

hearing scheduled for December 6, 2024, at 10 a.m. ET is cancelled.

**Regina L. Johnson,**

*Federal Register Liaison, Publications and Regulations Section, Associate Chief Counsel (Procedure and Administration).*

[FR Doc. 2024-28462 Filed 12-4-24; 8:45 am]

**BILLING CODE 4830-01-P**

## DEPARTMENT OF THE TREASURY

### Alcohol and Tobacco Tax and Trade Bureau

#### 27 CFR Part 9

[Docket No. TTB-2024-0007; Notice No. 235]

RIN 1513-AD08

#### Proposed Establishment of the Columbia Hills Viticultural Area

**AGENCY:** Alcohol and Tobacco Tax and Trade Bureau, Treasury.

**ACTION:** Notice of proposed rulemaking.

**SUMMARY:** The Alcohol and Tobacco Tax and Trade Bureau (TTB) proposes to establish the 29,387-acre “Columbia Hills” American viticultural area (AVA) in Klickitat County, Washington. The proposed AVA is located entirely within the boundaries of the existing Columbia Valley AVA. TTB designates viticultural areas to allow vintners to better describe the origin of their wines and to allow consumers to better identify wines they may purchase. TTB invites comments on these proposals.

**DATES:** TTB must receive your comments on or before February 3, 2025.

**ADDRESSES:** You may electronically submit comments to TTB on this proposal, and view copies of this document, its supporting materials, and any comments TTB receives on it within Docket No. TTB-2024-0007 as posted on *Regulations.gov* (<https://www.regulations.gov>), the Federal e-rulemaking portal. Alternatively, you may submit comments via postal mail to the Director, Regulations and Ruling Division, Alcohol and Tobacco Tax and Trade Bureau, 1310 G Street NW, Box 12, Washington, DC 20005. Please see the “Public Participation” section of this document for further information on the comments requested on this proposal and on the submission, confidentiality, and public disclosure of comments.

**FOR FURTHER INFORMATION CONTACT:** Karen A. Thornton, Regulations and Rulings Division, Alcohol and Tobacco Tax and Trade Bureau, 1310 G Street

NW, Box 12, Washington, DC 20005; phone 202-453-1039, ext. 175.

#### SUPPLEMENTARY INFORMATION:

##### Background on Viticultural Areas

###### TTB Authority

Section 105(e) of the Federal Alcohol Administration Act (FAA Act), 27 U.S.C. 205(e), authorizes the Secretary of the Treasury to prescribe regulations for the labeling of wine, distilled spirits, and malt beverages. The FAA Act provides that these regulations should, among other things, prohibit consumer deception and the use of misleading statements on labels and ensure that labels provide the consumer with adequate information as to the identity and quality of the product. The Alcohol and Tobacco Tax and Trade Bureau (TTB) administers the FAA Act provisions pursuant to section 1111(d) of the Homeland Security Act of 2002, as codified at 6 U.S.C. 531(d). In addition, the Secretary of the Treasury has delegated certain administrative and enforcement authorities to TTB through Treasury Order 120-01.

Part 4 of the TTB regulations (27 CFR part 4) authorizes TTB to establish definitive viticultural areas and regulate the use of their names as appellations of origin on wine labels and in wine advertisements. Part 9 of the TTB regulations (27 CFR part 9) sets forth standards for the preparation and submission of petitions for the establishment or modification of American viticultural areas (AVAs) and lists the approved AVAs.

###### Definition

Section 4.25(e)(1)(i) of the TTB regulations (27 CFR 4.25(e)(1)(i)) defines a viticultural area for American wine as a delimited grape-growing region having distinguishing features as described in part 9 of the regulations and, once approved, a name and a delineated boundary codified in part 9 of the regulations. These designations allow vintners and consumers to attribute a given quality, reputation, or other characteristic of a wine made from grapes grown in an area to the wine’s geographic origin. The establishment of AVAs allows vintners to describe more accurately the origin of their wines to consumers and helps consumers to identify wines they may purchase. Establishment of an AVA is neither an approval nor an endorsement by TTB of the wine produced in that area.

