Special Entity. A swap dealer that ''acts as an advisor to a Special Entity'' has a duty to make a reasonable determination that a recommendation is in the ''best interests'' of the Special Entities and must undertake ''reasonable efforts'' to obtain information necessary to make such a determination.

Whether a swap dealer ''acts as an advisor to a Special Entity'' will depend on: (1) Whether the swap dealer has made a recommendation to a Special Entity; and (2) whether the recommendation concerns a swap or trading strategy involving a swap that is tailored to the particular needs or characteristics of the Special Entity. To determine whether a communication between a swap dealer and counterparty is a recommendation, the Commission will apply the same factors as under § 23.434, the suitability rule. However, unlike the suitability rule, which covers recommendations regarding any type of swap or trading strategy involving a swap, the ''acts as an advisor rule'' and ''best interests'' duty will be triggered only if the recommendation is of a swap or trading strategy involving a swap that is ''tailored to the particular needs or characteristics of the Special Entity.''

Whether a swap is tailored to the particular needs or characteristics of the Special Entity will depend on the facts and circumstances. Swaps with terms that are tailored or customized to a specific Special Entity's needs or objectives, or swaps with terms that are designed for a targeted group of Special Entities that share common characteristics, *e.g.,* school districts, are likely to be viewed as tailored to the particular needs or characteristics of the Special Entity. Generally, however, the Commission would not view a swap that is ''made available for trading'' on a designated contract market or swap execution facility, as provided in Section 2(h)(8) of the Act, as tailored to the particular needs or characteristics of the Special Entity.

Safe harbor. Under § 23.440(b)(2), when dealing with a Special Entity (including a Special Entity that is an employee benefit plan as defined in § 23.401(c)(3)),[1] a swap dealer will not ''act as an advisor to a Special Entity'' if: (1) The swap dealer does not express an opinion as to whether the Special Entity should enter into a recommended swap or swap trading strategy that is tailored to the particular needs or characteristics of the Special Entity; (2) the Special Entity represents in writing, in accordance with § 23.402(d), that it will not rely on the swap dealer's recommendations and will rely on advice from a qualified independent representative within the meaning of § 23.450; and (3) the swap dealer discloses that it is not undertaking to act in the best interests of the Special Entity.

A swap dealer that elects to communicate within the safe harbor to avoid triggering the ''best interests'' duty must appropriately manage its communications. To clarify the type of communications that they will make under the safe harbor, the Commission expects that swap dealers may specifically represent that they will not express an opinion as to whether the Special Entity should enter into a recommended swap or trading strategy, and that for such advice the Special Entity should consult its own advisor. Nothing in the final rule would preclude such a representation from being included in counterparty relationship documentation. However, such a representation would not act as a safe harbor under the rule where, contrary to the representation, the swap dealer does express an opinion to the Special Entity as to whether it should enter into a recommended swap or trading strategy.

If a swap dealer complies with the terms of the safe harbor, the following types of communications would not be subject to the ''best interests'' duty:[2] (1) Providing information that is general transaction, financial, educational, or market information; (2) offering a swap or trading strategy involving a swap, including swaps that are tailored to the needs or characteristics of a Special Entity; (3) providing a term sheet, including terms for swaps that are tailored to the needs or characteristics of a Special Entity; (4) responding to a request for a quote from a Special Entity; (5) providing trading ideas for swaps or swap trading strategies, including swaps that are tailored to the needs or characteristics of a Special Entity; and (6) providing marketing materials upon request or on an unsolicited basis about swaps or swap trading strategies, including swaps that are tailored to the needs or characteristics of a Special Entity. This list of communications is not exclusive and should not create a negative implication that other types of communications are subject to a ''best interests'' duty.

The safe harbor in § 23.440(b)(2) allows a wide range of communications and interactions between swap dealers and Special Entities without invoking the ''best interests'' duty, including discussions of the advantages or disadvantages of different swaps or trading strategies. The Commission notes, however, that depending on the facts and circumstances, some of the examples on the list could be ''recommendations'' that would trigger a suitability obligation under § 23.434. However, the Commission has determined that such activities would not, by themselves, prompt the ''best interests'' duty in § 23.440, provided that the parties comply with the other requirements of § 23.440(b)(2). All of the swap dealer's communications, however, must be made in a fair and balanced manner based on principles of fair dealing and good faith in compliance with § 23.433.

