

Department removes and reserves 20 CFR parts 660 through 672.

Susan Frazier,

Acting Assistant Secretary for Employment and Training, Labor.

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DEPARTMENT OF LABOR

29 CFR Part 2

RIN 1290-AA51

Rescinding Unnecessary Notice and Comment Procedures

AGENCY: Office of Secretary of Labor, Department of Labor.

ACTION: Final rule.

SUMMARY: This final rule rescinds the Secretary's policy to engage in notice and comment rulemaking, even where the Administrative Procedure Act does not require notice and comment rulemaking. The result of this final rule is the Department will generally follow the default requirements of the Administrative Procedure Act.

DATES: The final rule is effective July 31, 2025.

FOR FURTHER INFORMATION CONTACT:

Sheng Li, Principal Deputy Assistant Secretary, Office of the Assistant Secretary for Policy, U.S. Department of Labor, 200 Constitution Avenue NW, Washington, DC 20210; telephone: (202) 693–2848 (this is not a toll-free number).

SUPPLEMENTARY INFORMATION:

I. Background

The Administrative Procedure Act (APA) generally requires, before an agency promulgates a regulation, a “notice of proposed rule making” to be published in the **Federal Register**. 5 U.S.C. 553(b). The agency then must “give interested persons an opportunity to participate in the rule making through submission of written data, views, or arguments with or without opportunity for oral presentation.” 5 U.S.C. 553(c). These strictures, however, do not apply to matters “relating to agency management or personnel or to public property, loans, grants, benefits, or contracts.” 5 U.S.C. 553(a)(2).

In 1971, DOL adopted a policy that waived the APA's statutory exemption procedural rulemaking requirements for rules and regulations relating to public property, loans, grants, benefits, or contracts. Responding to Recommendation No. 16 of the Administrative Conference of the U.S., DOL promulgated regulations at Title 29

Part 2 in 1971, waiving the exemption provided for public property, loans, grants, benefits or contracts as a reason for not complying with notice and public participation requirements (36 FR 12976.). This rule was subsequently amended by 45 FR 34–01 to clarify that certain activities of the Bureau of Labor Statistics were not covered by the waiver of the exemption. 45

Section 2.7 of Part 2 of Title 29 states: “It is the policy of the Secretary of Labor, that in applying the rulemaking provisions of the Administrative Procedure Act (5 U.S.C. 553), the exemption therein for matters relating to public property, loans, grants, benefits or contracts shall not be relied upon as a reason for not complying with the notice and public participation requirements thereof except for all information-gathering procedures adopted by the Bureau of Labor Statistics.”

II. Discussion

The Secretary has decided to rescind the policy in Section 2.7, and return to the text of the APA. Upon reconsideration, the Secretary has decided that additional public comment and procedures are generally unnecessary for matters relating to public property, loans, grants, benefits, and contracts. These are matters that the Department has great discretion to deal with, and public notice for these matters is not the best use of agency resources. Agencies and offices of the Department will continue to comply with the APA's notice and comment requirements where required and otherwise have discretion to seek public input through whatever means they determine appropriate. Ossification in the Department is a serious problem, and self-imposed bureaucracy plays a role. The Department has a new policy of acting more nimbly in response to changing circumstances and this rescission will allow just that.

This final rule need not be submitted for public comment, as it a general statement of policy, and a rule of agency organization, procedure, and practice. See 5 U.S.C. 553(b)(A). Likewise, this rule is effective immediately because it a statement of policy, and a non-substantive rule. See 5 U.S.C. 553(d).

III. Procedural Issues and Regulatory Review

A. Review Under Executive Orders 12866

Executive Order (E.O.) 12866, “Regulatory Planning and Review,” 58 FR 51735 (Oct. 4, 1993), requires agencies to submit “significant

regulatory actions” to OIRA for review. OIRA has determined that this final rule constitute a “significant regulatory action” under section 3(f) of E.O. 12866. Agencies are further required, to the extent permitted by law, to (1) propose or adopt a regulation only upon a reasoned determination that its benefits justify its costs (recognizing that some benefits and costs are difficult to quantify); (2) tailor regulations to impose the least burden on society, consistent with obtaining regulatory objectives, taking into account, among other things, and to the extent practicable, the costs of cumulative regulations; (3) select, in choosing among alternative regulatory approaches, those approaches that maximize net benefits; (4) to the extent feasible, specify performance objectives, rather than specifying the behavior or manner of compliance that regulated entities must adopt; and (5) identify and assess available alternatives to direct regulation, including providing economic incentives to encourage the desired behavior, such as user fees or marketable permits, or providing information upon which choices can be made by the public.

This rule rescinds 29 CFR 2.7, a Departmental policy that voluntarily imposed APA notice-and-comment procedures even where such procedures were not legally required. The rescission returns the Department to the default rulemaking requirements of the APA (5 U.S.C. 553), which explicitly exempts certain categories—such as public grants, benefits, and contracts—from notice-and-comment obligations. The action aligns internal procedure with the statutory baseline and eliminates the Department's self-imposed procedural burden.

The principal benefit of the rule is to increase regulatory efficiency and responsiveness by removing unnecessary internal requirements that can slow administrative action. Specifically, this rule:

- Reduces internal ossification and administrative delay by streamlining decision-making for programs relating to public property, loans, grants, benefits, or contracts.
 - Conserves staff time and Departmental resources that would otherwise be devoted to preparing, publishing, and responding to public comments where not legally required.
 - Enhances agility in responding to evolving programmatic or operational needs in areas where Congress has given the Department broad discretion.
- While the benefits are primarily institutional and qualitative in nature

and difficult to quantify, they are expected to result in meaningful reductions in transaction costs and time burdens across affected offices.

