OMB has emphasized that these techniques may include ''identifying changing future compliance costs that might result from technological innovation or anticipated behavioral changes.''

We are issuing this final priority only on a reasoned determination that its benefits justify the costs. In choosing among alternative regulatory approaches, we selected the approach that maximizes net benefits. Based on the analysis that follows, the Department believes that this regulatory action is consistent with the principles in Executive Order 13563.

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

In accordance with these Executive orders, the Department has assessed the potential costs and benefits, both quantitative and qualitative, of this regulatory action. The potential costs are those resulting from statutory requirements and those we have determined as necessary for administering the Department's programs and activities.

Summary of potential costs and benefits: The Department believes that the costs associated with the final priority will be minimal, while the potential benefits are significant. The Department believes that this regulatory action does not impose significant costs on eligible entities. Participation in this program is voluntary, and the costs imposed on applicants by this regulatory action will be limited to paperwork burden related to preparing an application. The benefits of implementing the program will outweigh the costs incurred by applicants, and the costs of carrying out activities associated with the application will be paid for with program funds. For these reasons, we have determined that the costs of implementation will not be burdensome for eligible applicants, including small entities.

Regulatory Alternatives Considered

The Department believes that the priority is needed to administer the program effectively.

Paperwork Reduction Act of 1995

The final priority contains information collection requirements that are approved by OMB under OMB control number 1820–0028; the final priority does not affect the currently approved data collection.

Regulatory Flexibility Act Certification: The Secretary certifies that this final regulatory action would not have a significant economic impact on a substantial number of small entities. The U.S. Small Business Administration Size Standards define ''small entities'' as for-profit or nonprofit institutions with total annual revenue below $7,000,000 or, if they are institutions controlled by small governmental jurisdictions (that are comprised of cities, counties, towns, townships, villages, school districts, or special districts), with a population of less than 50,000.

Participation in the SPDG program is voluntary. In addition, the only eligible entities for this program are SEAs, which do not meet the definition of a small entity. For these reasons, the final priority will not impose any additional burden on small entities.

Intergovernmental Review: This program is subject to Executive Order 12372 and the regulations in 34 CFR part 79. One of the objectives of the Executive order is to foster an intergovernmental partnership and a strengthened federalism. The Executive order relies on processes developed by State and local governments for coordination and review of proposed Federal financial assistance.

This document provides early notification of our specific plans and actions for this program.

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.* 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.

You may also access documents of the Department published in the **Federal Register** by using the article search feature at *www.federalregister.gov.* Specifically, through the advanced search feature at this site, you can limit your search to documents published by the Department.

Katherine Neas,

Deputy Assistant Secretary. Delegated the authority to perform the functions and duties of the Assistant Secretary for the Office of Special Education and Rehabilitative Services.

[FR Doc. 2022–12712 Filed 6–8–22; 4:15 pm]

BILLING CODE 4000–01–P

DEPARTMENT OF VETERANS AFFAIRS

38 CFR Part 8

RIN 2900–AR29

National Service Life Insurance Premium Payment and Loan Amendment

AGENCY: Department of Veterans Affairs.

ACTION: Final rule.

SUMMARY: The Department of Veterans Affairs (VA) is amending its National Service Life Insurance (NSLI) regulations to offer Service-Disabled Veterans' Insurance (S–DVI) policyholders the option of remitting premiums for government life insurance coverage only on a monthly or annual basis. VA is also increasing the amount that Veteran policyholders are eligible to borrow against the value of their life insurance policies and to adjust the interest rates charged for fixed-rate loans in certain circumstances.

DATES: This rule is effective July 11, 2022.

FOR FURTHER INFORMATION CONTACT: Paul Weaver, Insurance Specialist, Department of Veterans Affairs Insurance Service (310/290B), 5000 Wissahickon Avenue, Philadelphia, PA 19144, (215) 842–2000, ext. 4263. (This is not a toll-free number.)

SUPPLEMENTARY INFORMATION: On October 13, 2021, VA published in the **Federal Register** (86 FR 56846) a proposed rule to amend its regulations governing the NSLI programs. Interested persons were invited to submit written comments on or before December 13, 2021. VA received two comments concerning the proposed changes to the modes of payment for NSLI premiums.

