual SFP to short-side holders, and vice versa if the price of the Underlying Security exceeds the price of the Perpetual SFP. This funding mechanism is designed to cause the price of the Perpetual SFP to converge to the price of the Underlying Security at each daily settlement cycle by incentivizing market participants to take on positions in the Perpetual SFP (long or short) that align the price of the Perpetual SFP with the price of its Underlying Security. Holders of Perpetual SFPs will exit their positions by offset. All transactions involving Perpetual SFPs listed on the Exchange will be cleared by Kalshi Klear LLC, a CFTC-registered derivatives clearing organization (''Klear'').

*Categorization of Perpetual SFPs as Security Futures Products*

The CFTC has already approved Kalshi's listing of perpetual contracts referencing Bitcoin (the ''BTCPERP Contracts'') as commodity futures contracts.[4] Although Perpetual SFPs differ from the BTCPERP Contracts in that they overlie equity securities, rather than digital commodities, the defining characteristics of commodity futures and security futures products apart from their respective underliers are the same. This is clearly reflected in the statutory text and structure of the Act and the CEA.

The CEA classifies securities as a type of ''excluded commodity,'' [5] such that security futures are themselves a type of commodity future. Further, the phrase ''contract of sale for future delivery'' used in the ''security future'' definition [6] mirrors the language used consistently throughout the CEA to reference commodity futures contracts (''contracts of sale of a commodity for future delivery'').[7] There is no case law or regulatory guidance attributing a different meaning to the phrase ''contract of sale for future delivery'' as used in the security future definition relative to the same phrase as used to reference commodity futures contracts elsewhere in the CEA, and courts often interpret the meaning of words in a statute by looking to similar phrases used elsewhere in the same statute.[8]

Like the BTCPERP Contracts, Perpetual SFPs will exhibit the ''key characteristics of futures contracts'' identified in relevant judicial precedent and CFTC guidance: they will trade at a fixed, standardized unit quantity; each party's obligations will be guaranteed via novation to Klear, a central clearing house that sets margin requirements; holders will be able to exit their positions by offset, they will be available to the public (subject to eligibility requirements in Rule 14.37, discussed below); they will enable their holders to shift and assume risks associated with holding Underlying Securities without requiring actual possession or transfer of such Underlying Securities; and they will be traded on the centralized market of the Exchange.[9]

[1] 15 U.S.C. 78s(b)(7).

[2] 17 CFR 240.19b–7.

[3] 7 U.S.C. 7a–2(c).

[4] Order Approving KalshiEX LLC BTCPERP Futures Contract, *In re Request for Approval by KalshiEX LLC of the BTCPERP Futures Contract* (CFTC May 29, 2026).

[5] 7 U.S.C. 1a(19).

[6] 15 U.S.C. 78c(a)(55) (defining ''security future'' as ''a contract of sale for future delivery of a single security or of a narrow-based security index, including any interest therein or based on the value thereof,'' subject to exclusions not relevant here).

[7] *See, e.g.,* 7 U.S.C. 2(a)(1)(A).

[8] *See, e.g., Unicolors, Inc.* v. *H&M Hennes & Mauritz, L.P.,* 595 U.S. 178, 179 (2022) (''nearby statutory provisions help confirm that here ''knowledge'' refers to knowledge of the law as well as the facts.''); *United Sav. Ass'n of Texas* v. *Timbers of Inwood Forest Associates, Ltd.,* 484 U.S. 365, 371 (1988) (''A provision that may seem ambiguous in isolation is often clarified by the remainder of the statutory scheme—because the same terminology is used elsewhere in a context that makes its meaning clear [. . .]'').

[9] *See* note 4 *supra; CFTC* v. *Co Petro Marketing Group, Inc.,* 680 F.2d 573, 579–580 (9th Cir. 1982) (''Except for price, all the futures contracts for a specified commodity are identical in quantity and other terms. The fungible nature of these contracts facilitates offsetting transactions by which purchasers or sellers can liquidate their positions by forming opposite contracts.''); *In re Stovall, et al.,* [1977–1980 Transfer Binder] Comm. Fut. L. Rep. (CCH) 20,941, p. 6 (CFTC Dec. 6, 1979) (describing futures contracts as ''standardized contracts for the purchase or sale of commodities which provide for future, as opposed to immediate, delivery, and which are directly or indirectly offered to the general public and generally secured by earnest money, or 'margin' [and that] are entered into primarily for the purpose of assuming or shifting the risk of change in value of commodities, rather than for transferring ownership of the actual commodities.''); *Salomon Forex, Inc.* v. *Tauber,* 8 F.3d 966, 971 (4th Cir. 1993) (''To facilitate the development of a liquid market in these transactions, these contracts are standardized and transferrable. Trading in futures seldom results in physical delivery of the subject commodity, since the obligations are often extinguished by offsetting transactions that produce a net profit or loss'').

That Perpetual SFPs will lack a predetermined final settlement date does not disqualify them from categorization as security futures products. Although security futures contracts have traditionally involved ''future delivery'' in the form of final settlement (in cash or by physical delivery) of the contract on a pre-specified expiry date, the text of the ''security future'' definition does not require future delivery on a single, specified future date.[10] Every court that has specifically addressed the regulatory treatment of contracts of indefinite duration has found them to be futures contracts where the defining characteristics of a futures contract exist.[11] In one such case, the Seventh Circuit specifically addressed the treatment of listed security derivatives of indefinite duration, holding that contracts of ''indefinite duration'' can possess the attribute of ''futurity''—generally associated with futures contracts—because futurity means any ''value that is set in the future.'' [12] As future executory payment obligations of contract holders, the periodic funding payments associated with Perpetual SFPs constitute ''value that is set in the future'' as much as the final settlement date of a traditional futures contract.[13]

Although certain regulations adopted by the Commission and the CFTC applicable to security futures (the ''Final Settlement Rules'') contemplate cash-settled security futures having a final settlement price,[14] the Final Settlement Rules do not affirmatively create a standalone regulatory requirement that security futures, whether cash-settled or otherwise, must have a predefined final settlement date. Rather, the joint adopting release of the Commission and the CFTC for the Final Settlement Rules is not only silent on the possibility that a security future may lack a final settlement date, but the core problem the agencies sought to address by adopting the Final Settlement Rules—namely, liquidity constraints resulting from closing-price settlement—does not exist for contracts that, like the Perpetual SFPs, generally do not expire.[15] Further, the perpetual nature of the Perpetual SFPs is not inconsistent with the Final Settlement Rules, which generally require that the final settlement price of a cash-settled security futures contract must fairly reflect the opening price of the underlying security or securities.[16] Rather, the Perpetual SFPs will still be subject to and the Exchange will comply with the Final Settlement Rules to the extent Kalshi initiates delisting or accelerated final settlement procedures pursuant to Rule 14.7 or Rule 14.30 (each as discussed below).

*Chapter 14 of the Exchange's Rulebook*

Proposed Chapter 14 specifies rules regarding listing standards, margin requirements, eligibility criteria, contract specifications, membership standards and other provisions relating to Perpetual SFPs listed on the Exchange. The full text of Proposed Chapter 14 is included in Exhibit 4 hereto and provided in blackline format—proposed new language is italicized; and proposed deletions are in [brackets]. The Exchange developed Chapter 14 to comply with Section 6(h) of the Exchange Act [17] and the criteria under Section 2(a)(1)(D)(i) of the CEA.[18]

## 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 self-regulatory organization 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

The Exchange proposes to adopt Kalshi Rulebook Chapter 14 (''Perpetual Security Futures Products'') to allow the listing of Perpetual SFPs as security futures products.

Listing Standards for Perpetual SFPs

Kalshi proposes adopting Rulebook Chapter 14, Part II and related new definitions in Rule 14.2 to set out listing standards pursuant to which it will list Perpetual SFPs for trading and procedures for delisting. The proposed initial and maintenance listing standards are equally or more stringent than the sample listing standards published in Staff Legal Bulletin No. 15 (''SLB 15'').[19] Commission staff published SLB 15 to provide guidance

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[10] *See* note 6, *supra.* Unlike elsewhere in the CEA, Congress did not define ''security future'' to capture a contract *only* if it had a single future delivery date. *Contrast with* 7 U.S.C. 1a(24) (defining a foreign exchange forward as a ''transaction that solely involves the exchange of 2 different currencies on a *specific future date* at a fixed rate agreed upon on the inception of the contract covering the exchange.'') (emphasis added).

[11] *See Standard Forex II,* 1996 WL 435440, at *10, 1996 U.S. Dist. LEXIS 14778, at *29 (E.D.N.Y. 1996). *See also CFTC* v. *Intern. Fin. Servs.,* 323 F. Supp. 2d 482, 498 (S.D.N.Y. 2004) (''As a matter of law, defendants wrongly characterize certain indicia of futures contract [*sic*] as essential features of such contracts. Principally, they argue at length that without a fixed date for future delivery, a transaction cannot be a futures contract within the [CFTC]'s jurisdiction. They cite no authority for this proposition, however [. . .]'') and *CFTC* v. *International Foreign Curren.,* 334 F. Supp. 2d 305, 312 (E.D.N.Y. 2004) (''[T]he fact that Defendants' contracts failed to have a specified future delivery date is not determinative'').

[12] *Chicago Mercantile Exchange* v. *SEC,* 883 F.2d 537, 541 (7th Cir. 1989). Security futures were categorically prohibited at the time *CME* v. *SEC* was decided. However, the opinion makes clear that ''any index''—including, in principle, a narrow-based security index—could be used as the underlying interest for index participations, which the *CME* v. *SEC* court held would be treated as futures. *Id.* at 539. Under *CME* v. *SEC,* as applied under current law, those contracts would constitute security futures. *See also CFTC* v. *First Lexington Group, LLC et al.,* 03 CV 9124 (GBD) (S.D.N.Y. Mar. 24, 2008).

[13] The Chicago Mercantile Exchange (''CME''), beneficiary of the *CME* v. *SEC* holding, recently initiated litigation against the CFTC in response to the CFTC's approval of Kalshi's BTCPERP Contract, arguing that the BTCPERP Contracts should not have been approved for listing as futures contracts. *Chicago Mercantile Exchange Inc.* v. *Selig, and Commodity Futures Trading Commission,* Case No. 26–cv–02157 (D.D.C. June 18, 2026). The existence of this litigation should not affect the Commission's regulatory treatment of Perpetual SFPs. Not only have no merit rulings yet been delivered in connection with CME's lawsuit, but CME's arguments are misguided as to the text and judicial interpretation of the CEA. For example, CME argues that perpetual contracts such as the BTCPERPs are swaps under the CEA, but ignores the rest of the CEA's ''swap'' definition, which *per se* excludes futures from its scope; CME argues that perpetual contracts are not futures contracts because they lack a final settlement date, failing to grapple with the lack of any binding judicial precedent supporting this conclusion and affirmative case law contradicting it. *Id.* at 35. CME's arguments also contradict positions CME itself has taken in the past. *See, e.g.,* Letter from Jonathan Marcus, Senior Managing Dir. & Gen. Couns., CME Grp. Inc., to Christopher J. Kirkpatrick, Sec'y of the Comm'n, 2 (May 21, 2025) (''certain perpetual-style derivative contracts may accurately be classified as futures''); Letter from Craig S. Donohue, Chief Exec. Officer, CME Grp. Inc., to David A. Stawick, Sec'y of the Comm'n, 4 (July 22, 2011) (''under [the Dodd-Frank Act] market participants retain the option to trade products as either 'futures' or 'swaps' [. . .]'').

[14] 17 CFR 41.25(c); 240.6h–1(b) (the ''Final Settlement Rules'').

[15] SEC and CFTC Joint Final Rule, *Cash Settlement and Regulatory Halt Requirements for Security Futures Products,* 67 FR 36740, 36755 (May 24, 2002) (''The SEC believes that SEC Rule 6h– 1(b)(1) should facilitate the ability of the securities markets to handle expiration-related unwinding programs and mitigate the liquidity strains that had previously been experienced in the securities markets on expirations for stock index futures and options'').

[16] 17 CFR 41.25(c); 240.6h–1(b).

[17] 15 U.S.C. 78f(h).

[18] 7 U.S.C. 2(a)(1)(D)(i).

[19] SEC Division of Market Regulation, Staff Legal Bulletin No. 15: Listing Standards for Trading Security Futures Products (Sept. 5, 2001), *available at https://www.sec.gov/interps/legal/mrslb15.htm.*

as to how an exchange can comply with the requirements of Section 6(h)(3) of the Act and Section 2(a)(1)(D) of the CEA, which set forth minimum criteria for security futures products traded on national securities exchanges. SLB 15 makes clear that, in addition to the listing standards it sets forth, ''there may be other listing standards that would also be consistent with the [Act].'' [20]

The proposed Perpetual SFP listing standards are identical to the sample listing standards in SLB 15, except that they:

- Reflect the modifications to the statutory listing standards requirements jointly adopted by the Commission and the CFTC with respect to shares of exchange-traded funds (''ETFs'') and trust-issued receipts (''TIRs''); [21]
- Include more stringent listing standard requirements, consistent with rule changes recently filed by another security futures exchange,[22] including that (i) the Underlying Security must have an estimated deliverable supply in excess of 20 million shares, (ii) the Underlying Security must have a minimum market capitalization of at least $100 billion, and (iii) the Underlying Security must have had a minimum average daily value of transactions (''ADTV'') of at least $450 million over the prior six months, except where the Underlying Security has been listed for trading for less than six months, in which case the requirement would be a minimum ADTV of at least $1 billion over the prior month;
- Include more stringent maintenance listing standard requirements, consistent with rule changes recently filed by another security futures exchange,[23] including that (i) the Underlying Security must have an estimated deliverable supply in excess of 20 million shares, (ii) the Underlying Security must have a minimum market capitalization of at least $50 billion and (iii) the Underlying Security must have had a minimum ADTV of at least $200 million for the prior calendar quarter, except where the Underlying Security has been listed for trading for less than a quarter, in which case the requirement would be a minimum ADTV of at least $1 billion over the trading period during the calendar quarter;
- Categorically exclude several categories of securities from serving as underlying securities of Perpetual SFPs, as described below;
- Require the issuers of securities underlying Perpetual SFPs to be current in all periodic reporting obligations under Sections 13 and 15(d) of the Act (or, if the security is an ETF share, under the Investment Company Act of 1940 (the ''1940 Act'') and the Securities Act of 1933) and provide that the Exchange shall verify reporting status through review of the issuer's EDGAR filings prior to listing and on an ongoing basis thereafter;
- Because Perpetual SFPs have no expiration date such that the Exchange will not continually open for trading contracts for subsequent delivery months, provide that failure of a security to satisfy maintenance standards and failure to remedy such failure within a 90 day cure period result in delisting of the Perpetual SFP overlying that security;
- Provide that the Exchange shall immediately halt trading (including the execution and reporting of block trades) in and initiate delisting of a Perpetual SFP upon the occurrence of any of the Immediate Delisting Events described below; and
- Contain certain provisions that reflect rule changes that have been filed by other security futures exchanges since the adoption of SLB 15, which vary from the sample listing standards set forth in SLB 15.

This section describes the generalized Rule framework for Part II of Rulebook Chapter 14 (Rules 14.3 through Rule 14.8).

*Initial Listing Standards for Perpetual SFP.* Rule 14.3 provides that an equity security is eligible to serve as the Underlying Security for a Perpetual SFP listed on the Exchange only if it satisfies the following requirements at the time of initial listing:

Rule 14.3(h), or ''Requirement 1,'' requires that the Underlying Security must be common stock, an American Depositary Receipt (''ADR''), TIR or an ETF share that satisfies the requirements of Rule 14.4(e). Rule 14.4(e) categorically excludes exchange-traded notes, closed-end fund shares, shares of other pooled investment vehicles registered under the 1940 Act and shares of leveraged, inverse or synthetic exchange-traded products from eligibility to serve as Underlying Securities for Perpetual SFPs, provided that Rule 14.4(e) does not exclude from eligibility shares of an ETF that ''(i) is registered with the [Commission] as an open-end management investment company or unit investment trust under the [1940 Act], (ii) issues and redeems shares at net asset value in creation-unit aggregations, (iii) holds or seeks to track a diversified portfolio or index of equity securities, and (iv) is not leveraged, inverse or synthetic.''

Rule 14.3(a) requires that the Underlying Security ''must be registered pursuant to Section 12'' of the Act (''Requirement 2'') and ''a 'NMS security' as defined in Section 11A of the Exchange Act and Rule 600(b) of SEC Regulation NMS'' and its issuer ''must be in compliance with any applicable requirements of the'' Act (''Requirement 3''). In addition, Rule 14.3(a) provides that securities traded exclusively on over-the-counter (''OTC'') markets, foreign exchanges without a U.S. listing or any non-registered trading venue are not eligible to serve as Underlying Securities for Perpetual SFPs and that, in all cases, an Underlying Security must satisfy the requirements applicable to securities underlying SFPs under CFTC Regulation 41.21(a).

Rule 14.3(e), or ''Requirement 4,'' requires that ''[t]he Underlying Security must have a Public Float of not less than 7,000,000 shares.'' Rule 14.2 defines ''Public Float'' as ''the number of outstanding shares of the Underlying Security that are not held by officers, directors, or beneficial owners of more than 10% of the class of securities, calculated based on the most recent publicly available filings with the SEC.'' The corresponding requirement in the SLB 15 listing standards requires any security underlying a security futures product based on a single security to have at least seven million shares outstanding that are owned by persons other than those required to report their stock holdings pursuant to Section 16(a) of the Act, which requires reporting by ''[e]very person who is directly or indirectly the beneficial owner of more than 10 percent of any class of any equity security (other than an exempted security) which is registered pursuant to

[20] *Id.*

[21] *See* Joint Order Modifying the Listing Standards Requirements under Section 6(h) of the Securities Exchange Act of 1934 and the Criteria under Section 2(a)(1) of the Commodity Exchange Act, Securities Exchange Act Release No. 34–61027 (November 19, 2009), 74 FR 61380 (November 24, 2009) (superseding Joint Order Granting the Modification of Listing Standards Requirements, Securities Exchange Act Release No. 46090 (June 19, 2002), 67 FR 42760 (June 25, 2002)).

[22] *See* Self-Regulatory Organizations; Chicago Mercantile Exchange Inc.; Notice of Filing and Immediate Effectiveness of a Proposed Rule Change Relating to Adoption of Chicago Mercantile Exchange's Rules Governing Security Futures Product Listing Standards, Adoption of Chicago Mercantile Exchange Inc.'s Rules Governing Security Futures Adjustments, and Adoption of Chicago Mercantile Exchange Inc.'s Rules Governing Cash Settled Single Stock Security Futures, Exchange Act Release No. 34–105844 (July 2, 2026), 91 FR 41676 (July 7, 2026) (''CME SFP Rule Filing'').

[23] *Id.*

[Section 12], or who is a director or an officer of the issuer of such security.''[24]

Rule 14.3(j), or ''Requirement 5,'' requires an Underlying Security, other than an ETF share or a TIR, to have at least 2,000 security holders, whether of record or beneficial.

Rule 14.3(c), or ''Requirement 6,'' requires that any Underlying Security ''have an ADTV of not less than $450,000,000 over the six months immediately preceding the New Product Committee (''NPC'')'s review, except where the Underlying Security has been listed for trading for less than six months, in which case the Underlying Security must have an ADTV of not less than $1,000,000,000 over the prior month.'' In computing ADTV, the Exchange will use consolidated price data from the relevant securities information processor (''SIP''). The Exchange proposes adding this requirement, which is substantially more stringent than the corresponding requirement in the SLB 15 listing standards which require any security underlying a security futures product based on a single security to have an ADTV of at least 109,000 shares in each of the preceding 12 months, in order to more effectively protect against manipulative practices.

Rule 14.3(d), or ''Requirement 7,'' requires that ''[i]f the Underlying Security is a 'covered security' as defined under Section 18(b)(1)(A) of the Securities Act of 1933, the closing price of the Underlying Security has been at least $3.00 for the previous five consecutive business days preceding the date on which the Exchange commences to list and trade the Perpetual SFP contract on such Underlying Security.'' And, ''[i]f the Underlying Security is not a 'covered security' as defined under Section 18(b)(1)(A) of the Securities Act of 1933, the closing price of the Underlying Security has been at least $7.50 for the previous five consecutive business days preceding the date on which the Exchange commences to list and trade the Perpetual SFP contract on such Underlying Security.'' The $3.00 minimum share price requirement for Underlying Securities that are ''covered securities'' has been implemented by several other security futures exchanges.[25]

In the case of an Underlying Security that is an ADR, Rule 14.3(l), or ''Requirement 8,'' requires that one of the four conditions set forth in requirement VIII of the SLB 15 initial listing standards for security futures products based on a single security must be satisfied.[26]

Rule 14.3(m) includes interpretations of Requirements 4 (Public Float), 5 (Number of Shareholders), 6 (Trading Volume) and 7 (Share Price) as applied to ''Restructure Securities,'' defined in Rule 14.2 as an ''equity security that a company issues or anticipates issuing as the result of a spin-off, reorganization, recapitalization, restructuring or similar corporate transaction'' consistent with the term's definition in SLB 15. 14.3(m) interprets Requirements 4, 5, 6 and 7 as applied to Restructure Securities in a manner substantially identical to the interpretations of the corresponding requirements in SLB 15 to Restructure Securities, except that the relevant market price of the Restructure Security—for purposes of determining whether a Restructure Security that is distributed pursuant to a public offering or a rights distribution satisfies Requirement 7—refers to the market price of the Restructure Security being at least the minimum share price applicable to it under Rule 14.3(d) (which may be $3.00 for Restructure Securities that are ''covered securities'' or $7.50 for Restructure Securities that are not ''covered securities''). Rule 14.4 categorically excludes Restructure Securities that are not yet issued and outstanding, regardless of whether the Restructure Security is traded on a ''when issued'' basis or on another basis that is contingent upon the issuance or distribution of securities (''Requirement 9'').

