

States prior to publication of the rule in the **Federal Register**. This action is not a “major rule” as defined by 5 U.S.C. 804(2).

List of Subjects in 40 CFR Part 721

Environmental protection, Chemicals, Hazardous substances, Reporting and recordkeeping requirements.

Dated: November 5, 2019.

Tala Henry,

Deputy Director, Office of Pollution Prevention and Toxics.

Therefore, 40 CFR part 721 is corrected as follows:

PART 721—[AMENDED]

■ 1. The authority citation for part 721 continues to read as follows:

Authority: 15 U.S.C. 2604, 2607, and 2625(c).

■ 2. In § 721.11107, revise paragraph (a)(2)(ii) to read as follows:

§ 721.11107 Alkanediol, 2,2-bis (substituted alkyl)-polymer with substituted alkane, heteromonocycles, alkenoate (generic).

(a) * * *

(2) * * *

(ii) *Hazard communication.*

Requirements as specified in § 721.72(a) through (e) (concentration set 0.1 percent), (f), (g)(1)(i), (ii), (iv), (vii), (ix), (respiratory sensitization), (g)(2)(i), (v), and (g)(5). Alternative hazard and warning statements that meet the criteria of the Globally Harmonized System and OSHA Hazard Communication Standard may be used.

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[FR Doc. 2019-24945 Filed 11-18-19; 8:45 am]

BILLING CODE 6560-50-P

DEPARTMENT OF HEALTH AND HUMAN SERVICES

45 CFR Part 75

Notification of Nonenforcement of Health and Human Services Grants Regulation

AGENCY: Office of the Secretary, HHS.

ACTION: Notification of exercise of enforcement discretion.

SUMMARY: This notification is to inform the public that the U.S. Department of Health and Human Services (HHS) has determined that the rulemaking that resulted in the regulatory provisions promulgated on Dec. 12, 2016, regarding HHS’s grant regulations, raises significant concerns about compliance with the Regulatory Flexibility Act. The provisions will not be enforced pending

a repromulgation that complies with the Act.

DATES: November 19, 2019.

FOR FURTHER INFORMATION CONTACT: Richard Brundage at (202) 401-6107.

SUPPLEMENTARY INFORMATION: The Department of Health and Human Services has determined that the rulemaking which promulgated or amended 45 CFR 75.101(f), 75.110(a), 75.300(c) and (d), 75.305(a), 75.365, 75.414(c) and (f), and 75.477, published at 81 FR 89393 (Dec. 12, 2016), raises significant concerns about compliance with the requirements of the Regulatory Flexibility Act (RFA), 5 U.S.C. 601 *et seq.* The Department has accordingly determined to exercise its enforcement discretion not to enforce the regulations until they have been repromulgated with a proper RFA analysis.

I. Statutory Background

The RFA generally requires that when an agency issues a proposed rule, or a final rule (after publishing a proposed rule) pursuant to section 553(b) of the APA or another law, the agency must prepare a regulatory flexibility analysis that meets the requirements of the RFA and publish such analysis in the **Federal Register**. 5 U.S.C. 603, 604. The RFA is a “[p]urely procedural” statute, but “set[s] out precise, specific steps an agency must take.” *Nat’l Telephone Co-op Ass’n v. FCC*, 563 F.3d 536, 540 (D.C. Cir. 2009) (internal quotation marks omitted). Specifically, the RFA normally requires agencies to describe the impact of a rulemaking on small entities by providing a regulatory impact analysis. Such analysis must address the consideration of regulatory options that would lessen the economic effect of the rule on small entities. The RFA defines a “small entity” as (1) a proprietary firm meeting the size standards of the Small Business Administration (SBA);¹ (2) a nonprofit organization that is not dominant in its field; or (3) a small government jurisdiction with a population of less than 50,000. 5 U.S.C. 601(3)–(6).² The requirement does not apply if the head of the agency “certifies that the rule will not, if promulgated, have a significant economic impact on a substantial number of small entities.” *Id.* section 605(b). The agency must, however, publish the certification in the **Federal Register** at the time of

¹ Depending on the industry, SBA considers businesses to be small by virtue of having less than between \$7.5 million and \$38.5 million in average annual revenue.

² The Department considers a rule to have a significant economic impact on a substantial number of small entities if at least 5% of small entities experience an impact of more than 3% of revenue.

publication of the proposed or final rule, “along with a statement providing the factual basis for such certification.” *Id.* The RFA also requires the agency to provide the certification and the statement with the factual justification to the SBA Chief Counsel for Advocacy. *Id.*

If the agency head has not waived the requirements for a regulatory flexibility analysis in accordance with the RFA’s waiver provision, and no other RFA exception applies, the agency must prepare the regulatory flexibility analysis and publish it in the **Federal Register** at the time of promulgation or, if the rule is promulgated in response to an emergency that makes timely compliance impracticable, within 180 days of publication of the final rule. 5 U.S.C. 604(a), 608(b).³ In addition, the RFA provides for judicial review of an agency’s compliance with its provisions under some circumstances, which can result in a court ordering the agency to take corrective action by remanding the rule to the agency and deferring enforcement of the rule against small entities. *Id.* section 611(a)(4).

