(CMR) Task 276000–110 of Q400 Dash 8 (Bombardier) Temporary Revision ALI–0173, dated March 14, 2017, to Section 1–27, Certification Maintenance Requirements of the Maintenance Requirements Manual (MRM) Part 2, of Product Support Manual (PSM) 1–84–7.

(h) Initial Compliance Time

The initial compliance time for doing the CMR Task 276000–110 specified in paragraph (g) of this AD is within 8,000 flight hours after the effective date of this AD.

(i) No Alternative Actions or Intervals

After the maintenance or inspection program has been revised as required by paragraph (g) of this AD, no alternative actions (*e.g.,* inspections) or intervals may be used unless the actions or intervals are approved as an alternative method of compliance (AMOC) in accordance with the procedures specified in paragraph (j)(1) of this AD.

(j) Other FAA AD Provisions

The following provisions also apply to this AD:

(1) *Alternative Methods of Compliance (AMOCs):* The Manager, New York ACO Branch, FAA, has the authority to approve AMOCs for this AD, if requested using the procedures found in 14 CFR 39.19. In accordance with 14 CFR 39.19, send your request to your principal inspector or local Flight Standards District Office, as appropriate. If sending information directly to the manager of the certification office, send it to ATTN: Program Manager, Continuing Operational Safety, FAA, New York ACO Branch, 1600 Stewart Avenue, Suite 410, Westbury, NY 11590; telephone 516–228–7300; fax 516–794–5531. Before using any approved AMOC, notify your appropriate principal inspector, or lacking a principal inspector, the manager of the local flight standards district office/certificate holding district office.

(2) *Contacting the Manufacturer:* For any requirement in this AD to obtain corrective actions from a manufacturer, the action must be accomplished using a method approved by the Manager, New York ACO Branch, FAA; or Transport Canada Civil Aviation (TCCA); or Bombardier, Inc.'s TCCA Design Approval Organization (DAO). If approved by the DAO, the approval must include the DAO-authorized signature.

(k) Related Information

(1) Refer to Mandatory Continuing Airworthiness Information (MCAI) Canadian Airworthiness Directive CF–2017–35, dated November 29, 2017, for related information. This MCAI may be found in the AD docket on the internet at *http://www.regulations.gov* by searching for and locating Docket No. FAA–2018–0449.

(2) For more information about this AD, contact John P. DeLuca, Aerospace Engineer, Avionics and Administrative Services Section, FAA, New York ACO Branch, 1600 Stewart Avenue, Suite 410, Westbury, NY 11590; telephone 516–228–7369; fax 516–794–5531; email *9-avs-nyaco-cos@faa.gov.*

(3) For service information identified in this AD, contact Bombardier, Inc., Q-Series Technical Help Desk, 123 Garratt Boulevard, Toronto, Ontario M3K 1Y5, Canada; telephone 416–375–4000; fax 416–375–4539; email *thd.qseries@aero.bombardier.com;* internet *http://www.bombardier.com.* You may view this service information at the FAA, Transport Standards Branch, 2200 South 216th St, Des Moines, WA. For information on the availability of this material at the FAA, call 206–231–3195.

Issued in Des Moines, Washington, on May 15, 2018.

Dionne Palermo,

Acting Director, System Oversight Division, Aircraft Certification Service.

[FR Doc. 2018–11141 Filed 5–24–18; 8:45 am]

BILLING CODE 4910–13–P

DEPARTMENT OF EDUCATION

34 CFR Parts 600 and 668

[Docket ID ED–2018–OPE–0041]

RIN 1840–AD39

Program Integrity and Improvement

AGENCY: Office of Postsecondary Education, Department of Education.

ACTION: Notice of proposed rulemaking.

