

TABLE 1—Continued  
[Datum NAD 1983]

Event	Location	Event date
(9) Munising Fourth of July Celebration Fireworks; Munising, MI.	All U.S. navigable waters of South Bay within an approximate 800-foot radius from the fireworks launch site at the end of the Munising City Dock, centered in position: 46°24'50.08" N, 086°39'08.52" W.	On July 4, 2021 from 7 p.m. to 12:30 a.m.
(10) Sault Sainte Marie Fourth of July Celebration Fireworks; Sault Sainte Marie, MI.	All U.S. navigable waters of the St. Marys River within an approximate 1,000-foot radius around the eastern portion of the U.S. Army Corp of Engineers Soo Locks North East Pier, centered in position: 46°30'19.66" N, 084°20'31.61" W.	On July 4, 2021 from 9:30 p.m. to 11 p.m. Rain date: July 5, 2021 from 9:30 p.m. to 11 p.m.
(11) Mackinac Island Fourth of July Celebration Fireworks; Mackinac Island, MI.	All U.S. navigable waters of Lake Huron within an approximate 750-foot radius of the fireworks launch site, centered approximately 1000 yards west of Round Island Passage Light, at position 45°50'30" N, 084°36'30" W.	On July 4, 2021 from 9:45 p.m. to 11 p.m.
(12) Harbor Springs Fourth of July Celebration Fireworks; Harbor Springs, MI.	All U.S. navigable waters of Lake Michigan and Harbor Springs Harbor within the arc of a circle with an approximate 1,200-foot radius from the fireworks launch site located on a barge in position 45°25'30" N, 084°59'06" W.	On July 4, 2021 from 10:15 p.m. to 10:45 p.m.
(13) Bay Harbor Yacht Club Fourth of July Celebration Fireworks; Petoskey, MI.	All U.S. navigable waters of Lake Michigan and Bay Harbor Lake within the arc of a circle with an approximate 750-foot radius from the fireworks launch site located on a barge in position 45°21'50" N, 085°01'37" W.	On July 4, 2021 from 10:15 p.m. to 10:45 p.m.
(14) Petoskey Fourth of July Celebration Fireworks; Petoskey, MI.	All U.S. navigable waters of Lake Michigan and Petoskey Harbor, in the vicinity of Bay Front Park, within the arc of a circle with an approximate 1,200-foot radius from the fireworks launch site located in position 45°22'40" N, 084°57'30" W.	On July 4, 2021 from 10 p.m. to 11 p.m.
(15) Boyne City Fourth of July Celebration Fireworks; Boyne City, MI.	All U.S. navigable waters of Lake Charlevoix, in the vicinity of Veterans Park, within the arc of a circle with an approximate 1,400-foot radius from the fireworks launch site located in position 45°13'30" N, 085°01'40" W.	On July 4, 2021 from 6 p.m. to 11 p.m.
(16) Alpena Fourth of July Celebration Fireworks; Alpena, MI.	All U.S. navigable waters of Lake Huron within an approximate 1,000-foot radius of the fireworks launch site located near the end of Mason Street, South of State Avenue, at position 45°02'42" N, 083°26'48" W.	On July 4, 2021 from 9 p.m. to 11 p.m.
(17) Traverse City Fourth of July Celebration Fireworks; Traverse City, MI.	All U.S. navigable waters of the West Arm of Grand Traverse Bay within the arc of a circle with an approximate 1,200-foot radius from the fireworks launch site located on a barge in position 44°46'12" N, 085°37'06" W.	On July 4, 2021 from 10 p.m. to 10:30 p.m. Rain date: July 5, 2021 from 10 p.m. to 10:30 p.m.
(18) Charlevoix Venetian Festival Friday Night Fireworks; Charlevoix, MI.	All U.S. navigable waters of Lake Charlevoix, in the vicinity of Depot Beach, within the arc of a circle with an approximate 1,200-foot radius from the fireworks launch site located on a barge in position 45°19'08" N, 085°14'18" W.	On July 23, 2021 from 10 p.m. to 11 p.m.
(19) Charlevoix Venetian Saturday Night Fireworks; Charlevoix, MI.	All U.S. navigable waters of Round Lake within the arc of a circle with an approximate 500-foot radius from the fireworks launch site located on a barge in position 45°19'03" N, 085°15'18" W.	On July 24, 2021 from 10 p.m. to 11 p.m.

This action is being taken to provide for the safety of life on navigable waterways during the fireworks displays. The regulations for safety zones within the Captain of the Port Sault Sainte Marie Zone, § 165.918, apply for these fireworks displays.

