

home.treasury.gov/policy-issues/financial-markets-financial-institutions-and-fiscal-service/federal-insurance-office/terrorism-risk-insurance-program.

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■ 10. Amend § 50.90 by revising paragraph (c) to read as follows:

§ 50.90 Mandatory and discretionary recoupment.

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(c) If the Secretary imposes a federal terrorism policy surcharge as provided in paragraph (a) of this section, then the required amounts, based upon the extent to which payments for the Federal Share of Compensation have been made by the collection deadlines in section 103(e)(7)(E) of the Act, shall be collected in accordance with such deadlines:

(1) For any act of terrorism that occurs on or before December 31, 2022, the Secretary shall collect all required amounts by September 30, 2024;

(2) For any act of terrorism that occurs between January 1, 2023 and December 31, 2023, the Secretary shall collect 35% of any required amounts by September 30, 2024, and the remainder by September 30, 2029; and

(3) For any act of terrorism that occurs on or after January 1, 2024, the Secretary shall collect all required amounts by September 30, 2029.

■ 11. Amend § 50.103 by revising paragraph (a) as to read as follows:

§ 50.103 Procedure for requesting approval of proposed settlements.

(a) *Submission of notice.* Insurers must request advance approval of a proposed settlement by submitting a notice of the proposed settlement and other required information in writing to the Terrorism Risk Insurance Program Office or its designated representative. The address where notices are to be submitted will be available at <https://home.treasury.gov/policy-issues/financial-markets-financial-institutions-and-fiscal-service/federal-insurance-office/terrorism-risk-insurance-program> following any certification of an act of terrorism pursuant to section 102(1) of the Act.

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Dated: June 3, 2021.

Steven E. Seitz,

Director, Federal Insurance Office, performing the Delegable Duties of the Assistant Secretary for Financial Institutions.

[FR Doc. 2021-12014 Filed 6-8-21; 8:45 am]

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DEPARTMENT OF VETERANS AFFAIRS

38 CFR Part 9

RIN 2900-AR24

Extension of Veterans' Group Life Insurance (VGLI) Application Periods in Response to the COVID-19 Public Health Emergency

AGENCY: Department of Veterans Affairs.

ACTION: Interim final rule.

SUMMARY: The Department of Veterans Affairs (VA) is issuing this interim final rule to extend the deadline for former members insured under Servicemembers' Group Life Insurance (SGLI) to apply for VGLI coverage following separation from service in order to address the inability of former members directly or indirectly affected by the 2019 Novel Coronavirus (COVID-19) public health emergency to purchase VGLI. This rule will be in effect until December 11, 2021.

DATES: This interim final rule is effective June 9, 2021.

Comment date: Comments must be received on or before July 9, 2021.

ADDRESSES: Comments may be submitted through www.Regulations.gov or mailed to Director, VA Insurance Service (29), 5000 Wissahickon Avenue, Philadelphia, PA 19144. Please note that due to circumstances associated with the COVID-19 pandemic, VA discourages the submission of comments by mail. Comments should indicate that they are submitted in response to "RIN 2900-AR24 Interim Final Rule—Extension of VGLI Application Periods in Response to the COVID-19 Public Health Emergency." Comments received will be available at regulations.gov for public viewing, inspection or copies.

FOR FURTHER INFORMATION CONTACT: Paul Weaver, Department of Veterans Affairs Insurance Service (310/290B), 5000 Wissahickon Avenue, Philadelphia, PA 19144, (215) 842-2000, ext. 4263. (This is not a toll-free number.)

SUPPLEMENTARY INFORMATION: Section 1977 of title 38, United States Code, authorizes the VGLI program, which provides former members separating from service with the option of converting existing SGLI coverage into renewable, 5-year term group life insurance coverage in amounts ranging from \$10,000 to \$400,000 based upon the amount of SGLI coverage. See 38 U.S.C. 1967(a), 1968(b)(1)(A), 1977(a), (b). Section 9.2 of title 38, Code of Federal Regulations, provides the effective dates of VGLI coverage and

application requirements. VGLI coverage may be granted if an application, the initial premium, and evidence of insurability are received within 1 year and 120 days following termination of duty. 38 CFR 9.2(c). Evidence of insurability is not required during the initial 240 days following termination of duty. *Id.*