Rule 14.3(b), or ''Requirement 10,'' requires that any Underlying Security must have a market capitalization of at least 100 billion U.S. dollars, calculated as of the product of (i) the closing price on the principal listing exchange of the security and (ii) total shares outstanding, measured as of the most recent trading day prior to the NPC's review of the security. The Exchange proposes adding this requirement, which is substantially more stringent than the corresponding requirement in the SLB 15 listing standards which do not impose any minimum market capitalization requirement for the underlying securities of initial listing of security futures products based on a single security, in order to more effectively protect against manipulative practices.

Rule 14.3(f), or ''Requirement 11,'' requires that ''[t]he Underlying Security must have an Estimated Deliverable Supply in excess of 20 million shares.'' Rule 14.2 defines ''Estimated Deliverable Supply'' as the ''free float of the Underlying Security, calculated as issued and outstanding shares less restricted shares (*e.g.,* restricted and control securities not registered with the SEC for public sale).'' This definition is intended to reflect the definition of ''estimated deliverable supply'' in CFTC Regulation 41.25 and the CFTC's guidance in Appendix A to Subpart C of Part 41 of CFTC Regulations.[27] The Exchange proposes adding this requirement in order to more effectively protect against manipulative practices.

Rule 14.3(g), or ''Requirement 12,'' requires that the issuer of an Underlying Security ''must be current in all periodic reporting obligations under Sections 13 or 15(d) of the [Act] (including, in the case of a foreign private issuer whose equity securities are represented by an ADR, the reports required on Form 20–F and Form 6–K).'' Rule 14.3(g) further provides that the Exchange shall verify reporting status through the Commission's EDGAR reporting system prior to listing. With respect to Underlying Securities that are ETF

[24] 15 U.S.C. 78p(a)(1).

[25] *See, e.g.,* CME SFP Rule Filing at 41678; *Self-Regulatory Organizations; Notice of Filing and Immediate Effectiveness of Proposed Rule Change by CBOE Futures Exchange, LLC Relating to Its Listing Standards for Security Futures Products,* Exchange Act Release No. 34–52295 (August 18, 2005), 70 FR 49691, 49692 (Aug. 24, 2005).

[26] *See* SLB 15 (''If the underlying security is an ADR: (a) The Exchange or Association must have an effective surveillance sharing agreement with the primary exchange in the home country where the stock underlying the ADR is traded; (b) The combined trading volume of the ADR and other related ADRs and securities occurring in the U.S. ADR market, or in markets with which the Exchange or Association has in place an effective surveillance sharing agreement, represents (on a share equivalent basis) at least 50% of the combined worldwide trading volume in the ADR, the security underlying the ADR, other classes of common stock related to the underlying security, and ADRs overlying such other stock over the three-month period preceding the dates of selection of the ADR for futures trading ('Selection Date'); (c)(1) The combined trading volume of the ADR and other related ADRs and securities occurring in the U.S. ADR market, and in markets where the Exchange or Association has in place an effective surveillance sharing agreement, represents (on a share equivalent basis) at least 20% of the combined worldwide trading volume in the ADR and in other related ADRs and securities over the three-month period preceding the Selection Date; (2) The average daily trading volume for the security in the U.S. markets over the three-month period preceding the Selection Date is at least 100,000 shares; and (3) The trading volume is at least 60,000 shares per day in the U.S. markets on a majority of the trading days for the three-month period preceding the Selection Date; or (d) The Securities and Exchange Commission and Commodity Futures Trading Commission have otherwise authorized the listing'').

[27] *See* 17 CFR 41.25(a) (defining ''Estimated deliverable supply'' as ''the quantity of the security underlying a security futures product that reasonably can be expected to be readily available to short traders and salable by long traders at its market value in normal cash marketing channels during the specified delivery period.''); 17 CFR Appendix A to Subpart C of Part 41 (Guidance and Acceptable Practices for Position Limits and Position Accountability for Security Futures Products) (a)(1).

shares, Rule 14.3(g) provides that the ''issuer must instead be a registered investment company that is current in the periodic reports, financial statements, and registration-statement or prospectus updates required of it under the [1940 Act] and the Securities Act of 1933, as verified through the [Commission's] EDGAR system.''

In the case of an Underlying Security that is an ETF or a TIR, Rule 14.3(k), or ''Requirement 13,'' requires such an Underlying Security to ''have had a total trading volume (in all markets in which it has traded) of at least 2,400,000 shares or receipts evidencing the Underlying Security in the twelve (12) months preceding the NPC's review.''

*Categorical Exclusions from Eligibility.* In addition to these requirements, Rule 14.4 categorically excludes from eligibility as an Underlying Security for a Perpetual SFP listed on the Exchange: (i) any security whose issuer has filed a bankruptcy petition or has been the subject of an involuntary petition (or is subject to analogous foreign insolvency proceedings, (ii) any security that is subject (or, in the prior 10 trading days has been subject) to a trading halt, suspension or revocation of listing by its principal listing exchange or by the Commission pursuant to Section 12(k) of the Act,[28] or that is subject to a suspension of the effectiveness of, or revocation of, its registration by the Commission pursuant to Section 12(j) of the Act,[29] (iii) any security issued by a blank check company or special purpose acquisition company that has not completed a qualifying de-SPAC business combination or that remains in the pre-combination trust period, (iv) any security whose issuer is or is controlled by entities in a sanctioned jurisdiction or is subject to sanctions, (v) other than qualifying ETF shares, exchange-traded notes, closed-end fund shares, pooled investment vehicles registered under the 1940 Act and leveraged, inverse or synthetic exchange-traded products, (vi) rights, warrants, subscription receipts, units consisting of multiple component securities or similar derivative or hybrid equity instruments and (vii) subject to exemptions which may be granted by the NPC, any security for which a material corporate action has been publicly announced and is pending completion, where such action, if completed with respect to the underlying security of a Perpetual SFP, could result in accelerated final settlement of the Perpetual SFP.

The Exchange proposes adding these categorical exclusions in order to more effectively protect against manipulative practices.

*New Product Approvals.* Rule 14.8 sets forth the Exchange's new product approval process for Perpetual SFPs. Prior approval of the NPC is required for any new Perpetual SFP to be listed on the Exchange. The NPC shall consist of at least three members, including the Exchange's Head of Markets (or his or her designee) and requires the NPC to maintain written records of all product determinations. For each proposed Perpetual SFP listing, the NPC shall verify that the Underlying Security satisfies all initial listing criteria under Rule 14.3, confirm that no categorical exclusion under Rule 14.4 applies, evaluate the susceptibility of the Underlying Security to manipulation, assess the adequacy of the proposed contract specifications, review the availability and reliability of data sources necessary for settlement and margining and document the basis for its determination in a written approval memorandum. The NPC shall specifically factor anti-manipulation considerations into their determination of whether to approve a new Perpetual SFP for listing on the Exchange and may deny or condition approval on enhanced position limits, margin requirements or other risk controls upon identification of elevated manipulation risk. The NPC retains discretion to decline to list a Perpetual SFP on any Underlying Security notwithstanding such security's satisfaction of any criteria set forth in Chapter 14. Additionally, Rule 14.3(i) states that, for an issuer with multiple classes of common stock, each class shall be assessed independently against the criteria in Rule 14.3. The NPC may elect to list Perpetual SFPs on more than one class of an issuer's stock.

Following NPC approval, the Exchange shall certify or submit for voluntary approval the new Perpetual SFP with or to the CFTC pursuant to either (i) CFTC Regulations 40.2 and 41.23(a)[30] or (ii) CFTC Regulations 40.3 and 41.23(b),[31] and, where applicable, certify or submit corresponding rule changes with or to the CFTC pursuant to CFTC Regulation 40.5 or CFTC Regulation 40.6,[32] in each case as applicable. The Exchange shall ensure that the listing process for and trading of Perpetual SFPs comply with all Commission and CFTC requirements applicable to security futures products. The Exchange shall publish and maintain current on its website a table (the ''Approved Securities Table'') setting forth the Underlying Securities that have been approved to underlie Perpetual SFPs listed on the Exchange.

*Maintenance Listing Standards for Perpetual SFPs.* Rule 14.6(a) provides that the Exchange shall, on the last business day of each calendar quarter (each such date, a ''Review Date''), ''evaluate each listed Perpetual SFP against'' each of six maintenance requirements and Rules 14.6(d) and 14.6(f) each set forth additional maintenance requirements. These eight maintenance requirements are as follows, as of each Review date: (i) the Underlying Security maintains a Public Float of not less than 6.3 million shares (''Requirement 1.a''), (ii) other than for ETF Shares and TIRs, there are at least 1,600 holders of the Underlying Security, whether of record or beneficial (''Requirement 2.a''), (iii) the ADTV of the Underlying Security is not less than $200 million for the prior calendar quarter, except where the Underlying Security has been listed for less than a quarter, in which case the Underlying Security must have an ADTV of not less than $1 billion over the period traded during the calendar quarter (''Requirement 3.a''); (iv) the Underlying Security must have a closing price of not less than $3.00 per share on each of the ten (10) consecutive trading days immediately preceding the Review Date (''Requirement 4.a.''), (v) if the Underlying Security is an ADR, meet one of the four criteria set forth in Maintenance Requirement V of SLB 15 (''Requirement 5.a''), (vi) confirmation that the issuer of the Underlying Security is current in all periodic and other reporting obligations under Sections 13 and 15(d) of the Act[33] (''Requirement 6.a''), (vii) the Underlying Security has an estimated deliverable supply of at least 20 million shares (''Requirement 7.a'') and (viii) the Underlying Security has a market capitalization of not less than $50 billion (''Requirement 8.a'').

For Underlying Securities that are Restructure Securities, pursuant to Rule 14.6(h), the ADTV and market price history of the related equity security of the relevant company that existed prior to the ex-date of the spin-off, reorganization, recapitalization, restructuring or similar corporate transaction giving rise to a Restructure Security prior to commencement of trading in the Restructure Security,

[28] 15 U.S.C. 78l(k).

[29] 15 U.S.C. 78l(j).

[30] 17 CFR 40.2, 41.23(a).

[31] 17 CFR 40.3, 41.23(b).

[32] 17 CFR 40.5, 40.6.

[33] 15 U.S.C. 78m, 78o(d).

including when-issued trading, may be taken into account in determining whether the corresponding maintenance requirements (*i.e.,* Requirements 3.a and 4.a, respectively) apply.

Rule 14.6(e) provides that, for an Underlying Security that is an ETF share or a TIR, the applicable initial listing requirements shall apply to the ETF share or TIR instead of the maintenance requirements described above.

Under Rule 14.6(b), if an Underlying Security fails to satisfy any one of these maintenance requirements on a Review Date, the Exchange shall provide notice to its participants and allow a cure period of ninety (90) calendar days. If the Underlying Security fails to regain compliance with all applicable maintenance requirements within this cure period, the Exchange shall initiate delisting procedures with respect to the Perpetual SFP overlying such Underlying Security pursuant to Rule 14.7. Because Perpetual SFPs have no fixed expiration date, such that they have indefinite durations and do not require periodic contract roll-overs on a delivery month, the initiation of delisting procedures with respect to a Perpetual SFP is the analogous measure to refusal to open for trading a dated security futures product with a new delivery month.

*Immediate Delisting Events.* Rule 14.6(c) provides that certain events relating to an Underlying Security will result in immediate delisting of the corresponding Perpetual SFP by the Exchange without the ninety (90) day cure period described above. Such events include: (i) delisting of the Underlying Security from the national securities exchange on which the security is primarily listed for trading (the ''Primary Listing Exchange''), (ii) the issuer's entry into bankruptcy, liquidation or insolvency proceedings, (iii) the Commission's issuance of a trading suspension under Section 12(k) of the Act or an order under Section 12(j) of the Act suspending the effectiveness of, or revoking, the registration of the security, (iv) the security ceasing to exist as a result of a completed corporate action or (v) the issuer or its controller becoming subject to sanctions (each such event, an ''Immediate Delisting Event''). Upon the occurrence of an Immediate Delisting Event, the Exchange shall promptly confirm that such event has occurred and, upon such confirmation, immediately halt trading (including the execution and reporting of block trades) in the Perpetual SFP corresponding to the relevant Underlying Security. The Exchange shall then publicly announce such halt and notify participants by Exchange Notice of the applicable final settlement timeline. All open positions in affected Perpetual SFPs shall be settled in accordance with the delisting procedures in Rule 14.7.

*Delisting Procedures.* Rule 14.7 provides that, ''[w]hen the Exchange determines that a Perpetual SFP must be delisted, the following procedures apply.''

The Exchange shall first provide written notice to all of its participants specifying the reason for the delisting and the applicable timeline. For delistings involving a cure period (*i.e.,* failure to satisfy a maintenance requirement), the Exchange shall provide not less than thirty (30) calendar days' notice prior to the final settlement date of the relevant Perpetual SFPs. For Immediate Delisting Events, the Exchange shall conduct final settlement as promptly as practicable, but no later than five business days following the triggering Immediate Delisting Event.

Final settlement will then proceed in a manner fully compliant with the Final Settlement Rules. Where delisting arises from a Corporate Action addressed under Part VII of Chapter 14 and as applicable, the final settlement price shall be the consideration payable to holders of the Underlying Security under the announced terms of the Corporate Action. Otherwise, the final settlement price for a delisted Perpetual SFP shall be the opening price of the Underlying Security on its Primary Listing Exchange on the date of final settlement. Where such price is not readily available, the final settlement price shall fairly reflect the price of the Underlying Security on its Primary Listing Exchange during the most recent regular trading session for such Underlying Security or the next available opening price of the Underlying Security. Notwithstanding the foregoing, as provided in the Final Settlement Rules, where Klear, in its capacity as central clearinghouse of the Perpetual SFPs, determines that such price is not consistent with the protection of customers and the public interest, taking into account the factors set forth in CFTC Regulation 41.25(c)(3) and Commission Rule 6h–1(b)(3),[34] Klear may determine, pursuant to its rules, an alternative final settlement price.

Higher Margin Levels for Perpetual SFPs

Kalshi proposes adopting Rulebook Chapter 14, Part V and related new definitions in Rule 14.2 (the ''Perpetual SFP Margin Rules'') to specify customer margin requirements for Perpetual SFPs listed on the Exchange. Specifically, the Perpetual SFP Margin Rules will establish procedures relating to the determination and administration of customer margin requirements for Perpetual SFPs and the applicability of those requirements. Section 3(a)(57)(C) of the Act defines ''higher margin level'' and ''higher level of margin,'' when such terms are used with respect to a security futures product, as ''a margin level established by a national securities exchange registered pursuant to [S]ection 6(g) [of the Act] that is higher than the minimum amount established in effect pursuant to [S]ection 7(c)(2)(B)'' of the Act.[35] Section 7(c)(2)(B) of the Act grants the Commission and the CFTC joint rulemaking authority to prescribe margin requirements for security futures products.[36] Pursuant to this authority, the Commission and the CFTC have adopted parallel rules establishing a fifteen (15) percent minimum initial and maintenance customer margin requirement for long or short security future positions and permitting exchanges to prescribe lower margin requirements for permitted offsetting positions involving security futures and related positions.[37] The Perpetual SFP Margin Rules will establish ''higher margin levels,'' as defined in Section 3(a)(57)(C) of the Act, as discussed below.

*Perpetual SFP Margin Rates.* Rule 14.16(a) requires each member of the Exchange intermediating Perpetual SFP transactions on behalf of customers (such members, who must satisfy the eligibility requirements set forth in Rule 14.37, ''SFP Broker Members'') that is also a futures commission merchant that has entered into an futures commission merchant (''FCM'') Member Agreement with Kalshi (a ''FCM SFP Broker Member'') to collect and maintain from each of their customers, for each Perpetual SFP position carried in such customer's account, ''margin in an amount not less than 15.50% (such percentage, the ''Perpetual SFP Margin Ratio'') of the Current Market Value of the position'' (such amount, with respect to a Perpetual SFP, the ''Perpetual SFP Required Margin'').

Rule 14.16(b) further provides that the ''Current Market Value'' of a position equals the product of (i) the number of Perpetual SFP contracts comprising the position, (ii) the number of shares of the

[34] 17 CFR 41.25(c)(3); 240.6h–1(b)(3).

[35] 15 U.S.C. 78c(a)(57)(C).

[36] 15 U.S.C. 78g(c)(2)(B).

[37] 17 CFR 242.403(b); 41.45(b) (together, the ''Customer Margin Rules'').

Underlying Security represented by one Perpetual SFP contract, which shall be one hundred (100) shares of the Underlying Security (the ''Contract Unit'') and (iii) the settlement value, as determined by the Exchange pursuant to Rule 14.12(a)–(c), of the Perpetual SFP (the ''Mark Price''). Rule 14.12 describes the process by which the Exchange shall determine the Mark Price of a Perpetual SFP as ''the following tiered methodology, applied in descending order:

(i) *Tier 1—Trade VWAP.* [i]f one or more trades other than [b]lock [t]rades in the Perpetual SFP occur during the [sixty-second] Computation Interval, the Mark Price shall be the volume-weighted average price (''VWAP'') of those trades (excluding any [b]lock [t]rades executed during the Computation Interval). The VWAP calculation shall be adjusted to exclude outliers. The Exchange generally shall apply a Median Absolute Deviation filter but may, in its discretion, exclude other outlier or manipulative transactions. Tier 1 shall not apply, and the Mark Price shall instead be determined under Tier 2 or Tier 3, as applicable, if the VWAP so calculated differs from the Underlying Price Index as of the Mark Price Calculation Time by more than fifty percent (50%) of that Underlying Price Index.

(ii) *Tier 2—Sampled Midpoint Average.* [f]or purposes of this Tier 2, sixty (60) observation points shall occur at exactly N seconds before the Mark Price Calculation Time for each integer N from 1 through 60 (each, an ''Observation Point''). The prevailing best bid and prevailing best ask at an Observation Point shall be the best bid and best ask resting on the Perpetual SFP order book as of that instant. An Observation Point shall be ''two-sided'' if both a prevailing best bid and a prevailing best ask are present at that instant, and the ''Midpoint'' at a two-sided Observation Point shall be the arithmetic mean of its prevailing best bid and prevailing best ask. A two-sided Observation Point shall be disregarded if the difference between its prevailing best ask and prevailing best bid exceeds ten percent (10%) of its Midpoint. If the Mark Price is not determined under Tier 1, whether because no trades in the Perpetual SFP occur during the Computation Interval or because Tier 1 does not apply as provided in paragraph (a)(1), and at least one Observation Point is two-sided and is not disregarded, the Mark Price shall be the arithmetic mean of the Midpoints at all two-sided Observation Points that are not disregarded.

(iii) *Tier 3.* [i]f the Mark Price is not determined under Tier 1 or Tier 2, the Mark Price shall equal the prior Mark Price plus the net change in the Underlying Price Index between the prior Mark Price Calculation Time and the current Mark Price Calculation Time''

(iv) If a Mark Price cannot be determined under Tiers 1–3, the Exchange may determine the Mark Price using (a) the Underlying Price Index, if available and reliable, or (b) such other reasonable methodology as the Exchange determines appropriate pursuant to Rule 7.1.

Pursuant to Rule 14.12(b), ''[i]f trading in a Perpetual SFP is halted during any portion of the Computation Interval, trades occurring during the halt shall be excluded from Tier 1, and no Observation Point occurring during the halt shall be considered two-sided for purposes of Tier 2. If trading in the Perpetual SFP is halted at the Mark Price Calculation Time, the Mark Price shall be determined under Tier 3.''

The Exchange shall not permit customer margin requirements lower than the Perpetual SFP Required Margin (*i.e.,* the Perpetual SFP Margin Ratio multiplied by the Current Market Value of a Perpetual SFP position), including for offsetting positions involving Perpetual SFPs and related positions that would be permitted under subparagraph two (2) of the Customer Margin Rules to be subject to margin requirements lower than the fifteen (15) percent minimum margin requirement established under subparagraph one (1) of those rules.[38] Further, the Exchange shall not exempt market makers (*i.e.,* Exchange members that are registered as dealers with the SEC under Section 15(b) of the Act) or ''exempted persons'' as defined in applicable SEC and CFTC regulations [39] as ''customers'' for purposes of the Perpetual SFP Margin Rules, notwithstanding that the Customer Margin Rules would permit such exemptions.[40] Pursuant to Rule 14.16(c), the Perpetual SFP Margin Ratio shall apply at all times to all positions, and there shall be ''no separate initial margin or maintenance margin rate.'' Rule 14.16(d) further provides that the total Perpetual SFP Required Margin for a FCM SFP Broker Member's customer account shall, in all cases, be the sum of the Perpetual SFP Required Margin for each individual Perpetual SFP position, provided that, pursuant to Rule 14.16(e), ''[t]he Exchange may, in its discretion, impose margin requirements in excess of the Perpetual SFP Margin Ratio for any Perpetual SFP or class of Perpetual SFPs, effective upon such notice to FCM SFP Broker Members as the Exchange deems appropriate.'' The Exchange may consider factors including market volatility, liquidity conditions, concentration risk, and the financial condition of FCM SFP Broker Members or their customers in determining whether to impose such higher margin requirements.