###### Requirements

Section 4.25(e)(2) of the TTB regulations (27 CFR 4.25(e)(2)) outlines the procedure for proposing an AVA

and allows any interested party to petition TTB to establish a grape-growing region as an AVA. Section 9.12 of the TTB regulations (27 CFR 9.12) prescribes standards for petitions to establish or modify AVAs. Petitions to establish an AVA must include the following:

- Evidence that the area within the proposed AVA boundary is nationally or locally known by the AVA name specified in the petition;
- An explanation of the basis for defining the boundary of the proposed AVA;
- A narrative description of the features of the proposed AVA that affect viticulture, such as climate, geology, soils, physical features, and elevation, that make the proposed AVA distinctive and distinguish it from adjacent areas outside the proposed AVA boundary;
- The appropriate United States Geological Survey (USGS) map(s) showing the location of the proposed AVA, with the boundary of the proposed AVA clearly drawn thereon; and
- A detailed narrative description of the proposed AVA boundary based on USGS map markings.

If the proposed AVA is to be established within, or overlapping, an existing AVA, an explanation that both identifies the attributes of the proposed AVA that are consistent with the existing AVA and explains how the proposed AVA is sufficiently distinct from the existing AVA, and therefore appropriate for separate recognition.

##### Petition To Establish the Columbia Hills AVA

TTB received a petition from Dr. Kevin R. Pogue, a geology professor, proposing to establish the “Columbia Hills” AVA. Dr. Pogue submitted the petition on behalf of Robert Lorkowski, owner of Cascade Cliffs Vineyard and Winery, which is located within the boundaries of the proposed AVA. The proposed AVA is located in Klickitat County, Washington, and is entirely within the established Columbia Valley AVA (27 CFR 9.74). There are approximately 338 acres of vineyards, owned by 19 different property owners, within the proposed AVA, as well as four wineries. The distinguishing features of the proposed Columbia Hills AVA are its topography, soils, and climate.

##### Proposed Columbia Hills AVA

###### Name Evidence

The proposed AVA takes its name from the Columbia Hills, a 35-mile-long ridgeline that parallels the north side of

the Columbia River between Rowena Gap and the mouth of Rock Creek, in Klickitat County, Washington. The proposed AVA is situated on the southern slopes of the Columbia Hills. The name "Columbia Hills" is marked over the ridgeline on a copy of the U.S.G.S. 1:250,000-scale topographic map for the region of the proposed AVA, which was included in the petition.

The petition includes additional evidence of use of the name "Columbia Hills" within the region of the proposed AVA. For example, the Columbia Hills Historical State Park and the Columbia Hills Natural Area Preserve are both located in the proposed AVA. A 2011 item on a local newspaper's website is titled "Mt. Hood Cycling Classic Columbia Hills Road Race."<sup>1</sup> Finally, a recreational vehicle campground in Dallesport, Washington, which is within the proposed AVA, is named "Columbia Hills RV."

#### *Boundary Evidence*

The proposed Columbia Hills AVA encompasses 29,387 acres along the predominantly south-facing slopes of the Columbia Hills. The proposed southern boundary follows the Columbia River, which marks the southern edge of the hills. The proposed western boundary follows the 300-meter elevation contour along a feature known as Rowena Gap, which marks a pronounced change in topography between the proposed AVA and the region to the west. The proposed northern boundary generally follows the 320-meter elevation contour to separate the proposed AVA from higher elevations that were not inundated by ice age floods. The proposed eastern boundary follows Rock Creek to separate the proposed AVA from the established The Burn of Columbia Valley AVA (27 CFR 9.276), which is a broad, relatively flat plateau that is a separate geographic feature from the Columbia Hills that form the proposed AVA.

#### *Distinguishing Features*

According to the petition, the distinguishing features of the proposed Columbia Hills AVA are its topography, soils, and climate.

