

with a reinforced part. Installing a reinforced part terminates the repetitive inspections required in paragraph (f)(1) of this AD for that part.

(i) For replacement of the airbrake bell cranks, follow Picture 2: Reinforced version of airbrake bell crank according to HS 11-50.016, Revision a or later, in Schempp-Hirth Flugzeugbau GmbH Working instruction for Technical Note No. 380-2/396-17/868-22/890-14, Ausgabe (English translation: issue) 1, Datum (English translation: dated) May 11, 2015.

(ii) For replacement of the airbrake drive funnels, follow Picture 5: Airbrake drive funnel in fuselage "Reinforcement of airbrake drive funnel according to drawing S14RB703, Revision a, in Schempp-Hirth Flugzeugbau GmbH Working instruction for Technical Note No. 380-2/396-17/868-22/890-14, Ausgabe (English translation: issue) 1, Datum (English translation: dated) May 11, 2015.

(3) If no cracks or damage were found on the airbrake bell cranks or the airbrake drive funnels during any inspection required in paragraph (f)(1) of this AD, within 12 months after the effective date of this AD, replace each the airbrake bell cranks and airbrake drive funnels with a reinforced part. These replacements terminate the repetitive inspections required in paragraph (f)(1) of this AD.

(i) For replacement of the airbrake bell cranks, follow Picture 2: Reinforced version of airbrake bell crank according to HS 11-50.016, Revision a or later, in Schempp-Hirth Flugzeugbau GmbH Working instruction for Technical Note No. 380-2/396-17/868-22/890-14, Ausgabe (English translation: issue) 1, Datum (English translation: dated) May 11, 2015.

(ii) For replacement of the airbrake drive funnels, follow Picture 5: Airbrake drive funnel in fuselage, "Reinforcement of airbrake drive funnel according to drawing S14RB703, Revision a," in Schempp-Hirth Flugzeugbau GmbH Working instruction for Technical Note No. 380-2/396-17/868-22/890-14, Ausgabe (English translation: issue) 1, Datum (English translation: dated) May 11, 2015.

(4) If the airbrake control system is found to not have proper clearance during the inspection required in paragraph (f)(1) of this AD, before further flight, make all necessary corrective adjustments following Paragraph 2.d. of Schempp-Hirth Flugzeugbau GmbH Working instruction for Technical Note No. 380-2/396-17/868-22/890-14, Ausgabe (English translation: issue) 1, Datum (English translation: dated) May 11, 2015.

(5) As of the effective date of this AD, only install an airbrake bell crank or an airbrake drive funnel that corresponds to Picture 2: Reinforced version of airbrake bell crank according to HS 11-50.016, Revision a or later, and Picture 5: Airbrake drive funnel in fuselage, "Reinforcement of airbrake drive funnel according to drawing S14RB703, Revision a," in Schempp-Hirth Flugzeugbau GmbH Working instruction for Technical Note No. 380-2/396-17/868-22/890-14, Ausgabe (English translation: issue) 1, Datum (English translation: dated) May 11, 2015, as applicable.

(g) Other FAA AD Provisions

The following provisions also apply to this AD:

(1) *Alternative Methods of Compliance (AMOCs)*: The Manager, Standards Office, FAA, has the authority to approve AMOCs for this AD, if requested using the procedures found in 14 CFR 39.19. Send information to ATTN: Jim Rutherford, Aerospace Engineer, FAA, Small Airplane Directorate, 901 Locust, Room 301, Kansas City, Missouri 64106; telephone: (816) 329-4165; fax: (816) 329-4090; email: jim.rutherford@faa.gov. Before using any approved AMOC on any airplane to which the AMOC applies, notify your appropriate principal inspector (PI) in the FAA Flight Standards District Office (FSDO), or lacking a PI, your local FSDO.

(2) *Airworthy Product*: For any requirement in this AD to obtain corrective actions from a manufacturer or other source, use these actions if they are FAA-approved. Corrective actions are considered FAA-approved if they are approved by the State of Design Authority (or their delegated agent). You are required to assure the product is airworthy before it is returned to service.

(h) Related Information

Refer to MCAI European Aviation Safety Agency (EASA) AD No. 2015-0139R1, dated July 15, 2015, for related information. You may examine the MCAI on the Internet at <http://www.regulations.gov> by searching for and locating Docket No. FAA-2015-3224. For service information related to this AD, contact Schempp-Hirth Flugzeugbau GmbH, Kребенstrasse 25, 73230 Kirchheim/Teck, Germany; telephone: +49 7021 7298-0; fax: +49 7021 7298-199; email: info@schempp-hirth.com; Internet: <http://www.schempp-hirth.com>. You may review this referenced service information at the FAA, Small Airplane Directorate, 901 Locust, Kansas City, Missouri 64106. For information on the availability of this material at the FAA, call (816) 329-4148.

Issued in Kansas City, Missouri, on July 28, 2015.

Pat Mullen,

Acting Manager, Small Airplane Directorate, Aircraft Certification Service.