Swap dealers engage in a wide variety of communications with counterparties in the normal course of business, including but not limited to the six types of communications listed above. Whether any particular communication will be deemed to be a ''recommendation'' within the meaning of §§ 23.434 or 23.440 will depend on the facts and circumstances of the particular communication considered in light of the guidance in this appendix with respect to the meaning of the term ''recommendation.'' Swap dealers that choose to manage their communications to comply with the safe harbors provided in §§ 23.434 and 23.440 will be able to limit the duty they owe to counterparties, including Special Entities, provided that the parties exchange the appropriate representations.

Issued in Washington, DC, on January 26, 2026, by the Commission.

Christopher Kirkpatrick,

Secretary of the Commission.

Note: The following appendix will not appear in the Code of Federal Regulations.

Appendix to Revisions to Business Conduct and Swap Documentation Requirements for Swap Dealers and Major Swap Participants; Correction—Commission Voting Summary

On this matter, Chairman Selig voted in the affirmative. No Commissioner voted in the negative.

[FR Doc. 2026–01712 Filed 1–27–26; 8:45 am]

BILLING CODE 6351–01–P

DEPARTMENT OF HOMELAND SECURITY

Coast Guard

33 CFR Part 100

[Docket No. USCG–2025–1128]

Special Local Regulations; Marine Events Within the Southeast Coast Guard District

AGENCY: Coast Guard, DHS.

ACTION: Notification of enforcement of regulation.

SUMMARY: The Coast Guard will enforce special local regulations for the St. Thomas International Regatta from April 2 through 5, 2026, to provide for the safety of life on navigable waterways during this event. Our regulation for marine events within the Southeast Coast Guard District identifies the regulated area for this event in St. Thomas, USVI. Entry of vessels or persons into this zone is prohibited unless specifically authorized by the Captain of the Port San Juan.

DATES: The regulations in 33 CFR 100.701 will be enforced for the location

[1] The guidance in this appendix regarding the safe harbor to § 23.440 is limited to the safe harbor for any Special Entity under § 23.440(b)(2). A swap dealer may separately comply with the safe harbor under § 23.440(b)(1) for its communications to a Special Entity that is an employee benefit plan as defined in § 23.401(c)(3).

[2] Communications on the list that are not within the meaning of the term ''acts as an advisor to a Special Entity'' are outside the requirements of § 23.440. By including such communications on the list, the Commission does not intend to suggest that they are ''recommendations.'' Thus, a swap dealer that does not ''act as an advisor to a Special Entity'' within the meaning of § 23.440(a) is not required to comply with the safe harbor to avoid the ''best interests'' duty with respect to its communications.

identified in table 1 to § 100.701, paragraph (a), item 2, from 8 a.m. until 4 p.m., each day from April 2, 2026, through April 5, 2026.

FOR FURTHER INFORMATION CONTACT: If you have questions about this notification of enforcement, call or email Lieutenant Commander Rachel E. Thomas, Sector San Juan, Waterways Management Division Chief, Coast Guard; telephone (571) 613–1417, email *Rachel.E.Thomas@uscg.mil.*

SUPPLEMENTARY INFORMATION: The Coast Guard will enforce special local regulations in 33 CFR 100.701 for the St. Thomas International Regatta regulated area daily from 8 a.m. to 4 p.m. on April 2 through April 5, 2026. This action is being taken to provide for the safety of life on navigable waterways during this 4-day event. Our regulation for marine events within the Southeast Coast Guard District, § 100.701, in table 1 to § 100.701, paragraph (a), item 2, specifies the location of the regulated area for the St, Thomas International Regatta which encompasses portions of Jersey Bay, St. James Bay, Great Bay, and Little St. James in St. Thomas, USVI. During the enforcement periods, as reflected in § 100.100(c), entry of vessels or persons into this zone is prohibited unless specifically authorized by the Captain of the Port San Juan.

In addition to this notification of enforcement in the **Federal Register**, the Coast Guard plans to provide notification of this enforcement period via the Local Notice to Mariners and Broadcast Notice to Mariners.

Luis J. Rodríguez,

Captain, U.S. Coast Guard, Captain of the Port Sector San Juan.