Rule 14.22(a) further states that ''[t]he Exchange may, in an emergency, impose special margin requirements for specific Perpetual SFPs or accounts, or require FCM SFP Broker Members to collect margin on an intraday basis, effective immediately upon notice to FCM SFP Broker Members.'' The Exchange is required, pursuant to Rule 14.22(b) to report any such emergency actions

[38] 17 CFR 242.403(b)(2); 41.45(b)(2). Certain national securities exchanges registered under Section 6(g) of the Act have filed rule changes establishing customer margin requirements for security futures with the Commission under Sections 19(b)(1) and 19(b)(2) of the Act. *See Self-Regulatory Organizations; Notice of Filing of Proposed Rule Change by the Nasdaq Liffe Markets, LLC Relating to Margin Rules for Security Futures Products Other Than Options on Security Futures,* 67 FR 61361 (Sept. 30, 2002); *Self-Regulatory Organizations; Notice of Filing of Proposed Rule Change by OneChicago, LLC Relating to Customer Margin Requirements for Security Futures,* 67 FR 61707 (Oct. 1, 2002); *Self-Regulatory Organizations; CBOE Futures Exchange, LLC; Notice of Filing and Order Granting Accelerated Approval of Proposed Rule Change Relating to Customer Margin Requirements for Security Futures,* Exchange Act Release No. 34–52381 (Sept. 2, 2005); *Self-Regulatory Organizations; Board of Trade of the City of Chicago, Inc.; Notice of Filing and Order Granting Accelerated Approval of Proposed Rule Change Relating to Customer Margin Requirements for Security Futures,* Release No. 34–53626 (April 10, 2006); *Self-Regulatory Organizations; Chicago Mercantile Exchange Inc.; Notice of Filing of a Proposed Rule Change Relating to Amendments to Chicago Mercantile Exchange Inc.'s Rules Governing Performance Bond Requirements: Account Holder Level,* Exchange Act Release No. 34–105607 (June 3, 2026). However, the rules of each such exchange contemplated margin requirements no higher than the ''minimum amount established in effect pursuant to'' the Customer Margin Rules adopted by the Commission and CFTC ''pursuant to [S]ection 7(c)(2)(B)'' of the Act. Section 7(c)(2)(B) of the Act grants the Commission and the CFTC joint rulemaking authority to prescribe margin requirements for security futures products. 15 U.S.C. 78c(a)(57)(C). Accordingly, these rules did not result in ''higher margin levels'' as defined in Section 3(a)(57)(C) of the Act, such that they were required to be filed under Sections 19(b)(1) and 19(b)(2) of the Act. *See* 15 U.S.C. 78f(g)(4)(B)(ii). By contrast, rule changes related to higher margin requirements may be filed by an exchange pursuant to Section 19(b)(7) of the Act. *See* 15 U.S.C. 78f(g)(4)(B)(i).

[39] 17 CFR 41.43(a)(9); 17 CFR 242.401(a)(9).

[40] *See* 17 CFR 41.43(a)(5); 242.401(a)(5) (excluding ''exempted persons'' from the ''customer'' definition); 17 CFR 242.400(c)(2)(v); 41.42(c)(2)(v) (permitting an exchange to adopt rules containing specified requirements for security futures dealers subject to which a security futures dealer's relationship with a security futures intermediary is excluded from the customer margin requirements of the Customer Margin Rules).

taken to the Commission and the CFTC as promptly as practicable.

*Perpetual SFP Margin Administration.* Rule 14.17 identifies the manner in which a customer may satisfy the Perpetual SFP Required Margin. Consistent with Commission Rule 242.404(b) and CFTC Regulation 41.46(b),[41] under Rule 14.17(a), acceptable types of collateral for Perpetual SFPs include cash and, if permitted by the Exchange at its discretion and with notice to members, margin securities (subject to specified restrictions), exempted securities, any other assets permitted under Regulation T of the Board of Governors of the Federal Reserve System to satisfy a margin deficiency in a securities margin account, and any combination thereof. Rule 14.17 further provides that ''[t]he Exchange may impose conditions on, or decline to accept, any form of collateral.'' Pursuant to Rule 14.17(b), the collateral value of all collateral accepted to satisfy the Perpetual SFP Required Margin shall be determined in accordance with CFTC Regulations 41.46(c) and 41.46(e) and the parallel provisions in Commission Rules 242.404(c) and 242.404(e).[42]

In addition, Rule 14.18 sets forth rules relating to the Exchange's daily mark-to-market process and Rule 14.19 details the Exchange's process for administering margin calls to participants with under margined Perpetual SFP positions.

Contract Terms and Trading Rules for Perpetual SFPs

Kalshi proposes adopting Rulebook Chapter 14, Parts III (Contract Specifications and Trading Rules), VI (Position Limits and Reporting), and related new definitions in Rule 14.2 to govern the specifications and trading of Perpetual SFPs.

*Contract Specifications.* Part III of Chapter 14 (Rules 14.9 through 14.13) sets forth certain contract specifications for Perpetual SFPs, including:

*Trading Unit.* Rule 14.9(a) sets forth the Contract Unit (one hundred (100) shares of the Underlying Security) and provides that eligible participants may trade fractional Contract Unit quantities as provided in the applicable contract specifications for a Perpetual SFP. For the avoidance of doubt, the Exchange does not propose to offer Perpetual SFPs on fractional interests in Underlying Securities. Rather, one Perpetual SFP Contract Unit will in all cases overlie one hundred (100) shares of the Underlying Security, and the Exchange shall permit participants to trade a fractional quantity of the Perpetual SFP Contract Unit.

*Minimum Price Fluctuation.* Rule 14.9(c) specifies that the minimum price fluctuation for Perpetual SFPs shall be one one-half of a cent ($0.005) per share. The Exchange proposes this rule in order to permit market participants to more precisely price the equity financing spread. The Commission has previously permitted rule changes by OneChicago, LLC (''OneChicago'') to adopt four decimal pricing for security futures products.[43] As noted in the filing discussing OneChicago's proposed rule change, ''[u]nlike securities—which are assets—[security futures] are contingent liabilities that represent the forward value of the underlying security. The primary difference in pricing between securities and the [security futures] that overlay them is the interest rate component of the forward contract.'' [44] The equity financing spread (*i.e.,* the ''interest rate component'') of a Perpetual SFP is essentially the cost of carry of the Underlying Security, and this spread is generally quoted in basis points (*i.e.,* hundredths of percentage points). Because the equity financing spread associated with a given Perpetual SFP quoted in basis points by reference to the notional value of a Perpetual SFP, sub-penny pricing is necessary to ensure that that the price of a given Perpetual SFP is sufficiently granular to accurately capture its associated equity financing spread.

Perpetual SFPs will have daily settlement cycles, during which funding payment obligations and payments will be exchanged to motivate price convergence with the Underlying Security. As a result, the carry component of a Perpetual SFP will reflect only a single day of financing rather than, as would be the case with a traditional dated future, a full month, quarter or year of financing. For example, in the case of an Underlying Security priced at four hundred dollars ($400) per share, a one cent tick size would represent approximately .25 basis points on a single-day basis, or roughly 91 basis points annualized. OneChicago cited a 141 basis point annualized spread as unreasonably wide for a financing instrument.[45] By contrast, the half-penny pricing proposed by the Exchange would produce half that—a roughly 46 basis point spread on an annualized basis –, permitting a materially more precise reflection of the equity financing spread.

Furthermore, three decimal pricing for Perpetual SFPs does not present the same concerns that motivated the Commission to limit the tick size of certain NMS securities to a penny.[46] The Commission adopted Regulation NMS Rule 612 in order to address concerns to prevent market participants from ''queue-jumping'' by ''gain[ing] priority over existing limit orders by posting an economically insignificant price improvement,'' thereby harming market liquidity and price discovery of cash equity markets.[47] Although Perpetual SFPs are not NMS securities subject to Regulation NMS Rule 612, the Exchange has considered whether the concerns underlying Regulation NMS Rule 612 apply to the Exchange's proposed three decimal minimum pricing increment for Perpetual SFPs. The Exchange does not believe that permitting Perpetual SFPs to trade with a tick size of $0.005 will harm liquidity and price discovery for cash equity markets or will lead to queue jumping in Perpetual SFPs. Perpetual SFPs are structurally tethered to cash equity prices through the daily funding mechanism, such that liquidity and price discovery of Perpetual SFPs are driven by the cash market prices of the Underlying Securities they reference. Where the price of a Perpetual SFP deviates from the price of the Underlying Security, the funding mechanism creates a strong, proven economic incentive to converge the price of the Perpetual SFP back towards the price of the Underlying Security. Sub-penny pricing of Perpetual SFPs would therefore be unlikely to have any impact on cash market prices for Underlying Securities, as the prices of Perpetual SFPs are themselves subservient to the prices of their Underlying Securities. Further, the Exchange does not believe that three-decimal pricing results in minimum pricing increments so arbitrarily small as to raise queue-jumping concerns in Perpetual SFP markets, given the impact of financing spreads as discussed above. Also, the Commission itself recently acknowledged that, since adoption of Regulation NMS Rule 612 over two decades ago, ''the market has evolved

[41] 17 CFR 242.404(b); 41.46(b).

[42] 17 CFR 41.46(c), 41.46(e), 242.404(c), 242.404(e).

[43] *Self-Regulatory Organizations; OneChicago, LLC; Notice of Filing of Proposed Rule Change to Implement Four Decimal Pricing for Outright Transactions in Single Stock Futures,* Release No. 34–81022 (June 26, 2017), 82 FR 29953 (June 30, 2017).

[44] *Id.* at 29953–29954.

[45] *Id.* at 29954.

[46] 17 CFR 242.612 (''NMS Rule 612'').

[47] *Regulation NMS: Minimum Pricing Increments, Access Fees, and Transparency of Better Priced Orders,* Exchange Act Release No. 101070, 89 FR 81620, 81622 (Oct. 8, 2024).

considerably,'' necessitating and justifying amendments to permit half-penny tick sizes for NMS securities with sufficiently narrow bid-ask spreads.[48]

*Settlement Method.* Perpetual SFPs will be cash-settled.

*Periodic Transfers and Funding Rate.* As mentioned above, holders of long and short positions in Perpetual SFPs will exchange periodic payment obligations in the form of ''funding payments'' that vary based on the price of the Underlying Security relative to the price of the Perpetual SFP. Rule 14.10 sets forth the process by which the Exchange shall calculate, administer and settle funding payment obligations and entitlements of holders of Perpetual SFP positions.

For each successive sixty-second interval, beginning at the start of a clock minute and ending immediately before the start of the next, within the regular trading session of the U.S. equity cash market on a given trading day (each such sixty-second interval, a ''Computation Interval'' and this entire period, the ''Funding Period'') during which the U.S. equity cash market is open for regular trading and trading in the Underlying Security is not halted, the Exchange shall compute a ''Premium,'' which Premium shall be equal to, for a given Computation Interval, the (i) Mark Price, calculated as of the end of the Computation Interval, less (ii) the time-weighted average of the last sale price of the Underlying Security as reported by the securities information processor pursuant to the effective national market system plan for the Underlying Security (the ''Underlying Price Index'') [49] over the Computation Interval (the ''Reference Price''), divided by (iii) the Reference Price.[50]

Pursuant to Rule 14.10(c), calculation of the Premium shall not take into account any block trades executed or reported to the Exchange during a Computation Interval. Block trades are privately negotiated transactions between Exchange participants (*i.e.,* members or member customers) that may only be executed on the Exchange if they comply with the requirements of Rule 5.3(e), including that they must meet the applicable minimum size threshold established by the Exchange and each party must be an eligible contract participant as defined in CEA Section 1a(18),[51] among other requirements. To help ensure that the mark price and funding rate calculation fairly reflect the prevailing executable value of Perpetual SFPs in a competitive marketplace, and given that block trades are privately negotiated, block trades in a Perpetual SFP are excluded from the Mark Price calculation for that SFP and, accordingly, are not reflected in Premium calculations.

The ''Funding Rate'' for a Funding Period will be equal to the equally weighted arithmetic mean of the Premiums computed during that Funding Period (the ''Mean Premium''), subject to adjustments as described below. If no trades (or only block trades) in the Perpetual SFP are executed during a Computation Interval, the Premium for that Computation Interval is excluded from the Funding Rate calculation, and no Premium will be computed for any Computation Interval falling in whole or in part within any period specified in Rule 14.10(f), including periods when the U.S. equity cash market is closed or when trading in the Underlying Security is halted on its Primary Listing Exchange. The Funding Rate is derived solely from observed Premiums, the methodology contains no separate interest rate or dividend term, and expected carry and Ordinary Dividends are reflected only to the extent reflected in the Premium.[52]

The Funding Rate may be adjusted subject to a ''Deadband Threshold'' of 0.002% and a ''Maximum Funding Magnitude'' of 2.00%, each as defined in Rule 14.2 and applied as provided in Rule 14.10(d). Pursuant to Rule 14.10(d), the Funding Rate will be reduced (or increased, if the Mean Premium is negative) toward zero by the Deadband Threshold if the absolute value of the Mean Premium for a given Funding Period exceeds the Deadband Threshold, and will be zero where the absolute value of the Mean Premium does not exceed the Deadband Threshold. In other words, the Deadband Threshold will operate as a continuous reduction in absolute value of the Mean Premium, rather than as a discontinuous threshold, so that the Funding Rate varies continuously with the Mean Premium. Additionally, if the absolute value of the Funding Rate exceeds the Maximum Funding Magnitude, the Funding Rate shall be set to the Maximum Funding Magnitude with the same sign as the originally calculated Funding Rate. The purpose of the Deadband Threshold is to mitigate the operational burdens of market noise and small price deviations (including those potentially attributable to manipulation attempts). The purpose of the Maximum Funding Magnitude is to prevent large but transitory price deviations from triggering disruptive funding payments.

Pursuant to Rule 14.10(e), at the scheduled close of each regular trading session in the U.S. equity cash market (ordinarily 4:00 p.m. ET, or the scheduled early close on early-close days) on each day on which the cash market is open for regular trading (the ''Daily Settlement Time''), holders of Perpetual SFPs will exchange periodic funding payment obligations and entitlements. Specifically, if the Funding Rate is positive, each holder of a long position shall pay, for each Perpetual SFP Contract Unit held (including fractional Contract Unit positions), to holders of short positions in the Perpetual SFP an amount equal to the Funding Rate multiplied by the Mark Price as of the Daily Settlement Time (the ''Daily Settlement Price'') multiplied by the Contract Unit. If the Funding Rate is negative, holders of short positions shall pay, for each Perpetual SFP Contract Unit held (including fractional Contract Unit positions), to holders of long positions in the Perpetual SFP an amount equal to the absolute value of the Funding Rate multiplied by the Daily Settlement Price multiplied by the Contract Unit. If the Funding Rate is zero, no transfer will be made. Such periodic transfers will be computed by the Exchange and collected and paid through Klear, as the clearing house for Perpetual SFPs. Funding payments are separate from variation margin and any other payment obligations due to or from a participant of the Exchange. Pursuant to Rule 14.12(c), if a Daily Settlement Price cannot be determined pursuant to Tiers (1) through (3) set forth in Rule 14.12, the Exchange may determine the Daily Settlement Price pursuant to the Underlying Price Index as of the Daily Settlement Time, if it is available and reliable, or the Exchange's Market

[48] *Id.* at 81623.

[49] During periods when the equity cash market is closed, the Underlying Price Index shall instead be the official closing price of the Underlying Security from the most recent regular trading session of the Underlying Security.

[50] Premiums are used to calculate daily funding obligations associated with Perpetual SFPs, which do not constitute final settlements of Perpetual SFPs and, accordingly, are not subject to the Final Settlement Rules.

[51] 7 U.S.C. 1a(18).

[52] As noted in Rule 14.27, discussed below, ''[t]he economics of an Ordinary Dividend shall be transferred between open interest [in Perpetual SFPs] through the Funding Rate, and no adjustment shall be made to the Contract Specifications, Daily Settlement Price, Contract Unit, or number of outstanding contracts of a Perpetual SFP to reflect an Ordinary Dividend.'' Rather, the economics of Ordinary Dividends will be incorporated into the calculation of Premiums, on the basis of which Funding Rates for Perpetual SFPs are derived, due to the decline in price of the Underlying Security subject to the Ordinary Dividend on the ex-date, which will be reflected in the Underlying Price Index (and therefore the Reference Price) and not otherwise offset within the Perpetual SFP.

Outcome Review Process under Rule 7.1.

Under the Market Outcome Review Process, the Exchange's Outcome Review Committee, a standing committee consisting of three members, two of which must be Public Directors appointed by the Exchange's Regulatory Oversight Committee pursuant to Exchange Rule 2.7(e), would determine the final Daily Settlement Price for a given Funding Period. The Outcome Review Committee would review all relevant evidence and determine a final Daily Settlement Price within a 24-hour period after the Market Outcome Review Process is initiated, and associated funding entitlements and obligations would be settled on the date that the Outcome Review Committee reaches a determination on the Daily Settlement Price. If the Market Outcome Review Process is initiated, the Exchange will post on its website that the Perpetual SFP's Daily Settlement Price is under review.

*Trading Hours.* Rule 14.11 provides that ''Perpetual SFPs shall be available for trading from 6:00 p.m. ET on Sunday through 5:00 p.m. ET on Friday, with a daily maintenance window from 5:00 p.m. ET to 6:00 p.m. ET during which Perpetual SFPs do not trade, subject to trading halts as provided in Rule 14.13 and the Exchange's discretionary authority under Rule 14.15.'' Rule 14.11 further states that ''[t]he Exchange may establish specific trading hours for particular Perpetual SFPs or classes of Perpetual SFPs as it deems appropriate.'' The trading hours for Perpetual SFPs will be consistent with the 23 hours a day, five days a week trading schedules established for cash equities and security futures on other national securities exchanges.[53]

*Coordinated Trading Halts.* Rule 14.2 defines a ''Regulatory Halt'' to include any event within in the meaning of that term in (i) Commission Rule 6h–1(a)(3) and CFTC Regulation 41.1(l) and (ii) the ''Plan to Address Extraordinary Market Volatility Submitted to the Securities and Exchange Commission Pursuant to Rule 608 of Regulation NMS Under the Securities Exchange Act of 1934'' approved 31 May 2012 by the SEC, as amended from time to time (SEC, SRO Rulemaking, National Market System Plans, File 4 631) and as implemented under New York Stock Exchange Rule 7.12 for Trading Halts Due to Extraordinary Volatility or under Nasdaq Stock Market Rule 4121 for Trading Halts Due to Extraordinary Volatility. Consistent with the parallel requirements in CFTC Regulation 41.25(b)(2) and Commission Rule 6h–1(c),[54] Rule 14.13(a) provides that the Exchange shall ''halt trading in a Perpetual SFP at all times during a Regulatory Halt affecting the Underlying Security.'' Rule 14.13(a) further provides that, ''[f]or the avoidance of doubt, no [b]lock [t]rades in a Perpetual SFP may be executed on or reported to the Exchange during any period during which the Exchange has halted trading in the Perpetual SFP.'' Rule 14.13(b) further specifies that, in the event of a Regulatory Halt resulting from the operations of a circuit breaker or trading curb procedures by a national securities exchange or national securities association, the levels, thresholds and durations applicable to such market-wide circuit breaker or trading curb procedures are those established by the applicable national securities exchange or national securities association, as in effect from time to time. Pursuant to Rule 14.13(c), ''[s]uspension of trading due to a Regulatory Halt shall remain in effect until the Primary Listing Exchange of the Underlying Security resumes trading, unless the Exchange determines, in its discretion, that additional conditions must be satisfied before trading in the Perpetual SFP may resume.'' The Exchange shall resume trading only upon its determination that price discovery in the Perpetual SFP can occur on a fair and orderly basis.

Rule 14.13(d) authorizes the Exchange to, at its discretion, permit members to submit, modify or cancel orders in affected Perpetual SFPs, but clarifies that ''[n]o matching shall occur during the Regulatory Halt.'' Rule 14.13(d) also provides that ''[a]ll market orders resting at the time a Regulatory Halt is initiated shall be cancelled.''

Rule 14.13(e) requires the Exchange to ''promptly disseminate notice to all Members of any coordinated trading halt and the resumption of trading via the Exchange's notification channels and market data feeds.''

Finally, Rule 14.13(f) authorizes the Exchange to ''at its sole discretion, halt trading (including execution and reporting of [b]lock [t]rades) in a Perpetual SFP at any time when trading in the Underlying Security is halted for any reason on any national securities exchange listing the Underlying Security.''

Position Limits and Reporting for Perpetual SFPs

Kalshi proposes adopting Rulebook Chapter 14, Part VI and related new definitions in Rule 14.2 to specify position limits and position accountability levels applicable to Perpetual SFPs and related large trader reporting obligations. Rule 14.23(a) provides that ''[e]xcept with the prior written permission of the [Exchange's] Chief Regulatory Officer or his designee, all Members must comply with the position limits set forth in'' Rule 14.23. The proposed position limits and position accountability levels are designed to ensure compliance with CFTC Regulation 41.25(b)(3), a primary purpose of which is to ensure comparability of position limits applicable to security futures with those applicable to equity options.[55]

CFTC Regulation 41.25(b)(3) requires DCMs to have rules establishing position limits and position accountability levels applicable during ''the last three trading days of an expiring contract month'' of a security future.[56] Because the Perpetual SFPs have no predetermined expiration date, and can have potentially indefinite durations, the Exchange believes that the position limit requirements of CFTC Regulation 41.25(b)(3) apply with respect to a Perpetual SFP only during the three (3) trading days (the ''last three trading days'') preceding the date on which the Exchange has determined that final settlement of a Perpetual SFP will occur pursuant to Rule 14.7 (applicable to Perpetual SFPs that are delisted by the Exchange due to the Underlying Security or its issuer failing to satisfy a maintenance listing requirement during the applicable cure period or being subject to an Immediate Delisting Event) and Rule 14.30 (applicable to Perpetual SFPs subject to accelerated final settlement, discussed below).

In order to more effectively protect against manipulation, the Exchange shall impose position limits more stringent than those required under CFTC Regulation 41.25(b)(3) throughout

[53] *See, e.g., Self-Regulatory Organizations; The Nasdaq Stock Market LLC; Notice of Filing of Amendment Nos. 2 and 3 and Order Granting Accelerated Approval of a Proposed Rule Change, as Amended by Amendment Nos. 2 and 3, to Extend the Exchange's Trading Hours to 23 Hours a Day, Five Days a Week,* Release No. 34–105199 (April 10, 2026); CME SFP Rule Filing at 41683.