[FR Doc. 2015-18955 Filed 8-3-15; 8:45 am]

BILLING CODE 4910-13-P

DEPARTMENT OF THE TREASURY

31 CFR Part 23

RIN 1505-AC51

Nondiscrimination on the Basis of Age in Programs and Activities Receiving Federal Financial Assistance From the Department of the Treasury

AGENCY: Department of the Treasury.

ACTION: Proposed rule.

SUMMARY: This proposed rule sets out the Department of the Treasury's (Treasury) rules for implementing the Age Discrimination Act of 1975, as

amended (the Act). The Act prohibits discrimination on the basis of age in programs and activities receiving federal financial assistance. The Act, which applies to persons of all ages, permits the use of certain age distinctions and factors other than age that meet the Act's requirements.

The Act and the related general, government-wide regulations require all agencies that extend federal financial assistance to issue agency-specific regulations implementing the Act. Treasury recipients have been subject to the Act and the government-wide regulations since their effective date in 1979. Accordingly, today's proposed rule does not substantially change Treasury recipients' existing duty to refrain from discrimination on the basis of age. This proposal fulfills the obligation on Treasury to issue agency-specific rules under the Act, clarifies the responsibilities of Treasury recipients under the Act, and describes the Treasury investigation, conciliation, and enforcement procedures to ensure compliance.

DATES: Written comments must be received on or before October 5, 2015.

ADDRESSES: Interested persons are invited to submit comments regarding this notice of proposed rulemaking according to the instructions below. All submissions must refer to the document title. The Department encourages the early submission of comments. *Electronic Submission of Comments:* Interested persons may submit comments electronically through the Federal eRulemaking Portal at <http://www.regulations.gov>. Electronic submission of comments allows the commenter maximum time to prepare and submit a comment, ensures timely receipt, and assists the Department in making comments available to the public. Comments submitted electronically through the <http://www.regulations.gov> Web site can be viewed by other commenters and interested members of the public. Commenters should follow the instructions provided on that site to submit comments electronically.

Mail: Send comments to Mariam G. Harvey, Director, Office of Civil Rights and Diversity, 1500 Pennsylvania Avenue NW., Washington, DC 20220.

Note: To receive consideration, comments must be submitted through one of the methods specified above.

Public Inspection of Public Comments: All properly submitted comments will be available for inspection and downloading at <http://www.regulations.gov>.

Additional Instructions: In general comments received, including attachments and other supporting materials, are part of the public record and are available to the public. Do not submit any information in your comment or supporting materials that you consider confidential or inappropriate for public disclosure.

FOR FURTHER INFORMATION CONTACT: Mariam G. Harvey, Director, Office of Civil Rights and Diversity, Department of the Treasury, (202) 622-0316 (voice).

SUPPLEMENTARY INFORMATION:

I. Background Information

The Age Discrimination Act of 1975, 42 U.S.C. 6101-6107 (“the Act”), which Congress enacted as part of amendments to the Older Americans Act (Pub. L. 94-135, 89 Stat. 713, 728), prohibits discrimination on the basis of age in programs and activities receiving federal financial assistance. The Civil Rights Restoration Act of 1987 (Pub. L. 100-259, 102 Stat. 28, 31 (1988)) amended the Act and other civil rights statutes to define “program or activity” to mean all of the operations of specified entities, any part of which is extended federal financial assistance. See 42 U.S.C. 6107(4).

The Act applies to discrimination at all age levels. The Act also contains specific exceptions that permit the use of certain age distinctions and factors other than age that meet the Act’s requirements.

The Act required the former Department of Health, Education, and Welfare (HEW) to issue general, government-wide regulations, setting standards to be followed by all federal agencies implementing the Act. These government-wide regulations, which were issued on June 12, 1979 (44 FR 33768), and became effective on July 1, 1979, require each federal agency providing financial assistance to any program or activity to publish proposed regulations implementing the Act, and to submit final agency regulations to HEW (now the Department of Health and Human Services (HHS)), before publication in the **Federal Register**. See 45 CFR 90.31.

The Act became effective on the effective date of HEW’s final government-wide regulations (*i.e.*, July 1, 1979). Treasury has enforced the provisions of the Act since that time. As a practical matter, the absence of Treasury-specific age regulations has not had an impact on Treasury’s legal authority to enforce prohibitions against discrimination on the basis of age in programs or activities receiving federal financial assistance from Treasury.

Specifically, persons alleging age discrimination have not been hampered in their ability to file complaints nor has Treasury’s Office of Civil Rights and Diversity’s (OCRD) ability to process these complaints been affected.

II. Overview of Proposed Rule

This proposed rule is designed to fulfill the statutory and regulatory obligations of Treasury to issue a regulation implementing the Act that conforms to the government-wide regulations at 45 CFR part 90. The proposed rule carries out the Act’s prohibition of discrimination based on age in programs and activities receiving financial assistance from Treasury and provides appropriate investigative, conciliation, and enforcement procedures. OCRD, part of the Office of the Assistant Secretary for Management, will conduct Treasury enforcement. OCRD enforces all civil rights laws applicable to entities receiving financial assistance from Treasury.