This notice of enforcement is issued under authority of 33 CFR 165.918 and 5 U.S.C. 552(a). In addition to this notice of enforcement in the **Federal Register**, the Coast Guard will provide the maritime community with advance notification of this enforcement period via Broadcast Notice to Mariners or Local Notice to Mariners. If the Captain of the Port Sault Sainte Marie determines that the safety zone need not be enforced for the full duration stated in this notice he or she may use a Broadcast Notice to Mariners to grant

general permission to enter the respective safety zone.

Dated: June 8, 2021.

**A.R. Jones,**  
*Captain, U.S. Coast Guard, Captain of the Port Sault Sainte Marie.*

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**DEPARTMENT OF EDUCATION**

**34 CFR Part 685**

**RIN 1840-AD60**

**Repeal of the William D. Ford Federal Direct Loan Program Subsidized Usage Limit Restriction**

**AGENCY:** Office of Postsecondary Education, Department of Education.

**ACTION:** Final regulations.

**SUMMARY:** The Secretary removes and amends regulations to conform with changes made by the Consolidated Appropriations Act, 2021. Specifically, the Secretary removes the subsidized usage loan limit restriction (SULA) for any borrower who receives a Federal Direct Stafford Subsidized Loan first disbursed on or after July 1, 2021, regardless of the award year associated with the loan. In addition, all subsidy benefits will be reinstated retroactively to the date on which the loss of subsidy was applied for all Federal Direct Stafford Subsidized Loans with an outstanding balance on July 1, 2021, and for all award years since the 2013-2014 award year. The Secretary also removes regulations related to the subsidized

usage loan limit restriction and makes other technical changes.

**DATES:** Effective date: August 13, 2021.

**FOR FURTHER INFORMATION CONTACT:**

Tamy Abernathy, 400 Maryland Avenue SW, Room 2C-129, Washington, DC 20202. Telephone: (202) 453-5970. Email: *Tamy.Abernathy@ed.gov*.

If you use a telecommunications device for the deaf (TDD) or a text telephone (TTY), call the Federal Relay Service (FRS), toll free, at 1-800-877-8339.

**SUPPLEMENTARY INFORMATION:**

**Background**

Section 705(b) of the Consolidated Appropriations Act, 2021 authorizes the Secretary to implement the repeal of section 455(q) of the Higher Education Act of 1965, as amended, before, but not later than, July 1, 2023. The Act further provides that the Secretary shall specify on what date and for which award years the implementation of such repeal will be effective prior to July 1, 2023. The Secretary specifies that the implementation of the repeal will be effective as of July 1, 2021 and will apply beginning with the 2013-2014 award year.

Through this regulatory action, the Secretary removes 34 CFR 685.200(a)(2)(i)(A) and (B) and (f) and 685.304(a)(6)(xvi) and (b)(4)(xii) to reflect changes to section 455(q) of the Higher Education Act of 1965, as amended (HEA), which established the subsidized usage loan limit. The subsidized usage loan limit was repealed by section 705(a) of the Consolidated Appropriations Act, 2021.

Under these regulations, the subsidized usage loan limit will not apply to any borrower that receives a Federal Direct Stafford Subsidized Loan first disbursed on or after July 1, 2021, regardless of the award year associated with the loan. In addition, in the case of a borrower who has a Federal Direct Subsidized Stafford Loan which is outstanding as of July 1, 2021 and on which the borrower has been responsible for interest because the borrower exceeded the subsidized usage loan limit, the Department of Education (Department) will adjust the borrower's account to remove the interest that accrued and reapply the borrower's payments accordingly. Any borrower who has subsidized loan eligibility may receive additional subsidized loans and will not be subject to the subsidized usage limit.

**Summary of the Major Provisions of This Regulatory Action**

In these final regulations we remove 34 CFR 685.200(a)(2)(i)(A) and (B) and (f) and 685.304(a)(6)(xvi) and (b)(4)(xii) to reflect the repeal of section 455(q) of the HEA. In addition, we amend § 685.200(a)(2)(i) introductory text and redesignate § 685.304(b)(4)(xiii) and (xiv).

**Borrower Eligibility (§ 685.200)**

We remove a reference to eligibility requirements for first-time borrowers from § 685.200(a)(2)(i)(A) and (B). Provisions specifying the limitations on a borrower's eligibility for Direct Subsidized Loans and the borrower's responsibility for accruing interest in § 685.200(f) are removed.

**Entrance Counseling (§ 685.304(a)(6)(xvi))**

We remove the requirement that entrance counseling include information on the limitation on eligibility for Federal Direct Stafford Subsidized Loans based on the borrower's subsidized usage period.