This rule does not impose new costs on, or the government. To the contrary, it reduces compliance burdens within the Department by eliminating a Department-wide policy requirement that had extended procedural obligations beyond what the APA mandates. There are no anticipated economic costs (the value to the public and regulated entities of the notice-and-comment process is implied by their voluntary submission of comments), although, and the rule does not mandate any actions from external stakeholders. The Department has considered maintaining the current policy or replacing it with a narrower procedural commitment (e.g., limiting it to certain programs). However, such options would maintain procedural rigidity and potential confusion. The rescission offers a clearer legal and operational baseline. The Department has determined that net benefits are positive, consisting of cost savings, efficiency gains, and improved flexibility, with no material offsetting costs.

B. Review Under the Regulatory Flexibility Act

The Regulatory Flexibility Act (5 U.S.C. 601 *et seq.*) requires preparation of a final regulatory flexibility analysis (FRFA) for any rule that by law must be proposed for public comment, unless the agency certifies that the rule, if promulgated, will not have a significant economic impact on a substantial number of small entities. This rule was not required to be proposed for public comment, so no FRFA was warranted.

C. Review Under the Paperwork Reduction Act

This rescission imposes no new information or record-keeping requirements governed by the Paperwork Reduction Act. (44 U.S.C. 3501 *et seq.*).

D. Review Under Executive Order 13132

E.O. 13132, "Federalism," 64 FR 43255 (August 10, 1999), imposes certain requirements on Federal agencies formulating and implementing policies or regulations that preempt State law or that have federalism implications. The Executive order requires agencies to examine the constitutional and statutory authority supporting any action that would limit the policymaking discretion of the States and to carefully assess the necessity for such actions. The

Executive order also requires agencies to have an accountable process to ensure meaningful and timely input by State and local officials in the development of regulatory policies that have federalism implications.

DOL has examined this rescission and has determined that it would not have a substantial direct effect on the States, on the relationship between the national government and the States, or on the distribution of power and responsibilities among the various levels of government.

E. Review Under Executive Order 12630

Pursuant to E.O. 12630, "Governmental Actions and Interference with Constitutionally Protected Property Rights," 53 FR 8859 (March 18, 1988), DOL has determined that this rescission would not result in any takings that might require compensation under the Fifth Amendment to the U.S. Constitution.

F. Review Under the Treasury and General Government Appropriations Act, 2001

Section 515 of the Treasury and General Government Appropriations Act, 2001 (44 U.S.C. 3516, note) provides for Federal agencies to review most disseminations of information to the public under information quality guidelines established by each agency pursuant to general guidelines issued by OMB. OMB's guidelines were published at 67 FR 8452 (Feb. 22, 2002). DOL has reviewed this rescission under the OMB and has concluded that it is consistent with applicable policies in those guidelines.

G. Review Under Additional Executive Orders and Presidential Memoranda

DOL has examined this rescission and has determined that it is consistent with the policies and directives outlined in E.O. 14154, "Unleashing American Energy," E.O. 14192, "Unleashing Prosperity Through Deregulation," and Presidential Memorandum, "Delivering Emergency Price Relief for American Families and Defeating the Cost-of-Living Crisis." This rescission is expected to be an Executive Order 14192 deregulatory action. The Department has identified fewer than ten actions covered by Section 2.7 that might have been covered by this rescission over the last ten years. Each of the actions received little-to-no public comment.¹ Therefore, soliciting public comments delayed

¹ The Department did not identify any actions that received more than four public comments. Multiple actions received no public comments at all.

implementation of updated policies and procedures without producing the benefit of significant meaningful public input. Soliciting public comment also diverted Departmental resources away from other, potentially more impactful, projects.

H. Congressional Notification

As required by 5 U.S.C. 801, DOL will report to Congress on the promulgation of this rule before its effective date. The report will state that it has been determined that the rule is not a "major rule" as defined by 5 U.S.C. 804(2).

List of Subjects in 29 CFR Part 2

Agency procedure; Public property; Grants; Contracts; Loans; Grants; Benefits.

For the reasons set forth in the preamble, DOL amends part 2 of title 29 of the Code of Federal Regulations, as set forth below:

PART 2—GENERAL REGULATIONS

■ 1. The authority citation for part 2 continues to read as follows:

Authority: 5 U.S.C. 301; E.O. 13198, 66 FR 8497, 3 CFR, 2001 Comp., p. 750; E.O. 13279, 67 FR 77141, 3 CFR, 2002 Comp., p. 258; E.O. 13559, 75 FR 71319, 3 CFR, 2010 Comp., p. 273; E.O. 14015, 86 FR 10007, 3 CFR, 2021 Comp., p. 517.

§2.7 [Removed and Reserved]

■ 2. Remove and reserve § 2.7.

Signed: June 26, 2025.

Keith Sonderling,

Deputy Secretary of Labor.

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DEPARTMENT OF LABOR

Occupational Safety and Health Administration

29 CFR Parts 1911 and 1912

[Docket No. OSHA–2025–0040]

RIN 1218–AD72

Construction Standards—Advisory Committee on Construction Safety and Health

AGENCY: Occupational Safety and Health Administration (OSHA), Labor.

ACTION: Final rule.

SUMMARY: This final rule revokes 29 CFR 1911.10, which required the Assistant Secretary for Occupational Safety and Health (Assistant Secretary), who heads OSHA, to consult with the Advisory Committee on Construction Safety and