SUMMARY: The Secretary proposes to delay, until July 1, 2020, the effective date of the final regulations entitled Program Integrity and Improvement published in the **Federal Register** on December 19, 2016 (the final regulations). The current effective date of the final regulations is July 1, 2018. The Secretary proposes the delay based on concerns recently raised by regulated parties and to ensure that there is adequate time to conduct negotiated rulemaking to reconsider the final regulations, and as necessary, develop revised regulations. The provisions for which the effective date is being delayed are listed in the **SUPPLEMENTARY INFORMATION** section of this document.

DATES: We must receive your comments on or before June 11, 2018. As previously indicated, we are establishing a 15-day public comment period for the proposed delay in effective date. We are doing so because the 2016 rule is scheduled to take effect on July 1, 2018, and a final rule delaying the effective date must be published prior to that date. A longer comment period would not allow sufficient time for the Department to review and respond to comments, and publish a final rule.

ADDRESSES: Submit your comments through the Federal eRulemaking Portal or via postal mail, commercial delivery, or hand delivery. We will not accept comments submitted by fax or by email or those submitted after the comment period. To ensure that we do not receive duplicate copies, please submit your comments only once. In addition, please include the Docket ID at the top of your comments.

- *Federal eRulemaking Portal:* Go to *www.regulations.gov* to submit your comments electronically. Information on using *Regulations.gov*, including instructions for accessing agency documents, submitting comments, and viewing the docket, is available on the site under ''Help.''
- *Postal Mail, Commercial Delivery, or Hand Delivery:* The Department strongly encourages commenters to submit their comments electronically. However, if you mail or deliver your comments about the notice of proposed rulemaking, address them to Jean-Didier Gaina, U.S. Department of Education, 400 Maryland Ave. SW, Mail Stop 294–20, Washington, DC 20202.

Privacy Note: The Department's policy is to make all comments received from members of the public available for public viewing on the Federal eRulemaking Portal at *www.regulations.gov.* Therefore, commenters should be careful to include in their comments only information that they wish to make publicly available.

FOR FURTHER INFORMATION CONTACT: Sophia McArdle, Ph.D., U.S. Department of Education, 400 Maryland Ave. SW, Mail Stop 290–44, Washington, DC 20202. Telephone: (202) 453–6318. Email: *sophia.mcardle@ed.gov.*

If you use a telecommunications device for the deaf (TDD) or a text telephone (TTY), call the Federal Relay Service (FRS), toll free, at 1–800–877–8339.

SUPPLEMENTARY INFORMATION:

Invitation to Comment: We invite you to submit comments regarding this notice of proposed rulemaking. See **ADDRESSES** for instructions on how to submit comments.

During and after the comment period, you may inspect all public comments about this notice of proposed rulemaking by accessing *Regulations.gov.* You may also inspect the comments in person at 400 Maryland Avenue SW, Washington, DC, between 8:30 a.m. and 4:00 p.m. Washington, DC time, Monday through Friday of each week, except Federal holidays. If you want to schedule time to inspect comments, please contact the person listed under **FOR FURTHER INFORMATION CONTACT**.

Assistance to Individuals with Disabilities in Reviewing the

Rulemaking Record: On request, we will provide an appropriate accommodation or auxiliary aid to an individual with a disability who needs assistance to review the comments or other documents in the public-rulemaking record for this notice of proposed rulemaking. If you want to schedule an appointment for this type of accommodation or auxiliary aid, please contact the person listed under **FOR FURTHER INFORMATION CONTACT**.

Based on additional concerns recently raised by regulated parties related to implementation of the final regulations, the Secretary proposes to delay, until July 1, 2020, the effective date of the final regulations. The Department proposes this delay to hear from the regulated community and students about these concerns and to consider, through negotiated rulemaking, possible revisions to the final regulations.