[54] 17 CFR 41.25(b)(2); 240.6h–1(c).

[55] *See, e.g., Position Limits and Position Accountability for Security Futures Products,* Final Rule, 84 FR 51005, 51006 (''When adopted, the [CFTC]'s existing [security futures products] position limits were set at levels that were generally comparable, but not identical, to the limits that applied to options on individual securities at that time. However, over time, a competitive disparity emerged between the [CFTC]'s [security futures product] position limits and security options limits despite both serving economically similar functions. . . . . To address this disparity, the Commission drafted the Proposal with the goal of providing a level regulatory playing field''.

[56] 17 CFR 41.25(b)(3).

the life of each Perpetual SFP. Specifically, Rule 14.23(b) provides that, except as otherwise provided in Rule 14.23, Perpetual SFPs, which will in each case overlie a single Underlying Security, ''shall be equal to: (i) at all times other than the last three trading days of an expiring contract, 50,000 Perpetual SFP [units of exposure equal to one hundred (100) shares of the Underlying Security (each such unit, a ''Standard Contract Equivalent'')] or (ii) during the last three trading days of an expiring contract, 25,000 Perpetual SFP Standard Contract Equivalents.'' Rule 14.23(b) further specifies that ''[t]he number of Standard Contract Equivalents held by a person may not exceed the limit either net or on the same side of the market.'' Notwithstanding the foregoing, Rule 14.23(b) provides that a Perpetual SFP position in excess of the applicable position limit that arises solely as the result of an adjustment to a Perpetual SFP effected in connection with a corporate action affecting the Underlying Security pursuant to Part VII of Chapter 14 ''shall not, by reason of the adjustment alone, constitute a violation of [Rule 14.23], provided that the person holding the position does not increase the position on the same side of the market after the adjustment becomes effective.'' Rule 14.23(b) further clarifies that ''[i]n no event shall the applicable [position limit] be established or administered in a manner inconsistent with CFTC Regulation 41.25 and applicable CFTC regulations, guidance or orders.''

Rule 14.23(c) sets out liquidity-tiered position limit standards. Specifically, where the estimated deliverable supply of an Underlying Security exceeds twenty (20) million shares, the Exchange may (if appropriate in light of the liquidity of trading in the Underlying Security) assign the Perpetual SFP to a liquidity tier and adopt a position limit for the Perpetual SFP no greater than the lesser of (i) the number of Perpetual SFP Standard Contract Equivalents specified for the applicable tier in the schedule established by the Exchange by notice to Members and (ii) the equivalent of 12.5 percent of the estimated deliverable supply of the Underlying Security, either net or on the same side of the market, applicable to positions held during the last three days of an expiring contract.

Consistent with CFTC Regulation 41.25(b)(3), for a Perpetual SFP on an Underlying Security where the six-month total trading volume exceeds 2.5 billion shares and the estimated deliverable supply exceeds 40 million shares, the Exchange may adopt a position accountability rule in lieu of a position limit under Rule 14.23(d). The position accountability level shall be twenty-five thousand (25,000) Standard Contract Equivalents, or such lower level as the Exchange may specify with respect to such a Perpetual SFP.

For purposes of determining the applicability of Rules 14.23(c) and 14.23(d), the Exchange shall calculate, on a monthly basis, the estimated deliverable supply and six-month total trading volume for each Underlying Security, as provided in Rule 14.23(g). Rule 14.23(g) also states that ''[t]he Exchange shall adjust position limits as appropriate based on data and shall file any changes with the CFTC pursuant to CFTC Regulation 41.24.''

Furthermore, Rule 14.23(a) specifies that, notwithstanding anything to the contrary in Rules 14.23(c) or 14.23(d), no position or positions aggregated in accordance with Rule 14.23(e) shall be permitted in excess of 200,000 Perpetual SFP Standard Contract Equivalents.

Rule 14.23 also includes provisions governing position limit exemptions and aggregation. Rule 14.23(e) generally governs how position limits adopted by the Exchange for Perpetual SFPs apply to market participants with respect to aggregation of positions they hold or control. Rule 14.23(f) provides that ''[t]he Exchange may grant exemptions from the position limits set forth in [Rule 14.23] for Perpetual SFP positions used for qualified hedging strategies,'' requires applications for such exemptions to be filed with the Exchange in such form as the Exchange may prescribe and authorizes the Exchange to condition any exemption upon such terms and conditions as the Exchange deems appropriate. Rule 14.24 governs position accountability requirements for market participants who hold positions in Perpetual SFPs in excess of applicable position accountability levels. In order to be subject to position accountability levels under Rule 14.23(d), as noted above, the Underlying Security of a Perpetual SFP must have a six-month total trading volume exceeding 2.5 billion shares and estimated deliverable supply in excess of 40 million shares, consistent with CFTC Regulation 41.25(b)(3)(i)(B).[57] Accordingly, only Perpetual SFPs on the most liquid Underlying Securities shall be subject to position accountability levels. Further, a position accountability rule may not be applied in lieu of a position limit during the last three trading days of a Perpetual SFP. Rule 14.24(b) permits the Exchange to establish higher position accountability levels for market makers in Perpetual SFPs where the market maker has quoting obligations, in accordance with the Exchange's market maker program applicable to Perpetual SFPs.

Perpetual SFP Corporate Actions, Adjustments and Accelerated Final Settlement

Kalshi proposes adopting Rulebook Chapter 14, Part VII and related new definitions in Rule 14.2 to specify the Exchange's response to events initiated by the issuer of an Underlying Security that alters the number, form, value, or economic characteristics of outstanding shares, including but not limited to stock splits, reverse stock splits, stock dividends, special or extraordinary cash dividends, rights issues, spin-offs, mergers, acquisitions, tender offers, exchange offers, delistings, and name, ISIN or CUSIP changes (''Corporate Actions''). Rule 14.26(c) provides that any cash or stock dividend, stock distribution, stock split, reverse stock split, rights offering, distribution, recapitalization, reclassification, reorganization or similar event, or a merger, consolidation, tender or exchange offer, dissolution, liquidation or delisting affecting the issuer of an Underlying Security, the number of Perpetual SFP contracts, the Daily Settlement Price, the Underlying Security or any of the foregoing may be adjusted in accordance with Part VII of Chapter 14.

As a general matter, Rule 14.26(b) provides that ''[d]eterminations as to whether and how to adjust the terms of a Perpetual SFP to reflect a Corporate Action affecting the Underlying Security shall be made by the [Exchange's Chief Regulatory Officer (the ''CRO'')], or such other officer or committee as the [Exchange's] Board of Directors may designate, based on the CRO's judgment as to what is appropriate for the protection of investors and the public interest, taking into account fairness to the buyers and sellers of the affected Perpetual SFPs, the maintenance of a fair and orderly market, consistency of interpretation and practice, and the preservation, to the greatest extent practicable, of the economic equivalence of open positions immediately before and after the Corporate Action.'' Pursuant to Rule 14.26(d), ''[t]he CRO may, in addition to determining adjustments on a case-by-case basis, adopt interpretations of general application to specified types of events.'' Each such determination of the CRO will be made in the CRO's sole discretion and, in the absence of fraud or willful misconduct, be conclusive

[57] 17 CFR 41.25(b)(3)(i)(B).

and binding on all participants and not subject to review. Rule 14.26(f) provides that the Exchange shall not be liable for any failure to make, or delay in making, an adjustment to reflect a Corporate Action that it does not learn of, or does not learn of in a timely manner.

Subject to the discretion of the CRO to make exceptions in any case or group of cases as set forth above, Part VII also sets forth the following general rules regarding how the Exchange shall address Corporate Actions.

Pursuant to Rule 14.26(g), adjustments under Part VII shall, as a general rule, become effective on the ex-date, as determined by the Primary Listing Exchange.

Rule 14.27 sets forth the general rules regarding how the Exchange will address Ordinary Dividends (defined below), Extraordinary Dividends (defined below) and certain other distributions affecting Underlying Securities. Rule 14.27 provides that the economics of regularly-scheduled cash dividends paid by the issuer of an Underlying Security in accordance with the issuer's established dividend policy that do not exceed the ''Extraordinary Dividend Threshold'' established by the CRO (initially, ten percent (10%) of the cum-price of the Underlying Security) (such regularly-scheduled dividends, ''Ordinary Dividends'') shall be transferred through the Funding Rate, and no adjustment shall be made to the Contract Specifications, Daily Settlement Price, Contract Unit or number of outstanding Perpetual SFP contracts to reflect an Ordinary Dividend.[58] The rule also provides that cash distributions by the issuer of an Underlying Security that the issuer designates as ''special'', ''extraordinary'' or ''non-recurring,'' that fall outside of the issuer's established ordinary dividend policy or that exceed the Extraordinary Dividend Threshold (such distributions, ''Extraordinary Dividends'') and all other cash or property distributions that are not Ordinary Dividends for which the CRO deems an adjustment to be appropriate ''shall be reflected by a per-contract cash amount recorded against open positions and settled in cash at the Daily Settlement Time . . . by a reduction of the Daily Settlement Price by the value per share of the'' distribution. The CRO may reflect such distributions by another method upon a determination that such other method ''best preserves the economic equivalence of open positions'' and may ''halt trading in the affected Perpetual SFP in connection with an Extraordinary Dividend.''

Rule 14.28(a) sets forth the general rule that the Exchange will address forward stock splits, stock distributions and dividends or bonus issues in respect of an Underlying Security by proportionately reducing the Daily Settlement Price established immediately before the event and proportionately increasing the number of Perpetual SFP contracts comprising each open position. In the case of a reverse stock split or consolidation of shares, Rule 14.28(a) sets forth the general rule that the Daily Settlement Price of the relevant Underlying Security established immediately before the event shall be proportionately increased and the number of Perpetual SFP contracts comprising each open position shall be proportionately reduced. In each case, the Daily Settlement Price shall be multiplied by, and the number of Perpetual SFP contracts comprising each open position divided by, the ratio of the number of shares outstanding before the event to the number outstanding after the event. The Contract Unit shall remain unchanged and the notional value of each open position shall be substantially unaffected by the adjustments contemplated in Rule 14.28. The adjustment shall be implemented following the Daily Settlement Time on the last-cum trading day.

Rule 14.28(b) provides the general rule that ''[t]he Exchange shall ordinarily adjust the terms of a Perpetual SFP to reflect a rights distribution in the manner that best preserves economic equivalence, except that no adjustment shall ordinarily be made to reflect the issuance of rights that are not immediately exercisable, that trade together with the Underlying Security and that may be redeemed by the issuer (so-called ''poison pill'' rights). If such rights later become exercisable, begin to trade separately from the Underlying Security, or are redeemed, the CRO shall determine whether an adjustment is appropriate.''

Rule 14.28(c) provides that ''[a]djustments of the Daily Settlement Price shall be rounded to the nearest minimum price increment, and adjustments of the number of Perpetual SFP contracts comprising a position shall be rounded to the nearest minimum trading increment under Rule 14.9(a) and the applicable Contract Specifications in the manner the CRO determines, consistent with the methodology of [Klear] and any relevant reporting authority; any resulting difference between aggregate long and aggregate short open interest shall be resolved by the Exchange in coordination with [Klear] and shall not be allocated to [p]articipants. Where rounding would not preserve economic equivalence to the greatest extent practicable, the CRO may apply an alternative convention or a compensating cash adjustment.''

Rule 14.29 sets forth general rules regarding how the Exchange will address mergers, tender offers and reorganizations affecting the issuers of Underlying Securities. For tender and exchange offers, Rule 14.29(a) provides that ''[n]o adjustment shall ordinarily be made to reflect a tender offer or exchange offer to holders of the Underlying Security . . . [but that a] Perpetual SFP shall ordinarily be adjusted or settled to reflect a merger, consolidation, or similar event that becomes effective following completion of such an offer.'' Rule 14.29(b) provides that, ''[w]hen the Underlying Security is converted in a merger or similar event into the right to receive a fixed amount of cash, the Perpetual SFP shall ordinarily be closed and subject to final cash settlement at such fixed amount of cash.'' Pursuant to Rule 14.29(c), ''[i]n the case of a merger, consolidation, reincorporation, or similar event in which shares of the Underlying Security are converted into or exchanged for shares of another company, the Perpetual SFP shall ordinarily be closed and subject to final cash settlement in accordance with Rule 14.30 at the value of the shares of the resulting or acquiring company receivable per share of the Underlying Security,'' subject to the CRO's authority to instead direct that open positions be converted into positions in Perpetual SFPs that reference the shares of the resulting or acquiring company with corresponding adjustments to the number of Perpetual SFP contracts comprising each open position.

Rule 14.29(d) provides that ''[n]o adjustment shall ordinarily be made to reflect a change in the capital structure of the issuer where the Underlying Securities held by the public are not converted into another security, cash, or other property,'' including the issuance of new debt or equity, refinancing of outstanding debt, a partial stock repurchase by the issuer or the sale of significant assets of the issuer. Corporate Events that do not ''alter the economic rights attached to the shares,'' such as name changes, likewise shall not give rise to any adjustment.

Rule 14.29(e) provides that, notwithstanding the foregoing, the CRO may, in the CRO's sole discretion, effect accelerated final cash settlement of the

[58] *See* note 52, *supra.*

affected Perpetual SFP in accordance with Rule 14.30 in lieu of any adjustments or conversion otherwise provided under Rules 14.28 or 14.29. The CRO may effect accelerated final settlement pursuant to Rule 14.29(e) upon a determination that ''continued trading following the Corporate Action would not result in a fair and orderly market, would give rise to material risk or pricing discontinuities, would result in an illiquid or unrepresentative market in the affected Perpetual SFP, or would otherwise be impracticable, inequitable or undesirable.''

Rule 14.30 sets out the Exchange's rules and procedures related to accelerated final settlement of Perpetual SFPs in connection with certain Corporate Actions affecting Underlying Securities or their issuers. Rule 14.30(a) provides that ''[t]he CRO may declare a Perpetual SFP subject to accelerated final cash settlement upon: a determination under Rule 14.29(e) or any other event that renders continued trading in the Perpetual SFP impracticable or inequitable.''

Pursuant to Rule 14.30(b), open positions in a Perpetual SFP subject to accelerated final settlement shall be closed by cash settlement at a final settlement price determined in accordance with Rule 14.7(c).

Rule 14.30(c) specifies that accelerated final settlement pursuant to Rule 14.30 ''shall occur as promptly as practicable, and ordinarily within three (3) business days, following the CRO's declaration.'' Rule 14.30(c) further provides that ''[t]he Exchange shall provide not less than two (2) business days' notice prior to accelerated final settlement, except where emergency circumstances require more immediate action, and shall not close the affected Perpetual SFP earlier than necessary to give effect to the Corporate Action, in order to minimize premature closures in the event the Corporate Action does not become effective.''

In addition to the foregoing, Part VII of Chapter 14 includes rules relating to the reliability of settlement prices and references prices used by the Exchange to determine Daily Settlement Prices and any final settlement prices in respect of Perpetual SFPs, erroneous or unavailable prices and operational provisions relating to adjustments and accelerated final settlement.

Membership Standards

*SFP Broker Member Eligibility Criteria.* In order to be eligible for membership to transact in or intermediate transactions in Perpetual SFPs, a person must satisfy the eligibility criteria set forth in Rule 14.37. Specifically, in addition to complying with the requirements and satisfying the conditions for membership set forth in Chapter 3 of the Exchange's rules, a member of the Exchange must satisfy the following criteria in order to be eligible for membership to trade Perpetual SFPs as an SFP Broker Member: (i) the member must not be subject to statutory disqualification under Section 3(a)(39) [59] of the Act or Section 8a(2) of the CEA; [60] (ii) the person must not be subject to any order denying, suspending or revoking registration or membership with any securities or futures regulatory authority and (iii) in the case of a FCM or introducing broker member of the Exchange seeking to intermediate Perpetual SFP transactions on behalf of its customers, (a) be registered in good standing with the CFTC and be registered with the Commission as a broker-dealer (or operate pursuant to notice registration under Section 15(b)(11) of the Act [61] and (b) be a member in good standing of the National Futures Association (''NFA'').

*Intermediation of Perpetual SFP Transactions by Kalshi Prime.* Subject to the requirements and conditions contained in Part X of Chapter 14, an affiliate of the Exchange, Kalshi Prime LLC (''Kalshi Prime'') will intermediate Perpetual SFP transactions on the Exchange as an FCM SFP Broker Member. Kalshi Prime will be registered in good standing with the CFTC as a FCM and notice-registered with the Commission as a broker-dealer under Section 15(b)(11) of the Act and a member of NFA. The Exchange proposes to adopt Rule 14.38 to govern the Exchange's receipt of inbound orders in Perpetual SFPs from and provision of system access and data distribution services for the purpose of intermediating Perpetual SFP transactions to Kalshi Prime.

Pursuant to Rule 14.38(e), Kalshi Prime's privileges as an FCM SFP Broker Member on the Exchange would be limited to those available to other FCM members of the Exchange under Exchange Rule 3.2(g): (i) intermediating customer transactions on Kalshi, (ii) distributing Kalshi data to its customers pursuant to any data distribution agreement with Kalshi and (iii) accessing Kalshi's trading systems electronically. Rule 14.38(e) further specifies that Kalshi Prime will have such privileges only with respect to Perpetual SFP transactions on the Exchange and will be subject to all of the Exchange's rules to the same extent and on equal terms as such rules apply to other FCM SFP Broker Members.[62]

The Exchange recognizes ''that the potential for unfair discrimination may be heightened if a national securities exchange or its affiliate owns or operates a broker dealer . . . because the financial interests of the national securities exchange may conflict with its responsibilities as [a self-regulatory organization] regarding the affiliated broker-dealer.'' [63] For the reasons described below, the Exchange does not believe that Kalshi Prime's role as an FCM SFP Broker Member permitted to intermediate Perpetual SFP transactions will impair the ability of the Exchange to carry out the purposes of the Act and to comply and enforce compliance by its members and persons associated with its members with the Act, Commission rules thereunder and the Exchange's

[59] 15 U.S.C. 78c(a)(39).

[60] 7 U.S.C. 12a(2).

[61] 15 U.S.C. 78o(b)(11).

[62] Kalshi Prime would also be expressly prohibited, under Rule 14.38(f), from providing or performing the functions that the Commission and courts have previously found to result in exchange affiliates being ''facilities'' of such exchange—namely, Rule 14.38(f) would prohibit Kalshi Prime from providing order routing services, co-location services, market data services or any other services or functions determined by the Exchange, in its sole discretion, to constitute a system of communication from or to the Exchange for the purpose of effecting transactions on the Exchange, except to the extent such activities are encompassed by the permitted FCM SFP Broker Member functions under Rule 14.38(e) and provided or performed subject to the same terms and conditions as any other SFP Broker Member. *See Order Approving Proposed Rule Change by the Pacific Exchange, Inc., as Amended, and Notice of Filing and Order Granting Accelerated Approval to Amendment Nos. 4 and 5 Concerning the Establishment of the Archipelago Exchange as the Equities Trading Facility of PCX Equities, Inc.,* Release No. 34–44983 (Oct. 25, 2001), 66 FR 55225, 55234 (Nov. 1, 2001) (the ''PCX Order'') (finding an exchange-affiliated broker-dealer's order routing service for the exchange to constitute a facility of the exchange because it was ''uniquely linked to and endorsed by [the exchange] to provide its outbound routing functionality,'' but that the affiliated broker-dealer's introducing broker and electronic communications network functions did not constitute facilities of the exchange); *Self-Regulatory Organizations; Cboe Exchange, Inc.; Order Disapproving a Proposed Rule Change To Adopt a New Rule Regarding Order and Execution Management Systems,* Release No. 34–101491 (Oct. 31, 2024), 89 FR 88080 (Nov. 6, 2024) (finding that an exchange-affiliated order and execution management system constituted a facility of the exchange because its functions were ''more akin to an optional order routing function . . . than to an introducing broker-function.''); *Intercontinental Exch., Inc.* v. *SEC,* 23 F.4th 1013, 1022 (D.C. Cir. 2022) (holding that wireless co-location services offered by an exchange affiliate constituted facilities of the exchange because they were '''system[s] of communication . . . . maintained by or with the consent of the exchange' that [are] offered 'for the purpose of effecting or reporting transactions on the exchange.''); *Market Data Infrastructure,* 86 FR 18596, 18666 (Apr. 9, 2021) (''The Commission would expect that the activities of a competing consolidator affiliated with a national securities exchange would be likely to fall within the statutory definitions'').

[63] PCX Order at 55233.

rules consistent with Section 6(b)(1) of the Act,[64] give rise to unfair discrimination or conflicts of interest between customers, issuers and broker or dealers on the Exchange inconsistent with Section 6(b)(5) of the Act,[65] or create a burden on competition inconsistent with Section 6(b)(8) of the Act.[66]

The Commission has itself acknowledged that a national securities exchange may have subsidiaries or affiliates that are broker-dealers,[67] provided that such affiliated broker or dealer must be a member of another self-regulatory organization that is primarily responsible for examining the broker-dealer.[68] In addition, the Commission has approved exchange rule-changes permitting certain activities of affiliated broker-dealers subject to appropriate safeguards to ensure such activities are consistent with Sections 6(b)(5) and 6(b)(8) of the Act.