#### *Topography*

According to the petition, features created by depositional and erosional processes associated with catastrophic ice age flooding dominate the

topography of the proposed Columbia Hills AVA. Erosion by the floodwaters of the generally flat-lying layers of bedrock created a series of stepped terraces within the proposed AVA. The petition states that these gently-sloped terraces provide excellent locations for vineyards within the otherwise steeply-sloped valley of the Columbia River. Large, gently-sloped gravel bars deposited by ice-age floods also provide level terrain for planting vineyards within the proposed AVA. According to the petition, the ice-age flooding along the Columbia River generally did not exceed 320 meters. Therefore, elevations within the proposed Columbia Hills AVA are limited to those at or below 320 meters to exclude regions without the flood-related topographic features.

To the north of the proposed AVA, the topography is much steeper and less impacted by ice-age flooding. Elevations within the higher elevations of the Columbia Hills that are not included in the proposed AVA reach 800 meters, as shown on the 1980 version of the Goldendale, Washington-Oregon U.S.G.S. map included with the petition. The same map also shows that within the Simcoe Mountains, farther north of the proposed AVA, elevations exceed 1,400 meters. East of the proposed AVA, within the established The Burn of Columbia Valley AVA, elevations reach as high as 445 meters. The petition states that ice-age flooding never inundated approximately 33 percent of the land within the established The Burn of Columbia Valley AVA. West of the proposed AVA is the established Columbia Gorge AVA (27 CFR 9.178), which has a diverse topography and elevations that reach 793 meters. According to the petition, ice-age floods only covered 26 percent of the land within the established Columbia Gorge AVA.

Slopes within the proposed Columbia Hills AVA have a uniformly southerly aspect. The petition states that a southerly aspect is the preferred direction for viticulture in the higher latitudes in the northern hemisphere because the slopes receive the greatest exposure to the sun's rays. As a result, south-facing slopes have higher soil temperatures than slopes that face north. According to the petition, warmer soils encourage vine growth and speed ripening of the fruit. By contrast, the established The Burn of Columbia Valley AVA, which is east of the proposed AVA, consists of relatively flat topography with varying aspects. The petition states that west of the proposed AVA, within the established Columbia Gorge AVA, the aspect distribution is also varied and essentially random. The

region to the north has a dominantly southern aspect similar to that of the proposed Columbia Hills AVA, but it is above the maximum elevation of the ice-age floods. Low-lying areas south of the proposed AVA, in Oregon, have a dominantly northern aspect.

#### *Soils*

The soils of the proposed Columbia Hills AVA are divided into two main soil map units. Most of the area within the proposed AVA features soils mapped as the Cheviot-Horseflat-Rockly-Kiona unit, which are described as "well-drained soils that formed in colluvium and residuum derived from basalt mixed with loess." In the western portion of the proposed AVA, the soils belong to the Ewall-Dallesport-Rock Outcrop unit. These soils consist of wind-deposited sand that was draped over the bedrock and gravel bars that were left behind when the ice-age floods ceased. The soils of the proposed AVA are typically much coarser than the loess-based soils that are common elsewhere in the Columbia River basin and are well drained to excessively well drained. The petition states that the coarse soils warm more quickly than finer soils, which encourages vines to root deeply. Furthermore, the petition states that in many areas of the proposed AVA, the soils are shallow, which allows roots to encounter the underlying basalt bedrock or gravel substrate, which is uncommon in the deep loess-derived soils found elsewhere in the Columbia River basin, and which become exposed to the minerals and nutritive elements in those rocks.

To the east of the proposed Columbia Hills AVA, soils of the Van Nostern-Morrow-Bakeoven soil unit cover approximately 50 percent of the area within the established The Burn of Columbia Valley AVA. These soils occur largely above the maximum limit of the ice-age floods and were not subjected to flood erosion. These soils contain large amounts of wind-deposited loess. West of the proposed AVA, the soils of the established Columbia Gorge AVA are highly diverse due to the large variations in bedrock, slope angle, slope aspect, precipitation amounts, and elevation. North and south of the proposed AVA, the soils are generally deep and derived from loess over bedrock.

