

In addition, TTB is removing the heading “Subpart H [Reserved]” from part 46 as the reservation of that subpart, which contains no regulatory sections, is no longer needed due to the removal of subpart I.

Regulatory Analysis and Notices

E.O. 12866

This direct final rule is not a significant regulatory action under Executive Order 12866, as amended. Therefore, a regulatory assessment is not required.

Regulatory Flexibility Act

The Regulatory Flexibility Act (RFA), Public Law 96–354, codified in 5 U.S.C. 601 *et seq.* applies only to rules for which an agency publishes a general notice of proposed rulemaking (NPRM) pursuant to 5 U.S.C. 553(b). This rule is being published as a direct to final rule; it was not preceded by an NPRM. Therefore, the RFA does not apply to it. However, pursuant to 28 U.S.C. 7805(f), TTB has submitted this final rule to the Chief Counsel for Advocacy of the Small Business Administration for comment on the impact of the regulations on small businesses.

Paperwork Reduction Act

As announced in the floor stocks tax temporary rule (74 FR 14479, 14481), the collection of information related to the 2009 floor stocks tax, which required submission of a tax return and the keeping of certain records, was previously reviewed and approved in March 2009 by the Office of Management and Budget (OMB) in accordance with the Paperwork Reduction Act of 1995 (44 U.S.C. 3507) and assigned control number 1513–0129. As explained above, the regulations in 27 CFR part 46, subpart I, are no longer necessary. As such, their removal will have no effect on the burden or requirements of any current TTB information collection.

List of Subjects in 27 CFR Part 46

Administrative practice and procedure, Cigars and cigarettes, Claims, Excise taxes, Packaging and containers, Penalties, Reporting and recordkeeping requirements, Seizures and forfeitures, Surety bonds, Tobacco.

Amendment to the Regulations

For the reasons discussed in the preamble, TTB is amending 27 CFR part 46 as follows:

PART 46—MISCELLANEOUS REGULATIONS RELATING TO TOBACCO PRODUCTS AND CIGARETTE PAPERS AND TUBES

■ 1. The authority citation for part 46 continues to read as follows:

Authority: 18 U.S.C. 2341–2346, 26 U.S.C. 5061, 5704, 5708, 5731–5734, 5751, 5754, 5761–5763, 6001, 6109, 6601, 6621, 6622, 7212, 7342, 7602, 7606, 7805; 44 U.S.C. 3504(h), 49 U.S.C. 782, unless otherwise noted.

Subpart H—[Removed]

■ 2. Under the authority of 26 U.S.C. 7805(a), remove subpart H.

Subpart I—[Removed]

■ 3. Under the authority of section 701, Public Law 111–3 and 26 U.S.C. 7805(a), remove subpart I.

Signed: September 24, 2025.

Mary G. Ryan,

Administrator.

Approved: September 24, 2025.

Kenneth J. Kies,

Assistant Secretary for Tax Policy.

[FR Doc. 2025–18878 Filed 9–26–25; 8:45 am]

BILLING CODE 4810–31–P

DEPARTMENT OF VETERANS AFFAIRS

38 CFR Part 9

[Docket No. VA–2024–VBA–0029]

RIN 2900–AR67

Servicemembers’ Group Life Insurance and Veterans’ Group Life Insurance—Accelerated Benefit Option Regulation Update

AGENCY: Department of Veterans Affairs.

ACTION: Final rule.

SUMMARY: The Department of Veterans Affairs (VA) amends its regulations governing Servicemembers’ Group Life Insurance (SGLI), Family SGLI (FSGLI), and Veterans’ Group Life Insurance (VGLI) to allow an alternate applicant to apply for an Accelerated Benefit in certain circumstances. VA also defines key terms and removes contact information and the reproduction of the Accelerated Benefit application form from the text of the regulations.

DATES: This rule is effective October 29, 2025.

FOR FURTHER INFORMATION CONTACT: Samantha Yerdon, Management and Program Analyst, Insurance Service, Veterans Benefits Administration, (215) 842–2000, ext. 5494.