The proposed rule is not intended to alter the legal standards found in the Act or the government-wide regulations, which are applicable to recipients of federal financial assistance from Treasury under other statutes. The proposed rule closely follows the wording and format of rules issued by other federal agencies to implement the Act. In particular, Treasury modeled much of its proposal on the agency-specific regulations issued by HHS, the lead federal agency coordinating implementation of the Act (45 CFR part 91; 47 FR 57850, Dec. 28, 1982); and the Department of Education (ED) (34 CFR part 110; 58 FR 40194, July 27, 1993). The government-wide, HHS, and ED rules were subjected to extensive public scrutiny, and the public comments were considered in finalizing those rules. Readers may review the HHS and ED **Federal Register** publications for historical and explanatory material regarding the Act, the government-wide regulations, and the provisions of the HHS and ED implementing regulations. The following discussion focuses on the sections of today’s proposed rule that differ from the government-wide regulations. As explained below, these differences are meant to clarify provisions, and mirror other federal agency-specific regulations implementing the Act.

Subpart A—General

The four sections in Subpart A provide the proposed rule’s purpose, application, and definitions, and are consistent with the government-wide regulations.

The definitions in § 23.4 are substantively identical to definitions in the government-wide regulations (45 CFR 90.4), HHS agency-specific regulations (45 CFR 91.4), and ED regulations (34 CFR 110.3).

Subpart B—Standards for Determining Age Discrimination

Subpart B is virtually identical to the corresponding sections of the government-wide regulations at 45 CFR part 90. Some of the provisions have been reordered for greater clarity and coherence.

Section 23.11 follows the government-wide regulations in laying out the general and specific rules prohibiting age discrimination in programs or activities receiving federal financial assistance from Treasury.

Like the government-wide rule, the proposal states that the list of prohibited forms of age discrimination in § 23.11(b) is not exhaustive and, consequently, does not imply that other forms of age discrimination are permitted.

Sections 23.12 and 23.13 follow the government-wide regulations (see 45 CFR 90.13 and 90.14), in defining the terms “normal operation” and “statutory objective” and delineating the “normal operation” and “statutory objective” exceptions to the prohibitions against age discrimination that are specified in the Act, 42 U.S.C. 6103.

Section 23.13 sets out the four-prong test, provided in the government-wide regulations (see 45 CFR 90.14), for determining when an action reasonably takes into account “age as a factor necessary to the normal operation or the achievement of any statutory objective of a program or activity” and thus does not violate the Act.

In the proposed rule, provisions concerning affirmative action and special benefits to children and elderly are in subpart B at §§ 23.16 and 23.17; in the government-wide regulations, the analogous provisions are part of subpart D (Investigation, Conciliation, and Enforcement Procedures) at 45 CFR 90.49. The HHS agency-specific regulations also moved these provisions to Subpart B (see 45 CFR 91.16 and 91.17), and Treasury believes this reordering aids comprehension.

Section 23.18 of the proposed rule provides that age distinctions in Treasury regulations are entitled to a presumption of validity. For example, the provision in Internal Revenue Service Publication 1101, which limits participation in the Tax Counseling for the Elderly Program to individuals who are 60 years of age or older, is presumed valid. This presumption of validity is

consistent with the “statutory objective” exception in the Act. Section 163 of the Revenue Act of 1978, Public Law 95–600, 92 Stat. 2810, November 6, 1978, authorized the Tax Counseling for the Elderly Program. Analogous provisions are in the HHS and ED agency-specific regulations (45 CFR 91.18; 34 CFR 110.17.)

Subpart C—Duties of Treasury Recipients

Subpart C is consistent with the government-wide regulations at 45 CFR part 90. As described below, language differences between this Subpart of the proposed rule and the government-wide regulations are meant to clarify the duties of Treasury recipients.

The proposed rule fosters awareness of the Act’s provisions, by requiring that recipients provide notice concerning obligations and rights under the Act to other recipients and to beneficiaries (§ 23.32) and that recipients complete a written assurance of compliance (§ 23.33). The notice requirements in § 23.32 are modeled after the HHS provision in 45 CFR 91.32 and the ED provisions in 34 CFR 110.21 and 110.25(b). The § 23.33 requirement for assurances of compliance is similar to the HHS rule at 45 CFR 91.33(a) and the ED rule at 34 CFR 110.23(a).

Section 23.33 of this proposed rule provides that OCRD may require a recipient employing the equivalent of 15 or more employees to complete a written self-evaluation as part of a compliance review or complaint investigation. The government-wide regulations at 45 CFR 90.43 contain the requirement that all recipients with the equivalent of 15 or more full-time employees must complete a written self-evaluation of their compliance under the Act. However, the Office of Management and Budget (OMB) subsequently disapproved of this across-the-board self-evaluation requirement as excessively burdensome and inconsistent with the Federal Reports Act of 1942, the precursor of the Paperwork Reduction Act, as amended (44 U.S.C. 3501–3521).