For example, in its order regarding rule changes of the Pacific Exchange, Inc. (''PCX'') to create a new electronic communications and trading facility, the Archipelago Exchange (''ArcaEx''), after consideration of the ''potentially unfair advantages'' associated with exchange-broker affiliation, the Commission approved PCX rules permitting ArcaEx's broker-dealer affiliate, Wave Securities LLC (''Wave''), to intermediate transactions as an introducing broker on PCX, under circumstances similar to those at issue here.[69] In so doing, the Commission emphasized that: ''[i]n its introducing broker role, Wave would be acting as a user/member of the ArcaEx on precisely the same terms as any other member. Wave would not be the sole source of sponsored access to the ArcaEx; all other [Equity Trading Permit] Holders could readily provide similar services on behalf of their customers.'' [70] The Commission further emphasized that PCX had implemented additional protections to ''limit the risk that Wave would receive an unfair advantage over other [Equity Trading Permit] Holders in operating as an introducing broker,'' including through rules provisions requiring strong information barriers between PCX and its facilities and the introducing-broker functions of Wave.[71]

Also, in the securities options context, the Commission has previously approved rule changes of Cboe C2 Exchange, Inc. (''Cboe C2''), a national securities exchange, to permit its affiliated broker-dealer, Cboe Trading, Inc. (''Cboe Trading''), to provide inbound options routing services where Cboe C2 implemented controls to ensure that an unaffiliated self-regulatory organization was primarily responsible for performing regulatory responsibilities for Cboe Trading and that Cboe Trading ''does not develop or implement changes to its systems on the basis of nonpublic information obtained as a result of its affiliation with the [e]xchange until such information is available generally to similarly situated Trading Permit Holders of the [e]xchange.'' [72]

The Exchange does not believe that Kalshi Prime's role as an FCM SFP Broker Member on the Exchange will be inconsistent with Sections 6(b)(1), 6(b)(5) or 6(b)(8) of the Act because the Exchange has implemented robust protections and safeguards to ensure that Kalshi Prime will not be operationally integrated with or have privileged access to the systems or information of the Exchange, similar in nature to those implemented by PCX in respect of Wave's introducing-broker function and Cboe C2 in respect of Cboe Trading's inbound options routing services.

Pursuant to Rule 14.38(g), the Exchange will be prohibited from permitting the entry of orders through Kalshi Prime that result in Kalshi Prime's customers receiving privileged treatment on the Exchange in any respect or being placed at a competitive advantage *vis a vis* participants of the Exchange who enter orders otherwise than through Kalshi Prime. Rule 14.38(g) also prohibits the Exchange from establishing or administering its platform or any rule, policy, fee, order routing, communication or other system, margin requirement or other functionality in a manner designed or reasonably likely to privilege Kalshi Prime relative to any other FCM SFP Broker Member. Consistent with the Exchange's regulatory obligation to ''provide its members, persons with trading privileges and independent software vendors with impartial access to its markets and services,'' [73] these rules are designed to ensure that Kalshi Prime does not receive any unfair advantage over other SFP Broker Members intermediating Perpetual SFP transactions, such that other SFP Broker Members can readily provide similar services on behalf of their customers.

Further, Rule 14.38(b) would prohibit the Exchange from permitting Kalshi Prime to intermediate Perpetual SFP transactions on the Exchange unless a third-party self-regulatory organization unaffiliated with the Exchange (a ''Third-Party DSRO'') conducts surveillance and examination of Kalshi Prime as would otherwise be required of the Exchange under CFTC Regulation 1.52(c). Kalshi Prime's Third-Party DSRO will be NFA. And Rule 14.38(i) requires, consistent with Exchange Rules 2.9 and 12.3 and CFTC Regulation 1.69,[74] that ''only Public Director members of the [Exchange's Board of Directors], Regulatory Oversight Committee, Disciplinary Panel, Outcome Review Committee or Appeals Committee may take part in matters for which [Kalshi Prime] is a named party in interest'' and that the Exchange's ''Chief Compliance Officer shall report any such matter to the Regulatory Oversight Committee.''

Accordingly, all supervision, oversight and enforcement of Kalshi Prime's compliance with applicable law and Exchange rules would occur on an independent basis: (i) NFA, as Kalshi Prime's Third-Party DSRO, would perform surveillance and examination of Kalshi Prime's compliance with CFTC regulatory requirements relating to minimum net capital and related financial matters, customer funds segregation, risk management and financial reporting (which would otherwise be performed by the Exchange itself under Regulation 1.52(c)); (ii) NFA would also surveil and examine Kalshi Prime, in its capacity as a member of NFA, for compliance with CFTC

[64] 15 U.S.C. 78f(b)(1).

[65] 15 U.S.C. 78f(b)(5).

[66] 15 U.S.C. 78f(b)(8).

[67] *Regulation of Exchanges and Alternative Trading Systems,* 63 FR 70844, 70891 (Dec. 22, 1998) (''National securities exchanges could, under the rules the Commission is adopting today, form subsidiaries or affiliates that operate alternative trading systems registered as broker-dealers. If a national securities exchange chose to form such a subsidiary or affiliate, the exchange itself could remain registered as a national securities exchange, while the subsidiary or affiliate operated as a broker-dealer'').

[68] *Id.; see also* PCX Order at note 111.

[69] *See* PCX Order at 55233–55234. In the PCX Order, the Commission also concluded that the introducing broker and electronic communications network functions of Wave did not constitute ''facilities'' of PCX as defined in Section 3(a)(2) of the Act. PCX Order at 55234. Because Kalshi Prime will not engage in any activities that the Commission has previously determined constitute ''facilities'' of an exchange and given the safeguards discussed herein to limit operational integration between Kalshi Prime and the Exchange, the Exchange shall not treat Kalshi Prime's operations as an FCM SFP Broker Member intermediating Perpetual SFP transactions as a facility of the Exchange. *See* note 62, *supra.*

[70] *Id.* at 55234.

[71] *Id.*

[72] *Self-Regulatory Organizations; Cboe C2 Exchange, Inc.; Notice of Filing and Order Granting Accelerated Approval of a Proposed Rule Change Concerning an Affiliation between the Exchange and Cboe Trading and to Adopt Rules to Permit Inbound Routing by Cboe Trading,* Release No. 34–82952 (March 27, 2018); 83 FR 14096 (Apr. 2, 2018).

[73] 17 CFR 38.151(b).

[74] 17 CFR 1.69.

regulations and NFA rules relating to, among other things, supervision, anti-money laundering, recordkeeping, business continuity and disaster recovery, information security, fraud and related matters, frontrunning, suitability, risk disclosures, sales practices and marketing;[75] and (iii) only independent decisionmakers (*i.e.,* Public Directors that, pursuant to Rule 2.2(g), must be found by Kalshi's Board of Directors to have no ''Material Relationship,'' as defined in Rule 2.2(g), with the Exchange) of applicable Exchange committees may participate in matters involving Kalshi Prime's compliance with Exchange rules and all such matters must be reported to the Exchange's Regulatory Oversight Committee.

The Exchange is also instituting additional safeguards in Rule 14.38 similar to those approved for PCX to ensure that Kalshi Prime does not receive any informational or other competitive advantages from its affiliation with the Exchange. Specifically, Rule 14.38(h) provides that ''[t]he officers and directors of the Exchange shall establish and maintain procedures and internal controls reasonably designed to adequately restrict the flow of confidential and proprietary information between the Exchange and the functions of any [a]ffiliated SFP Broker Member.'' Pursuant to Rule 14.38(h), the Exchange may only furnish to Kalshi Prime the same information on the same terms that the Exchange makes available in the normal course of business to any other SFP Broker Member and, as necessary to administer its rules or comply with applicable law, communicate non-public information to Kalshi Prime that relates solely to Kalshi Prime or one or more of its customers.

Finally, Rule 14.38(d) provides the Exchange with broad authority to deny or condition Kalshi Prime's application to intermediate Perpetual SFP transactions as an FCM SFP Broker Member ''so long as such action is impartial, transparent, fair and non-discriminatory.'' Accordingly, the Exchange could, at any time, upon a determination that Kalshi Prime has obtained privileged or exclusive access to the Exchange with respect to Perpetual SFPs, the information barriers contemplated in Rule 14.38(h) prove ineffective, or otherwise, suspend, condition or terminate Kalshi Prime's ability to intermediate Perpetual SFP transactions as an FCM SFP Broker Member.

The Exchange therefore believes that its addition of Rule 14.38 and admission of Kalshi Prime as an FCM SFP Broker Member on the Exchange will not grant Kalshi Prime any unfair advantage over other FCM SFP Broker Members intermediating Perpetual SFP transactions for their customers and will ensure appropriate operational segregation of Kalshi Prime's FCM SFP Broker Member functions from the operation of the Exchange and its facilities.

Trading Safeguards, Sales Practices and Market Surveillance

Kalshi proposes adopting Rulebook Chapter 14, Parts IV (Trading Safeguards), VIII (Sales Practices) and IX (Market Surveillance) and related new definitions in Rule 14.2.

Part IV of Chapter 14 governs the trading safeguards applicable to Perpetual SFPs, the parameters, procedures and methodologies of which shall be established and published by the Exchange by Exchange Notice or technical specification and may be modified by the Exchange at any time. The Exchange shall communicate material changes to trading safeguards to its members, except that the Exchange shall not be obligated to provide prior notice of any such changes upon a declaration that ''Stressed Market Conditions'' exist for one or more Perpetual SFPs. Pursuant to Rule 14.14(d), the Exchange shall provide self-match prevention functionality for Perpetual SFPs. Rule 14.14(e) sets forth the categories of persons prohibited from trading in Perpetual SFPs, which include: (i) any person who is an officer, director, or 10% or greater shareholder subject to Section 16 of the Act of an issuer of any Underlying Security of a Perpetual SFP, (ii) any person who is in possession of material non-public information regarding an issuer of an Underlying Security of a Perpetual SFP, and (iii) any family member or household member of a person in the aforementioned categories. Rule 14.15 provides that, notwithstanding any other provision of Chapter 14, ''the Exchange shall have the authority to halt, suspend, or restrict trading in any Perpetual SFP, or to modify the parameters of any trading safeguard, at any time and for any duration, if the Exchange determines, in its sole discretion, that such action is necessary or appropriate to: (i) maintain fair and orderly markets; (ii) protect market participants; (iii) address an emergency, (iv) respond to extraordinary market conditions; or (v) comply with applicable law or regulation.'' Rule 14.15(c) provides that the Exchange shall promptly report to the CFTC any trading halt, trading suspension or declaration of Stressed Market Conditions in accordance with Part 38 of CFTC Regulations.[76] The Exchange is adopting Part IV of Chapter 14 in order to more effectively protect against manipulative practices and insider trading, and to promote fair and orderly trading in Perpetual SFPs on the Exchange.

Part VIII of Chapter 14 requires that each SFP Broker Member effecting transactions in Perpetual SFPs for its customers must comply with the sales practice requirements of the NFA and, to the extent applicable, the rules of any national securities association of which such SFP Broker Member is a member, including suitability obligations and customer account approval procedures. Part VIII further provides that, before opening an account for a customer to trade Perpetual SFPs, an SFP Broker Member must deliver to the customer the Risk Disclosure Statement for Security Futures Contracts prescribed jointly by NFA and the Financial Industry Regulatory Authority (''FINRA''),[77] and must obtain written acknowledgment of receipt. Part IX of Chapter 14 governs the Exchange's market surveillance program for Perpetual SFPs, including its rules and procedures for real-time market monitoring, coordinated market surveillance and its audit trail.

Rule 14.34 provides that ''[t]he Exchange shall conduct real-time market surveillance of all trading activity in Perpetual SFPs to detect potential violations of Exchange rules, the CEA, the [Act], and other applicable laws and regulations.'' The rule further provides that ''[m]arket surveillance shall include monitoring for: manipulation of Perpetual SFP prices or the prices of Underlying Securities; insider trading; front-running; violations of position limits and reporting requirements; wash trades; self-referencing or self-matching trades; and other fraudulent or manipulative practices.'' Pursuant to Rule 14.35, ''[t]he Exchange shall maintain membership in the Intermarket Surveillance Group (''ISG'') and shall comply with all ISG requirements for

[75] *See* NFA, Compliance Rules, *https://www.nfa.futures.org/rulebooksql/rules.aspx?Section=4.* NFA's examination program includes ongoing financial surveillance, identification of high-risk firms, and on-site examinations at intervals of no less than eighteen months. *See* 17 CFR 1.52(c)(1)(iv), (d)(2)(ii)(C)(4).

[76] 17 CFR Part 38.

[77] *See* FINRA and NFA, *Security Futures Risk Disclosure Statement* (updated 2020), *available at https://www.finra.org/sites/default/files/2020-08/Security_Futures_Risk_Disclosure_Statement_2020.pdf.*

the sharing of surveillance information.'' Rule 14.35 further provides that ''[t]he Exchange shall share information with other markets on which the Underlying Securities and related securities trade, including transaction information, customer identity information, position information, and any other information necessary for coordinated surveillance'' and that ''[t]he Exchange shall coordinate with other markets in investigating potential violations involving Perpetual SFPs, and the Underlying Securities.''

Rule 14.36 provides that ''[t]he Exchange shall maintain an audit trail sufficient to facilitate coordinated surveillance among the Exchange, any market on which an Underlying Security is traded, and any market on which any related security is traded.'' Pursuant to Rule 14.36, the Exchange's audit trail shall capture, at a minimum: ''the time of order receipt and execution (to the millisecond); the identity of the [p]articipant entering the order; the identity of the customers, if applicable; the terms of the order; any modifications or cancellations; and the execution price and counterparty.'' The Exchange maintains its audit trail in accordance with DCM Core Principle 10 in Section 5(d)(10) [78] and CFTC Regulations 38.550, 38.551 and 38.552.[79] Pursuant to Rule 14.36(c), and consistent with CFTC Regulation 1.31(b),[80] the Exchange shall maintain records of all transactions in Perpetual SFPs for a period of not less than five years.

2. Statutory Basis

The Exchange believes that proposed Chapter 14 is consistent with Section 6 of the Act and, in particular, furthers the objectives of Sections 6(b)(1) [81] and 6(b)(5) [82] of the Act insofar as it is designed to ensure the compliance of the Exchange and its members with applicable provisions of the Act and Commission and Exchange rules, to prevent fraudulent and manipulative acts and to promote just and equitable principles of trade. The Exchange further believes that the proposed rule change is consistent with Section 6(h)(3) [83] of the Act which contains detailed requirements for listing standards and conditions for trading security futures products.

[78] 7 U.S.C. 7(d)(10).

[79] 17 CFR 38.550, 38.551, 38.552.

[80] 17 CFR 1.31(b).

[81] 15 U.S.C. 78f(b)(1).

[82] 15 U.S.C. 78f(b)(5).

[83] 15 U.S.C. 78f(h)(3).

The Exchange believes that its adoption of Chapter 14 is consistent with Section 6(h)(3), and that they are designed to prevent fraudulent and manipulative acts and practices, to promote just and equitable principles of trade, and, in general to protect investors and the public interest, because:

- The Exchange has established and shall monitor and enforce compliance with the rules of the Perpetual SFPs, including the initial and maintenance listing standards for Perpetual SFPs;
- The listing standards for Perpetual SFPs described above require a liquid underlying market for any Perpetual SFP the Exchange will list for trading, and therefore the proposed Perpetual SFPs will not be readily susceptible to manipulation. In particular, the Exchange's proposed initial listing standards for Perpetual SFPs require that the Underlying Security for each Perpetual SFP must exceed 20 million shares in estimated deliverable supply (Rule 14.3(f)), have a minimum market capitalization of at least $100 billion (Rule 14.3(b)) and have had a minimum ADTV of at least $450 million over the prior six months (with a higher ADTV requirement for securities with less than six months trading history) (Rule 14.3(c)). Pursuant to Rule 14.4, the Exchange shall not list any Perpetual SFPs, notwithstanding satisfaction of the initial listing criteria in Rule 14.3, on securities within one of the categories enumerated in Rule 14.4, including securities subject to a trading halt, suspension or revocation of listing by its principal listing exchange or by the Commission pursuant to Section 12(k) of the Act.[84] Further, pursuant to Rule 14.6, the Exchange shall delist Perpetual SFPs that fail to satisfy the maintenance listing standard requirements established under the rule following the ninety (90) day cure period specified therein or that are subject to any Immediate Delisting Event. Under the maintenance standards in Rule 14.6(a), the minimum ADTV is at least $200 million for the prior calendar quarter (with a higher ADTV requirement for securities with less than one quarter trading history, the estimated deliverable supply maintenance standard is the same as in Rule 14.3(f) and the maintenance market capitalization standard is $50 billion. The proposed listing standards assure a robust market for the Underlying Security to protect against manipulation. In this regard, Kalshi has carefully structured the initial listing standards to assure that the contracts it will list at a minimum meet the more stringent requirements for Kalshi to have the flexibility permitted under CFTC Regulation 41.25(b)(3)(i)(A) [85] to set position limits as a percentage of the Underlying Security's estimated deliverable supply.
- Trading in the Perpetual SFPs will be subject to the Exchange rules, which include prohibitions on manipulative or disruptive trading practices prohibited by the CEA or by the CFTC, fraudulent or abusive trading, trading with access to material non-public information that is the subject of an underlying of a contract, and several other harmful or potentially manipulative trading practices. Further, pursuant to Rule 14.8, the NPC shall specifically consider whether a proposed underlying security for a proposed Perpetual SFP has been the subject of, or is reasonably susceptible to, manipulation and, where the NPC identifies elevated manipulation risk, it may impose enhanced position limits, margin requirements or other risk controls as a condition of listing, or may decline to list, the Perpetual SFP. Further, as with any new product listed for trading on the Exchange, trading activity in the Perpetual SFPs will be subject to monitoring and surveillance by the Exchange (*see* Rule 14.34).
- Pursuant to Part VI of Chapter 14, the Exchange will establish speculative position limits and/or accountability levels for any Perpetual SFP it lists as required by and consistent with CFTC Regulation 41.25(b)(3) and Appendix A to Subpart C of Part 41 of CFTC Regulations (*Guidance on and Acceptable Practices for Position Limits and Position Accountability for Security Futures Products*).
- Transactions in Perpetual SFPs will be cleared by Klear in Klear's capacity as a CFTC-registered DCO and are subject to all CFTC regulations related to the clearing of futures.
- The Perpetual SFPs will be listed for trading on the Exchange's electronic trade execution system (the ''Platform''), which provides for competitive and open execution of transactions.[86] Eligible participants may also execute and submit block trades in Perpetual SFPs, subject to and in accordance with Rule 5.3(e).

[84] 15 U.S.C. 78l(k).

[85] 17 CFR 41.25(b)(3)(i)(A).

[86] Exchange participants may also use the Exchange's Request for Quote (''RFQ'') pre-execution communications system to solicit interest in a market, subject to placement of resulting orders in the order book on a price-time priority basis as though they were placed manually (at a lower time priority than existing resting orders) and in accordance with Rule 5.3(b).

• The Platform and related Kalshi systems will capture requisite trade information for Perpetual SFPs, which will ensure that the audit trail and the audit trail data for trading of Perpetual SFPs will be sufficient for the Exchange to monitor for potential market abuse.

• The Exchange's existing rules contain prohibitions precluding intermediaries from disadvantaging their customers, including but not limited to prohibitions on front running and entering orders for their own proprietary accounts when the intermediary has in hand an order to buy or sell the same contract for a customer at the same price or at the market price. These rules apply to transactions in Perpetual SFPs on the Exchange.

• Chapter 9 of the Exchange rules contains provisions that allow the Exchange to discipline, suspend or expel members or market participants that violate any applicable rules of the Exchange. Trading in the Perpetual SFPs will be subject to Chapter 9, and the Exchange's Disciplinary Panel or any Oversight Panel established by Kalshi with requisite authority may exercise its enforcement power in the event rule violations in Perpetual SFPs are identified.

• Market participants may use the arbitration provisions set forth in Chapter 10 of the Exchange rules to settle disputes with respect to trading of Perpetual SFPs.

• The Exchange will publish information regarding trading volume, open interest and price information daily on its website for Perpetual SFPs.

• The Exchange will amend the Exchange rules accordingly on the effective date, which will be publicly available on the Kalshi website, to reflect the addition of Chapter 14 regarding Perpetual SFPs.

• The requirements and conditions applicable to Kalshi Prime's intermediation of Perpetual SFP transactions in Rule 14.38 are designed to eliminate any unfair discrimination between customers, issuers, brokers or dealers arising from Kalshi Prime's affiliation with the Exchange and ensure that the Exchange retains the ability to carry out the purposes of the Act and to comply and impartially enforce compliance by its members and persons associated with its members with the Act, Commission rules and the rules of the Exchange.

Below is a summary of each requirement or condition under Section 6(h)(3) of the Act, followed by a brief explanation of how Kalshi will comply with it, whether by particular provisions in Chapter 14 or otherwise.

*Clause (A)* of Section 6(h)(3) of the Act [87] requires that any security underlying a security futures product be registered pursuant to Section 12 of the Act.[88] This requirement is addressed by Exchange Rules 14.3(a), 14.4(b) and 14.6(c).

*Clause (B)* of Section 6(h)(3) of the Act [89] is applicable only to physically delivered security futures products and is therefore not germane to the proposed products.

*Clause (C)* of Section 6(h)(3) of the Act [90] provides that listing standards for SFPs must be no less restrictive than comparable listing standards for options traded on a national securities exchange or national securities association registered pursuant to Section 15A(a) of the Act.[91] For the reasons discussed above, Kalshi believes that the listing standards proposed by Kalshi for Perpetual SFPs are no less restrictive than comparable listing standards for exchange-traded options. The Exchange expects that all Underlying Securities to be eligible to underlie exchange-traded options.

*Clause (D)* of Section 6(h)(3) of the Act [92] requires that each security futures product be based on common stock or such other equity securities as the Commission and CFTC jointly determine are appropriate. This requirement is addressed by Rule 14.3(h).

*Clause (E)* of Section 6(h)(3) of the Act [93] imposes requirements with respect to linkages and coordinated clearing across clearing agencies that clear security futures products. This provision is inapplicable. Pursuant to Section 6(h)(7) of the Act,[94] this requirement is deferred until the ''compliance date'' (as defined therein) and is currently inapplicable to Klear's clearing of the Perpetual SFPs. Further, no other clearing house currently clears the Perpetual SFPs that Kalshi proposes to list.