#### *Climate*

Eighty percent of the land within the proposed Columbia Hills AVA is within a mile of the Columbia River. According to the petition, the river acts as a thermal reservoir, moderating the

<sup>1</sup> [https://www.columbiagorgenevents.com/archive/video-mt-hood-cycling-classic-columbia-hills-road-race/article\\_6a1c4211-11cc-5868-9202-18e06888c2a3.html](https://www.columbiagorgenevents.com/archive/video-mt-hood-cycling-classic-columbia-hills-road-race/article_6a1c4211-11cc-5868-9202-18e06888c2a3.html). Accessed October 28, 2024.

climate near its shores. Due to its proximity to the river, the proposed AVA generally has warmer growing season temperatures, particularly during the early morning hours, than the surrounding regions. The petition states that the warm climate of the proposed AVA aids and accelerates the ripening of grapes and allows for the cultivation

of warmer climate grape varieties such as Grenache and Mourvedre.

The petition includes information on the average growing season temperatures,<sup>2</sup> growing degree day<sup>3</sup> (GDD) accumulations, annual number of frost-free days, and average growing season maximum and minimum temperatures from within the proposed

Columbia Hills AVA and each of the surrounding regions except the region to the east. Unless otherwise noted, all climate data was collected from 2017 to 2021. The data, included in the petition as tables 2 and 3, is shown in the following tables and suggests that the proposed AVA has a warmer climate than each of the surrounding regions.

TABLE 1—AVERAGE GROWING SEASON TEMPERATURES IN DEGREES FAHRENHEIT

Location (direction from proposed AVA)	2017	2018	2019	2020	2021
The Dalles (within)	65.9	66.2	64	65.3	67.7
Maryhill (within)	65.1	65.3	63.9	65.2	66.6
Goldendale (north)	58.7	58.3	57	58.5	59.5
Moro (south)	N/A	59.7	58	58.7	59.2
Underwood (west)	61.1	61.4	59.6	60.9	62
Husum (west)	59.7	60.2	58.7	59.9	60.2

TABLE 2—GROWING DEGREE DAY ACCUMULATIONS

Location (direction from proposed AVA)	2017	2018	2019	2020	2021
The Dalles (within)	3,431	3,483	3,097	3,348	3,802
Maryhill (within)	3,275	3,309	3,091	3,338	3,588
Goldendale (north)	2,205	2,012	1,834	2,112	2,309
Moro (south)	N/A	2,255	2,006	2,128	2,229
Underwood (west)	2,530	2,537	2,258	2,472	2,647
Husum (west)	2,287	2,284	2,107	2,249	2,345

TABLE 3—FROST-FREE DAYS

Location (direction from proposed AVA)	2017	2018	2019	2020	2021
The Dalles (within)	254	239	223	194	220
Maryhill (within)	253	220	208	220	246
Goldendale (north)	142	148	148	164	158
Moro (south)	N/A	173	163	174	168

TABLE 4—AVERAGE GROWING SEASON MAXIMUM AND MINIMUM TEMPERATURES IN DEGREES FAHRENHEIT

Location (direction from proposed AVA)	2017		2018		2019		2020		2021	
	Max	Min.	Max	Min.	Max	Min.	Max	Min.	Max	Min.
The Dalles (within)	78.2	53.5	78.6	53.7	74.9	53	77.5	53	80.2	55.3
Maryhill (within)	76.8	53.9	76.8	54.4	74.5	54	76.5	54.4	78.3	55.3
Goldendale (north)	75	43	75	42	72	43	75	42	77	42
Moro (south)	N/A		75	44	70	46	73	45	75	46

The petition also includes a brief discussion of annual precipitation amounts in the proposed Columbia Hills AVA. The petition notes that the proposed AVA is approximately 20 miles east of the only low elevation gap in the Cascade Mountains where moist marine air can enter the Columbia River basin and influence its climate. The

marine influence rapidly diminishes as one moves eastward from this gap. As a result, the proposed Columbia Hills AVA only receives about 10 to 20 inches of rainfall annually. Due to the low rainfall amounts, vineyards in the proposed AVA require irrigation. Farther east, within the established The Burn of Columbia Valley AVA, annual

precipitation rates drop below 10 inches. By contrast, the established Columbia Gorge AVA, which is west of the proposed AVA and situated much closer to the gap, receives over 30 inches of rainfall annually.

