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OFFICE OF GOVERNMENT ETHICS

5 CFR Parts 2634 and 2635

RIN 3209-AA68

Executive Branch Financial Disclosure and Standards of Ethical Conduct Regulations

AGENCY: Office of Government Ethics.

ACTION: Final rule; technical amendments.

SUMMARY: The U.S. Office of Government Ethics (OGE) is updating its executive branch regulation on financial disclosure to reflect the retroactive statutory increase of the reporting thresholds for gifts and travel reimbursements. OGE is also updating the executive branchwide standards of ethical conduct regulation to raise the widely attended gatherings nonsponsor gifts exception dollar ceiling tied to these thresholds. This change is not retroactive.

DATES:

Effective date: This final rule is effective June 9, 2023.

Applicability date: The amendments to 5 CFR 2634.304 and 2634.907 are applicable as of January 1, 2023.

FOR FURTHER INFORMATION CONTACT: Christie Chung, Assistant Counsel, or Melba Melton, Assistant Counsel; Telephone: 202-482-9300.

SUPPLEMENTARY INFORMATION:

I. Background

The U.S. Office of Government Ethics (OGE) is amending pertinent sections of its executive branchwide ethics regulations on financial disclosure and standards of ethical conduct, as codified at 5 CFR parts 2634 and 2635, in order to update the thresholds for gifts and travel reimbursements, as well as the widely attended gatherings nonsponsor gifts exception dollar ceiling.

Increased Gifts and Travel Reimbursements Reporting Thresholds

First, OGE is revising its executive branch financial disclosure regulation at 5 CFR part 2634 to reflect the increased reporting thresholds for gifts, reimbursements, and travel expenses for both the public and confidential executive branch financial disclosure systems. The increased thresholds are applicable as of January 1, 2023. These increases conform to the statutorily mandated public disclosure reporting thresholds under the Ethics in Government Act as amended, 5 U.S.C. 13104(a)(2)(A) and (B), (Ethics Act) and are extended to confidential disclosure reporting by OGE's regulation. Under the Ethics Act, the gifts and travel reimbursements reporting thresholds are tied to the dollar amount for the "minimal value" threshold for foreign gifts as the General Services Administration (GSA) periodically redefines it.

GSA raised the "minimal value" amount under the Foreign Gifts and Decorations Act, 5 U.S.C. 7342, to \$480 for the three-year period 2023–2025 (from the prior level of \$415) in a March 6, 2023, Federal Management Regulation Bulletin. See Gen. Servs. Admin., GSA Bull. FMR B–52, Foreign Gift and Decoration Minimal Value (2023) (revising retroactively to January 1, 2023, the foreign gifts minimal value definition as codified at 41 CFR 102–42.10).

Accordingly, applicable as of that same date, OGE is increasing the thresholds for reporting of gifts and travel reimbursements from any one source in 5 CFR 2634.304 and 2634.907(g). The thresholds have been raised to "more than \$480" for the gifts and travel reimbursements aggregation thresholds and "\$192 or less" for the de minimis exception for gifts and travel reimbursements that do not have to be aggregated. As noted, these regulatory increases implement the underlying statutory increases effective January 1, 2023. OGE is also updating the examples following those sections, including appropriate adjustments to gift values.

OGE will continue to adjust the gifts and travel reimbursements reporting thresholds in its part 2634 regulation in the future as needed in light of GSA's redefinition of "minimal value" every three years for foreign gifts purposes.

See OGE's prior three-year adjustment of those regulatory reporting thresholds, as published at 85 FR 36715 (June 18, 2020) (for 2020–2022, the aggregate reporting thresholds were more than \$415, with a \$166 or less de minimis exception).

Increased Dollar Ceiling for the Exception for Nonsponsor Gifts of Free Attendance at Widely Attended Gatherings

OGE is also increasing the exception ceiling for nonsponsor gifts of free attendance at widely attended gatherings from \$415 to \$480 in the executive branch standards of ethical conduct regulation, as codified at 5 CFR 2635.204(g)(3) (and as illustrated in the examples following paragraph (g)). This separate regulatory change is effective upon publication in the **Federal Register**, on June 9, 2023. As OGE noted in the preambles to the proposed and final rules on such nonsponsor gifts, that ceiling is tied to the financial disclosure gifts reporting threshold. See 60 FR 31415 (June 15, 1995) and 61 FR 42965 (Aug. 20, 1996). Thus, OGE is again increasing the nonsponsor gift ceiling to match the further increase in the gifts and travel reimbursements reporting thresholds described above. The nonsponsor gift ceiling was last raised June 2020. See 85 FR 36715 (June 18, 2020). The other requirements for acceptance of such nonsponsor gifts, including an agency interest determination and expected attendance by more than 100 persons, remain unchanged.