II. Absence of RFA Analysis or Certification

The rulemaking that promulgated and amended 45 CFR 75.101(f), 75.110(a), 75.300(c) and (d), 75.305(a), 75.365, 75.414(c) and (f), and 75.477, published at 81 FR 89393 (Dec. 12, 2016), raises significant concerns about compliance with the requirements of the RFA, 5 U.S.C. 601 *et seq.* The Department neither performed the RFA analysis described in 5 U.S.C. 602–604, nor expressly certified that the rules “will not . . . have a significant economic impact on a substantial number of small entities” and provided a statement with the factual basis for such certification as provided for by section 605(b). *See* 81 FR 89393 (Dec. 12, 2016). The rulemaking simply declared that it would “not have a significant economic

³ Section 608(b) provides that except as provided in section 605(b), an agency head may not waive the requirements of section 604 for final rules. An agency head may delay the completion of the requirements of section 604 of the title for a period of not more than one hundred and eighty days after the date of publication in the **Federal Register** of a final rule by publishing in the **Federal Register**, not later than such date of publication, a written finding, with reasons therefor, that the final rule is being promulgated in response to an emergency that makes timely compliance with the provisions of section 604 of the title impracticable. If the agency has not prepared a final regulatory analysis pursuant to section 604 of the title within one hundred and eighty days from the date of publication of the final rule, such rule shall lapse and have no effect. Such rule shall not be repromulgated until a final regulatory flexibility analysis has been completed by the agency. 5 U.S.C. 608(b).

impact beyond HHS's current regulations," without even mentioning small entities or grappling with the obvious interests of such entities that should have been protected by the RFA process. The Department is accordingly exercising its enforcement discretion and as such, these regulatory provisions will not be enforced, pending repromulgation.

The Department failed to make the certification, and provide the factual statement, described by the statute.

Where an agency engaged in notice and comment rulemaking pursuant to section 553 does not perform a RFA analysis, the head of the agency normally must certify that a rule will not have a significant impact on small entities, and the agency must ordinarily provide a statement that lays out the facts that support the certification. The agency's **Federal Register** publication must, thus, include a certification under section 605(b) that discusses the impact of a rule on a substantial number of small entities and "a statement providing the factual basis for such certification." While this is not a high bar, the Government must, at a minimum, show that it made a reasonable, good faith effort to consider at least some facts relevant to small entities impacted by the rule. *Compare North Carolina Fisheries Ass'n, Inc. v. Daley*, 16 F. Supp. 2d 647, 651–53 (E.D. Va. 1997) (finding that certification was noncompliant because it did not discuss any facts regarding the impact on small entities in the time period subject to the rule), with *Nat. Women, Infants and Children Grocers Ass'n v. Food and Nutrition Serv.*, 416 F. Supp. 2d 92, 108–09 (D.D.C. 2006) (holding that certification complied because it explained that the challenged rule applied to the states, which had varying market conditions), and *Cactus Corner, LLC v. U.S. Dep't of Agric.*, 346 F. Supp. 2d 1075 (E.D. Cal. 2004) (finding that certification complied because it defined and discussed the small wholesalers impacted by the rule and made predictions about the likely impact of the rule).

In the preamble to the December 12, 2016 final rules, the Department stated it had an obligation under the RFA to "provide a final regulatory flexibility analysis or to certify that the rule[s] will not have a significant economic impact on a substantial number of small entities." 81 FR at 89394. It then listed a subset of the regulatory changes: Aligning the grants regulation at part 75 "with various regulatory and statutory provisions," implementing Supreme Court decisions, and codifying long-standing policies. Without explaining

whether or how these regulatory changes might apply to small entities, the Department simply concluded that, "[i]n order to ensure that the public receives the most value, it is essential that HHS grant programs function as effectively and efficiently as possible, and that there is a high level of accountability to prevent waste, fraud, and abuse. The additions provide enhanced direction for the public and will not have a significant economic impact beyond HHS's current regulations." See 81 FR at 89394.⁴

This statement in the **Federal Register** raises serious questions about compliance with the RFA's requirement that the agency head must certify that the rules will not have a significant economic effect on a substantial number of small entities. The statement fails to mention the economic impact on small entities in particular or to even acknowledge that the regulation would apply to small entities. Furthermore, there is nothing in the final rules that provides a factual basis for any inference that the rules would not have a significant economic impact on a substantial number of small entities. Indeed, if anything, there are indications that the rulemaking likely did have a significant economic impact on a substantial number of small entities. The absence of a factual basis for a required section 605 certification, too, would be inconsistent with the requirements of the RFA. See 5 U.S.C. 605(b).