Correspondingly, HHS and other federal agencies have rejected imposing self-evaluation requirements on all recipients and instead state in their agency-specific regulations that such evaluations will only be required as part of a compliance review or complaint investigation. *See* 34 CFR 110.24; 45 CFR 91.33. The courts have upheld OMB and HHS determinations to impose self-evaluation requirements only when there is an ongoing compliance review or complaint inspection. *See, e.g., Action Alliance of*

Senior Citizens of Greater Philadelphia v. Sullivan, 930 F.2d 77 (D.C. Cir.), *cert. denied*, 502 U.S. 938 (1991).

Accordingly, the Treasury proposal abides by the OMB determination and closely follows the age discrimination regulations of the other federal agencies.

Section 23.34 lists recordkeeping, reporting, and access to records requirements under the Act. The government-wide regulations already require recipients to maintain records, provide information, and afford access to their records to agencies for the purposes of determining whether the recipients are complying with the Act. *See* 45 CFR 90.42(a). The government-wide regulations also mandate that agencies include in their regulations implementing the Act the requirements that recipients provide information and access to records to the extent the agencies find such information and records necessary to determine compliance with the Act and regulations. *See id.* Proposed § 23.34 follows the format of the analogous HHS provision in 45 CFR 91.34.

Subpart D—Investigation, Conciliation, and Enforcement Procedures

In accordance with the government-wide regulations, subpart D describes procedures for compliance reviews and federal-level complaint processing, and outlines the role of mediation in resolving complaints. This subpart closely follows the HHS and ED age regulations, adopting minor stylistic and organizational changes that Treasury believes will improve clarity.

Section 23.44 incorporates the HHS agency-specific regulation published at 45 CFR 91.44(a)(4). This section provides that settlements during the agency investigation process will not affect the operation of any other enforcement effort by the agency, such as compliance reviews and investigations of other complaints, including those against the same recipient.

Section 2347 provides that the procedural regulations applicable to hearings, decisions, and post-determination proceedings under Title VI of the Civil Rights Act of 1964, as amended, when published, will apply to OCRD’s enforcement of the Act and this part.

Section 23.49 of the proposed rule describes procedures for disbursement of funds to an alternate recipient if funds are withheld from the original recipient because of violations of these rules. Section 23.49 is not intended to replace established grant-awarding procedures. The requirements listed in § 23.49(b) are in addition to any requirements

contained in other applicable Federal laws or regulations.

III. Regulatory Procedures

Executive Order 12866

This proposed rule is not a “significant regulatory action” under Executive Order 12866. Therefore, no regulatory impact analysis has been prepared.

Regulatory Flexibility Act

Pursuant to the Regulatory Flexibility Act (5 U.S.C. 601 *et seq.*), it is hereby certified that this proposed rule would not have a significant economic impact on a substantial number of small entities. The proposed rule, if promulgated, will clarify existing requirements for entities receiving financial assistance from Treasury. The requirements prohibiting age discrimination by recipients of federal financial assistance that are in the Act and the government-wide regulations have been in effect since 1979. In addition, entities receiving financial assistance from Treasury have been expressly informed of their obligations to comply with the Act by the offices administering the assisted programs. Because the proposed rule does not substantively change existing obligations on recipients, but merely clarifies such duties, the Department certifies that the proposed rule will not have a significant economic impact on a substantial number of small entities. Consequently, a regulatory flexibility analysis is not required.

List of Subjects in 31 CFR Part 23

Aged, Discrimination against aged.

Brodi Fontenot,

Assistant Secretary for Management.

For the reasons stated in the preamble, the Department of the Treasury proposes to add part 23 to subtitle A of title 31 of the CFR to read as follows:

PART 23—NONDISCRIMINATION ON THE BASIS OF AGE IN PROGRAMS AND ACTIVITIES RECEIVING FEDERAL FINANCIAL ASSISTANCE FROM THE DEPARTMENT OF THE TREASURY

Subpart A—General

Sec.

- 23.1 What is the purpose of the Age Discrimination Act of 1975?
- 23.2 What is the purpose of Treasury’s discrimination regulations?
- 23.3 To what programs do these regulations apply?
- 23.4 Definitions of terms used in these regulations.

Subpart B—Standards for Determining Age Discrimination

- 23.11 Rules against age discrimination.
- 23.12 Definitions of “normal operation” and “statutory objective.”
- 23.13 Exceptions to the rules against age discrimination: Normal operation or statutory objective of any program or activity.
- 23.14 Exceptions to the rules against age discrimination: Reasonable factors other than age.
- 23.15 Burden of proof.
- 23.16 Affirmative action by recipients.
- 23.17 Special benefits for children and the elderly.
- 23.18 Age distinctions contained in Treasury’s regulations.

Subpart C—Duties of Treasury Recipients

- 23.31 General responsibilities.
- 23.32 Notice to subrecipients and beneficiaries.
- 23.33 Assurance of compliance and recipient assessment of age distinctions.
- 23.34 Information requirements.

Subpart D—Investigations, Conciliation, and Enforcement Procedures

- 23.41 Compliance reviews.
- 23.42 Complaints.
- 23.43 Mediation.
- 23.44 Investigation.
- 23.45 Prohibition against intimidation or retaliation.
- 23.46 Compliance procedures.
- 23.47 Hearings, decisions, post-termination proceedings.
- 23.48 Remedial action by recipient.
- 23.49 Alternate funds disbursement procedure.
- 23.50 Exhaustion of administrative remedies.