*Clause (F)* of Section 6(h)(3) of the Act [95] requires that only a broker or dealer subject to suitability rules comparable to those of a national securities association registered pursuant to Section 15A(a) of the Act effect transactions in a security futures product. This requirement is addressed by Part VIII of Chapter 14 (Sales Practices), which requires an SFP Broker Member effecting Perpetual SFP transactions of its customers to comply with the sales practices requirements, including suitability obligations and customer account approval procedures, of the NFA and, to the extent applicable, the rules of any national securities association of which such SFP Broker Member is a member. Pursuant to Section 15A(k) of the Act,[96] NFA is a national securities association for the limited purpose of regulating the activities of NFA members who are registered as brokers or dealers in security futures products under Section 15(b)(11) of the Act.[97]

*Clause (G)* of Section 6(h)(3) of the Act [98] requires that each SFP be subject to the prohibition against dual trading in Section 4j of CEA.[99] The Exchange does not have a rule prohibiting dual trading as this provision is inapplicable to our circumstances. ''Dual trading'' is defined in Section 4j of the CEA as ''the execution of customer orders by a floor broker during the same trading session in which the floor broker executes any trade in the same contract market or registered derivatives transaction execution facility'' for the account of such floor broker, an account for which such floor broker has trading discretion or an account controlled by a person with whom such floor broker has a relationship through membership in a broker association.[100]

Trading of Perpetual SFPs will occur on the Platform, an electronic trading system, and not on a trading floor. Accordingly, Kalshi does not have floor brokers. Further, CFTC Regulation 41.27, adopted pursuant to Section 4j(a) of the CEA,[101] only requires a DCM operating an electronic trading system to include in its rules a dual trading prohibition for security futures products only if their electronic trading system ''provides market participants with a time or place advantage or the ability to override a predetermined algorithm.'' [102] These features are not present on the Platform. Accordingly, the Exchange is not required to and does not intend to include a specific dual trading provision in its Rules. However, the Exchange's current rules include, in Rule 5.17, a similar prohibition on any FCM or introducing broker member from entering into an order to buy or sell a contract for their own account or any account in which they have a

[87] 15 U.S.C. 78f(h)(3)(A).

[88] 15 U.S.C. 78l.

[89] 15 U.S.C. 78f(h)(3)(B).

[90] 15 U.S.C. 78f(h)(3)©.

[91] 15 U.S.C. 78o–3(a).

[92] 15 U.S.C. 78f(h)(3)(D).

[93] 15 U.S.C. 78f(h)(3)(E).

[94] 15 U.S.C. 78f(h)(7).

[95] 15 U.S.C. 78f(h)(3)(F).

[96] 15 U.S.C. 78o–3(k).

[97] 15 U.S.C. 78o(b)(11).

[98] 15 U.S.C. 78f(h)(3)(G).

[99] 7 U.S.C. 6j.

[100] 7 U.S.C. 6j(b).

[101] 7 U.S.C. 6j(a).

[102] 17 CFR 41.27(b)(2).

proprietary interest when the intermediary has in hand an order to buy or sell the same contract for a customer at the same price or at the market price.

*Clause (H)* of Section 6(h)(3) of the Act[103] provides that trading in a security futures product must not be readily susceptible to manipulation of the price of such security futures product, nor to causing or being used in the manipulation of the price of any underlying security, option on such security, or option on a group or index including such securities.

As discussed above, the Exchange believes that its listing standards are designed to ensure that Perpetual SFPs and their Underlying Securities will not be readily susceptible to price manipulation. In particular, Part II of Chapter 14 includes several initial and maintenance listing criteria that are significantly more stringent than the listing standards in SLB 15. Specifically, the Exchange's initial listing standards require that the Underlying Security for a Perpetual SFP have an estimated deliverable supply in excess of 20 million shares (Rule 14.3(f)), a minimum market capitalization of $100 billion (Rule 14.3(b)) and an ADTV of at least $450 million over the prior six months or higher for securities with less than six months trading history (Rule 14.3(c)).

Pursuant to Rule 14.6, the Exchange will delist a Perpetual SFP on an Underlying Security that fails to meet its maintenance standards following the expiration of a ninety (90) day cure period or that is subject to an Immediate Delisting Event. Several of the Rule 14.6 maintenance standards proposed by the Exchange are more stringent than the corresponding standards in SLB 15, requiring the Underlying Security to maintain an estimated deliverable supply in excess of 20 million shares, a market capitalization of at least $50 billion and a minimum ADTV of at least $200 million for the prior calendar quarter or higher for securities that have been listed for trading for less than a quarter. In addition, Rule 14.4 categorically excludes, among other securities, any security that is subject to a trading halt, suspension or revocation of listing by its principal listing exchange, ensuring that securities with cash markets experiencing significant disruption, including due to potential manipulation, may not become Underlying Securities of Perpetual SFPs. And, in addition to these minimum criteria, the NPC shall, pursuant to Rule 14.8 specifically consider the susceptibility to manipulation of a security when determining whether to permit the listing of a Perpetual SFP on such security, and retains discretion to decline to list a Perpetual SFP on any security regardless of whether the security satisfies the aforementioned criteria.

Further, the Funding Rate calculation methodology for Perpetual SFPs is carefully designed to ensure that periodic funding obligations of holders of Perpetual SFPs are resilient to disruptive or anomalous trading behavior affecting both Perpetual SFPs and their Underlying Securities. First, each of the inputs to the Funding Rate calculation is independently resistant to manipulation: the Reference Price reflects real-time consolidated equity cash market data, thereby incorporating the depth, liquidity and competitive price discovery of U.S. cash equity markets, while the Mark Price (which equals the Settlement Price as of the Periodic Transfer Time) is calculated through an objective, tiered methodology designed to prevent isolated or anomalous activity from materially affecting the calculation. Further, the Funding Rate calculation is the product of hundreds (390 during a regular 9:30 a.m.—4:00 p.m. trading day) of sequential Premium calculations, each equally-weighted and incorporating the Reference Price and Mark Price observed during the applicable respective Computation Interval. Averaging observations across the full trading day substantially dilutes the effect of any isolated distortion and would require a person seeking to manipulate the Funding Rate to sustain a material market influence across numerous Computation Intervals. Such conduct would require repeated exposure to execution risk and transaction costs and would generate an observable pattern of order and trading activity detectable by the Exchange's real-time monitoring and trade surveillance controls.

The Exchange will also maintain several controls external to the Funding Rate calculation methodology to ensure the integrity of daily funding settlements and their resistance to manipulation. As provided in Rule 14.10(i), the Exchange will monitor the performance of the funding mechanism in maintaining economic correspondence between the price of each Perpetual SFP and its corresponding Underlying Price Index, including through surveillance of Premium behavior around the Daily Settlement Time to identify any unusual, potentially manipulative or disruptive trading behavior occurring near a daily settlement period. The Exchange may amend the Funding Rate methodology and related parameters (*e.g.,* the Deadband Threshold and Maximum Funding Magnitude) in accordance with applicable Exchange Rules and applicable law. Funding Rates and associated periodic funding payment transfers will also be subject to the Exchange's Market Outcome Review Process, set forth in Exchange Rule 7.1, whereby the Exchange's Outcome Review Committee may determine the final settlement outcome of the Perpetual SFP for the applicable daily settlement period. The Exchange may initiate the Market Outcome Review Process at its sole discretion and by taking into account circumstances that may have a material impact on the reliability or transparency of the underlying related to a contract (*i.e.,* the Underlying Price Index of a Perpetual SFP). Additionally, pursuant to Rule 14.10(g), the Exchange may initiate the Market Outcome Review Process for any daily settlement for which the Daily Settlement Price cannot be determined under Rule 14.12(a), a Perpetual SFP's terms and conditions or the Underlying Price Index (because it is unavailable or unreliable). Finally, Rule 14.10(j) provides that the Exchange may take such actions as it deems necessary and appropriate in accordance with the procedures set forth in Exchange Rule 2.8—including, but not limited to, temporarily adjusting the Maximum Funding Magnitude, modifying margin requirements or imposing additional risk controls—in the event of an ''Emergency'' as defined in Exchange Rule 2.8. Collectively, these controls supplement the already manipulation-resistant funding calculation methodology by ensuring the availability of controls within the discretion of the Exchange to detect, remedy and deter manipulation.

The Exchange's proposed position limits for Perpetual SFPs are also designed to most effectively protect against manipulation. Not only are the speculative position limits and position accountability provisions described in Part VI of Chapter 14 consistent with CFTC Regulation 41.25(b)(3)(i), but the position limits proposed by the Exchange in many respects exceed regulatory requirements in their stringency because they apply regulatory position limits across the life of a Perpetual SFP, rather than only during the last three trading days of a contract.

In addition, the Exchange is adopting, pursuant to Part IV of Chapter 14, rules regarding trading safeguards applicable

[103] 15 U.S.C. 78f(h)(3)(H).

to Perpetual SFPs, including pre-trade and intra-trade safeguards, and will have the authority to establish and amend the parameters, procedures and methodologies for such safeguards at its discretion. The Exchange shall also provide self-match prevention functionality for Perpetual SFPs and prohibit insiders and persons in possession of material non-public information in respect of issuers of Underlying Securities from trading Perpetual SFPs.

More generally, Exchange Rule 5.17 imposes prohibitions on any person ''engag[ing] in conduct or practices inconsistent with just and equitable principles of trade'' or ''engag[ing] in any activity that is intended to, or has the effect of, manipulating the market in violation of Sections 6(c) and 9(a)(2) of the CEA,'' in addition to prohibitions on various other manipulative or deceptive trade practices. These provisions will apply to transactions in Perpetual SFPs on the Exchange. Chapter 9 of the Exchange rules spells out the disciplinary capabilities and processes of the Exchange and Rule 9.5 describes the various penalties that the Exchange may impose on persons violating its rules, which include: fines or penalty fees, disgorgement of profits resulting from the violation plus the cost of damages to counterparties, suspension of trading or member status or privileges and revocation of trading or member status or privileges.

*Clause (I)* of Section 6(h)(3) of the Act [104] requires that procedures be in place for coordinated surveillance among the market on which a security futures product is traded, any market on which any security underlying the security futures product is traded, and other markets on which any related security is traded to detect manipulation and insider trading. The Exchange has procedures in place for coordinated surveillance consistent with these requirements. In particular, pursuant to Rule 14.35, the Exchange shall maintain membership in the Intermarket Surveillance Group (''ISG'') and shall comply with all ISG requirements for the sharing of surveillance information. Rule 14.35 also provides that the Exchange shall coordinate with other markets in investigating potential violations involving Perpetual SFPs and their Underlying Securities, and Exchange Rule 2.15 permits the Exchange to enter into information-sharing agreements with any person or body, including with domestic or foreign regulatory or self-regulatory organizations, associations and boards of trade.

*Clause (J)* of Section 6(h)(3) of the Act [105] requires that the market on which a security futures product is traded has in place audit trails necessary or appropriate to facilitate the coordinated surveillance required in subparagraph (I), as discussed above.

The Exchange relies on its Surveillance Department to perform surveillance of listed contracts. The Surveillance Department maintains a comprehensive suite of proprietary and vendor surveillance systems that leverage high-performance, multi-availability zone, cloud-hosted datastores to process, store, and analyze the audit trail records described below, together with cleared trades and allocations, positions, and referential data including instrument metadata. The Exchange's logging system will capture audit trail data for trading of Perpetual SFPs. The Exchange's audit trail is maintained in accordance with Core Principle 10 in CEA Section 5(d)(10) and CFTC Regulations § 38.550, § 38.551 and § 38.552. The Exchange retains the audit trail for a minimum of 5 years, as required by CFTC Regulation § 1.31(b).

The Surveillance Department makes use of the proprietary Investigative Dashboard in order to reconstruct historical trading conditions. The Investigative Dashboard allows analysts to view the historical state of an order book at any moment in time together with the order, participant, and execution details recorded in the audit trail described below. Coupled together, this empowers officers to replay the exact sequence of events that preceded and succeeded the investigated activity. Anomalous and potentially fraudulent or disruptive activity is automatically flagged for review by the surveillance team: flags are introduced by both proprietary surveillance systems and by Solidus Labs' trade surveillance technology, which ingests a real time data feed from the Exchange.

The Exchange maintains a complete audit trail of participant and Exchange activity. Records are generated in real time, at the moment the Exchange acts, and are created whenever a participant performs an operation that changes the state of the Exchange, including the entry, modification, and cancellation of orders, the execution of trades, requests for quotes and responses to them, participant access to the platform, and the movement of funds. For each order-related operation, the Exchange records at least the following:

- A unique order identifier.
- The identity of the participant, and where the activity is conducted for a customer account, house account, or sub-account, the identity of that account and its relationship to the member.
- The date and time the instruction was received, recorded to microsecond precision in Coordinated Universal Time.
- The market to which the order relates, identified by market ticker or internal market identifier, and the related event and series.
- The price and size of the order, and the price and size at which it was filled.
- The order's duration or expiration instruction, including any specific expiration time.
- The outcome of the order—whether it rested on the book, was filled in whole or in part, was cancelled, or expired—and, for cancellations and modifications, the reason recorded for the change.
- The risk controls applied to the order, including any maximum execution cost, post-only, and reduce-only, as submitted by the participant.
- The means by which the order was submitted, whether by application programming interface, FIX connection, web platform, or mobile application.
- The originating network address of the participant's session and the outcome of the authentication for that session, including whether multi-factor authentication was used.
- The Exchange's processing time for the instruction, measured from receipt to response.
- The fees assessed to each side of the resulting trade.

Each record also identifies the Exchange system and software version that processed the instruction, so that any entry in the audit trail can be attributed to a specific operation of a specific version of the Exchange.

The Exchange's logging system is operated on the Datadog platform. For ease of retrieval and long-term retention, the details of these operations are also stored in relational databases operated on Amazon Web Services (''AWS''). The Exchange maintains the following databases:

- *Query Exchange (Historical)*—the record of orders and executed trades, including each trade's identifier, market, price, size, time, the identifiers of the orders on both sides, the participants and sub-accounts on both sides, fees, and the Exchange clock value at execution. The Query Exchange database is held on the Exchange's query-exchange historical cluster.
- *Users*—the record of members and accounts, including account type,

[104] 15 U.S.C. 78f(h)(3)(I).

[105] 15 U.S.C. 78f(h)(3)(J).

verification status, account creation and update history. The Users database is held on the Exchange's users cluster.

In addition, Klear maintains its own record of each cleared trade in its Trades and Users databases. These records carry identifiers in common with the Exchange's own records, so that any trade can be traced between the Exchange's internal record and the clearinghouse record.

AWS supports a managed relational database service that separates computing from storage and replicates each write across multiple independent data-center facilities. The stored record therefore does not depend on any individual server or storage device. Daily snapshots of each database are produced and retained as backups of historical database state.

Records are retrievable by order identifier, trade identifier, participant, account, market, and time period. Because the Exchange's trade record carries the identifiers used by both Klear and the Exchange's own operational logs, a single trade or order can be reconstructed across all three records—the operational log of the instruction as received and processed, the Exchange's database record of the resulting order and trade, and Klear's record of the cleared trade.

The Exchange shall cooperate and share information with the Commission required by the Act, including to facilitate the Commission's assessment of market data relating to the trading of Perpetual SFPs.

*Clause (K)* of Section 6(h)(3) of the Act [106] requires that a market on which a security futures product is traded have in place procedures to coordinate trading halts between such market and any market on which any security underlying the security futures product is traded and other markets on which any related security is traded. This requirement is addressed by Rule 14.13.

*Clause (L)* of Section 6(h)(3) of the Act [107] requires that the margin requirements for a security futures product comply with the regulations prescribed pursuant to Section 7(c)(2)(B) of the Act.[108] To implement Section 7(c)(2)(B) of the Act, the Commission and the CFTC have adopted parallel rules establishing a fifteen (15) percent minimum initial and maintenance customer margin requirement for long or short security future positions and permitting exchanges to prescribe lower margin requirements for permitted offsetting positions involving security futures and related positions.[109] The Perpetual SFP Margin Rules in Part V of Chapter 14 impose a minimum customer margin requirement of 15.50% of the Current Market Value of a Perpetual SFP position and do not allow for the lower margin requirements for permitted offsetting strategies or exemptions for exempted persons and market makers permitted under the Customer Margin Rules. The Exchange has chosen to adopt customer margin rules for Perpetual SFPs more stringent than those required by the Customer Margin Rules in order to protect investors and the public interest by reducing the risk of participants incurring margin obligations that they do not have the financial resources to satisfy. Thus, the Exchange believes that its Perpetual SFP Margin Rules are consistent with the requirements of the Act.

For the reasons described above, the Exchange believes that the listing standards, margin levels and trading rules submitted herewith satisfy the requirements set forth in Section 6(h)(3) of the Act. Kalshi also believes that its proposed rule changes are consistent with Section 6(b) of the Act, in general, and further the objectives of Section 6(b)(5) of the Act, in particular, in that they are designed to remove impediments to and perfect the mechanism for a free and open market and a national market system, and, in general, to protect investors and the public interest

*B. Self-Regulatory Organization's Statement on Burden on Competition*

Kalshi does not believe that the proposed rule changes will impose any burden on competition not necessary or appropriate in furtherance of the purposes of the Act. Currently, no other exchange lists security futures products with no predefined final settlement date for trading. Nothing in the filing restricts or impedes another exchange from offering such security futures products for trading subject to its compliance with applicable regulatory requirements under the Act, CEA and respective rules of the Commission and CFTC governing security futures products.

Further, for the reasons described above, the Exchange does not believe that admission of Kalshi Prime as an FCM SFP Broker Member will impose any burden on intramarket or intermarket competition that is not necessary or appropriate in furtherance of the Act as the requirements of Rule 14.38—the requirement of an unaffiliated Third-Party DSRO, the prohibition on privileged or competitively advantageous treatment of Kalshi Prime, the establishment of information barriers between the Exchange and Kalshi Prime and the requirement that only Public Directors on relevant committees and panels of the Exchange governing matters involving Kalshi Prime—help to prevent an unfair burden on competition and unfair discrimination between customers, issuers, brokers, or dealers.

*C. Self-Regulatory Organization's Statement on Comments on the Proposed Rule Change Received From Members, Participants, or Others*

The Exchange has not solicited, and does not intend to solicit, comments on this proposed rule change. The Exchange has not received any unsolicited written comments from members or other interested parties.

## III. Date of Effectiveness of the Proposed Rule Change and Timing for Commission Action

The proposed rule change will become effective on November 2, 2026, or such later date as it may be approved pursuant to CFTC Regulations.

Within 60 days of the date of effectiveness of the proposed rule change, the Commission, after consultation with the CFTC, may summarily abrogate the proposed rule change and require that the proposed rule change be refiled in accordance with the provisions of Section 19(b)(1) of the Act.[110]

## 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 (*http://www.sec.gov/rules/sro.shtml*); or
- Send an email to *rule-comments@sec.gov.* Please include File Number SR–KALSHIEX–2026–02 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–KALSHIEX–2026–02. This file number should be included on the

[106] 15 U.S.C. 78f(h)(3)(K).

[107] 15 U.S.C. 78f(h)(3)(L).

[108] 15 U.S.C. 78g(c)(2)(B).

[109] 17 CFR 242.403(b); 41.45(b).

[110] 15 U.S.C. 78s(b)(1).

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 (*http://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–KALSHIEX–2026–02 and should be submitted on or before October 14, 2026.

For the Commission, by the Division of Trading and Markets, pursuant to delegated authority.[111]

**Sherry R. Haywood,**

*Assistant Secretary.*

[FR Doc. 2026–19409 Filed 9–22–26; 8:45 am]

**BILLING CODE 8011–01–P**

[111] 17 CFR 200.30–3(a)(73).

## SMALL BUSINESS ADMINISTRATION

**[Disaster Declaration #21900; CALIFORNIA Disaster Number CA–20047 Declaration of Economic Injury]**

### Administrative Declaration of an Economic Injury Disaster for the State of California

**AGENCY:** U.S. Small Business Administration.

**ACTION:** Notice.

**SUMMARY:** This is notice of an Economic Injury Disaster Loan (EIDL) declaration for the state of California dated September 18, 2026.

*Incident:* 2026 Plains Oil Spill.

**DATES:** Issued on September 18, 2026.

*Incident Period:* May 22, 2026 through May 28, 2026.

*Economic Injury (EIDL) Loan Application Deadline Date:* June 21, 2027.

**ADDRESSES:** *Visit the MySBA Loan Portal at https://lending.sba.gov* to apply for a disaster assistance loan.

**FOR FURTHER INFORMATION CONTACT:** Shaquille Lewis, Office of Disaster Recovery and Resilience, U.S. Small Business Administration, 409 3rd Street SW, Suite 6050, Washington, DC 20416, (202) 205–6734.

**SUPPLEMENTARY INFORMATION:** Notice is hereby given as a result of the Administrator's EIDL declaration, applications for disaster loans may be submitted online using the MySBA Loan Portal *https://lending.sba.gov* or in person at other locally announced locations. For further assistance please contact the SBA disaster assistance customer service center by email at *disastercustomerservice@sba.gov* or by phone at 1–800–659–2955. If you are deaf, hard of hearing, or have a speech disability, please dial 7–1–1 to access telecommunications relay services.

The following areas have been determined to be adversely affected by the disaster:

*Primary County:* Los Angeles.

*Contiguous Counties:*

California: Kern, Orange, San Bernardino, Ventura.

The Interest Rates are:

| | Percent |
|---|---|
| Business and Small Agricultural Cooperatives without Credit Available Elsewhere | 4.000 |
| Private Non-Profit Organizations without Credit Available Elsewhere | 3.625 |

The number assigned to this disaster for economic injury is 219000.

(Catalog of Federal Domestic Assistance Number 59008)

(Authority: 13 CFR 123.3(b).)