**Exit Counseling (§ 685.304(b)(4)(xii))**

We remove the requirement that exit counseling include the following information on the limitation on eligibility for Federal Direct Subsidized Loans based on the borrower's subsidized period:

(a) How the borrower's maximum eligibility period, remaining eligibility period, and subsidized usage period are determined;

(b) The sum of the borrower's subsidized usage periods at the time of the exit counseling;

(c) The consequences of continued borrowing or enrollment;

(d) The impact of the borrower becoming responsible for accruing interest on total student debt;

(e) That the Secretary will inform the student borrower of whether he or she is responsible for accruing interest on his or her Direct Subsidized Loans; and

(f) That the borrower can access the National Student Loan Data System (NSLDS) to determine whether he or she is responsible for accruing interest on any Direct Subsidized Loans.

**Waiver of Proposed Rulemaking**

Under the Administrative Procedure Act (5 U.S.C. 553) (APA), the Department generally offers interested parties the opportunity to comment on proposed regulations. However, the APA provides that an agency is not required to conduct notice-and-comment rulemaking when the agency, for good cause, finds that the

requirement is impracticable, unnecessary, or contrary to the public interest (5 U.S.C. 553(b)(B) and (d)(3)). There is good cause to waive rulemaking in this case because this final regulatory action removes regulations for which the statutory authority has been repealed. This regulatory action adopts no new regulations and does not establish or affect substantive policy. Furthermore, section 705(b) of the Consolidated Appropriations Act, 2021 authorizes the Secretary to implement the repeal of section 455(q) of the HEA before, but not later than, July 1, 2023. The statute further provides that the Secretary shall specify in a designation on what date and for which award years the implementation of such repeal will be effective prior to July 1, 2023. The repeal of section 455(q) of the HEA under section 705 of the Consolidated Appropriations Act, 2021 reverses the impact of SULA for affected borrowers and acknowledges that SULA was first authorized to be a temporary and cost-saving measure to the Federal Government. To fully implement the repeal, the Secretary has specified that the implementation of the repeal will be effective beginning with the 2013-2014 award year, which was the first year that SULA was implemented. Implementing otherwise would allow for the regulations to continue to apply to current students. Accordingly, we are rescinding regulations that are not valid because we no longer have statutory authority to implement and doing so in the manner that fully effectuates the repeal (*i.e.*, the repeal will be effective beginning with the 2013-2014 award year). Notice-and-comment rulemaking is unnecessary in that the Department does not have discretion to retain these regulatory provisions or implement in a different manner, regardless of public opinion and input.

While we do have discretion as to the effective date of the rule (as opposed to the award year)—as long as it is before July 1, 2023—there is no significant substantive impact of the effective date of the rule, as, regardless of the effective date provided, the rule would have to apply to all award years since SULA was implemented to fully effectuate the statute. Thus, with regard to all substantive aspects of the rule, we do not have discretion to implement in an alternative manner based on public input. Therefore, under 5 U.S.C. 553(b)(B), the Secretary has determined that proposed regulations are unnecessary, and, thus, waives notice-and-comment rulemaking.

In addition, under section 492 of the HEA (20 U.S.C. 1098a), all regulations

proposed by the Department for programs authorized under title IV of the HEA are subject to negotiated rulemaking requirements. Section 492(b)(2) of the HEA provides that negotiated rulemaking may be waived for good cause when its use would be “impracticable, unnecessary, or contrary to the public interest.” Section 492(b)(2) of the HEA also requires the Secretary to publish the basis for waiving negotiations in the **Federal Register** at the same time as the regulations in question are first published. There is good cause to waive the negotiated rulemaking requirement in this case, since, as explained above, notice and comment rulemaking is unnecessary in this case.

### Executive Orders 12866 and 13563

#### *Regulatory Impact Analysis*

Under Executive Order 12866, the Office of Management and Budget (OMB) determines whether this regulatory action is “significant” and, therefore, subject to the requirements of the Executive order and subject to review by OMB. Section 3(f) of Executive Order 12866 defines a “significant regulatory action” as an action likely to result in a rule that may—

(1) Have an annual effect on the economy of \$100 million or more, or adversely affect a sector of the economy, productivity, competition, jobs, the environment, public health or safety, or State, local, or Tribal governments or communities in a material way (also referred to as an “economically significant” rule);

(2) Create serious inconsistency or otherwise interfere with an action taken or planned by another agency;

(3) Materially alter the budgetary impacts of entitlement 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, the President’s priorities, or the principles stated in the Executive order.

OMB has determined that this rule is an economically significant action and would have an annual effect on the economy of more than \$100 million. This rule restores subsidy benefits for borrowers holding approximately \$2.4 billion in outstanding loans and allows current and future borrowers to borrow additional subsidized loans. Given the scale of Federal student aid amounts disbursed yearly, the addition of even small percentage changes could result in transfers between the Federal Government and students of more than \$100 million on an annualized basis.

Pursuant to Subtitle E of the Small Business Regulatory Enforcement Fairness Act of 1996 (also known as the Congressional Review Act) (5 U.S.C. 801 *et seq.*), the Office of Information and Regulatory Affairs (OIRA) designated this rule as a “major rule,” as defined by 5 U.S.C. 804(2).