SUPPLEMENTARY INFORMATION: On December 5, 2024, VA published a proposed rulemaking in the **Federal Register** pertaining to alternate applicants applying for Accelerated Benefits. 89 FR 96627. VA proposed to liberalize the Accelerated Benefit Option for SGLI, FSGLI, and VGLI members to afford third parties the opportunity to elect an Accelerated Benefit Option if a SGLI/VGLI member is terminally ill and medically incapacitated or an FSGLI spouse is terminally ill and the member is medically incapacitated. *Id.* at 96628. Additionally, VA proposed to remove all addresses and telephone numbers from the text of the regulations as this information is subject to periodic change, and it is not practicable to use the rulemaking process each time an address or telephone number is updated. *Id.* The proposed rule also defined terms related to dependent child FSGLI coverage when the children are age 18–22 to clarify eligibility for insurance payments upon death. *Id.* at 96629.

VA provided the public with a 60-day comment period that ended on February 3, 2025. VA received three comments from the public, and all three comments supported the proposed rulemaking. Based on the rationale set forth in the proposed rule, VA adopts the proposed rule as final with technical edits to 38 CFR 9.14 that correct the subparagraph designations and maintain reference to the Office of Management and Budget control number (2900–0618) and authority citations.

Executive Orders 12866, 13563, and 14192

VA examined the impact of this rulemaking as required by Executive Orders 12866 (Sept. 30, 1993) and 13563 (Jan. 18, 2011), which direct agencies to assess all costs and benefits of available regulatory alternatives and, if regulation is necessary, to select regulatory approaches that maximize net benefits. The Office of Information and Regulatory Affairs has determined that this final rule is not a significant regulatory action under E.O. 12866, as supplemented by Executive Order 13563. This final rule is a deregulatory action under Executive Order 14192.

Economic Impact: VA has determined there are no costs or transfers associated with this proposal because the SGLI, FSGLI, and VGLI programs are funded by the premiums that Service members and former members pay for the life insurance coverage. Given that these programs are designed to be primarily self-supporting, appropriations are not authorized to be paid to these programs

except in limited instances where the SGLI program's mortality experience due to combat deaths exceeds expected mortality in the program based on civilian death rates. Other than this limited circumstance, the cost of insurance coverage as well as the costs of administering the programs are borne by the program out of premiums paid for coverage. VA designated this as a deregulatory action under Executive Order 14192 due to there being no increases in incremental costs or transfers and because the rulemaking also reduces administrative burden and adjudication inefficiencies. While VA is unable to quantify savings, there will be increases in efficiency as this rulemaking simplifies claims processing and reduces costly appeals without imposing new regulatory requirements.

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). The factual basis for this certification is based on an existing statutory provision for the SGLI program, at 38 U.S.C. 1966, which limits the primary insurer for this program to large insurance companies in the United States. The Secretary of Veterans Affairs has purchased a group life insurance policy from a large private insurer for purposes of providing coverage to Service members, their spouses and dependent children, and Veterans. This regulation clarifies requirements under which certain SGLI program benefits are offered under the authority of 38 U.S.C. 1968 and 1980 but does not change the pre-existing statutory requirement that the primary insurer be a large private insurer. As such, the overall impact of this final rule will be of no benefit or detriment to 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

This final rule will not 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.

Paperwork Reduction Act

Although this final rule contains collection of information under the provisions of the Paperwork Reduction Act of 1995 (44 U.S.C. 3501–3521), there are no provisions associated with this rulemaking constituting any new

collection of information or any revisions to the existing collection of information. The collection of information for 38 CFR 9.14 is currently approved by the Office of Management and Budget (OMB) and has been assigned OMB control number 2900–0618.

Assistance Listing

The Assistance Listing number and title for the program affected by this document is 64.103, Life Insurance for Veterans.

Congressional Review Act

Pursuant to subtitle E of the Small Business Regulatory Enforcement Fairness Act of 1996 (known as the Congressional Review Act) (5 U.S.C. 801 *et seq.*), the Office of Information and Regulatory Affairs designated this rule as not satisfying the criteria under 5 U.S.C. 804(2).

List of Subjects in 38 CFR Part 9

Life insurance, Military personnel, Veterans.

Signing Authority

Douglas A. Collins, Secretary of Veterans Affairs, approved this document on September 23, 2025, 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.

Taylor N. Mattson,

*Alternate Federal Register Liaison Officer,
Department of Veterans Affairs.*

For the reasons stated in the preamble, VA amends 38 CFR part 9 as set forth below:

PART 9—SERVICEMEMBERS' GROUP LIFE INSURANCE AND VETERANS' GROUP LIFE INSURANCE

- 1. The authority citation for part 9 continues to read as follows:

Authority: 38 U.S.C. 501, 1965–1980A, unless otherwise noted.