The rules were not submitted to the SBA Chief Counsel for Advocacy.

When a certification is required, the RFA further requires that the agency "provide such certification and statement to the Chief Counsel for Advocacy of the Small Business Administration." 5 U.S.C. 605(b). The Chief Counsel for Advocacy of the SBA maintains records of the proposed and final rules submitted to it pursuant to the RFA. The Office of the Chief Counsel has informed the Department's General Counsel that it does not have a record of having received the rules pursuant to the RFA.

The rules may have affected a significant number of small entities.

The provisions in the final rules may have affected a significant number of small entities, which underscores why Congress prohibited agency heads from waiving the requirement to conduct an otherwise required regulatory impact analysis except in the narrow

circumstance where an agency can provide the factual basis for a certification by the agency head that there is no significant economic impact on a substantial number of small entities.⁵ For example, § 75.477(b) precludes a grantee from including as allowable costs those payments that it may make to the Internal Revenue Service in lieu of providing minimum essential coverage (MEC) to its employees. While nearly all large employers offer their employees MEC, in 2015, among companies with 50 to 199 employees, around 8 percent did not. The 8 percent equates to approximately 14,000 small businesses. See <http://files.kff.org/attachment/report-2015-employer-health-benefits-survey> at 44; <https://www.sba.gov/advocacy/firm-size-data> (2014). Moreover, if an entity (including governmental or non-profit entities) with at least 50 full-time employees failed to meet the MEC requirements, it could be assessed a penalty equal to the number of its full-time employees for the year (minus up to 30 employees) times \$2,000 if at least one full-time employee purchased health coverage with premium tax credits through the health insurance exchange. Any reasonable certification under section 605(b) necessarily would have had to reflect the potential impact on those 14,000 small businesses from this single provision.

A similar showing would have been sensible to perform with respect to the other regulatory provisions contained in the rulemaking that culminated in the December 12, 2016 final rules. Indeed, the data that existed at the time of the rulemaking revealed that various provisions could, in fact, affect a significant number of small entities. For example, § 75.414(c) limits reimbursement for indirect costs on training grants to eight percent. The proposed rule (see 81 FR 45270 (July 13, 2016)) indicated that the amendment to paragraph (c) reflected HHS's longstanding policy. However, under the Richardson Waiver (see 36 FR 2532 (Feb. 5, 1971)), such policy, absent rulemaking, is not binding. Thus, there was no valid, binding limit on reimbursement of indirect costs prior to the issuance of this rule, and no corresponding showing of the economic implications for small entities, including non-profits, of this new

⁴ The RFA discussion in the preamble to the proposed rule was virtually identical. See *Health and Human Services Grants Regulation*, 81 FR 45270, 45272 (July 13, 2016).

⁵ Even in the case of an emergency, the agency must conduct a regulatory flexibility analysis. Congress simply gave the agency an additional 180 days to conduct the analysis in case of an emergency, underscoring how important Congress considered the regulatory flexibility analysis to be. See 5 U.S.C. 608(b).

limitation on overhead reimbursement. A proper RFA analysis likely should have considered the effect that moving from a nonbinding policy to binding rule would have on small entities. *Cf. Am. Federation of Labor v. Chertoff*, 552 F. Supp. 2d 999, 1013 (N.D. Cal. 2007) (noting “serious questions [about] whether DHS violated the RFA” when it refused to conduct a final flexibility analysis about a rule that “as good as mandates costly compliance with a new 90-day timeframe”). There was also no showing concerning § 75.300(c) and (d), which may impose compliance costs on recipients by subjecting the recipients to conflicting statutory and non-statutory requirements.

The regulatory provisions promulgated in the final rules will not be enforced pending rulemaking.

As described above, unless waived pursuant to section 605(b), the RFA generally requires an agency to prepare a final regulatory flexibility analysis. See 5 U.S.C. 604(a), 611(a). The preparation of such analysis may be delayed by up to 180 days after the publication of the final rule in cases of emergency. See 5 U.S.C. 608(b). Moreover, flawed RFA analyses have been the basis for judicial review of rulemakings.