Authority: Age Discrimination Act of 1975, as amended, 42 U.S.C. 6101 *et seq.* (45 CFR part 90)

Subpart A—General**§ 23.1 What is the purpose of the Age Discrimination Act of 1975?**

The Age Discrimination Act of 1975, as amended, is designed to prohibit discrimination on the basis of age in programs or activities receiving federal financial assistance. The Act also permits federally assisted programs and activities, and recipients of federal funds, to continue to use certain age distinctions and factors other than age that meet the requirements of the Act and these regulations.

§ 23.2 What is the purpose of Treasury’s age discrimination regulations?

The purpose of these regulations is to set out Treasury’s policies and procedures under the Age Discrimination Act of 1975 and the general age discrimination regulations at 45 CFR part 90. The Act and the general regulations prohibit discrimination on the basis of age in programs or activities receiving federal financial assistance.

The Act and the general regulations permit federally assisted programs and activities, and recipients of federal funds, to continue to use age distinctions and factors other than age that meet the requirements of the Act and its implementing regulations.

§ 23.3 To what programs do these regulations apply?

(a) These regulations apply any program or activity receiving federal financial assistance from Treasury.

(b) These regulations do not apply to:

(1) An age distinction contained in that part of a federal, state, or local statute or ordinance adopted by an elected, general purpose legislative body that:

- (i) Provides any benefits or assistance to persons based on age; or
 - (ii) Establishes criteria for participation in age-related terms; or
 - (iii) Describes intended beneficiaries to target groups in age-related terms; or
- (2) Any employment practice of any employer, employment agency, labor organization, or any labor-management joint apprenticeship training program, except for any program or activity receiving federal financial assistance for public service employment under the Comprehensive Employment and Training Act (CETA), 29 U.S.C. 801 *et seq.*

§ 23.4 Definition of terms used in these regulations.

As used in these regulations, the term: *Act* means the Age Discrimination Act of 1975, as amended, 42 U.S.C. 6101–6107.

Action means any act, activity, policy, rule, standard, or method of administration; or the use of any policy, rule, standard, or method of administration.

Age means how old a person is, or the number of years from the date of a person’s birth.

Age distinction means any action using age or an age-related term.

Age-related term means a word or words that necessarily imply a particular age or range of ages (for example, “children,” “adult,” “older persons,” but not “student”).

Federal financial assistance means any grant, entitlement, loan, cooperative agreement, contract (other than a procurement contract or a contract of insurance or guaranty), or any other arrangement by which Treasury provides assistance in the form of:

- (1) Funds; or
- (2) Services of federal personnel; or
- (3) Real and personal property or any interest in or use of property, including:

(i) Transfers or leases of property for less than fair market value or for reduced consideration; and

(ii) Proceeds from a subsequent transfer or lease of property if the federal share of its fair market value is not returned to the federal government.

Program or activity means all of the operations of any entity described in paragraphs (1) through (4) of this definition, any part of which is extended federal financial assistance:

(1)(i) A department, agency, special purpose district, or other instrumentality of a state or of a local government; or

(ii) The entity of such state or local government that distributes such assistance and each such department or agency (and each other state or local government entity) to which the assistance is extended, in the case of assistance to a state or local government;

(2)(i) A college, university, or other postsecondary institution, or a public system of higher education; or

(ii) A local educational agency (as defined in 20 U.S.C. 7801), system of vocational education, or other school system;

(3)(i) An entire corporation, partnership, or other private organization, or an entire sole proprietorship—

(A) If assistance is extended to such corporation, partnership, private organization, or sole proprietorship as a whole; or

(B) That is principally engaged in the business of providing education, health care, housing, social services, or parks and recreation; or

(ii) The entire plant or other comparable, geographically separate facility to which federal financial assistance is extended, in the case of any other corporation, partnership, private organization, or sole proprietorship; or

(4) Any other entity that is established by two or more of the entities described in paragraph (1), (2), or (3) of this definition.

Recipient means any state or its political subdivision, any instrumentality of a state or its political subdivision, any public or private agency, institution, organization, or other entity, or any person to which federal financial assistance is extended, directly or through another recipient. Recipient includes any successor, assignee, or transferee, but excludes the ultimate beneficiary of the assistance.

Secretary means the Secretary of the Treasury, or his or her designee.

Subrecipient means any of the entities in the definition of *recipient* to which a recipient extends or passes on federal

financial assistance. A subrecipient is generally regarded as a recipient of federal financial assistance and has all the duties of a recipient in these regulations.

Treasury means the United States Department of the Treasury.

United States means the fifty states, the District of Columbia, Puerto Rico, the Virgin Islands, American Samoa, Guam, Wake Island, the Trust Territory of the Pacific Islands, the Northern Marianas, and the territories and possessions of the United States.

Subpart B—Standards for Determining Age Discrimination

§ 23.11 Rule against age discrimination.

The rules stated in this section are limited by the exceptions contained in §§ 23.13 and 23.14.