- 2. Amend § 9.1 by revising paragraph (b) and adding paragraphs (m) and (n) to read as follows:

§ 9.1 Definitions.

* * * * *

(b) The term *administrative office* means the Office of Servicemembers' Group Life Insurance.

* * * * *

(m) The term *pursuing a course of instruction at an approved educational institution*, as used in 38 U.S.C. 101(4)(A)(iii), means, for purposes of this part, pursuing a “program of

education,” as that term is defined in 38 U.S.C. 3002(3), at an approved “educational institution,” as that term is defined in 38 U.S.C. 3452(c), as an enrolled student on either a more than half-time basis or on a half-time basis or less.

(n) The term a *stepchild who is a member of a veteran's household*, as used in 38 U.S.C. 101(4)(A), for purposes of this part, means a stepchild who has been living in the insured's household for at least one year.

- 3. Revise § 9.14 to read as follows:

§ 9.14 Accelerated Benefits.

(a) *Accelerated Benefit.* An Accelerated Benefit is a payment of a portion of SGLI or VGLI to a terminally ill member (*i.e.*, an insured Service member or veteran), or a payment of a portion of Family Servicemembers' Group Life Insurance to a member on behalf of a terminally ill covered person, before death.

(b) *Eligibility to receive an Accelerated Benefit.* A member is eligible to receive an Accelerated Benefit if the member has a valid written medical prognosis from a physician of nine months or less to live, and otherwise complies with the provisions of this section.

(c) *Applying for an Accelerated Benefit—SGLI Member or VGLI Member.* (1) A terminally ill member can apply for an Accelerated Benefit by completing the SGLV 8284 application form. The member's physician is required to complete part of the form by certifying that the member is terminally ill (*i.e.*, has a life expectancy of nine months or less). If the member is covered under Servicemembers' Group Life Insurance, the member's uniformed service must also complete part of the form and submit it to the Office of Servicemembers' Group Life Insurance. If the member is covered under VGLI, the member must submit the completed application form to the Office of Servicemembers' Group Life Insurance.

(2) An alternate applicant can apply for an Accelerated Benefit on behalf of a terminally ill member if the member is medically incapacitated, as defined in paragraph (e) of this section. The alternate applicant can apply by completing the SGLV 8284 application form if all of the following conditions are met:

(i) The member's physician must certify that the member is terminally ill and medically incapacitated;

(ii) The alternate applicant must have power of attorney, guardianship, or conservatorship over the member, or be the member's VA-appointed fiduciary

under 38 U.S.C. chapters 55 and 61 or military trustee under 37 U.S.C. 602; and

(iii) The alternate applicant must sign the SGLV 8284 application form; identify that he or she holds the member's power of attorney to act on the member's behalf or is the member's court-appointed guardian or conservator, VA-appointed fiduciary, or military trustee; and attach the form to a true and correct copy of the power of attorney, court order establishing the guardianship or conservatorship, or documentation designating the alternate applicant as the member's VA-appointed fiduciary or military trustee.

(iv) If the member is covered under SGLI, the alternate applicant must submit the application to the member's uniformed service, who then must also complete part of the form and submit it to the Office of Servicemembers' Group Life Insurance. If the member is covered under VGLI, the alternate applicant must submit the completed application form to the Office of Servicemembers' Group Life Insurance.

(d) *Applying for an Accelerated Benefit—Member's Spouse.* (1) If a member's insured spouse (*i.e.*, member's spouse) is terminally ill (*i.e.*, has a life expectancy of nine months or less), only the member can apply for an Accelerated Benefit by completing the SGLV 8284A application form. The member's spouse's physician is required to complete part of the form by certifying that the member's spouse is terminally ill. The member's uniformed service must also complete part of the form and submit it to the Office of Servicemembers' Group Life Insurance.