<sup>2</sup> Defined in the petition as the period from April 1 to October 31.

<sup>3</sup> See Albert J. Winkler et al., *General Viticulture* (Berkeley: University of California Press, 2nd ed.),

pages 61–64 (1974). In the Winkler climate classification system, annual heat accumulation during the growing season, measured in annual GDDs, defines climatic regions. One GDD

accumulates for each degree Fahrenheit (F) that a day's mean temperature is above 50 degrees F, the minimum temperature required for grapevine growth.

*Comparison of the Proposed Columbia Hills AVA to the Existing Columbia Valley AVA*

T.D. ATF-190, published in the **Federal Register** on November 13, 1984 (49 FR 44895), established the Columbia Valley AVA. That decision describes the AVA as a “large, treeless basin surrounding the Yakima, Snake, and Columbia Rivers in Washington and Oregon.” The Columbia Valley AVA has a broadly undulating or rolling topography cut by rivers. With respect to the climate of the AVA, the growing season is over 150 days, annual rainfall is 15 inches or less, and GDD accumulations are typically over 2,000.

The proposed Columbia Hills AVA shares several of the same characteristics as the larger Columbia Valley AVA, including a growing season length of over 150 days, limited annual rainfall, and GDD accumulations that are over 2,000. Unlike the surrounding Columbia Valley AVA, however, the proposed Columbia Hills AVA is not a large basin. It is instead a region of hillslopes and flood-carved terraces within a deeply incised river valley.

#### **TTB Determination**

TTB concludes that the petition to establish the 29,387-acre “Columbia Hills” AVA merits consideration and public comment, as invited in this document.

#### *Boundary Description*

See the narrative boundary descriptions of the petitioned-for AVA in the proposed regulatory text published at the end of this document.

#### *Maps*

The petitioner provided the required maps, and they are listed below in the proposed regulatory text. You may also view the proposed Columbia Hills AVA boundary on the AVA Map Explorer on the TTB website, at <https://www.ttb.gov/wine/ava-map-explorer>.

#### **Impact on Current Wine Labels**

Part 4 of the TTB regulations prohibits any label reference on a wine that indicates or implies an origin other than the wine’s true place of origin. For a wine to be labeled with an AVA name or with a brand name that includes an AVA name, at least 85 percent of the wine must be derived from grapes grown within the area represented by that name, and the wine must meet the other conditions listed in 27 CFR 4.25(e)(3). If the wine is not eligible for labeling with an AVA name and that name appears in the brand name, then the label is not in compliance and the bottler must change the brand name and

obtain approval of a new label. Similarly, if the AVA name appears in another reference on the label in a misleading manner, the bottler would have to obtain approval of a new label. Different rules apply if a wine has a brand name containing an AVA name that was used as a brand name on a label approved before July 7, 1986. See 27 CFR 4.39(i)(2) for details.

If TTB establishes this proposed AVA, its name, “Columbia Hills,” will be recognized as a name of viticultural significance under § 4.39(i)(3) of the TTB regulations (27 CFR 4.39(i)(3)). The text of the proposed regulation clarifies this point. Consequently, wine bottlers using “Columbia Hills” in a brand name, including a trademark, or in another label reference as to the origin of the wine, would have to ensure that the product is eligible to use the viticultural area’s name “Columbia Hills.” The approval of the proposed Columbia Hills AVA would not affect any existing AVA, and any bottlers using “Columbia Valley” as an appellation of origin or in a brand name for wines made from grapes grown within the Columbia Hills AVA would not be affected by the establishment of this new AVA. If approved, the establishment of the proposed Columbia Hills AVA would allow vintners to use “Columbia Hills,” “Columbia Valley,” or both, as appellations of origin for wines made from grapes grown within the proposed AVA, if the wines meet the eligibility requirements for the appellation.