II. Matters of Regulatory Procedure

Administrative Procedure Act

Pursuant to 5 U.S.C. 553(b), as Director of the Office of Government Ethics, I find that good cause exists for waiving the general notice of proposed rulemaking and public comment procedures as to these technical amendments. The notice and comment procedures are being waived because these amendments concern matters of agency organization, procedure and practice. It is also in the public interest that the accurate and up-to-date information be contained in the affected sections of OGE's regulations as soon as possible. The increase in the reporting thresholds for gifts and reimbursements is based on a statutory formula and lessens the reporting burden. Therefore,

that regulatory revision is retroactively applicable as of January 1, 2023, when the change became effective under the Ethics Act.

Regulatory Flexibility Act

As the Director of the Office of Government Ethics, I certify under the Regulatory Flexibility Act (5 U.S.C. chapter 6) that this final rule would not have a significant economic impact on a substantial number of small entities because it primarily affects current Federal executive branch employees.

Paperwork Reduction Act

The Paperwork Reduction Act (44 U.S.C. chapter 35) does not apply because this regulation does not contain information collection requirements that require approval of the Office of Management and Budget.

Unfunded Mandates Reform Act

For purposes of the Unfunded Mandates Reform Act of 1995 (2 U.S.C. chapter 25, subchapter II), this final rule would not significantly or uniquely affect small governments and will not result in increased expenditures by State, local, and tribal governments, in the aggregate, or by the private sector, of \$100 million or more (as adjusted for inflation) in any one year.

Congressional Review Act

The Office of Government Ethics has determined that this amendatory rulemaking is a nonmajor rule under the Congressional Review Act (5 U.S.C. chapter 8) and will submit a report thereon to the U.S. Senate, House of Representatives and Government Accountability Office in accordance with that law at the same time this rulemaking document is sent to the Office of the Federal Register for publication in the **Federal Register**.

Executive Order 13563 and Executive Order 12866

Executive Orders 13563 and 12866 direct agencies to assess all costs and benefits of available regulatory alternatives and, if regulation is necessary, to select the regulatory approaches that maximize net benefits (including economic, environmental, public health and safety effects, distributive impacts, and equity). Executive Order 13563 emphasizes the importance of quantifying both costs and benefits, of reducing costs, of harmonizing rules, and of promoting flexibility. In promulgating this rulemaking, OGE has adhered to the regulatory philosophy and the applicable principles of regulation set forth in Executive Orders 12866 and

13563. The rule has not been reviewed by the Office of Management and Budget because it is not a significant regulatory action for the purposes of Executive Order 12866.

Executive Order 12988

As Director of the Office of Government Ethics, I have reviewed this rule in light of section 3 of Executive Order 12988, Civil Justice Reform, and certify that it meets the applicable standards provided therein.

List of Subjects

5 CFR Part 2634

Certificates of divestiture, Conflict of interests, Government employees, Penalties, Reporting and recordkeeping requirements, Trusts and trustees.

5 CFR Part 2635

Conflict of interests, Executive branch standards of ethical conduct, Government employees.

Approved: June 5, 2023.

Emory Rounds,

Director, U.S. Office of Government Ethics.

For the reasons set forth in the preamble, the U.S. Office of Government Ethics is amending 5 CFR parts 2634 and 2635 as follows:

PART 2634—EXECUTIVE BRANCH FINANCIAL DISCLOSURE, QUALIFIED TRUSTS, AND CERTIFICATES OF DIVESTITURE

■ 1. The authority citation for part 2634 continues to read as follows:

Authority: 5 U.S.C. ch. 131; 26 U.S.C. 1043; Pub. L. 101–410, 104 Stat. 890 (28 U.S.C. 2461 note), as amended by sec. 31001, Pub. L. 104–134, 110 Stat. 1321, and sec. 701, Pub. L. 114–74; Pub. L. 112–105, 126 Stat. 291; E.O. 12674, 54 FR 15159, 3 CFR, 1989 Comp., p. 215, as modified by E.O. 12731, 55 FR 42547, 3 CFR, 1990 Comp., p. 306.