(2) If the member's spouse is terminally ill and the member is medically incapacitated, an alternate applicant acting on behalf of such member can apply for the Accelerated Benefit. The alternate applicant can apply by completing the SGLV 8284A application form if all of the following conditions are met:

(i) The member's spouse's physician must certify that the member's spouse is terminally ill;

(ii) The member's physician must certify that the member is medically incapacitated;

(iii) The alternate applicant must have power of attorney, guardianship, or conservatorship over the member, or be the member's VA-appointed fiduciary under 38 U.S.C. chapters 55 and 61 or military trustee under 37 U.S.C. 602; and

(iv) The alternate applicant must sign the SGLV 8284A application form; identify that he or she holds the member's power of attorney to act on

the member's behalf or is the member's court-appointed guardian or conservator, VA-appointed fiduciary, or military trustee; and attach the form to a true and correct copy of the power of attorney, court order establishing the guardianship or conservatorship, or documentation designating the alternate applicant as the member's VA-appointed fiduciary or military trustee.

(v) The member's uniformed service must also complete part of the form and submit it to the Office of Servicemembers' Group Life Insurance.

(e) *Medically Incapacitated.* For the purposes of paragraphs (c) and (d) of this section, the term "medically incapacitated" means that a member has been determined by a medical professional to be physically or mentally impaired by physical disability, mental illness, mental deficiency, advanced age, chronic use of drugs or alcohol, or other causes that prevent sufficient understanding or capacity to manage his or her own affairs competently.

(f) *Amount of Accelerated Benefit Request.* (1) A member can request as an Accelerated Benefit an amount up to a maximum of 50% of the face value of the insurance coverage.

(2) A member's request for an Accelerated Benefit must be \$5,000 or a multiple of \$5,000 (for example, \$10,000, \$15,000).

(g) *Accelerated Benefit Decision.* The Office of Servicemembers' Group Life Insurance will review the application and determine whether a member meets the requirements of this section for receiving an Accelerated Benefit.

(1) They will approve the application if the requirements of this section are met.

(2) If the Office of Servicemembers' Group Life Insurance determines that the application form does not fully and legibly provide the information requested by the application form, they will contact the member or their alternate applicant and request that the member or their alternate applicant submit the missing information to them. They will not take action on the application until the information is provided.

(h) *Payment of Accelerated Benefit.* An Accelerated Benefit will be paid in a lump sum.

(i) *Cancellation of Application for Accelerated Benefit.* (1) An election to receive the Accelerated Benefit is made at the time the Accelerated Benefit is cashed or deposited. After that time, the Accelerated Benefit cannot be cancelled. Until that time, a request for the Accelerated Benefit may be cancelled by informing the Office of Servicemembers'

Group Life Insurance in writing and returning payment, if issued by check, or stopping payment before deposit in the member's account, if issued by electronic funds transfer. If a member wants to change the amount of benefits requested or decides to reapply after cancelling a request, the member must file another application requesting either the same or a different amount of benefits.

(2) If a member dies before cashing or depositing an Accelerated Benefit payment, the payment must be returned to the Office of Servicemembers' Group Life Insurance.

(Approved by the Office of Management and Budget under control number 2900-0618)

(Authority: 38 U.S.C. 1965, 1966, 1967, 1980)

[FR Doc. 2025-18828 Filed 9-26-25; 8:45 am]

BILLING CODE 8320-01-P

DEPARTMENT OF VETERANS AFFAIRS

38 CFR Part 71

[Docket No. VA-2021-VHA-0018]

RIN 2900-AR28

Extension of Program of Comprehensive Assistance for Family Caregivers Eligibility for Legacy Participants and Legacy Applicants

AGENCY: Department of Veterans Affairs.

ACTION: Final rule.

SUMMARY: The Department of Veterans Affairs (VA) adopts as final, with changes, an interim final rule that amended VA's regulations governing the Program of Comprehensive Assistance for Family Caregivers (PCAFC) and extended the transition period for legacy participants, legacy applicants, and their Family Caregivers (the legacy cohort) through September 30, 2025. This final rule will further extend the transition period for the legacy cohort through September 30, 2028.

DATES: This rule is effective September 30, 2025.

FOR FURTHER INFORMATION CONTACT:

Colleen Richardson, Executive Director, Caregiver Support Program, Veterans Health Administration, (202) 461-7337.

SUPPLEMENTARY INFORMATION:

Executive Summary

This final rule provides an additional three-year extension for the transition period for the legacy cohort, that is through September 30, 2028, and responds to comments received on two prior interim final rules that were previously published related to the transition period for the legacy cohort.