#### **Public Participation**

##### *Comments Invited*

TTB invites comments from interested members of the public on whether TTB should establish the proposed Columbia Hills AVA. TTB is interested in receiving comments on the sufficiency and accuracy of the name, boundary, and other required information submitted in support of the AVA petition. In addition, because the proposed AVA would be within the existing Columbia Valley AVA, TTB is interested in comments on whether the evidence submitted in the petition regarding the distinguishing features of the proposed AVA sufficiently differentiates it from the existing AVA. TTB is also interested in comments on whether the geographic features of the proposed AVA are so distinguishable from the Columbia Valley AVA that the proposed Columbia Hills AVA should not be part of the established AVA. Please provide any available specific information in support of your comments.

Because of the potential impact of the establishment of the proposed Columbia Hills AVA on wine labels that include the term “Columbia Hills” as discussed above under Impact on Current Wine Labels, TTB is particularly interested in comments regarding whether there will be a conflict between the proposed area names and currently used brand names. If a commenter believes that a conflict will arise, the comment should describe the nature of that conflict, including any anticipated negative economic impact that approval of the proposed AVA will have on an existing viticultural enterprise. TTB is also interested in receiving suggestions for ways to avoid conflicts, for example, by adopting a modified or different name for the proposed AVA.

##### *Submitting Comments*

You may submit comments on this proposal as an individual or on behalf of a business or other organization via the *Regulations.gov* website or via postal mail, as described in the **ADDRESSES** section of this document. Your comment must reference Notice No. 235 and must be submitted or postmarked by the closing date shown in the **DATES** section of this document. You may upload or include attachments with your comment. You also may request a public hearing on this proposal. The TTB Administrator reserves the right to determine whether to hold a public hearing.

##### *Confidentiality and Disclosure of Comments*

All submitted comments and attachments are part of the rulemaking record and are subject to public disclosure. Do not enclose any material in your comments that you consider confidential or that is inappropriate for disclosure. TTB will post, and you may view, copies of this document, the related petition and selected supporting materials, and any comments TTB receives about this proposal within the related *Regulations.gov* docket. In general, TTB will post comments as submitted, and it will not redact any identifying or contact information from the body of a comment or attachment. Please contact TTB’s Regulations and Rulings division by email using the web form available at <https://www.ttb.gov/contact-rrd>, or by telephone at 202-453-2265, if you have any questions about commenting on this proposal or to request copies of this document, the related petition and its supporting materials, or any comments received.

### Regulatory Flexibility Act

TTB certifies that this proposed regulation, if adopted, would not have a significant economic impact on a substantial number of small entities. The proposed regulation imposes no new reporting, recordkeeping, or other administrative requirement. Any benefit derived from the use of a viticultural area name would be the result of a proprietor's efforts and consumer acceptance of wines from that area. Therefore, no regulatory flexibility analysis is required.

### Executive Order 12866

This proposed rule is not a significant regulatory action as defined by Executive Order 12866, as amended. Therefore, it requires no regulatory assessment.

### List of Subjects in 27 CFR Part 9

Wine.

### Proposed Regulatory Amendment

For the reasons discussed in the preamble, we propose to amend title 27, chapter I, part 9, Code of Federal Regulations, as follows:

### PART 9—AMERICAN VITICULTURAL AREAS

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

*Authority:* 27 U.S.C. 205.

#### Subpart C—Approved American Viticultural Areas

■ 2. Add § 9. \_\_\_\_\_ to read as follows:

#### § 9. \_\_\_\_\_ Columbia Hills.

(a) *Name.* The name of the viticultural area described in this section is “Columbia Hills”. For purposes of part 4 of this chapter, “Columbia Hills” is a term of viticultural significance.

(b) *Approved maps.* The two United States Geological Survey (USGS) 1:100,000 scale topographic maps used to determine the boundary of the viticultural area are as follows:

- (1) Hood River OR–WA, 1982; and
- (2) Goldendale, WA–OR, 1980.