■ 2. Amend § 2634.304 as follows:

■ a. In paragraphs (a) and (b), remove the dollar amount “\$415” and add in its place “\$480”;

■ b. Designate the note to paragraph (a) as note 1 to paragraph (a) and revise the newly designated note;

■ c. In paragraph (d), remove the dollar amount “\$166” and add in its place “\$192”;

■ d. In example 1 following paragraph (d):

■ i. Remove the dollar amount “\$240” following “Gift 1-Print” and add in its place “\$280”;

■ ii. Remove the dollar amount “\$185” following “Gift 2-Pen and pencil set” and add in its place “\$225”;

■ iii. Remove the dollar amounts “\$415” and “\$166” in the sentences

following “Gift 3” and add in their places “\$480” and “\$192”, respectively; and

■ e. In example 2 following paragraph (d), remove “2020” and “\$166” and add in their places “2023” and “\$192”, respectively;

■ f. In example 3 following paragraph (d), remove the year “2020” and add in its place “2023”; and

■ g. In the example following paragraph (f), remove the dollar amount “\$450” and add in its place “\$540”.

The revision reads as follows:

§ 2634.304 Gifts and reimbursements.

(a) * * *

Note 1 to paragraph (a): Under the Ethics in Government Act, 5 U.S.C. 13104(a)(2)(A) and (B), the reporting thresholds for gifts, reimbursements, and travel expenses are tied to the dollar amount for the “minimal value” threshold for foreign gifts established by the Foreign Gifts and Decorations Act, 5 U.S.C. 7342(a)(5). The General Services Administration (GSA), in consultation with the Secretary of State, redefines the value every 3 years. In 2023, the amount was set at \$480. In paragraph (d) of this section, the Office of Government Ethics sets the aggregation exception amount and redefines the value every 3 years. In 2023, the amount was set at \$192. The Office of Government Ethics will update this part in 2026 and every three years thereafter to reflect the new amounts.

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■ 3. Amend § 2634.907 as follows:

■ a. In paragraph (g)(1), remove the dollar amount of “\$415” and add in its place “\$480”;

■ b. In paragraph (g)(2), remove the dollar amount “\$166” and add in its place “\$192”;

■ c. Revise the note to paragraph (g)(2); and

■ d. In the example following paragraph (g)(5):

■ i. Remove the dollar amount “\$275” following “Gift 3-Cell phone” and add in its place “\$340”;

■ ii. In the last two sentences, remove the dollar amount of “\$415” and add in its place “\$480” and remove the dollar amount “\$166” and add in its place “\$192”.

The revision reads as follows:

§ 2634.907 Report contents.

* * * * *

(g) * * *

(2) * * *

Note to paragraph (g)(2): The Office of Government Ethics sets these amounts every 3 years using the same disclosure thresholds as those for public financial disclosure filers. In 2023, the reporting thresholds were set at \$480 and the aggregation threshold was set at \$192. The Office of Government Ethics

will update this part in 2026 and every three years thereafter to reflect the new amount.

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PART 2635—STANDARDS OF ETHICAL CONDUCT FOR EMPLOYEES OF THE EXECUTIVE BRANCH

■ 4. The authority citation for part 2635 continues to read as follows:

Authority: 5 U.S.C. 7301, 7351, 7353; 5 U.S.C. App. (Ethics in Government Act of 1978); E.O. 12674, 54 FR 15159, 3 CFR, 1989 Comp., p. 215, as modified by E.O. 12731, 55 FR 42547, 3 CFR, 1990 Comp., p. 306.

§ 2635.204 [Amended]

■ 5. In § 2635.204, in paragraph (g)(3)(iv) and examples 1 and 4 to paragraph (g), remove the dollar amount “\$415” and add in its place “\$480”.