**James Stallings,**

*Associate Administrator, Office of Disaster Recovery & Resilience.*

[FR Doc. 2026–19426 Filed 9–22–26; 8:45 am]

**BILLING CODE 8026–09–P**

## OFFICE OF THE UNITED STATES TRADE REPRESENTATIVE

### Fiscal Year 2027 Tariff-Rate Quota Allocations for Raw Cane Sugar

**AGENCY:** Office of the United States Trade Representative.

**ACTION:** Notice.

**SUMMARY:** The Office of the United States Trade Representative is providing notice of allocations of the Fiscal Year (FY) 2027 (October 1, 2026 through September 30, 2027) in-quota quantities of the tariff-rate quota (TRQ) for imported raw cane sugar.

**DATES:** The changes made by this notice are applicable as of September 23, 2026.

**FOR FURTHER INFORMATION CONTACT:** Erin Nicholson, Office of Agricultural Affairs, at 202–395–9419, or *Erin.H.Nicholson@ustr.eop.gov.*

**SUPPLEMENTARY INFORMATION:** Pursuant to Additional U.S. Note 5 to Chapter 17 of the Harmonized Tariff Schedule of the United States (HTSUS), the United States maintains TRQs for imports of raw cane sugar and refined sugar. Section 404(d)(3) of the Uruguay Round Agreements Act (19 U.S.C. 3601(d)(3)) authorizes the President to allocate the in-quota quantity of a TRQ for any agricultural product among supplying countries or customs areas. The President delegated this authority to the U.S. Trade Representative under Presidential Proclamations 6763 (60 FR 1007) and 7235 (64 FR 55611).

On July 14, 2026, the Administrator of the Foreign Agricultural Service of the U.S. Department of Agriculture (Administrator) announced the sugar program provisions for FY 2027. The Administrator announced an in-quota quantity of the TRQ for raw cane sugar for FY 2027 of 1,117,195 metric tons raw value (MTRV) (conversion factor: 1 metric ton raw value = 1.10231125 short tons raw value), which is the minimum amount to which the United States is committed under the World Trade Organization (WTO) Agreement. On July 24, 2026, USTR provided notice of country-by-country allocations for 1,061,202 MTRV of the FY 2027 in-quota quantity of the WTO TRQ for imported raw cane sugar. *See* 91 FR 46822. The U.S. Trade Representative is allocating the remaining quantity of 55,993 MTRV to the following countries in the amounts specified below. These amounts are in addition to the amounts allocated in 91 FR 46822.

| Country | FY 2027 TRQ allocations (metric tons raw value) |
|---|---|
| Argentina | 2,915 |
| Australia | 5,626 |
| Barbados | 475 |
| Belize | 746 |
| Bolivia | 542 |
| Colombia | 1,627 |
| Costa Rica | 1,017 |
| Dominican Republic | 11,931 |
| Ecuador | 746 |
| El Salvador | 1,763 |
| Eswatini | 1,085 |
| Fiji | 610 |
| Guatemala | 3,254 |
| Guyana | 813 |
| Honduras | 678 |
| India | 542 |
| Jamaica | 746 |
| Malawi | 678 |
| Mauritius | 813 |
| Mozambique | 881 |
| Panama | 1,966 |
| Peru | 2,779 |
| Philippines | 9,151 |
| South Africa | 1,559 |
| Taiwan | 813 |
| Thailand | 949 |
| Trinidad-Tobago | 475 |
| Zimbabwe | 813 |

The allocations of the in-quota quantities of the raw cane sugar TRQ to countries that are net importers of sugar are conditioned on receipt of the appropriate verifications of origin. Certificates of quota eligibility must accompany imports from any country for which an allocation has been provided.

In-quota quantities of the FY 2027 TRQ for imported raw cane sugar may enter the United States as of October 1, 2026.

**Jamieson Greer,**

*United States Trade Representative, Office of the United States Trade Representative.*

[FR Doc. 2026–19399 Filed 9–22–26; 8:45 am]

**BILLING CODE 3290–F4–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 September 14, 2026. 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 Actions

On September 14, 2026, OFAC determined that the property and interests in property subject to U.S. jurisdiction of the following person are blocked under the relevant sanctions authorities listed below.

**Entity**

1. VTB BANK PUBLIC JOINT STOCK COMPANY (Cyrillic: БАНК ВТБ ПУБЛИЧНОЕ АКЦИОНЕРНОЕ ОБЩЕСТВО) (a.k.a. BANK FOR FOREIGN TRADE OF RSFSR; a.k.a. BANK OF FOREIGN TRADE OF THE RUSSIAN FEDERATION; a.k.a. BANK VNESHEI TORGOVLI OAO; a.k.a. BANK VNESHNEI TORGOVLI ROSSISKOI FEDERATSII AS A PRIVATE JOINT STOCK COMPANY; a.k.a. BANK VNESHNEI TORGOVLI RSFSR; a.k.a. BANK VNESHNEY TORGOVLI JOINT STOCK COMPANY; a.k.a. BANK VNESHNEY TORGOVLI OPEN JOINT STOCK COMPANY; a.k.a. BANK VNESHNEY TORGOVLI ROSSIYSKOY FEDERATSII CLOSED JOINT STOCK COMPANY; a.k.a. BANK VTB OAO; a.k.a. BANK VTB OPEN JOINT STOCK COMPANY; a.k.a. BANK VTB PAO; a.k.a. BANK VTB PUBLICHNOE AKTSIONERNOE OBSHCHESTVO; a.k.a. CJSC BANK FOR FOREIGN TRADE OF THE RUSSIAN FEDERATION; a.k.a. JSC VTB BANK; a.k.a. OAO BANK VTB; a.k.a. OAO VNESHTORGBANK; a.k.a. OJSC CJSC BANK FOR FOREIGN TRADE; a.k.a. RUSSIAN VNESHTORGBANK; a.k.a. VNESHTORGBANK; a.k.a. VNESHTORGBANK OF RSFSR; a.k.a. VNESHTORGBANK ROSSII CLOSED JOINT STOCK COMPANY; a.k.a. VTB BANK; a.k.a. VTB BANK OAO; a.k.a. VTB BANK OPEN JOINT STOCK COMPANY; a.k.a. VTB BANK PAO; a.k.a. VTB BANK PJSC (Cyrillic: БАНК ВТБ ПАО); a.k.a. VTB BANK PJSC SHANGHAI BRANCH; a.k.a. "JSC VTB BANK NEW DELHI BRANCH"), 29, Bolshaya Morskaya str., St. Petersburg 190000, Russia; 37 Plyushchikha ul., Moscow 119121, Russia; 43, Vorontsovskaya str., Moscow 109044, Russia; 11 litera, per. Degtyarny, St. Petersburg 191144, Russia; 11, lit A, Degtyarnyy pereulok, St. Petersburg 191144, Russia; 43, bld.1, Vorontsovskaya str., Moscow 109147, Russia; Bashnya Zapad, Kompleks Federatsiya, 12, nab. Presnenskaya, Moscow 123317, Russia; str. 1, 43, ul. Vorontsovskaya, Moscow 109147, Russia; Vorontsovskaya Str 43, Moscow 109147, Russia; The Taj Mahal Hotel, Lobby Mezzanine Floor 1, Mansingh Road, New Delhi 110001, India; 1266 Nanjing Xilu Street, Jingan District, Shanghai 200040, China; 18 BC, CITIC Building, 19 Jianguomenwai Dajie, Beijing 100004, China; Tehran, Iran; SWIFT/BIC VTBRRUMM; Website www.vtb.com; alt. Website www.vtb.ru; Additional Sanctions Information - Subject to Secondary Sanctions; BIK (RU) 044030707; alt. BIK (RU) 044525187; Executive Order 13662 Directive Determination - Subject to Directive 1; Secondary sanctions risk: Ukraine-/Russia-Related Sanctions Regulations, 31 CFR 589.201 and/or 589.209; alt. Secondary sanctions risk: See Section 11 of Executive Order 14024.; Organization Established Date 17 Oct 1990; Target Type Financial Institution; Registration ID 1027739609391 (Russia); Tax ID No. 7702070139 (Russia); Government Gazette Number 00032520 (Russia); License 1000 (Russia); Legal Entity Number 253400V1H6ART1UQ0N98; For more information on directives, please visit the following link: http://www.treasury.gov/resource-center/sanctions/Programs/Pages/ukraine.aspx#directives. [UKRAINE-EO13662] [IRAN-EO13902] [RUSSIA-EO14024].

   Designated pursuant to section 1(a)(i) of Executive Order 13902 of January 10, 2020, "Imposing Sanctions With Respect to Additional Sectors of Iran," 85 FR 2003, 3 CFR, 2020 Comp., p. 299 (E.O. 13902), for operating in the financial sector of the Iranian economy.

(Authority: E.O. 13902.)

**Bradley T. Smith,**

*Director, Office of Foreign Assets Control.*

[FR Doc. 2026–19488 Filed 9–22–26; 8:45 am]

**BILLING CODE 4810–AL–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) has removed from OFAC's Specially Designated Nationals and Blocked Persons List (SDN List) the names of persons whose property and interests in property had been blocked pursuant to Ethiopia sanctions authorities.

**DATES:** This action was issued on September 18, 2026. 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 Actions

The national emergency declared in Executive Order 14046 of September 17, 2021, ''Imposing Sanctions on Certain Persons With Respect to the Humanitarian and Human Rights Crisis in Ethiopia,'' was not continued in effect beyond September 17, 2026. Accordingly, the persons listed below, whose property had been blocked solely pursuant to the International Emergency Economic Powers Act, have been removed from the SDN List, and their property and interests in property subject to U.S. jurisdiction are no longer blocked.

#### Individuals

1. NEMARIAM, Abraha Kassa (a.k.a. KASSA, Abraha; a.k.a. KASSA, Wedi), Eritrea; DOB 15 Jul 1953; POB Eritrea; nationality Eritrea; Gender Male; Passport D000294 (Eritrea) (individual) [ETHIOPIA–EO14046].

2. W KIDAN, Hagos Ghebrehiwet (a.k.a. WELDEKIDANE, Hagos Ghebrehiwet; a.k.a. WOLDEKIDAN, Hagos Ghebrehiwet), Asmara, Eritrea; DOB 25 Apr 1953; POB Senafe, Eritrea; nationality Eritrea; Gender Male; National ID No. 0882109 (Eritrea) (individual) [ETHIOPIA–EO14046].

#### Entities

1. ERITREAN DEFENSE FORCES (a.k.a. ERITREAN DEFENSE FORCE), Eritrea; Organization Established Date 1993; Target Type Government Entity [ETHIOPIA–EO14046].

2. HIDRI TRUST, Felket Street, Asmara, Eritrea; Organization Established Date 1994 [ETHIOPIA–EO14046].

3. PEOPLE'S FRONT FOR DEMOCRACY AND JUSTICE, Eritrea; Organization Established Date 1993; Organization Type: Activities of political organizations [ETHIOPIA–EO14046].

4. RED SEA TRADING CORPORATION, Felket Street, Asmara, Eritrea; Dubai, United Arab Emirates; Organization Established Date 1984 [ETHIOPIA–EO14046].

(Authority: 31 CFR chapter V.)

**Bradley T. Smith,**

*Director, Office of Foreign Assets Control.*

[FR Doc. 2026–19415 Filed 9–22–26; 8:45 am]

**BILLING CODE 4810–AL–P**

## DEPARTMENT OF THE TREASURY

### Renewal of the Internal Revenue Service Advisory Committee

**AGENCY:** Department of the Treasury.

**ACTION:** Notice of renewal.

**SUMMARY:** The Treasury Department has determined that it is in the public interest to renew the Internal Revenue Service Advisory Committee (IRSAC). A Charter for the committee has been prepared and will be filed with Congress no earlier than seven (7) days following the date of publication of this notice.

**FOR FURTHER INFORMATION CONTACT:** John Lipold, Designated Federal Officer, (202) 317–6556, *john.a.lipold@irs.gov.*

**SUPPLEMENTARY INFORMATION:** In accordance with the Federal Advisory Committee Act (FACA) (5 U.S.C. 1001–1014), the Department of the Treasury (Department) is providing notice of the renewal of the charter for the Internal Revenue Service Advisory Committee. The Public Interest Determination, approved by Treasury, is provided in accordance with 41 CFR 102–3.65.

#### Public Interest Determination

Pursuant to 41 United States Code (U.S.C.) 102–3.60(a), to establish, renew, reestablish, or merge a discretionary (agency discretion) advisory committee, an agency must first consult with the General Services Administration's Committee Management Secretariat (the Secretariat) and, as part of the consultation, provide a written public interest determination approved by the head of the agency to the Secretariat with a copy to the Office of Management and Budget. In addition, pursuant to 41 U.S.C. 102–3.35, an agency shall follow the same consultation process and document in writing the same determination of need before creating a subcommittee under a discretionary committee that is not made up entirely of members of a parent advisory committee.

Information on the following factors for the committee was provided to the Secretariat to demonstrate that renewing the committee is in the public interest:

*1. Annual budget:* $706,350.

*a. Federal personnel on a full-time equivalent (FTE) basis:* 2.27.

*b. Other Federal internal costs:* $536,350.

*c. Proposed payments to members:* $0.

*d. Proposed number of members:* Up to 42.

*e. Reimbursable costs:* $170,000.

*2. If applicable, the total dollar value of grants expected to be recommended during the Fiscal Year:* N/A.

*3. Criteria for selecting members to ensure the committee has the necessary expertise and fairly balanced membership:* The IRSAC members are approved for appointment as Representative members by the Department of the Treasury's Committee Management Officer upon recommendation of the Commissioner of Internal Revenue. They serve at the pleasure of the Department of the Treasury, in conjunction with the Commissioner of Internal Revenue, and can be removed for cause. The IRSAC members are selected through a structured, IRS-managed application process that seeks members representing a cross-section of the taxpaying public with substantial, disparate experience in: tax preparation for individuals, small businesses and/or large, multi-national corporations; information reporting; tax-exempt and government entities; digital services; and professional standards of tax professionals. Adequate geographic representation is also a factor. The body of the IRSAC consists of up to 42 members. Members serve three-year appointments with the possibility of a one-year renewal. Appointments are staggered to ensure a balanced cross-section of members.

*4. List of all other Federal advisory committees of the agency:*

- Art Advisory Panel of the Commissioner of Internal Revenue
- Electronic Tax Administration Advisory Committee
- IRS Taxpayer Advocacy Panel

*5. Justification that the information or advice provided by the Federal advisory committee or subcommittee is not available from another Federal advisory committee, another Federal Government source, or any other more cost-effective and less burdensome source:* The IRSAC directly supports the administration's priority of modernizing the IRS into a more service-wide, taxpayer-focused organization. Providing invaluable counsel with respect to assessing the public's perception of IRS activities, the IRSAC offers constructive observations regarding current or proposed IRS policies, programs, and procedures, suggests improvements to IRS operations, and in so doing, endeavors to maximize voluntary compliance while minimizing the burden to taxpayers. Unlike other FACA committees at IRS, such as the Electronic Tax Administration Advisory Committee with a focus on electronic tax administration or the Art Advisory Panel which limits its scope to reviewing and evaluating property appraisals, the IRSAC is tasked with researching, analyzing and making recommendations to the IRS on a broader range of issues affecting multiple areas of federal tax administration, including the technology-first priority of the IRS.

*6. If the consultation is a committee renewal, a summary of the previous accomplishments of the committee and the reasons it needs to continue:* During Fiscal Year 2025, the IRSAC provided real-time advice to the Commissioner of Internal Revenue regarding appropriate budget and funding levels. In addition, each of the Council's subgroups submitted several issues specific to the areas of focus they represent.

Among the issues raised during the January 2026 IRSAC Public Meeting were IRS Funding Supports America's Future; Recommendation that the IRS Actively Take Steps to Educate the Public about its Crucial Role in the U.S. and Address Misinformation Spread About Its Operations; Updating and Maximizing Usefulness of IRS websites: Accounting Method Change Requests; Simplify Use of Online Tax Services; Processing of Form 730 and Excise Tax Payments; Address Changes for Large Businesses; Non-tax-related Identity Theft and Account Takeover Fraud; De minimis Threshold for Reconciling Form 1042 and Form 1042–S; Character and Source of Staking Income; Recommendations for Increasing the Tax Information Reporting Threshold for Slot Machine Jackpot Winnings; Comments regarding Changed E-Filing Requirements; Recommendations for Modernizing Form 1065, U.S. Return of Partnership Income; IRC §§ 6038 and 6038A Penalty Administration; Broadening and Promoting Settlement Programs; Enhancing Digital Tools for Taxpayer Engagement; Expanding ADR and the Pool of Eligible Mediators; Using Proactive Prompts to Improve Small Business Voluntary Compliance; Expanding and Developing Resources to Increase Tax Literacy for Small Business Owners; CAF Authorization Process Improvements; Access to Entire Electronically Filed 1040 Tax Return Data; Amended Return Processing and Time; Leveraging Social Media to Improve Service and Compliance; Pre-launch Testing and Post-launch Support; Supporting Live Chat for Tax Professionals; High Cost for Exempt Organizations to Use the PLR Process; Implementation of the Saver's Match; Defining Identical Terms Identically for Purposes of the Unrelated Business Income Tax (UBIT) and Real Estate Investment Trusts (REITs) to Avoid Confusion and Facilitate the Effective Administration of Tax Law.

*7. Explanation of why the committee/subcommittee is essential to the conduct of agency business:* The committee reports to the Commissioner of Internal Revenue (agency head). The Commissioner has approved the Public Interest Determination indicating continued support for the committee. The current Secretary of the Treasury reviewed all Treasury discretionary committees in March 2025 and determined that the IRS Advisory Council should be continued. The IRSAC is an advisory body that provides real-time feedback and recommendations to the Commissioner of Internal Revenue. The IRSAC proposes enhancements to IRS operations; recommends administrative and policy changes to improve taxpayer experience and service, compliance and tax administration; discusses relevant information reporting issues; addresses matters concerning tax-exempt and government entities; conveys the public's perception of professional standards and best practices for tax professionals; and advises on fairness in tax administration.

**Spencer W. Clark,**

*Treasury Committee Management Officer.*

[FR Doc. 2026–19462 Filed 9–22–26; 8:45 am]

BILLING CODE 4810–AK–P

## DEPARTMENT OF VETERANS AFFAIRS

**[OMB Control No. 2900–NEW]**

### Agency Information Collection Activity Under OMB Review: Veterans Employment Through High Technology Education Courses (VET TEC 2.0) Employment or Further Educational Pursuit Certification

**AGENCY:** Veterans Benefits Administration, Department of Veterans Affairs.

**ACTION:** Notice.

**SUMMARY:** In compliance with the Paperwork Reduction Act (PRA) of 1995, this notice announces that the Veterans Benefits Administration (VBA), Department of Veterans Affairs, will submit the collection of information abstracted below to the Office of Management and Budget (OMB) for review and comment. The PRA submission describes the nature of the information collection and its expected cost and burden, and it includes the actual data collection instrument.

**DATES:** Comments and recommendations for the proposed information collection should be sent by October 23, 2026.

**ADDRESSES:** To submit comments and recommendations for the proposed information collection, please type the following link into your browser: *www.reginfo.gov/public/do/PRAMain,* select ''Currently under Review—Open for Public Comments'', then search the list for the information collection by Title or ''OMB Control No. 2900–NEW.''

**FOR FURTHER INFORMATION CONTACT:** VA PRA information: Dorothy Glasgow, 202–461–1084, *VAPRA@va.gov.*

**SUPPLEMENTARY INFORMATION:**

*Title:* Veterans Employment Through High Technology Education Courses (VET TEC 2.0) Employment or Further Educational Pursuit Certification, VA Form 22–10299.

*OMB Control Number:* 2900–NEW, *https://www.reginfo.gov/public/do/PRASearch.*

*Type of Review:* New Collection.

*Abstract:* On January 2, 2025, the Elizabeth Dole Field and Community Based Services for Veterans and

Caregivers Act (Pub. L. 118–210) was signed into law. The program can be identified as the DOLE Act. The legislation established a new Veteran Technology program titled ''High-Technology Veterans Education, Training and Skills (Hi-Tech VETS) Program''. This program authorizes VA to provide educational assistance for high technology programs of education that begins prior to September 30, 2027. The eligibility requirements to qualify for the program apply to an individual who is a Veteran who has served at least 3 years (36 months) on Active Duty; or a Service member who is within 180 days of discharge who has or will serve 3 years (36 months) by their discharge date; and who has received a discharge under conditions other than dishonorable; and who is under the age of 62. Individuals that meet this age requirement upon approval will maintain their eligibility for the High-Technology Veterans Education, Training and Skills (Hi-Tech VETS) Program throughout the completion of their program. The law also requires programs to comply with the 85/15 percent rules, and the educational institution may request a review of their 85/15 calculations. The DOLE Act also requires VA to issue an electronic award letter that includes specific information on how entitlement requirements will impact the individual if he or she chooses to enroll in a program, and it requires VA to develop practices to use to collect information about covered individuals and providers of high technology programs of education. The Employment Certification allows VA the ability to carry out the employment process of the program through certifications VA requires from School Certifying Officials (SCOs) and the Veterans enrolled in the Hi-Tech VETS program. The SCOs and Veterans must certify through attestation that the Veteran(s) have found employment in a field related to their program of education. Lastly, VA must submit a report to Congress no later than January 2, 2026, and each year thereafter on the operation of the program.

The Employment Certification, VA Form 22–10299 is used by SCOs for Veterans who have established eligibility to participate in the High-Technology Veterans Education, Training and Skills (Hi-Tech VETS) Program to certify employment obtained, and for Veterans to provide proof of such employment; via, an offer letter, pay stub, promotion offer, note from an employment manager, or marketing material(s) showing expansion in scope of level of services for Veteran owned businesses. The information collected on the certification must be completed to conform to the requirements of section 212 of Public Law 118–210.

An agency may not conduct or sponsor, and a person is not required to respond to a collection of information unless it displays a currently valid OMB control number. The **Federal Register** Notice with a 60-day comment period soliciting comments on this collection of information was published at 91 FR 42791, July 10, 2026.