We have also reviewed this regulatory action under Executive Order 13563, which supplements and explicitly reaffirms the principles, structures, and definitions governing regulatory review established in Executive Order 12866. To the extent permitted by law, Executive Order 13563 requires that an agency—

(1) Propose or adopt regulations only upon a reasoned determination that their benefits justify their costs (recognizing that some benefits and costs are difficult to quantify);

(2) Tailor its regulations to impose the least burden on society, consistent with obtaining regulatory objectives and taking into account—among other things and to the extent practicable—the costs of cumulative regulations;

(3) In choosing among alternative regulatory approaches, select those approaches that maximize net benefits (including potential economic, environmental, public health and safety, and other advantages; distributive impacts; and equity);

(4) To the extent feasible, specify performance objectives, rather than the behavior or manner of compliance a regulated entity must adopt; and

(5) Identify and assess available alternatives to direct regulation, including economic incentives—such as user fees or marketable permits—to encourage the desired behavior, or provide information that enables the public to make choices.

Executive Order 13563 also requires an agency “to use the best available techniques to quantify anticipated present and future benefits and costs as accurately as possible.” OIRA has emphasized that these techniques may include “identifying changing future compliance costs that might result from technological innovation or anticipated behavioral changes.”

As required by Executive Order 13563, the Department has assessed the potential costs and benefits, both quantitative and qualitative, of this regulatory action, and we are issuing these regulations only on a reasoned determination that their benefits would justify their costs. In choosing among alternative regulatory approaches, we selected those approaches that maximize net benefits. Based on the analysis that follows, the Department believes that the regulations are

consistent with the principles in Executive Order 13563.

We also have determined that this regulatory action would not unduly interfere with State, local, or Tribal governments in the exercise of their governmental functions.

In accordance with the Executive orders, the Department has assessed, both quantitatively and qualitatively, the potential costs and benefits of this regulatory action.

In this regulatory impact analysis, we discuss the need for regulatory action, the potential costs and benefits, net budget impacts, and regulatory alternatives we considered.

Elsewhere in this section, under *Paperwork Reduction Act of 1995*, we identify and explain burdens specifically associated with information collection requirements.

#### Need for Regulatory Action

As discussed in the preamble, the final regulations implement statutory changes made by section 705 of the Consolidated Appropriations Act, 2021. These regulations remove regulations that implemented section 455(q) of the HEA, which limited the amount of Federal Direct Stafford Loans a borrower could receive based on their subsidized usage. As allowed by section 705(b) of the Consolidated Appropriations Act, 2021 the Secretary is making this change effective for all Federal Direct Stafford Subsidized Loans first disbursed on or after July 1, 2021, regardless of the award year associated with the loan. In addition, in the case of a borrower who has a Federal Direct Subsidized Stafford Loan which is outstanding as of July 1, 2021, and on which the borrower has been responsible for interest because the borrower exceeded the subsidized usage loan limit, the Department will adjust the borrower’s account to remove the interest that accrued and reapply the borrower’s payments accordingly.

Since the subsidized loan limit based on the borrower’s subsidized usage have been repealed, the regulations requiring that the borrower be given information on those limits during entrance and exit counseling are also being removed.

#### Costs, Benefits, and Transfers

The primary beneficiaries of these regulations are affected borrowers who will either be eligible for subsidized loans without being subject to the subsidized usage limit when they obtain loans on or after July 1, 2021, or who will have their subsidized interest benefits restored for existing loans that previously lost the subsidy due to the subsidized usage limit. Affected

borrowers will face a reduced financial burden associated with their student loans as they will be able to obtain additional subsidized loans or have their interest benefits restored. This difference may allow students to afford

additional courses they need to complete an educational program. The Department estimates that approximately 354,000 loans with a total of \$1.2 billion in disbursements were subject to the subsidized usage

limitation, as shown in Table 1. Of these, approximately 316,350 loans with an outstanding balance of \$1.1 billion are eligible for reinstatement of subsidy benefits.