(a) *General rule:* No person in the United States shall, on the basis of age, be excluded from participation in, be denied the benefits of, or be subjected to discrimination under, any program or activity receiving federal financial assistance.

(b) *Specific rules:* A recipient may not, in any program or activity receiving federal financial assistance, directly or through contractual licensing, or other arrangements, use age distinctions or take any other actions that have the effect, on the basis of age, of:

(1) Excluding individuals from, denying them the benefits of, or subjecting them to discrimination under, a program or activity receiving federal financial assistance; or

(2) Denying or limiting individuals in their opportunity to participate in any program or activity receiving federal financial assistance.

(c) The specific forms of age discrimination listed in paragraph (b) of this section do not necessarily constitute a complete list.

§ 23.12 Definitions of “normal operation” and “statutory objective.”

For purposes of §§ 23.13 and 23.14, the terms “normal operation” and “statutory objective” shall have the following meaning:

(a) *Normal operation* means the operation of a program or activity without significant changes that would impair its ability to meet its objectives.

(b) *Statutory objective* means any purpose of a program or activity expressly stated in any federal statute, state statute, or local statute or ordinance adopted by an elected, general purpose legislative body.

§ 23.13 Exceptions to the rules against age discrimination: normal operation or statutory objective of any program or activity.

A recipient is permitted to take an action, otherwise prohibited by § 23.11, if the action reasonably takes into account age as a factor necessary to the normal operation or the achievement of any statutory objective of a program or activity. An action reasonably takes into account age as a factor necessary to the normal operation or the achievement of any statutory objective of a program or activity, if:

(a) Age is used as a measure or approximation of one or more other characteristics; and

(b) The other characteristic(s) must be measured or approximated for the normal operation of the program or activity to continue, or to achieve any statutory objective of the program or activity; and

(c) The other characteristic(s) can be reasonably measured or approximated by the use of age; and

(d) The other characteristic(s) are impractical to measure directly on an individual basis.

§ 23.14 Exceptions to the rules against age discrimination: Reasonable factors other than age.

A recipient is permitted to take an action otherwise prohibited by § 23.11 that is based on a factor other than age, even though that action may have a disproportionate effect on persons of different ages. An action may be based on a factor other than age only if the factor bears a direct and substantial relationship to the normal operation of the program or activity or to the achievement of a statutory objective.

§ 23.15 Burden of proof.

The burden of proving that an age distinction or other action falls within the exceptions outlined in §§ 23.13 and 23.14 is on the recipient of federal financial assistance.

§ 23.16 Affirmative action by recipient.

Even in the absence of a finding of discrimination, a recipient may take affirmative action to overcome the effects of conditions that resulted in limited participation in the recipient's program or activity on the basis of age.

§ 23.17 Special benefits for children and the elderly.

If a recipient's operation of a program or activity provides special benefits to the elderly or to children, such use of age distinctions shall be presumed to be necessary to the normal operation of the program or activity, notwithstanding the provisions of § 23.13.

§ 23.18 Age distinctions contained in Treasury regulations.

Any age distinctions contained in a rule or regulation issued by Treasury shall be presumed to be necessary to the achievement of a statutory objective of the program or activity to which the rule or regulation applies, notwithstanding the provisions of § 23.13.

Subpart C—Duties of Treasury Recipients

§ 23.31 General responsibilities.

Each Treasury recipient has primary responsibility to ensure that its programs and activities are in compliance with the Act and these regulations, and shall take steps to eliminate violations of the Act. A recipient also has responsibility to maintain records, provide information, and afford Treasury access to its records to the extent Treasury finds necessary to determine whether the recipient is in compliance with the Act and these regulations.

§ 23.32 Notice to subrecipients and beneficiaries.

(a) Where a recipient passes on federal financial assistance from Treasury to subrecipients, the recipient shall provide the subrecipients written notice of their obligations under the Act and these regulations.

(b) Each recipient shall make necessary information about the Act and these regulations available to its program beneficiaries to inform them about the protections against discrimination provided by the Act and these regulations.

§ 23.33 Assurance of compliance and recipient assessment of age distinctions.

(a) Each recipient of federal financial assistance from Treasury shall sign a written assurance as specified by Treasury that it will comply with the Act and these regulations.

(b) *Recipient assessment of age distinctions.* (1) As part of a compliance review under § 23.41 or a complaint investigation under § 23.44, Treasury may require a recipient employing the equivalent of 15 or more employees to complete a written self-evaluation, in a manner specified by the responsible Department official, of any age distinction imposed in its program or activity receiving federal financial assistance from Treasury to assess the recipient's compliance with the Act.

(2) Whenever an assessment indicates a violation of the Act or the Treasury regulations, the recipient shall take corrective action.

§ 23.34 Information requirements.

Each recipient shall:

(a) Keep records in a form and containing information that Treasury determines may be necessary to ascertain whether the recipient is complying with the Act and these regulations.

(b) Provide to Treasury, upon request, information and reports that Treasury determines are necessary to ascertain whether the recipient is complying with the Act and these regulations.

(c) Permit reasonable access by Treasury to the books, records, accounts, and other recipient facilities and sources of information to the extent Treasury determines is necessary to ascertain whether the recipient is complying with the Act and these regulations.