[FR Doc. 2023-12291 Filed 6-8-23; 8:45 am]

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DEPARTMENT OF TRANSPORTATION

Federal Aviation Administration

14 CFR Part 39

[Docket No. FAA-2023-1055; Project Identifier AD-2023-00583-T; Amendment 39-22445; AD 2023-10-09]

RIN 2120-AA64

Airworthiness Directives; The Boeing Company Airplanes

AGENCY: Federal Aviation Administration (FAA), DOT.

ACTION: Final rule; request for comments.

SUMMARY: The FAA is adopting a new airworthiness directive (AD) for all The Boeing Company Model 787-8, 787-9, and 787-10 airplanes. This AD was prompted by reports of damaged decompression panels from operators. This AD requires repetitive inspections for damaged fastener holes on the vertical and bottom edges of the inward and outward blowing decompression panels installed on the forward and aft cargo compartment vertical sidewall linings and applicable on-condition actions. The FAA is issuing this AD to address the unsafe condition on these products.

DATES: This AD is effective June 26, 2023.

The FAA must receive comments on this AD by July 24, 2023.

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](https://www.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](https://www.regulations.gov) by searching for and locating Docket No. FAA-2023-1055; or in person at Docket Operations between 9 a.m. and 5 p.m., Monday through Friday, except Federal holidays. The AD docket contains this final rule, any comments received, and other information. The street address for Docket Operations is listed above.

FOR FURTHER INFORMATION CONTACT:

Nicole S. Tsang, Aviation Safety Engineer, FAA, 2200 South 216th St., Des Moines, WA 98198; telephone: 206-231-3959; email: Nicole.S.Tsang@faa.gov.

SUPPLEMENTARY INFORMATION:

Background

The FAA has received a report indicating operators have found damaged fastener holes on vertical sidewall decompression panels installed in the forward and aft cargo compartments (*i.e.*, cargo liner panel). These decompression panels are designed to open only during a decompression event and otherwise remain sealed. Damaged fastener holes that exceed the allowable damage limits or fastener holes that are folded back during installation could result in movement of the decompression panel affecting the seal. This could result in possible leakage in the cargo compartments, which in the event of a cargo fire, could lead to insufficient Halon concentrations to adequately control the fire. This condition, if not addressed, could result in the loss of continued safe flight and landing of the airplane. The FAA is issuing this AD to address the unsafe condition on these products.

FAA's Determination

The FAA is issuing this AD because the agency has determined the unsafe condition described previously is likely to exist or develop in other products of the same type design.

AD Requirements

This AD requires gaining access to the fastener holes on the vertical and

bottom edges of the inward and outward blowing decompression panels installed on the forward and aft cargo compartment vertical sidewall linings; repetitive general visual inspections of those fastener holes for damage (such as a tear, cut, split, puncture, or delamination) and applicable on-condition actions; and making sure the panel fastener holes are not folded back when installing the decompression panel after completing the general visual inspection. On-condition actions include replacement of any decompression panel having damaged fastener holes that exceed the allowable damage limits with a serviceable panel. The allowable damage limits are as follows: damage on a fastener hole must not extend beyond the width of the fastener hole; if the damage is on one side of the fastener hole and the other side of the fastener hole has no damage, the damage must not extend more than the diameter of the fastener hole; the decompression panel must not have more than two adjacent damaged fastener holes with damage; and the decompression panel must not have more than four damaged fastener holes. For the purposes of this AD, a serviceable panel is one that has not exceeded the allowable damage limits. A decompression panel repaired using a method approved by The Boeing Company Organization Designation Authorization (ODA) is considered serviceable.

Minimum Equipment List (MEL) Provision

Paragraph (j) of this AD specifies that if any decompression panel is damaged and the decompression panel is deemed not serviceable, the airplane may be operated as specified in the operator's FAA-approved MEL, provided provisions that address the damaged decompression panel are included in the MEL.

Interim Action

The FAA considers this AD to be an interim action. If final action is later identified, the FAA might consider further rulemaking then.

Justification for Immediate Adoption and Determination of the Effective Date

Section 553(b)(3)(B) of the Administrative Procedure Act (APA) (5 U.S.C. 551 *et seq.*) authorizes agencies to dispense with notice and comment procedures for rules when the agency, for “good cause,” finds that those procedures are “impracticable, unnecessary, or contrary to the public interest.” Under this section, an agency, upon finding good cause, may issue a