Because the Department has serious concerns about whether the RFA analysis performed here complied with the RFA, the Department is announcing that it will not enforce the regulatory provisions, pending repromulgation of the Rule. The majority of the Department’s grantees are small entities,⁶ and the RFA process undertaken with respect to this Rule raises significant concerns about whether their interests were protected in the manner the statute prescribes. Rather than apply a nonenforcement policy only to small entities, however, the Department is exercising its discretion to not enforce the rules with respect to any grantees until the rules have been properly re-promulgated with an impact analysis that hews to the requirements of the RFA. Applying these rules differently to agency grantees depending on size would be unfair, create increased compliance costs for all entities as they seek to determine whether they are or are not still subject to the rules, and impose additional administrative burdens on the Department disproportionate to the benefit of enforcement.

Accordingly, the regulatory actions, promulgated through the December 12, 2016 final rules, 81 FR 89393, namely,

the additions of 45 CFR 75.101(f), 75.300(c) and (d), 75.414(c)(1)(i) through (iii), and 75.477, and the amendments to 45 CFR 75.110(a), 75.305(a), 75.365, and 75.414(f), will not be enforced pending repromulgation.⁷

Dated: November 1, 2019.

Eric D. Hargan,
Deputy Secretary, Department of Health and Human Services.

[FR Doc. 2019–24384 Filed 11–18–19; 8:45 am]

BILLING CODE 4150–24–P

FEDERAL COMMUNICATIONS COMMISSION

47 CFR Parts 74, 78, and 101

[GN Docket No. 82–334; WT Docket No. 00–19, RM–9418; FCC 02–218; and WT Docket No. 94–148, FCC 96–51]

Establishment of a Spectrum Utilization Policy for the Fixed and Mobile Services’ Use of Certain Bands Between 947 MHz and 40 GHz; Streamline Processing of Microwave Applications in the Wireless Telecommunications Services and Telecommunications Industry Association Petition for Rulemaking; Terrestrial Microwave Fixed Radio Services

AGENCY: Federal Communications Commission.

ACTION: Correcting amendments.

SUMMARY: The Federal Communications Commission (FCC/Commission) is correcting final rules that had typographical errors that were published in three separate reports in the *Federal Register*. In those documents, the Commission used table 8 MHz maximum authorized bandwidth channels that had an error in various rules. This document corrects the errors.

DATES: Effective November 19, 2019.

FOR FURTHER INFORMATION CONTACT: Stephen Buenzow of the Wireless Telecommunications Bureau, Broadband Division at (717) 338–2647 or *Stephen.Buenzow@fcc.gov*.

SUPPLEMENTARY INFORMATION: The Commission’s documents GN Docket No. 82–334, published March 9, 1987 (52 FR 7136, pages 7142 and 7144); WT Docket No. 00–19, RM–9418, FCC 02–218, published May 28, 1996 (61 FR 26677, as amended at 62 FR 4924, Feb. 3, 1997, page 4925); and WT Docket No. 94–148, FCC 96–51, published May 28,

1996 (61 FR 26677, pages 26708, 26712, and 26725) contained typographical errors. The correcting amendments in this document fix those errors. The Commission is also correcting an error in a footnote and table—*Table 3—Paired Frequencies (MHz), [12.5 kHz bandwidth]*. The corrected rules are §§ 74.602(i)(2), 78.18(a)(5)(ii), 101.115(b)(2), 101.147(b)(2) and 101.803(e)(2).

List of Subjects

47 CFR Part 74

Communications equipment, Radio, Television.

47 CFR Part 78

Cable television, television, Communications equipment, Radio.

47 CFR Part 101

Communications equipment, Radio.

Accordingly, 47 CFR parts 74, 78, and 101 are corrected by making the following correcting amendments:

PART 74—EXPERIMENTAL RADIO, AUXILIARY, SPECIAL BROADCAST AND OTHER PROGRAM DISTRIBUTIONAL SERVICES

■ 1. The authority citation for part 74 continues to read as follows:

Authority: 47 U.S.C. 154, 302a, 303, 307, 309, 310, 336, and 554.

■ 2. In § 74.602, amend the table in paragraph (i)(2) by revising the entry for “6446.0” to read as follows:

§ 74.602 Frequency assignment.

* * * * *
(i) * * *
(2) * * *

Transmit (or receive MHz)	Receive (or transmit) (MHz)
* * * * *	
6446.0	6496.0
* * * * *	

* * * * *

PART 78—CABLE TELEVISION RELAY SERVICE

■ 3. The authority citation for part 78 continues to read as follows:

Authority: 47 U.S.C. 152, 153, 154, 301, 303, 307, 308, 309.

■ 4. In § 78.18, amend paragraph (a)(5)(ii) by revising entry for “6446.0” read as follows:

⁷ Elsewhere in this issue of the *Federal Register*, the Department publishes a notice of proposed rulemaking to begin the process of repromulgating, as appropriate, these rules.

⁶ See, e.g., <https://tags.hhs.gov/ReportsGrants/GrantsByRecipClass>.