Subpart D—Investigation, Conciliation, and Enforcement Procedures**§ 23.41 Compliance reviews.**

(a) Treasury may conduct compliance reviews and pre-award reviews or use other similar procedures that will permit it to investigate and correct violations of the Act and these regulations. Treasury may conduct these reviews even in the absence of a complaint against a recipient. The reviews may be as comprehensive as necessary to determine whether a violation of the Act or these regulations has occurred.

(b) If a compliance review or pre-award review indicates a violation of the Act or these regulations, Treasury will attempt to achieve voluntary compliance. If voluntary compliance cannot be achieved, Treasury will arrange for enforcement as described in § 23.46.

§ 23.42 Complaints.

(a) Any person, individually or as a member of a class or on behalf of others, may file a complaint with Treasury, alleging discrimination prohibited by the Act or these regulations based on an action occurring on or after July 1, 1979. A complainant shall file a complaint within 180 days from the date the complainant first had knowledge of the alleged act of discrimination. However, for good cause shown, Treasury may extend this time limit.

(b) Treasury will consider the date a complaint is filed to be the date upon which the complaint is sufficient to be processed.

(c) Treasury will attempt to facilitate the filing of complaints wherever possible, including taking the following measures:

(1) Accepting as a sufficient complaint any written statement that

identifies the parties involved and the date the complainant first had knowledge of the alleged violation, describes generally the action or practice complained of, and is signed by the complainant.

(2) Freely permitting a complainant to add information to the complaint to meet the requirements of a sufficient complaint.

(3) Notifying the complainant and the recipient of their rights and obligations under the complaint procedure, including the right to have a representative at all stages of the complaint resolution process.

(4) Notifying the complainant and the recipient (or their representatives) of their right to contact Treasury for information and assistance regarding the complaint resolution process.

(d) Treasury will notify the complainant when the complaint falls outside the jurisdiction of these regulations, and will state the reason(s) why it is outside the jurisdiction of these regulations.

§ 23.43 Mediation.

(a) Treasury will promptly refer to a mediation agency designated by the Secretary of the Department of Health and Human Services (HHS) all sufficient complaints that:

(1) Fall within the jurisdiction of the Act and these regulations, unless the age distinction complained of is clearly within an exception; and,

(2) Contain all information necessary for further processing.

(b) Both the complainant and the recipient shall participate in the mediation process to the extent necessary to reach an agreement or make an informed judgment that an agreement is not possible.

(c) If the complainant and the recipient reach an agreement, the mediator shall prepare a written statement of the agreement and have the complainant and the recipient sign it. The mediator shall send a copy of the agreement to Treasury. Treasury will take no further action on the complaint unless the complainant or the recipient fails to comply with the agreement.

(d) The mediator shall protect the confidentiality of all information obtained in the course of the mediation process. No mediator shall testify in any adjudicative proceeding, produce any document, or otherwise disclose any information obtained in the course of the mediation process without prior approval of the head of the mediation agency.

(e)(1) The mediation will proceed for a maximum of 60 days after a complaint

is filed with Treasury. Mediation ends if:

(i) 60 days elapse from the time the complaint is filed; or

(ii) Prior to the end of that 60-day period, an agreement is reached; or

(iii) Prior to the end of that 60-day period, the mediator determines that an agreement cannot be reached.

(2) This 60-day period may be extended by the mediator, with the concurrence of Treasury, for not more than 30 days if the mediator determines that agreement likely will be reached during such extended period.

(f) The mediator shall notify Treasury when mediation is not successful and Treasury will continue processing the complaint.

§ 23.44 Investigation.

(a) *Informal investigation.* (1) Treasury will investigate complaints that are unresolved after mediation or are reopened because of a violation of a mediation agreement.

(2) As part of the initial investigation, Treasury will use informal fact finding methods, including joint or separate discussions with the complainant and recipient, to establish the facts and, if possible, settle the complaint on terms that are mutually agreeable to the parties. Treasury may seek the assistance of any involved state agency.

(3) Any settlement agreement will be put in writing and the parties will sign it.

(4) The settlement shall not affect the operation of any other enforcement effort of Treasury, including compliance reviews and investigation of other complaints that may involve the recipient.

(5) The settlement is not a finding of discrimination against a recipient.

(b) *Formal investigation.* If Treasury cannot resolve the complaint through informal investigation, it will begin to develop formal findings through further investigation of the complaint. If the investigation indicates a violation of these regulations, Treasury will attempt to obtain voluntary compliance. If Treasury cannot obtain voluntary compliance, it will begin enforcement as described in § 23.46

§ 23.45 Prohibition against intimidation or retaliation.

A recipient may not engage in acts of intimidation or retaliation against any person who:

(a) Attempts to assert a right protected by the Act or these regulations; or

(b) Cooperates in any mediation, investigation, hearing, or other part of Treasury's investigation, conciliation, and enforcement process.

§ 23.46 Compliance procedure.

(a) Treasury may enforce the Act and these regulations through:

(1) Termination of a recipient's federal financial assistance from Treasury under the program or activity involved where the recipient has violated the Act or these regulations. The determination of the recipient's violation may be made only after a recipient has had an opportunity for a hearing on the record before an administrative law judge.