(c) *Boundary.* The Columbia Hills viticultural area is located in Klickitat County, Washington. The boundary of the Columbia Hills viticultural area is as described as follows:

(1) The beginning point is on the Hood River map at the intersection of the northern shoreline of the Columbia River and an unnamed creek due east of the marked “Cold Spring.” From the beginning point, proceed northerly along the unnamed creek to its intersection with the 300-meter elevation contour; then

(2) Proceed east along the 300-meter elevation contour to the eastern boundary of the Hood River map; then

(3) Proceed north along the map boundary for approximately 400 feet; then

(4) Proceed east onto 320-meter elevation contour on the Goldendale map and continue east along the 320-meter elevation contour to its intersection with the boundary between Range 18 East and Range 19 East, south of Sand Spring Canyon; then

(5) Proceed southeast in a straight line for 9,000 feet (1.7 miles) to the intersection of the boundary between sections 31 and 32, T3N/R19E and the northern shoreline of the Columbia River; then

(6) Proceed west along the northern shoreline of the Columbia River, returning to the beginning point.

Signed: November 26, 2024.

**Mary G. Ryan,**

*Administrator.*

Approved: November 27, 2024.

**Aviva R. Aron-Dine,**

*Deputy Assistant Secretary (Tax Policy).*

[FR Doc. 2024–28438 Filed 12–4–24; 8:45 am]

BILLING CODE 4810–31–P

### DEPARTMENT OF VETERANS AFFAIRS

#### 38 CFR Part 9

RIN 2900–AR67

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

**AGENCY:** Department of Veterans Affairs.

**ACTION:** Proposed rule.

**SUMMARY:** The Department of Veterans Affairs (VA) proposes to amend its regulations governing Servicemembers' Group Life Insurance (SGLI), Family SGLI (FSGLI), and Veterans' Group Life Insurance (VGLI) to allow an alternate applicant to apply for an Accelerated Benefit when a member is terminally ill and mentally incapacitated or when a member's insured spouse is terminally ill and the member is mentally incapacitated. VA also proposes to define key terms to assist in adjudicating FSGLI dependent child and Accelerated Benefit claims, and to remove addresses, telephone numbers, and the reproduction of the Accelerated Benefit application form from the text of the regulations.

**DATES:** Comments must be received on or before February 3, 2025.

**ADDRESSES:** Comments must be submitted through [www.regulations.gov](http://www.regulations.gov). Except as provided below, comments received before the close of the comment period will be available at [www.regulations.gov](http://www.regulations.gov) for public viewing, inspection, or copying, including any personally identifiable or confidential business information that is included in a comment. We post the comments received before the close of the comment period on [www.regulations.gov](http://www.regulations.gov) as soon as possible after they have been received. VA will not post on [Regulations.gov](http://Regulations.gov) public comments that make threats to individuals or institutions or suggest that the commenter will take actions to harm an individual. VA encourages individuals not to submit duplicative comments; however, we will post comments from multiple unique commenters even if the content is identical or nearly identical to other comments. Any public comment received after the comment period's closing date is considered late and will not be considered in the final rulemaking. In accordance with the Providing Accountability Through Transparency Act of 2023, a Plain-Language Summary (not more than 100 words in length) of this proposed rule is available at [Regulations.gov](http://Regulations.gov), under RIN 2900–AR67.

**FOR FURTHER INFORMATION CONTACT:**

Samantha Yerdon, Management and Program Analyst, Department of Veterans Affairs, Insurance Service (310/290B); 5000 Wissahickon Avenue, Philadelphia, PA 19144; (215) 842–2000, ext. 5494 (this is not a toll-free number).

**SUPPLEMENTARY INFORMATION:** Section 1980 of title 38, United States Code, authorizes the payment of accelerated death benefits to terminally ill members in the SGLI, FSGLI, and VGLI programs. Consistent with the statute, current 38 CFR 9.14 allows terminally ill members to receive up to 50 percent of the face value of their insurance coverage before they die if they have 9 months or less to live.

Current § 9.14(c) only allows the terminally ill member to apply for an Accelerated Benefit, which is often used to pay his or her medical bills or make other financial arrangements before death. During Policy Years 2020 through 2023 (July 1, 2019, through June 30, 2023), 223 terminally ill members applied for and received such benefits. Considering that terminally ill members often have severe medical conditions that render them unable to apply for the Accelerated Benefit, VA proposes to amend § 9.14(c) to allow an alternate