The first commenter stated that VA makes the ''confusing argument that allowing veterans to pay their life insurance bills quarterly or semi-annually adds administrative complexity and program costs,'' and that the commenter cannot understand how providing additional payment options ''should add any administrative complexity.'' A second commenter

stated that calculating quarterly and semi-annual premiums ''should not have a higher program cost than calculating the annual premiums.''

We explained in our proposed rulemaking that very few Veteran policyholders choose to pay premiums on a semi-annual or quarterly basis. As part of recent VA efforts to modernize the information technology systems of its life insurance programs, VA purchased commercial-off-the-shelf (COTS) policy maintenance software used by other private insurance companies. This purchase enabled VA to minimize information technology transformation costs to policyholders compared to a custom-designed system built from the ground-up for VA use. This COTS system does not offer quarterly and semi-annual premium modes, and VA would have to incur additional costs to have the contracted vendor add these modes for VA use. VA's analysis indicated that the costs for this customization were disproportionate to the value of the associated benefit, given the relatively few policyholders who choose these payment modes. If VA were to continue these payment options, it would add administrative complexity and program costs because VA would either have to purchase a customized enhancement for these modes or develop a manual solution to override the functionality of the COTS system when policyholders choose to pay premiums on a semi-annual or quarterly basis. We note that, while the COTS system will be used for current and new policies, current policies will retain the options they have by hardcoding the prior option into the new system at conversion. A policyholder who elects a monthly or annual payment mode after conversion will not have the option to return to a quarterly or semi-annual payment. Again, to allow the quarterly and semi-annual payment options for new policies under the COTS system would require a more costly customized enhancement. Further, VA is required to manage its life insurance programs in a cost-effective and actuarially sound manner (*see, e.g.,* 38 U.S.C. 1920(b); 1925(d)(2)), and continuing to offer premium modes that would increase costs for all policyholders while benefitting a relative few, while also potentially increasing lapse rates for vulnerable disabled veterans, is not actuarially sound because it is not cost-effective.

The first commenter also stated that an article that we cited to in our proposed rulemaking concerning lapse rates (Cathy Ho & Nancy Muise, *U.S. Individual Life Persistency: Guaranteed & Simplified Issue—A Joint Study Sponsored by Soc'y of Actuaries & LIMRA* 16 (2013), *https://www.soa.org/globalassets/assets/Files/Research/Exp-Study/research-2013-gisi-study.pdf* (last visited Jan. 13, 2022)) ''is not compelling'' and that there must be ''better ways for the VA to allocate its resources than reducing the number of payment options available to veterans.'' The second commenter suggested that, because the data in the article is ''two decades old,'' VA should use a more recent study.

In the proposed rule we stated that ''research shows that lapse rates tend to increase with the number of premium payments made each year, with the notable exception of monthly payment modes.'' *Id.* We cited to this research because the results of the study support our effort to minimize lapsed life insurance coverage by offering fewer, simpler payment options. We also cited to this research because some of the commercial insurers that we reviewed relied upon this research as well as a prior 2005 study when limiting premium payment options to reduce costs and minimize lapse of coverage for their policyholders. *See* Marianne Purushotham, *U.S. Individual Life Persistency Update—A Joint Study Sponsored by LIMRA International and the Society of Actuaries, https://www.soa.org/globalassets/assets/Files/Research/Exp-Study/US-Indiv-Life-Persistency-Report-Final.pdf* (2005) (last visited Jan. 13, 2022). Because the 2013 study is consistent with the 2005 study that was conducted by the same insurance trade group, we have no reason to believe this pattern would change with more recent data. Also, VA has historically observed more inconsistent premiums from veterans paying under semi-annual and quarterly payment modes. For the reasons stated above, VA will adopt the proposed rule as final, without change.