**Table 1: Summary of Subsidized Loans Subject to Loss of Subsidy**

Program Length	School Control	Balance Status	Loan Count	Total Disbursed	Total Balance
2-year	Public	No Balance	9,266	22,999,441	-
		Positive Balance	107,545	327,171,269	347,774,140
	Private, Non-profit	No Balance	1,145	2,406,114	-
		Positive Balance	6,924	19,569,896	20,717,606
	Proprietary	No Balance	5,849	12,254,723	-
		Positive Balance	37,602	102,503,049	108,210,763
<b>2-year Total</b>	<b>No Balance</b>	<b>16,260</b>	<b>37,660,278</b>	-	
	<b>Positive Balance</b>	<b>152,071</b>	<b>449,244,214</b>	<b>476,702,509</b>	
4-year	Foreign	*	189	707,948	704,415
		Public	No Balance	18,056	51,257,358
	Private, Non-profit	Positive Balance	175,554	596,184,854	623,642,932
		No Balance	11,025	31,910,596	-
	Proprietary	Positive Balance	83,184	286,680,366	299,756,647
		No Balance	7,999	16,309,764	-
<b>4-year Total</b>	Positive Balance	57,613	169,756,237	180,970,825	
	<b>No Balance</b>	<b>37,080</b>	<b>99,477,718</b>	-	
		<b>Positive Balance</b>	<b>316,351</b>	<b>1,052,621,457</b>	<b>1,104,370,404</b>
		<b>Overall (includes Foreign)</b>	<b>353,620</b>	<b>1,152,807,123</b>	<b>1,105,074,819</b>

**Note:** Asterisk refers to split by balance status being suppressed due to small cell sizes.

The benefit of restoring subsidized loan interest benefits to individual students will depend on the outstanding balances and interest rates on the affected loans. For example, on a \$5,500 Direct Subsidized Loan with a 2.75% interest rate, the amount of interest that accrues per day is \$0.41. If a borrower is in a deferment for 1 year and does not pay off the interest as it accrues, the loan would accrue interest totaling \$149.64. At the end of the deferment period, the interest would capitalize and then the amount of interest that accrues per day would be \$0.42. Across multiple loans and years, the amount can be significant.

Future students will also benefit from not having to consider the potential loss of subsidized interest benefits when making decisions about course choices or the timing for completing their programs, simplifying their decision making. Restoring the interest rate

subsidy may help with completion, which is a key factor in achieving the economic benefits associated with postsecondary education. As noted in the *Paperwork Reduction Act* section of this preamble, these students will also have a reduced burden from the elimination of entrance and exit counseling material associated with the subsidized loan usage limit. This is estimated to save students 175,175 hours annually for a savings of \$3.5 million at an assumed wage rate of \$20.17<sup>1</sup> for students' time.

Institutions will also be affected by the removal of the subsidized loan usage limitation. The ability of some borrowers to obtain additional subsidized loans may lead them to enroll in extra courses or to complete programs, which may provide some

<sup>1</sup> Students' hourly rate estimated using national median hourly wage for all occupations. Bureau of Labor Statistics, May 2020 Occupational Employment Statistics Data. Available at [www.bls.gov/oes/current/oes\\_nat.htm#00-0000](http://www.bls.gov/oes/current/oes_nat.htm#00-0000). Last accessed March 31, 2021.

additional revenue to institutions. As indicated in the *Paperwork Reduction Act* section of this preamble, institutions will no longer have to include information about subsidized loan limits in entrance and exit counseling for affected borrowers. This is estimated to reduce paperwork burden by 12,904 hours for estimated savings of \$1.2 million at a wage rate of \$93.74, representing the \$46.87 median hourly wage for postsecondary administrators doubled to capture benefits and overhead.<sup>2</sup>

The Federal Government will be making increased transfers to subsidized loan borrowers as noted in the *Net Budget Impact* section. This change will also require the Department to pay for system changes to implement the repeal

<sup>2</sup> Bureau of Labor Statistics, Occupational Employment and Wage Statistics, May 2020 National Occupational Employment and Wage Estimates Management Occupations—Postsecondary Administrators, 2020 median hourly wage. Available at [www.bls.gov/oes/current/oes\\_nat.htm#11-0000](http://www.bls.gov/oes/current/oes_nat.htm#11-0000).

of the subsidized usage limit. The Department estimates that the SULA Repeal Phases 1 and 2 will cost \$454,025. Phase 1 consists of modifying existing triggers in the reporting of origination and disbursement data to the Common Origination and Disbursement (COD) system and the reporting of enrollment data to the National Student Loan Data System (NSLDS) with an estimated cost of \$279,025. Phase 2 involves evaluating and implementing the impacts of SULA repeal to the Office of Partner Participation and Oversight (PPO)/FSA Partner Connect, DCC/Digital Platform (*StudentAid.gov*, *myStudentAid* app), Customer Care Platform, Marketing and Communications Platform as well as other interfaces and reports that include SULA data and is expected to cost approximately \$175,000.