On October 7, 2020, VA published a final rule in the **Federal Register** (85 FR 63208) that amended 38 CFR 9.2 by adding new paragraph (f)(1) to extend by 90 days the time periods under 38 CFR 9.2(c) during which former members may apply for VGLI. Thus, former members who submit a VGLI application and the initial premium within 330 days following separation from service will not be required to submit evidence of insurability. Former members who do not apply for VGLI within 330 days following separation from service may still receive VGLI coverage if they apply for the coverage within 1 year and 210 days following separation from service and submit the initial premium and evidence of insurability. The 90-day extensions for former members to apply for VGLI are in effect from June 11, 2020, through June 11, 2021. Between June 11, 2020 and March 31, 2021, 14,855 former members utilized these 90-day extensions to purchase VGLI coverage.

The rationale for applying the rule for one year was that VA is obligated to manage VGLI according to sound and accepted actuarial principles (see 38 U.S.C. 1977(c), (f), (g)), and that VA would be able to utilize this one-year time period to gather and analyze data on VGLI claims experience to determine if it would be actuarially sound to further extend the applicability date. VGLI is funded by premiums from insured Veterans, and VA has determined that current premium amounts that insured Veterans pay for VGLI coverage are sufficient to absorb the cost of any additional VGLI claims that would be paid due to VA extending that application deadline period for an additional six months. Considering the continuing challenges involved with obtaining necessary medical records brought about by the COVID-19 pandemic, and that VA has determined that it would be actuarially sound to extend VGLI application deadlines, VA will be extending the deadline for VGLI applications received between June 12, 2021 and December 11, 2021. This interim final rulemaking will continue to provide separating service members an additional 90 days to apply for VGLI during the COVID-19 pandemic and is intended to ease some of the financial consequences of the COVID-19

pandemic for former members, especially those with disabilities incurred while in service, since many of these former members would otherwise not qualify for a private commercial plan of insurance due to such disabilities.

Administrative Procedure Act

The Secretary of Veterans Affairs finds that there is good cause to dispense with the opportunity for prior comment with respect to this rule and to make the rule effective upon publication. Pursuant to 5 U.S.C. 553(b)(B), the opportunity for advance public comment is not required with respect to a rulemaking when an “agency for good cause finds (and incorporates the finding and a brief statement of reasons therefor in the rules issued) that notice and public procedure thereon are impracticable, unnecessary, or contrary to the public interest.”

VA previously published an interim final rule on June 11, 2020 which expires on June 11, 2021. In this interim final rulemaking, we are extending the prior rulemaking by an additional six months. If the interim final rulemaking is not published prior to the expiration date, then there will be a gap in the application deadline extensions for those individuals applying for VGLI.

The need for this interim final rule was unanticipated because the data pertaining to COVID-19 was continuously evolving and VA had to evaluate data from an actuarial perspective to ensure that another extension of the application deadlines would not put upward pressure on VGLI premiums or otherwise negatively impact the financial stability of the program. The Secretary finds that it is impracticable to delay this regulation for the purpose of soliciting public comment because former members cannot receive VGLI coverage if they do not satisfy the application requirements within the deadlines established by 38 CFR 9.2(c). The VGLI statute does not authorize retroactive adjudication of applications for VGLI coverage, and former members who wish to apply for VGLI would be significantly harmed if these extensions lapse, since many former members choose to purchase VGLI because these former members are unable to qualify for private commercial plans of insurance coverage due to disabilities incurred while in service. Section 553(d) also requires a 30-day delayed effective date following publication of a rule, except for “(1) a substantive rule which grants or recognizes an exemption or relieves a restriction; (2) interpretative rules and

statements of policy; or (3) as otherwise provided by the agency for good cause found and published with the rule.” Pursuant to section 553(d)(1), the Secretary finds that this interim final rule should be effective immediately upon publication because this is a substantive rule which relieves restrictions, *i.e.*, extends deadlines for VGLI applications. Also, pursuant to section 553(d)(3), the Secretary finds that there is good cause to make the rule effective upon publication because of the impracticability of delaying implementation of the regulatory amendment, as discussed above.

For the foregoing reasons, the Secretary of Veterans Affairs is issuing this rule as an interim final rule with an immediate effective date. The Secretary of Veterans Affairs will consider and address comments that are received within 30 days of the date this interim final rule is published in the **Federal Register**.