Executive Orders 12866 and 13563

Executive Orders 12866 and 13563 direct agencies to assess the costs and benefits of available regulatory alternatives and, when regulation is necessary, to select regulatory approaches that maximize net benefits (including potential economic, environmental, public health and safety effects, and other advantages; distributive impacts; and equity). Executive Order 13563 (Improving Regulation and Regulatory Review) emphasizes the importance of quantifying both costs and benefits, reducing costs, harmonizing rules, and promoting flexibility. The Office of Information and Regulatory Affairs has determined that this rule is not a significant regulatory action under Executive Order 12866. The Regulatory Impact Analysis associated with this rulemaking can be found as a supporting document at *www.regulations.gov.*

Regulatory Flexibility Act

The Secretary hereby certifies that this final rule will not have a significant economic impact on a substantial number of small entities as they are defined in the Regulatory Flexibility Act, 5 U.S.C. 601–612. This final rule will directly affect only individuals and will not directly affect any small entities. Therefore, pursuant to 5 U.S.C. 605(b), the initial and final regulatory flexibility analysis requirements of 5 U.S.C. 603 and 604 do not apply.

Unfunded Mandates

The Unfunded Mandates Reform Act of 1995 requires, at 2 U.S.C. 1532, that agencies prepare an assessment of anticipated costs and benefits before issuing any rule that may result in the expenditure by State, local, and tribal governments, in the aggregate, or by the private sector, of $100 million or more (adjusted annually for inflation) in any one year. This final rule will have no such effect on State, local, and tribal governments, or on the private sector.

Paperwork Reduction Act

This final rule contains no provisions constituting a collection of information under the Paperwork Reduction Act of 1995 (44 U.S.C. 3501–3521).

Congressional Review Act

Pursuant to the Congressional Review Act (5 U.S.C. 801 *et seq.*), the Office of Information and Regulatory Affairs designated this rule as not a major rule, as defined by 5 U.S.C. 804(2).

Assistance Listing

The Catalog of Federal Domestic Assistance numbers and titles for the programs affected by this document are 64.030, Life Insurance for Veterans—Face Amount of New Life Insurance Policies Issued, and 64.031, Life Insurance for Veterans—Direct Payments for Insurance.

List of Subjects in 38 CFR Part 8

Disability benefits, Life insurance, Loan programs—veterans, Military personnel, Veterans.

Signing Authority

Denis McDonough, Secretary of Veterans Affairs, approved this document on June 6, 2022, and authorized the undersigned to sign and

submit the document to the Office of the Federal Register for publication electronically as an official document of the Department of Veterans Affairs.

Luvenia Potts,

Regulations Development Coordinator, Office of Regulation Policy & Management, Office of General Counsel, Department of Veterans Affairs.

For the reasons set out in the preamble, VA amends 38 CFR part 8 as set forth below:

PART 8—NATIONAL SERVICE LIFE INSURANCE

■ 1. The authority citation for part 8 continues to read as follows:

Authority: 38 U.S.C. 501, 1901–1929, 1981–1988, unless otherwise noted.

■ 2. Amend § 8.2 by revising paragraph (c)(2) and adding paragraph (c)(3) to read as follows:

§ 8.2 Payment of premiums.

* * * * *

(c) * * *

(2) Policyholders may pay premiums in advance on an annual basis.

(3) Policyholders insured as of July 11, 2022 may pay premiums in advance on an annual, semi-annual, or quarterly basis.

* * * * *

■ 3. Amend § 8.13:

■ a. In paragraph (a), by removing ''which will not exceed 94 percent'' and adding ''policy'' before ''reserve'' in the first sentence.

■ b. By revising paragraph (d).

The revision reads as follows:

§ 8.13 Policy loans.

* * * * *

(d) Notwithstanding any other provisions of this section, the variable loan rate shall not exceed 12 percent or be lower than 5 percent per annum. For policyholders with an existing fixed-rate loan who subsequently apply for an additional loan on the same policy, the existing fixed-rate loan shall be refinanced into the new variable-rate loan at the prevailing variable rate at the time of the new loan application.

* * * * *

[FR Doc. 2022–12561 Filed 6–9–22; 8:45 am]

BILLING CODE 8320–01–P

ENVIRONMENTAL PROTECTION AGENCY

40 CFR Part 52

[EPA–R03–OAR–2021–0662; FRL–9465–02–R3]

Air Plan Approval; Maryland; Nonattainment New Source Review Requirements for 2015 8-Hour Ozone National Ambient Air Quality Standard

AGENCY: Environmental Protection Agency (EPA).