**Net Budget Impact**

The total net budget impact of the regulations is \$1,888 million in outlays over 10 years. We estimate that these regulations will have a net Federal budget impact for Federal student loan cohorts between 2021–2030 of \$635 million as well as an effect on past cohorts of \$180.1 million for the restoration of interest benefits. We also estimate a potential shift from unsubsidized loans to subsidized loans after July 1, 2021, with a two percent shift costing approximately \$1,073 million in additional outlays for the Federal student loan cohorts between 2021–2030. A cohort reflects all loans originated in a given fiscal year. Consistent with the requirements of the

Credit Reform Act of 1990, budget cost estimates for the student loan programs reflect the estimated net present value of all future non-administrative Federal costs associated with a cohort of loans. The Net Budget Impact is compared to a modified version of the 2020 President’s Budget baseline (PB2021) that adjusts for the Coronavirus Aid, Relief, and Economic Security (CARES) Act and extension of coronavirus-related student loan provisions and other recent regulations.

The net budget impact of the increased transfers associated with the removal of the subsidized loan usage limitation come from the restoration of subsidized loan interest benefits to existing borrowers and additional subsidized loan volume, as future borrowers are no longer subject to the limitation. The loss of subsidized loan benefits was previously modeled by applying interest to subsidized loans assumed to be affected by the limitation. Reversing this added interest for existing cohorts is estimated to cost \$180 million and \$635 million for cohorts from 2021 to 2030.

The potential increase in subsidized loan volume, either from those who did not borrow because of the limit or who took out unsubsidized loans instead, is challenging to predict. While borrowers with \$1.6 billion in disbursements were affected by the limit, it is likely that others managed their subsidized loan usage, with the help of their institutions, to not trigger the loss of subsidized benefits. Future borrowers will not face the same constraint, so some borrowers who would not be

identified as being affected by the subsidized loan usage limit will also take additional subsidized loans. The peak year for disbursements affected by the subsidized usage limitation was 2016, with approximately \$356.5 million in subsidized loans. This represents around 2 percent of the \$22.95 billion in subsidized loans disbursed in AY 2015–2016. Table 2 demonstrates the cost of shifting loan volume from unsubsidized to subsidized with the 2 percent shift within the range evaluated.

**TABLE 2—COST OF SHIFTING FROM UNSUBSIDIZED TO SUBSIDIZED LOANS FOR COHORTS 2021–2030**

[Millions]	
Volume shift	Estimated cost
1 percent .....	\$852
2 percent .....	1,073
5 percent .....	1,739

*Accounting Statement*

As required by OMB Circular A–4 (available at [www.whitehouse.gov/sites/default/files/omb/assets/omb/circulars/a004/a-4.pdf](http://www.whitehouse.gov/sites/default/files/omb/assets/omb/circulars/a004/a-4.pdf)), in the following table we have prepared an accounting statement showing the classification of the expenditures associated with the provisions of these final regulations. This table provides our best estimate of the changes in annual monetized transfers as a result of this rule. Expenditures are classified as transfers from the Federal Government to affected student loan borrowers.

**TABLE 3—ACCOUNTING STATEMENT: CLASSIFICATION OF ESTIMATED EXPENDITURES**  
[In millions]

Category	Benefits	
	7%	3%
Reduction in paperwork burden on students and institutions from elimination of subsidized usage limit information in entrance and exit counseling requirements .....	4.8	4.8
Category	Costs	
	7%	3%
Costs to modify Government systems for administering student loans to implement repeal of SULA .....	\$.06	\$.05
Category	Transfers	
	7%	3%
Increased transfers of subsidized loans to eligible students .....	\$96.2	\$98.7
Restoration of subsidized loan benefits to affected borrowers .....	\$85.4	\$82.7

*Alternatives Considered*

While the statute could have been implemented prospectively without

consideration to borrowers with outstanding balances on unsubsidized loans because of SULA, the Department

interprets this repeal by Congress to reverse the impact of SULA, which was instituted initially as a cost-saving

measure to the Department. The Department views section 705 of the Consolidated Appropriations Act, 2021, as it does other provisions in the Act, to streamline the student aid process and to provide additional support for students. Solely lifting the restriction for borrowers on a going-forward basis would not provide relief for those borrowers who have been subject to SULA to date, most notably during a time of unprecedented financial strain due to COVID-19. The Department believes that the only equitable approach to implementing this repeal is to apply it to the 2013-2014 award year, or the first year SULA was implemented, as permitted by the statute. Therefore, no other alternatives were considered for the revisions to the regulations included in this document because these changes implement changes to the HEA enacted by Congress, and the Department did not exercise discretion in developing these amendments which remove the SULA restriction as mandated by the statute.

*Regulatory Flexibility Act Certification*

The Regulatory Flexibility Act does not apply to this rulemaking because there is good cause to waive notice and comment under 5 U.S.C. 553.