(2) Any other means authorized by law, including but not limited to:

(i) Referral to the Department of Justice for proceedings to enforce any rights of the United States or obligations of the recipient created by the Act or these regulations.

(ii) Use of any requirement of or referral to any federal, state, or local government agency that will have the effect of correcting a violation of the Act or these regulations.

(b) Treasury will limit any termination under § 23.46(a)(1) to the particular recipient and particular program or activity or part of such program or activity Treasury finds in violation of these regulations. Treasury will not base any part of a termination on a finding with respect to any program or activity of the recipient that does not receive federal financial assistance from Treasury.

(c) Treasury will take no action under paragraph (a) of this section until:

(1) The Secretary has advised the recipient of its failure to comply with the Act and these regulations and has determined that voluntary compliance cannot be obtained.

(2) Thirty days have elapsed after the Secretary has sent a written report of the circumstances and grounds of the action to the committees of Congress having legislative jurisdiction over the federal program or activity involved. The Secretary will file a report whenever any action is taken under paragraph (a) of this section.

(d) Treasury also may defer granting new federal financial assistance to a recipient when a hearing under paragraph (a)(1) of this section is initiated.

(1) New federal financial assistance from Treasury includes all assistance for which Treasury requires an application or approval, including renewal or continuation of existing activities, or authorization of new activities, during the deferral period. New federal financial assistance from Treasury does not include increases in funding as a result of changed computation of formula awards or assistance approved

prior to the beginning of a hearing under paragraph (a)(1) of this section.

(2) Treasury will not begin a deferral until the recipient has received a notice of an opportunity for a hearing under paragraph (a)(1) of this section. Treasury will not continue a deferral for more than 60 days unless a hearing has begun within that time or the time for beginning the hearing has been extended by mutual consent of the recipient and the Secretary. Treasury will not continue a deferral for more than 30 days after the close of the hearing, unless the hearing results in a finding against the recipient.

(3) Treasury will limit any deferral to the particular recipient and particular program or activity or part of such program or activity Treasury finds in violation of these regulations. Treasury will not base any part of a deferral on a finding with respect to any program or activity of the recipient that does not, and would not in connection with the new funds, receive federal financial assistance from Treasury.

§ 23.47 Hearings, decisions, post-termination proceedings.

Treasury procedural provisions for hearings, decisions, and post-termination proceedings applicable to Title VI of the Civil Rights Act of 1964 (if and when such procedural regulations become published) shall apply to Treasury enforcement of these regulations. Such regulations will be published within title 31 of the Code of Federal Regulations.

§ 23.48 Remedial action by recipient.

Where Treasury finds a recipient has discriminated on the basis of age in violation of the Act or this part, the recipient shall take any remedial action that Treasury may require to overcome the effects of the discrimination.

§ 23.49 Alternate funds disbursement procedure.

(a) When Treasury withholds funds from a recipient under these regulations, the Secretary may disburse the withheld funds directly to an alternate recipient: Any public or non-profit private organization or agency, or state or political subdivision of the state.

(b) The Secretary will require any alternate recipient to demonstrate:

(1) The ability to comply with these regulations; and

(2) The ability to achieve the goals of the federal statute authorizing the federal financial assistance.

§ 23.50 Exhaustion of administrative remedies.

(a) A complainant may file a civil action following the exhaustion of

administrative remedies under the Act. Administrative remedies are exhausted if:

(1) 180 days have elapsed since the complainant filed the complaint and Treasury has made no finding with regard to the complainant; or

(2) Treasury issues any finding in favor of the recipient.

(b) If Treasury fails to make a finding within 180 days or issues a finding in favor of the recipient, Treasury shall:

(1) Promptly advise the complainant of this fact; and

(2) Advise the complainant of his or her right to bring a civil action for injunctive relief; and

(3) Inform the complainant:

(i) That the complainant may bring a civil action only in a United States district court for the district in which the recipient is found or transacts business;

(ii) That a complainant prevailing in a civil action has the right to be awarded the costs of the action, including reasonable attorney's fee, but that the complainant must demand these costs in the complaint.

(iii) That before commencing the action the complainant shall give 30 days notice by registered mail to the Secretary, the Secretary of HHS, the Attorney General of the United States, and the recipient.

(iv) That the notice must state: The alleged violation of the Act; the relief requested; the court in which the complainant is bringing the action; and whether or not attorney's fees are demanded in the event the complainant prevails; and

(v) That the complainant may not bring an action if the same alleged violation of the Act by the same recipient is the subject of a pending action in any court of the United States.

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POSTAL REGULATORY COMMISSION**39 CFR Part 3050**

[Docket No. RM2015-15; Order No. 2624]

Periodic Reporting

AGENCY: Postal Regulatory Commission.

ACTION: Notice of proposed rulemaking.

SUMMARY: The Commission is noticing a recent Postal Service filing requesting that the Commission initiate an informal rulemaking proceeding to consider a change to analytical principles relating to periodic reports (Proposal Six). This notice informs the public of the filing,