ACTION: Final rule.

SUMMARY: The Environmental Protection Agency (EPA) is approving a state implementation plan (SIP) revision submitted by the State of Maryland. The revision certifies that Maryland's existing nonattainment new source review (NNSR) program, covering the Baltimore nonattainment area, the Philadelphia-Wilmington-Atlantic City nonattainment area, and the Washington, DC nonattainment area for the 2015 8-hour ozone national ambient air quality standards (NAAQS), is at least as stringent as applicable Federal requirements. EPA is approving these revisions to the Maryland SIP in accordance with the requirements of the Clean Air Act (CAA).

DATES: This final rule is effective on July 11, 2022.

ADDRESSES: EPA has established a docket for this action under Docket ID Number EPA–R03–OAR–2021–0662. All documents in the docket are listed on the *https://www.regulations.gov* website. Although listed in the index, some information is not publicly available, *e.g.,* confidential business information (CBI) or other information whose disclosure is restricted by statute. Certain other material, such as copyrighted material, is not placed on the internet and will be publicly available only in hard copy form. Publicly available docket materials are available through *https://www.regulations.gov,* or please contact the person identified in the **FOR FURTHER INFORMATION CONTACT** section for additional availability information.

FOR FURTHER INFORMATION CONTACT: Yongtian He, Permits Branch (3AD10), Air & Radiation Division, U.S. Environmental Protection Agency, Region III, 1650 Arch Street, Philadelphia, Pennsylvania 19103. The telephone number is (215) 814–2339. Mr. He can also be reached via electronic mail at *He.Yongtian@epa.gov.*

SUPPLEMENTARY INFORMATION:

I. Background

On March 7, 2022 (87 FR 12631), EPA published a notice of proposed rulemaking (NPRM) for the State of Maryland. In the NPRM, EPA proposed approval of Maryland's SIP revision addressing the NNSR requirements for the 2015 8-hour ozone NAAQS for the Baltimore, MD, Philadelphia-Wilmington-Atlantic City, PA-NJ-MD-DE, and Washington, DC-MD-VA nonattainment areas. The formal SIP revision (#20–05) was submitted by Maryland on June 3, 2020.

In the SIP revision, MDE is certifying that its existing NNSR program, covering the Baltimore nonattainment area (which includes Anne Arundel, Baltimore, Carroll, Harford, and Howard Counties and the city of Baltimore), the Maryland portion of Philadelphia-Wilmington-Atlantic City nonattainment area (which includes Cecil County in Maryland), and the Maryland portion of the Washington, DC nonattainment area (which includes Calvert, Charles, Frederick, Montgomery, and Prince Georges Counties in Maryland) for the 2015 8-hour ozone NAAQS, is at least as stringent as the requirements at 40 CFR 51.165 for ozone and its precursors.

On October 1, 2015 (effective December 28, 2015), EPA promulgated a revised 8-hour ozone NAAQS of 0.070 parts per million (ppm). See 80 FR 65292 (October 26, 2015). Upon promulgation of a new or revised NAAQS, the CAA requires EPA to designate as nonattainment any area that is violating the NAAQS based on the three most recent years of ambient air quality data at the conclusion of the designation process. The Baltimore nonattainment area, the Philadelphia-Wilmington-Atlantic City nonattainment area, and the Washington, DC-MD-VA area were classified as marginal nonattainment for the 2015 8-hour ozone NAAQS on June 4, 2018 (effective August 3, 2018) using 2014–2016 ambient air quality data. See 83 FR 25776 (June 4, 2018).

On December 6, 2018, EPA issued the final SIP Requirements Rule, which establishes the requirements that state, tribal, and local air quality management agencies must meet as they develop implementation plans for areas where air quality exceeds the 2015 8-hour ozone NAAQS. Areas that were designated as marginal ozone nonattainment areas are required to attain the 2015 8-hour ozone NAAQS no later than August 3, 2021. See 83 FR 10376 (March 9, 2018) and 83 FR 62998 (December 6, 2018). On April 13, 2022, EPA proposed to determine that the