*Paperwork Reduction Act of 1995*

As part of its continuing effort to reduce paperwork and respondent burden, the Department provides the general public and Federal agencies with an opportunity to comment on the discontinuance of collections of information in accordance with the Paperwork Reduction Act of 1995 (PRA) (44 U.S.C. 3506(c)(2)(A)). This helps ensure that: The public understands the Department's collection instructions, respondents can provide the requested data in the desired format, reporting burden (time and financial resources) is minimized, collection instruments are clearly understood, and the Department can properly assess the impact of collection requirements on respondents. Respondents also have the opportunity to comment on the Department's burden reduction estimates. A Federal agency may not conduct or sponsor a collection of information unless OMB approves the collection under the PRA and the corresponding information collection instrument displays a currently valid OMB control number. Notwithstanding any other provision of law, no person is required to comply with, or is subject to penalty for failure to comply with, a collection of information if the collection instrument does not display a currently valid OMB control number.

These final regulations do not create any new information collection

requirements. The final regulations remove requirements related to the subsidized loan usage limit that was repealed by section 705(a) of the Consolidated Appropriations Act, 2021. That action will eliminate the burden assessed to the applicable regulations in the following previously approved information collection. The appropriate information collection filings will be made to coincide with the effective date of these regulations to discontinue a portion of the currently approved information collection, as noted below, and to transfer part of this collection to another approved information collection. We are removing OMB control number 1845-0116 from the regulations because the collection is no longer necessary.

We are removing §§ 685.200(a)(2)(i)(A) and (B) and (f) and 685.304(a)(6)(xvi) and (b)(4)(xii) from the regulations as discussed above. With this action, the burden assessed for the regulations in § 685.304 under OMB Control Number 1845-0116, "William D. Ford Federal Direct Loan Program—150% Limitation" is being discontinued. Other reporting or recordkeeping requirements in these regulatory sections are not affected by this discontinuation and burden continues to be assessed under 1845-0021.

1845-0116 BURDEN TO BE DISCONTINUED FROM COUNSELING REQUIREMENTS

Respondent type	Responses	Hours	Cost <sup>3</sup>
Individual .....	- 4,950,095	- 175,175	\$ - 3,533,280
Public Institution .....	- 3,630	- 4,538	- 425,392
Private Institution .....	- 3,262	- 4,078	- 382,272
Proprietary Institution .....	- 3,430	- 4,288	- 401,957
<b>Total discontinued for 1845-0116 .....</b>	<b>- 4,960,417</b>	<b>- 188,079</b>	<b>- 4,742,901</b>

However, the specific reporting and recordkeeping requirements in §§ 685.301(c) and 685.309(b) of these

regulatory sections are not affected by this discontinuation and burden in this collection related to those sections will

be transferred from 1845-0116 to 1845-0021.

Respondent type	Responses	Hours
Public Institution .....	1,241,812	28,570
Private Institution .....	532,524	13,736
Proprietary Institution .....	367,979	10,439
<b>Subtotal .....</b>	<b>2,142,315</b>	<b>52,745</b>
<b>New Total for 1845-0021 .....</b>	<b>11,184,455</b>	<b>792,491</b>

<sup>3</sup> Individual costs, \$20.17, are based on Students' hourly rate estimated using national median hourly wage for all occupations. Bureau of Labor Statistics, May 2020 Occupational Employment Statistics Data. Available at [www.bls.gov/oes/current/oes\\_nat.htm#00-0000](http://www.bls.gov/oes/current/oes_nat.htm#00-0000). Last accessed on March 31, 2021.

Institutional costs are based on the Bureau of Labor Statistics, Occupational Employment and Wage Statistics, as listed in the May 2020 National Occupational Employment and Wage Estimates Management Occupations—Postsecondary Administrators, 2020 median hourly wage which is

available at [www.bls.gov/oes/current/oes\\_nat.htm#11-0000](http://www.bls.gov/oes/current/oes_nat.htm#11-0000). The institutional rate, \$93.74, is representing the \$46.87 median hourly wage for postsecondary administrators doubled to capture benefits and overhead.

### Intergovernmental Review

The William D. Ford Federal Direct Loan Program is not subject to Executive Order 12372 and the regulations in 34 CFR part 79.

### Assessment of Educational Impact

Based on our own review, we have determined that the final regulations do not require transmission of information that any other agency or authority of the United States gathers or makes available.

**Accessible Format:** On request to the program contact person listed under **FOR FURTHER INFORMATION CONTACT**, individuals with disabilities can obtain this document in an accessible format. The Department will provide the requestor with an accessible format that may include Rich Text Format (RTF) or text format (txt), a thumb drive, an MP3 file, braille, large print, audiotape, or compact disc, or other accessible format.

**Electronic Access to This Document:** The official version of this document is the document published in the **Federal Register**. You may access the official edition of the **Federal Register** and the Code of Federal Regulations at [www.govinfo.gov](http://www.govinfo.gov). At this site you can view this document, as well as all other documents of this Department published in the **Federal Register**, in text or Portable Document Format (PDF). To use PDF, you must have Adobe Acrobat Reader, which is available free at the site.