Executive Orders 12866 and 13563

Executive Orders 12866 and 13563 direct agencies to assess the costs and benefits of available regulatory alternatives and, when regulation is necessary, to select regulatory approaches that maximize net benefits (including potential economic, environmental, public health and safety effects, and other advantages; distributive impacts; and equity). Executive Order 13563 (Improving Regulation and Regulatory Review) emphasizes the importance of quantifying both costs and benefits, reducing costs, harmonizing rules, and promoting flexibility. The Office of Information and Regulatory Affairs has determined that this rule is not a significant regulatory action under Executive Order 12866. The Regulatory Impact Analysis associated with this rulemaking can be found as a supporting document at www.regulations.gov.

Regulatory Flexibility Act

The Secretary hereby certifies that this interim 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 provisions contained in this interim final rulemaking are applicable to individual Veterans, and applications for VGLI, as submitted by such individuals, are specifically managed and processed within VA and through Prudential Insurance Company of America, which is not considered to be a small entity. 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

The Unfunded Mandates Reform Act of 1995 requires, at 2 U.S.C. 1532, that agencies prepare an assessment of anticipated costs and benefits before issuing any rule that may 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. This interim final rule will have no such effect on State, local, and tribal governments, or on the private sector.

Congressional Review Act

Pursuant to the Congressional Review Act (5 U.S.C. 801 *et seq.*), the Office of Information and Regulatory Affairs designated this rule as not a major rule, as defined by 5 U.S.C. 804(2).

Paperwork Reduction Act

This interim final rule contains no provisions constituting a collection of information under the Paperwork Reduction Act of 1995 (44 U.S.C. 3501–3521).

Catalog of Federal Domestic Assistance

The Catalog of Federal Domestic Assistance number and title for the program affected by this document is 64.103, Life Insurance for Veterans.

List of Subjects in 38 CFR Part 9

Life insurance, Military personnel, Veterans.

Signing Authority

Denis McDonough, Secretary of Veterans Affairs, approved this document on May 24, 2021, 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.

Jeffrey M. Martin,

Assistant Director, Office of Regulation Policy & Management, Office of the Secretary, Department of Veterans Affairs.

For the reasons stated in the preamble, the Department of Veterans Affairs 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. Section 9.2 is amended by revising paragraph (f)(2) to read as follows:

§ 9.2 Effective date; applications

* * * * *

(f) * * *

(2) Paragraph (f)(1) of this section shall not apply to an application or initial premium received after December 11, 2021.

[FR Doc. 2021-12017 Filed 6-8-21; 8:45 am]

BILLING CODE 8320-01-P

ENVIRONMENTAL PROTECTION AGENCY

40 CFR Part 52

[EPA-R03-OAR-2020-0321; FRL-10023-81-Region 3]

Air Plan Approval; Pennsylvania; 1997 8-Hour Ozone National Ambient Air Quality Standards Second Maintenance Plan for the Tioga County Area

AGENCY: Environmental Protection Agency (EPA).

ACTION: Final rule.

SUMMARY: The Environmental Protection Agency (EPA) is approving a state implementation plan (SIP) revision submitted by the Commonwealth of Pennsylvania. The revision pertains to the Commonwealth's plan, submitted by the Pennsylvania Department of Environmental Protection (PADEP), for maintaining the 1997 8-hour ozone national ambient air quality standard (NAAQS) (referred to as the "1997 ozone NAAQS") in the Tioga County, Pennsylvania area (Tioga County Area). EPA is approving these revisions to the Pennsylvania SIP in accordance with the requirements of the Clean Air Act (CAA).

DATES: This final rule is effective on July 9, 2021.

ADDRESSES: EPA has established a docket for this action under Docket ID Number EPA-R03-OAR-2020-0321. All documents in the docket are listed on the <https://www.regulations.gov> website. Although listed in the index, some information is not publicly available, e.g., confidential business information (CBI) or other information whose disclosure is restricted by statute. Certain other material, such as copyrighted material, is not placed on the internet and will be publicly available only in hard copy form. Publicly available docket materials are available through <https://www.regulations.gov>, or please contact the person identified in the **FOR FURTHER**

INFORMATION CONTACT section for additional availability information.