*Affected Public:* Educational Institutions.

*Estimated Annual Burden:* 333 hours.

*Estimated Average Burden per Respondent:* 5 minutes.

*Frequency of Response:* Once.

*Estimated Number of Respondents:* 4,000.

*Authority:* 44 U.S.C. 3501 *et seq.*

**Shunda Willis,**

*Alternate, VA PRA Clearance Officer, Office of Information and Technology/Office of Data Governance and Analytics, Department of Veterans Affairs.*

[FR Doc. 2026–19412 Filed 9–22–26; 8:45 am]

**BILLING CODE 8320–01–P**

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## DEPARTMENT OF VETERANS AFFAIRS

**[OMB Control No. 2900–0940]**

## Agency Information Collection Activity: VA Reimbursement Claim Forms

**AGENCY:** Veterans Health Administration, Department of Veterans Affairs.

**ACTION:** Notice.

**SUMMARY:** Veterans Health Administration (VHA), Department of Veterans Affairs (VA), is announcing an opportunity for public comment on the proposed collection of certain information by the agency. Under the Paperwork Reduction Act (PRA) of 1995, Federal agencies are required to publish a notice in the **Federal Register** concerning each proposed collection of information, including each proposed extension of a currently approved collection, and allow 60 days for public comment in response to the notice.

**DATES:** Comments must be received on or before November 23, 2026.

**ADDRESSES:** Comments must be submitted through *www.regulations.gov.*

**FOR FURTHER INFORMATION CONTACT:**

*Program-specific information:* Rebecca Mimnall, 202–695–9434, *vhacopra@va.gov.*

*VA PRA information:* Dorothy Glasgow, 202–461–1084, *VAPRA@va.gov.*

**SUPPLEMENTARY INFORMATION:** Under the PRA of 1995, Federal agencies must obtain approval from the Office of Management and Budget (OMB) for each collection of information they conduct or sponsor. This request for comment is being made pursuant to Section 3506(c)(2)(A) of the PRA.

With respect to the following collection of information, VHA invites comments on: (1) whether the proposed collection of information is necessary for the proper performance of VHA's functions, including whether the information will have practical utility; (2) the accuracy of VHA's estimate of the burden of the proposed collection of information; (3) ways to enhance the quality, utility, and clarity of the information to be collected; and (4) ways to minimize the burden of the collection of information on respondents, including through the use of automated collection techniques or the use of other forms of information technology.

*Title:* VA Reimbursement Claim Forms, 10–485 and 10–487.

*OMB Control Number: 2900–0940. https://www.reginfo.gov/public/do/PRASearch* (Once at this link, you can enter the OMB Control Number to find the historical versions of this Information Collection).

*Type of Review:* Revision of a currently approved collection.

*Abstract:* Veterans may claim reimbursement for certain medical and pharmaceutical costs, as authorized by 38 U.S.C. 1728. VA has been using VA Form 10–320 for Veterans requesting reimbursement for various out-of-pocket expenses that occurred as a result of non-VA medical services that may be eligible for payment under 38 CFR 17.4025 (Veterans Community Care Program), 38 CFR 17.120 (Unauthorized), 38 CFR 17.1002 (Millennium Bill), 38 CFR 17.1200–17.1230 (COMPACT Act) and Public Law 118–210 (Sec. 143 Senator Elizabeth Dole 21st Century Veterans Healthcare and Benefits Improvement Act).

The 10–320 form will be replaced by two forms: Veteran Reimbursement Claim Forms 10–485 and 10–487. Using two forms will allow Veteran claims for prescription drug reimbursement to be separated from claims for reimbursement of certain medical and transportation costs. This will make it simpler for Veterans to file claims instead of using one universal form for several different types of costs.

In order for VA to process and repay eligible out-of-pocket expenses, Veterans must submit necessary information to support their request and justify reimbursement. VA Form 10–485 will be used to collect information from Veterans seeking reimbursement for prescription drug costs. VA Form 10–487 will be used to collect information from Veterans seeking reimbursement for certain emergent medical or transportation costs. VA Form 10–320 will be discontinued when the two new forms are approved and published for use by Veterans.

**Total Hours = 5,000 hours**

**Total Responses = 30,000**

**VA Form 10–485**

*Affected Public:* Individuals or Households.

*Estimated Annual Burden:* 4,833 hours.

*Estimated Average Burden per Respondent:* 10 minutes.

*Frequency of Response:* One time.

*Estimated Number of Responses:* 29,000.

**VA Form 10–487**

*Affected Public:* Individuals or Households.

*Estimated Annual Burden:* 167 hours.

*Estimated Average Burden per Respondent:* 10 minutes.

*Frequency of Response:* One time.

*Estimated Number of Responses:* 1,000.

*Authority:* 44 U.S.C. 3501 *et seq.*

**Lanea Haynes,**

*Alternate, VA PRA Clearance Officer, Office of Information and Technology, Office of Data Governance and Analytics, Department of Veterans Affairs.*

[FR Doc. 2026–19410 Filed 9–22–26; 8:45 am]

BILLING CODE 8320–01–P

# FEDERAL REGISTER

Vol. 91 Wednesday,

No. 183 September 23, 2026

Part II

## The President

Proclamation 11069—Restriction on Entry of Certain Nonimmigrant Workers

Executive Order 14431—Enhancing Program Integrity and Interagency Coordination in the Administration of the H–1B Nonimmigrant Visa Program

Federal Register
Vol. 91, No. 183
Wednesday, September 23, 2026

# Presidential Documents

Title 3—

The President

Proclamation 11069 of September 18, 2026

## Restriction on Entry of Certain Nonimmigrant Workers

**By the President of the United States of America**

**A Proclamation**

On September 19, 2025, Proclamation 10973 (Restriction on Entry of Certain Nonimmigrant Workers) (2025 Proclamation), was issued to address significant abuses of the H–1B nonimmigrant visa program. The restrictions enacted by the 2025 Proclamation have proven to be highly effective but the underlying conditions necessitating the restrictions persist. It is therefore in the interests of the United States to extend the 2025 Proclamation for an additional 12 months, until 12:00 a.m. eastern daylight time on September 21, 2027.

As explained in the 2025 Proclamation, the H–1B nonimmigrant visa program was created to bring temporary workers in high-skilled functions into the United States, but it has been exploited to replace, not supplement, American workers with lower-paid labor. Certain employers, including information technology (IT) staffing and outsourcing firms, have abused the system to suppress wages and displace American workers, and this has both harmed the labor market for American workers while also making it difficult to attract and retain the most highly skilled temporary workers. IT staffing and outsourcing firms were found to supply a large volume of entry-level temporary H–1B workers, generally at a much lower salary compared to full-time, traditional workers, and some of these firms later outsourced IT roles to cheap labor markets overseas. This has led to a proliferation of lower-paid foreign labor flooding the American labor market and making it difficult for American workers and recent graduates, especially in science, technology, engineering, and math (STEM) fields, to find employment.

To combat these abuses, the 2025 Proclamation set forth a restriction on entry of certain H–1B nonimmigrant workers, except for those petitions that were accompanied or supplemented by a $100,000 payment, subject to very limited exceptions. The 2025 Proclamation went into effect on September 21, 2025, and, since then, the $100,000 payment has been made for over 700 petitions.

Additionally, the 2025 Proclamation required initiation of rulemakings by the Department of Homeland Security (DHS) and the Department of Labor (DOL) to address systemic H–1B program concerns. On December 29, 2025, DHS published a final rule, titled Weighted Selection Process for Registrants and Petitioners Seeking to File Cap-Subject H–1B Petitions, 90 *Fed. Reg.* 60864 (DHS final rule), to address the policy goals consistent with section 4(b) of the 2025 Proclamation. Through this rule, DHS created and implemented a weighted selection process that prioritizes the allocation of visas to higher-skilled and higher-paid aliens to better protect the wages, working conditions, and job opportunities for American workers. This policy better serves the intent of the H–1B statutory scheme, incentivizes employers to recruit temporary workers for roles at the highest pay and skill levels, and was in effect for the Fiscal Year (FY) 2027 H–1B cap season. On March 27, 2026, DOL published a notice of proposed rulemaking, titled Improving Wage Protections for the Temporary and Permanent Employment of Certain Foreign Nationals in the United States, 91 *Fed. Reg.* 15454, to address the policy goals consistent with section 4(a) of the 2025 Proclamation. The DOL's analysis of labor condition application data found that the average wage actually paid to H–1B workers, and the prevailing wage assigned to their positions, both remain well below the average wage earned by comparable American workers. The rule, once finalized, will better align prevailing wage levels with wages paid to similarly employed and located American workers and will strengthen overall program integrity. Finally, my Administration continues to explore other complementary efforts that would, among other things, reform the H–1B program and assist with cost-recovery for immigration program administration.

Since the effective date of the 2025 Proclamation and subsequent promulgation of the DHS final rule, there have been several measurable impacts on the H–1B program, including a significant reduction in H–1B registrations filed by large IT outsourcing firms, with the largest IT staffing and outsourcing firms reducing their combined H–1B registrations from 24,946 to 2,055, a 92 percent decrease. There has also been a large reduction in consular processing requests, which are used to bring workers into the United States, noting a nearly 97 percent decrease from the FY 2025 to FY 2027 cap seasons. Finally, there has been a positive shift in FY 2027 H–1B registration and selection data toward higher-skilled and higher-paid workers, with registrations for beneficiaries with at least a U.S. Master's degree rising from 45.1 percent of total registrants for FY 2026 to 66.1 percent for FY 2027. Job offers with wages corresponding to the two highest wage levels accounted for approximately 46.3 percent of H–1B registration selections while those corresponding with the lowest wage level accounted for only 17.8 percent. It is reasonable to conclude that the required $100,000 payment and newly implemented weighted selection process have had the combined effect of deterring low-wage and low-skilled recruitment while increasing access for high-skilled and high-wage workers, as intended by the 2025 Proclamation.

Although the 2025 Proclamation and subsequent rulemaking have had the desired effects, the underlying conditions precipitating their issuance persist and, without an extension of the 2025 Proclamation, it is highly likely that progress will halt and program abuse will resume, undermining American workers and posing a threat to the labor market that would be detrimental to the interests of the United States. The 2025 Proclamation highlighted a number of concerns, including high unemployment rates for recent graduates, wage suppression, fraud, and national security threats. Currently, these issues continue to undermine our economy, with unemployment rates for recent college graduates standing at 5.7 percent as of June 2026, a marginal decrease from September 2025, when the rate was 5.8 percent. Underemployment for recent college graduates also continues to cause concern, having risen from 41.8 percent in September 2025 to 42 percent as of June 2026. Additionally, while DOL is actively in the process of promulgating a rule to restore integrity to the prevailing wage system, it will take a significant amount of time to correct and balance the labor market. Finally, while fraud and abuse continue to be identified and investigated, these are ongoing and pervasive concerns that require a sustained, comprehensive response reflected in the entry restriction imposed by the 2025 Proclamation.

A review of the 2025 Proclamation's impacts and other recent policy changes has shown significant measurable changes in H–1B filing patterns that demonstrate the effectiveness of the 2025 Proclamation and a need for its extension. An extension of the 2025 Proclamation will continue to protect the economic and national security interests of the United States, improve labor market access for American workers and graduates, and ensure that employers recruit only the most highly-skilled and essential alien workers when needed in line with the original intent of the program. As a result, the Secretary of State, the Attorney General, the Secretary of Labor, and the Secretary of Homeland Security have jointly recommended an extension of the 2025 Proclamation.

As a result of these reviews and considerations, I have decided to continue to impose the limitations set forth in Proclamation 10973 on the entry into the United States by certain nonimmigrant workers. Accordingly, by the authority vested in me as President by the Constitution and the laws of the United States of America, it is hereby ordered:

**Section 1**. *Restriction on Entry.* (a) Pursuant to sections 212(f) and 215(a) of the Immigration and Nationality Act (INA) (8 U.S.C. 1182(f) and 1185(a)), the entry into the United States of aliens as nonimmigrants to perform services in a specialty occupation under section 101(a)(15)(H)(i)(b) of the INA (8 U.S.C. 1101(a)(15)(H)(i)(b)), is restricted, except for those aliens whose petitions are accompanied or supplemented by a payment of $100,000—subject to the exceptions set forth in subsection (c) of this section. This restriction shall expire, absent extension, 12 months after the effective date of this proclamation, which shall be 12:01 a.m. eastern daylight time on September 21, 2026.

(b) The Secretary of Homeland Security shall restrict decisions on petitions not accompanied by a $100,000 payment for H–1B specialty occupation workers under section 101(a)(15)(H)(i)(b) of the INA, who are currently outside the United States, for 12 months following the effective date of this proclamation as set forth in subsection (a) of this section.

(c) The restriction imposed pursuant to subsections (a) and (b) of this section shall not apply to any individual alien, all aliens working for a company, or all aliens working in an industry, if the Secretary of Homeland Security determines, in the Secretary's discretion, that the hiring of such aliens to be employed as H–1B specialty occupation workers is in the national interest and does not pose a threat to the security or welfare of the United States.

**Sec. 2**. *Compliance.* (a) Employers shall, prior to filing an H–1B petition on behalf of an alien outside the United States, obtain and retain documentation showing that the payment described in section 1 of this proclamation has been made.

(b) The Secretary of State shall verify receipt of payment of the amount described in section 1 of this proclamation during the H–1B visa petition process and shall approve only those visa applications for which the filing employer has made the payment described in section 1 of this proclamation.

(c) The Department of State and the Department of Homeland Security shall coordinate to take all necessary and appropriate action to implement this proclamation and to deny entry to the United States to any H–1B nonimmigrant for whom the prospective employer has not made the payment described in section 1 of this proclamation.

**Sec. 3**. *Scope and Implementation of Restriction on Entry.* (a) The restriction on entry pursuant to section 1 of this proclamation shall apply only to aliens who enter or attempt to enter the United States after the effective date of this proclamation as set forth in section 1(a) of this proclamation. This restriction applies to aliens who must seek admission to the United States to effectuate the approval of a petition described in section 1 of this proclamation, including through consular notification, notification at a port of entry, pre-flight inspection, or pre-clearance.

(b) No later than 30 days following the completion of the H–1B lottery that immediately follows this proclamation, the Secretary of State, the Attorney General, the Secretary of Labor, and the Secretary of Homeland Security shall jointly submit to the President, through the Assistant to the President and Homeland Security Advisor, a recommendation on whether an additional extension or renewal of the restriction on entry pursuant to section 1 of this proclamation is in the interests of the United States.

**Sec. 4**. *General Provisions.* (a) Nothing in this proclamation shall be construed to impair or otherwise affect:

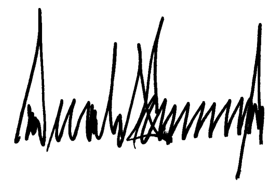
(i) the authority granted by law to an executive department or agency, or the head thereof; or

(ii) the functions of the Director of the Office of Management and Budget relating to budgetary, administrative, or legislative proposals.

(b) This proclamation shall be implemented consistent with applicable law and subject to the availability of appropriations.

(c) This proclamation is not intended to, and does not, create any right or benefit, substantive or procedural, enforceable at law or in equity by any party against the United States, its departments, agencies, or entities, its officers, employees, or agents, or any other person.

IN WITNESS WHEREOF, I have hereunto set my hand this eighteenth day of September, in the year of our Lord two thousand twenty-six, and of the Independence of the United States of America the two hundred and fifty-first.



[FR Doc. 2026–19554
Filed 9–22–26; 11:15 am]
Billing code 3395–F4–P

# Presidential Documents

**Executive Order 14431 of September 18, 2026**

## Enhancing Program Integrity and Interagency Coordination in the Administration of the H–1B Nonimmigrant Visa Program

By the authority vested in me as President by the Constitution and the laws of the United States of America, it is hereby ordered:

**Section 1**. *Purpose.* The H–1B nonimmigrant visa program was created to identify uniquely skilled and highly specialized foreign temporary workers to strategically supplement the United States economy. Instead, the program has been widely abused by certain employers, third-party placement groups, and outsourcing firms to undercut and displace the supply of skilled United States labor. The large-scale, systematic abuse of the H–1B program to obtain non-qualifying foreign labor has undermined the additive purpose of the program and harmed the wages, working conditions, and job opportunities of skilled American workers.

The abuse of cheaper H–1B labor places downward pressure on domestic pay. H–1B visa holders earn far less than comparable United States-born workers, despite the statutory mandate that H–1B workers be paid equally to their domestic peers, with the estimated wage gap starting at $9,000 and climbing as high as $20,000 in H–1B reliant industries. One company even warned its shareholders that restrictions on cheap H–1B labor could force the company to use ‘‘local’’ workers, which ‘‘may only be available at higher wages.’’

Many employers have laid off large numbers of highly skilled American workers, only to promptly hire large numbers of H–1B workers who are often lower-skilled and lower-paid. For instance, technology sector employers have collectively requested H–1B visas for hundreds of thousands of workers, yet have also laid off somewhere between 800,000 to 1.3 million American employees from 2022 through 2026. Employers have even forced laid off American workers to train their foreign replacements.

Many jobs held by H–1B workers eventually leave the United States entirely. Employers with outsourcing business models use teams of H–1B visa holders to replace United States workers at third-party client businesses and liaise with other individuals working off-site from their country of origin. As soon as practicable, much of their own work is transferred offshore. In Fiscal Year 2026, the top six users of the H–1B program operating with this outsourcing business model accounted for over 25,000 H–1B cap registrations. One foreign country’s foreign minister even publicly admitted that H–1B ‘‘has become the outsourcing visa.’’

The systematic and organized abuse of the H–1B program is also a national security threat. Domestic law enforcement agencies have investigated H–1B-reliant outsourcing firms for engaging in visa fraud, conspiracy to launder money, and other illicit activities to encourage foreign workers to come to the United States. Abuses of the H–1B program also present a national security threat by discouraging Americans from pursuing careers in science and technology, risking vital United States leadership in these fields.

Numerous executive departments and agencies (agencies) have flagged employers’ large-scale, systematic abuse of the H–1B program to obtain lower-paid, lower-skilled labor from abroad. These ongoing Government probes continue to identify widespread fraud and noncompliance among H–1B employers, such as: displacing American workers or otherwise giving preference to alien workers; misrepresenting the duties, requirements, or working conditions of job opportunities to avoid hiring or training American workers, falsely qualify jobs as specialty occupations, or lower applicable wage requirements; and misrepresenting aliens' qualifications to perform specialty occupations by submitting questionable foreign degrees from diploma mills as support for their H–1B visa applications. The pervasiveness of these violations and the persistence of the violators confirm that more needs to be done to preserve the H–1B program's integrity.

I have determined that continued efforts must be made to protect and prioritize the American workforce. It is therefore the policy of the United States that all relevant agencies shall implement appropriate measures to protect American workers from abuse of the H–1B program and ensure that the program serves the national interest.

**Sec. 2**. *Interagency Coordination.* When processing petitions, labor condition applications, and visas for the entry into the United States of aliens as nonimmigrants to perform services in a specialty occupation under section 101(a)(15)(H)(i)(b) of the Immigration and Nationality Act (INA) (8 U.S.C. 1101(a)), the Secretary of State, the Secretary of Labor, and the Secretary of Homeland Security shall coordinate and consult with the Secretary of Commerce, the Secretary of Education, and the Administrator of the Small Business Administration to ensure the compliance of such petitions, applications, and visas with statutory requirements, including those in sections 101(a)(15)(H)(i)(b), 212(n), 214(i), and 274B of the INA. The Secretary of Commerce, the Secretary of Education, and the Administrator of the Small Business Administration shall provide any relevant wage, employment, academic, industrial, or other economic information.

**Sec. 3**. *Consideration of Applications, Petitions, and Visas.* (a) Consistent with sections 101(a)(15)(H)(i)(b), 212(n), 214(i), 215(a), and 274B of the INA, the Secretary of State, the Secretary of Labor, and the Secretary of Homeland Security shall take into account in any labor condition application, petition, visa, and entry of aliens entering or attempting to enter the United States as H–1B nonimmigrants to perform services in a specialty occupation whether the employer sponsor directly or indirectly engaged in layoffs within the previous year or plans future layoffs that negatively affect the employment of similarly situated United States workers.

(b) Within 30 days of the date of this order, the Secretary of Labor, through the Administrator of the Wage and Hour Division, shall begin reviewing data related to previously submitted labor condition applications to determine whether further action against sponsoring employers is warranted under section 212(n)(2)(G).

(c) Pursuant to 3 U.S.C. 301, the authority granted to the President under section 215(a) of the INA is hereby delegated to the Secretary of State, the Secretary of Commerce, the Secretary of Labor, and the Secretary of Homeland Security to the extent necessary to implement this order, including the authority to issue or adopt rules, policies, operational guidance, or other guidance to carry out this order.

**Sec. 4**. *General Provisions.* (a) Nothing in this order shall be construed to impair or otherwise affect:

(i) the authority granted by law to an executive department or agency, or the head thereof; or

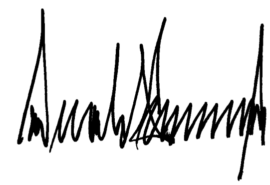
(ii) the functions of the Director of the Office of Management and Budget relating to budgetary, administrative, or legislative proposals.

(b) This order shall be implemented consistent with applicable law and subject to the availability of appropriations.

(c) This order is not intended to, and does not, create any right or benefit, substantive or procedural, enforceable at law or in equity by any party against the United States, its departments, agencies, or entities, its officers, employees, or agents, or any other person.

(d) If any provision of this order, or the application of any provision to any person or circumstances, is held to be invalid, the remainder of this order and the application of any of its other provisions to any other persons or circumstances shall not be affected thereby.

(e) The costs for publication of this order shall be borne by the Department of Homeland Security.



THE WHITE HOUSE,
*September 18, 2026.*

[FR Doc. 2026–19555
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Billing code 9110–9M–P

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