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You may also view this document in text or PDF at the following site: [www.ifap.ed.gov/](http://www.ifap.ed.gov/).

(Assistance Listing Number: 84.268 Federal Direct Student Loans.)

### List of Subjects in 34 CFR Part 685

Administrative practice and procedure, Colleges and universities, Loan programs—Education, Reporting and recordkeeping requirements, Student aid, Vocational education.

**Michelle Asha Cooper,**

*Acting Assistant Secretary for Postsecondary Education.*

For the reasons discussed in the preamble, the Secretary amends part 685 of title 34 of the Code of Federal Regulations as follows:

### PART 685—WILLIAM D. FORD FEDERAL DIRECT LOAN PROGRAM

■ 1. The authority citation for part 685 continues to read in part as follows:

**Authority:** 20 U.S.C. 1070g, 1087a, *et seq.*, unless otherwise noted.

\* \* \* \* \*

#### § 685.200 [Amended]

■ 2. Section 685.200 is amended by:

■ a. In paragraph (a)(2)(i) introductory text, removing “must—” and adding in its place “must demonstrate financial need in accordance with title IV, part F of the Act.”

■ b. Removing paragraphs (a)(2)(i)(A) and (B) and (f).

■ c. Removing the parenthetical authority citation at the end of the section.

#### § 685.304 [Amended]

■ 3. Section 685.304 is amended by:

■ a. In paragraph (a)(6)(xiv), adding “and” after the semicolon.

■ b. In paragraph (a)(6)(xv), removing “; and” and adding a period in its place.

■ c. Removing paragraphs (a)(6)(xvi) and (b)(4)(xii).

■ d. Redesignating paragraphs (b)(4)(xiii) and (xiv) as paragraphs (b)(4)(xii) and (xiii), respectively.

[FR Doc. 2021-12384 Filed 6-11-21; 8:45 am]

**BILLING CODE 4000-01-P**

### ENVIRONMENTAL PROTECTION AGENCY

#### 40 CFR Part 81

[EPA-HQ-OAR-2017-0548; FRL-10019-90-OAR]

RIN 2060-AV06

#### Revised Air Quality Designations for the 2015 Ozone National Ambient Air Quality Standards

**AGENCY:** Environmental Protection Agency (EPA).

**ACTION:** Final rule.

**SUMMARY:** This final action revises or affirms the initial air quality designations for 14 counties associated with seven nonattainment areas for the 2015 primary and secondary National Ambient Air Quality Standards (NAAQS) for ozone. In a July 10, 2020, decision, the District of Columbia Circuit Court remanded to the Environmental Protection Agency (EPA or Agency), but did not vacate, the April 30, 2018, designations for 16 counties associated with nine nonattainment areas located in seven states. In response, the EPA has re-evaluated the

designations for the remanded counties by applying a uniform, nationwide analytical approach and interpretation of the designation provisions of the Clean Air Act (CAA) in considering the specific facts and circumstances of the areas using only data and information available at the time of the original designations. In this final action, the EPA is revising the designations and/or boundaries of 13 counties associated with six nonattainment areas in four states (Illinois, Indiana, Missouri, and Wisconsin) and is affirming the April 30, 2018, designation of one county associated with a nonattainment area in Michigan. The EPA is addressing the two additional remanded counties associated with two nonattainment areas in a separate **Federal Register** document.

**DATES:** The effective date of this rule is July 14, 2021.

**ADDRESSES:** The EPA has established a public docket for these ozone designations at <https://www.regulations.gov> under Docket ID No. EPA-HQ-OAR-2017-0548.<sup>1</sup> Although listed in the docket index, some information is not publicly available, *e.g.*, Confidential Business Information or other information whose disclosure is restricted by statute. Certain other material, such as copyrighted material, is not placed on the internet and will be publicly available only in hard copy form.

Out of an abundance of caution for members of the public and our staff, the EPA Docket Center and Reading Room are currently closed to the public, with limited exceptions, to reduce the risk of transmitting COVID-19. The Docket Center staff will continue to provide remote customer service via email, phone, and webform. For further information on EPA Docket Center services and the current status, please visit us online at <https://www.epa.gov/dockets>.

In addition, the EPA has established a website for the designations for the 2015 ozone NAAQS at <https://www.epa.gov/ozone-designations>. The website includes the EPA’s final revised designations action, technical support documents, revised responses to comments and other related information.

**FOR FURTHER INFORMATION CONTACT:** For general questions concerning this action, contact Carla Oldham, Office of Air Quality Planning and Standards,

<sup>1</sup> The <https://www.regulations.gov> platform is in the process of being upgraded. Users may be automatically redirected to <https://beta.regulations.gov>. Both website addresses contain the same information.