FOR FURTHER INFORMATION CONTACT:

Adam Yarina, Planning & Implementation Branch (3AD30), Air & Radiation Division, U.S. Environmental Protection Agency, Region III, 1650 Arch Street, Philadelphia, Pennsylvania 19103. The telephone number is (215) 814-2108. Mr. Yarina can also be reached via electronic mail at Yarina.Adam@epa.gov.

SUPPLEMENTARY INFORMATION:

I. Background

On February 8, 2021 (86 FR 8569), EPA published a notice of proposed rulemaking (NPRM) for the Commonwealth of Pennsylvania. In the NPRM, EPA proposed approval of Pennsylvania's plan for maintaining the 1997 ozone NAAQS in the Tioga County Area through July 6, 2027, in accordance with CAA section 175A. The formal SIP revision was submitted by PADEP on March 10, 2020.

II. Summary of SIP Revision and EPA Analysis

On July 6, 2007 (72 FR 36892, effective same day), EPA approved a redesignation request and maintenance plan from PADEP for the Tioga County Area. In accordance with CAA section 175A(b), at the end of the eighth year after the effective date of the redesignation, the state must also submit a second maintenance plan to ensure ongoing maintenance of the standard for an additional 10 years, and in *South Coast Air Quality Management District v. EPA*,¹ the D.C. Circuit held that this requirement cannot be waived for areas—like the Tioga County Area—that had been redesignated to attainment for the 1997 8-hour ozone NAAQS prior to revocation and that were designated attainment for the 2008 ozone NAAQS. CAA section 175A sets forth the criteria for adequate maintenance plans. In addition, EPA has published longstanding guidance that provides further insight on the content of an approvable maintenance plan, explaining that a maintenance plan should address five elements: (1) An attainment emissions inventory; (2) a maintenance demonstration; (3) a commitment for continued air quality monitoring; (4) a process for verification of continued attainment; and (5) a contingency plan.² PADEP's March 10, 2020 submittal fulfills Pennsylvania's

obligation to submit a second maintenance plan and addresses each of the five necessary elements.

As discussed in the February 8, 2021 NPRM, EPA allows the submittal of a limited maintenance plan (LMP) to meet the statutory requirement that the area will maintain for the statutory period. Qualifying areas may meet the maintenance demonstration by showing that the area's design value³ is well below the NAAQS and that the historical stability of the area's air quality levels indicates that the area is unlikely to violate the NAAQS in the future. EPA evaluated PADEP's March 10, 2020 submittal for consistency with all applicable EPA guidance and CAA requirements. EPA found that the submittal met CAA section 175A and all CAA requirements and proposed approval of the LMP for the Tioga County Area as a revision to the Pennsylvania SIP.

Other specific requirements of PADEP's March 10, 2020 submittal and the rationale for EPA's proposed action are explained in the NPRM and will not be restated here.

III. EPA's Response to Comments Received

EPA received comments on the February 8, 2021 NPRM from two commenters. All comments received are in the docket for this rulemaking action. A summary of the comments and EPA's responses are provided herein.

The first commenter asserts that EPA cannot approve this plan because air quality levels were not at or below 85% of the NAAQS, and that one of EPA's methods for demonstrating continued future maintenance of the NAAQS is flawed.

Comment 1: The commenter asserts that EPA cannot approve this plan "because the air quality has not been below 85% of the NAAQS for the time period EPA claims." The commenter claims that the following statement in EPA's proposed approval of the limited maintenance plan is incorrect: "The Tioga County Area has maintained air quality levels below the 1997 ozone NAAQS since the Area first attained the NAAQS in 2006, and maintained air quality levels at or below 85% of the NAAQS since 2009." The commenter claims that this statement is refuted by EPA's own data, which shows the air quality was at 0.071 for the years 2010–2012.

¹ 882 F.3d 1138 (D.C. Cir. 2018).

² "Procedures for Processing Requests to Redesignate Areas to Attainment," Memorandum from John Calcagni, Director, Air Quality Management Division, September 4, 1992 (Calcagni Memo).

³ The ozone design value for a monitoring site is the 3-year average of the annual fourth-highest daily maximum 8-hour average ozone concentrations. The design value for an ozone nonattainment area is the highest design value of any monitoring site in the area.