[FR Doc. 2026–01686 Filed 1–27–26; 8:45 am]

BILLING CODE 9110–04–P

DEPARTMENT OF AGRICULTURE

Forest Service

36 CFR Parts 214, 228, and 261

RIN 0596–AD33

Oil and Gas Resources

AGENCY: Forest Service, Agriculture (USDA).

ACTION: Final rule.

SUMMARY: The U.S. Department of Agriculture (USDA or Department) is finalizing revisions to its regulations governing Federal oil and gas resources within the National Forest System (NFS). The Department is making these revisions to update and modernize its existing regulations. In addition, conforming technical amendments to other parts of the Code of Federal Regulations (CFR) affected by this rule are also being updated. The regulations revise the process for analyzing whether the USDA, Forest Service will consent to making certain lands available for oil and gas leasing by the Bureau of Land Management (BLM). The regulations also clarify requirements for conducting lease operations and revise procedures concerning monitoring operator compliance with all applicable terms and conditions of leasing. The revised regulations will apply to operations on both existing and future leases.

DATES: This rule is effective February 27, 2026.

ADDRESSES: Supplementary documents prepared in conjunction with the preparation of this rule, including a regulatory impact analysis and environmental assessment, and the public comments received on the rule are available at *www.regulations.gov* at Docket No. FS–2020–0007.

FOR FURTHER INFORMATION CONTACT: Jeffrey Salow, Solid Leasable Minerals and Geothermal Resource Specialist, Lands, Minerals and Geology at 435–636–3596 or by email at *jeffrey.salow@usda.gov.* Individuals who are deaf, hard of hearing, or have a speech disability may call 711 to reach the Telecommunications Relay Service and then provide the phone number of the person named as a point of contact for further information.

SUPPLEMENTARY INFORMATION:

Background

The Forest Service (Agency) is revising its Oil and Gas Resources (36 CFR part 228, subpart E) regulations. Acting under established legal authorities, the Forest Service regulates surface disturbing activities conducted pursuant to a Federal oil and gas lease on national forests and grasslands. The existing regulations were first promulgated in 1990, with only a minor modification in 2007. Updating the regulations affords an opportunity to modernize existing procedures to streamline processes and promote efficiency. The Forest Service anticipates that updated interpretive guidance for implementing the final regulations will be developed in 2025 and set out in the Agency's directive system in 2026.

On June 16, 2023, the BLM promulgated a final rule placing the current content of Onshore Order 1, which provided requirements for the approval of oil and gas operations, into its regulations at 43 CFR part 3170, subpart 3171—Approval of Operations. The Office of the Federal Register had informed the BLM that it could no longer revise the existing Onshore Orders unless the agency codified the Orders in the Code of Federal Regulations. While this action has no substantive effect on this final rule, they do necessitate citation changes where Onshore Order 1 was used in the proposed Forest Service oil and gas rule and removing section 228.102(a) (Issuance of Onshore Orders) as later described under the heading ''Section-by-Section Description of the Final Rule Changes from Existing and Proposed Rules.''

This rulemaking applies to only Federal oil and gas resources on lands managed by the National Forest System, and it does not affect nonfederal (such as reserved and outstanding private) oil and gas resources.

The rule will contribute to increasing efficiencies in evaluating and managing surface disturbing activities conducted pursuant to Federal oil and gas leases and will help the Forest Service achieve its strategic goal of delivering benefits to the public. The Agency is revising its existing regulations to clarify internal processes related to evaluating and approving oil and gas leasing operations, clarifying oil and gas operators' responsibility to protect natural resources and the environment, clarifying the Agency's procedures regarding inspections and compliance, and updating material noncompliance procedures to reflect existing Agency practices and better reflect requirements of law. The changes to 36 CFR part 228 require minor conforming changes to regulations at 36 CFR parts 214 (Post Decisional Administrative Review Process for Occupancy or Use of National Forest System Lands and Resources) and 261 (Prohibitions).

The changes finalized in this rule will not materially alter the basic responsibilities of either the Forest Service or oil and gas operators. The changes aim to clarify procedures, reduce redundancy, and promote harmonious interaction with other existing rules. For example, one notable change aims to simplify the administrative process the Agency follows to determine which lands are available for leasing, reduces the amount of time allotted for it to take the Agency to make these decisions while at the same time maintaining all environmental and human health and safety protections of the current rule.

The rule also clarifies the procedures that the Forest Service follows to require an operator to take corrective actions if operations are found to be out of