Two letters in particular prompted this proposed delay. The Department received a letter dated February 6, 2018 (February 6 letter), from the American Council on Education (*http://www.acenet.edu/news-room/Documents/ACE-Letter-on-State-Authorization-Concern.pdf*), which represents nearly 1,800 college university presidents from all types of U.S. accredited, degree-granting institutions and the executives at related associations. That letter expressed concerns that, ''students who are residents of certain states may be ineligible for federal financial aid if they are studying online at institutions located outside their states. This is related to the requirement imposed by the state authorization regulations that mandates institutions disclose to students the appropriate state complaint process for their state of residence. A number of states, including California, do not currently have complaint processes for all out-of-state institutions.'' On February 7, 2018, the Department also received a letter from the Western Interstate Commission for Higher Education (WICHE) Cooperative for Educational Technologies, the National Council for State Authorization Reciprocity, and the Distance Education Accrediting Commission, all of which represent regulated parties (February 7 letter). In the letter, these entities stated that there is widespread concern and confusion in the higher education community regarding the implementation of the final regulations, particularly with respect to State authorization of distance education and related disclosures. The authors of the February 7 letter argued that the new regulations will be costly and burdensome for most colleges and universities that offer distance education and that some States have not implemented the necessary policies and procedures to conform to the student complaint procedures required by the regulations. The authors also expressed that institutions need additional information from the Department to better understand how to comply with the new regulations. They stated, for instance, that the way the term ''residence'' is described in the preamble of the 2016 rule may conflict with State laws and common practice among students for establishing residency. These issues are more complex than we understood when we considered them in 2016. Therefore, we believe that a more precise definition of ''residence''—which can be defined by States in different ways for different purposes—should be established through rulemaking to ensure institutions have the clarity needed to determine a student's residence (81 FR 92236). The Department does not believe guidance would be sufficient to address the complexities institutions have encountered, even prior to the rule's effective date. Specifically, we believe that we will need significant detail to properly operationalize this term and will need to work with impacted stakeholders to determine how best to address a concern that is complex and potentially costly to institutions and students.

The authors of the two letters also asked the Department to clarify the format in which they should make public and individualized disclosures of the State authorization status for every State, the complaint resolution processes for every State, and details on State licensure eligibility for every discipline that requires a license to enter a profession. The authors suggested that the Department should delay the rules and submit the issues to additional negotiated rulemaking or, alternatively, clarify the final regulations through guidance. We believe that these disclosure issues, particularly those regarding individualized student disclosures, also require further review and the consideration of whether more detailed requirements are necessary for proper implementation. For instance, what disclosures would need to be made to a student when the student changes his or her residence? How would an institution know that a student has changed his or her residence so that individualized disclosures could be made? For how long must a student reside at the new address to be considered a resident of that State for the purposes of State authorization disclosures (and how will this answer vary State by State and be further complicated by the fact that each State's definition may have been originally developed for a variety of purposes)? What if a student enrolls in a program that meets the licensure requirements of the State in which the student was living at the time, but then the student relocates to a new State where the program does not fulfill the requirements for licensure? What is the obligation of the university if the program no longer meets the licensure requirements, due to a student's move, not a change in the program?

Finally, to add further complexity, students may not always notify their institution if they change addresses, or if they relocate temporarily to another State. While the preamble of the 2016 regulation did state that institutions may rely on the student's self-determination of residency unless it has information to the contrary, there may need to be additional clarification or safeguards for institutions in the event that a student does not notify the institution of a change in residency.

For both of the residency and disclosure issues, guidance is not the appropriate vehicle to provide the clarifications needed. Guidance is inherently non-binding and, therefore, could not be used to establish any new requirements. More importantly, due to the complexity of these issues, we are not confident that we could develop a workable solution through guidance and without the input of negotiators who have been engaged in meeting these requirements. Additionally, the necessary changes may impose a greater burden on some regulated parties, or could significantly minimize burden to institutions, which would require an updated estimate of regulatory impact. In sum, the Department believes that the clarifications requested are so substantive that they would require further rulemaking including negotiated rulemaking under the Higher Education Act of 1965, as amended (HEA).

We believe that delaying the final regulations would benefit students and that many students will still receive sufficient disclosures regarding distance education programs during the period of the delay due to steps institutions have already taken in this area.

Since the final regulations are currently scheduled to go into effect in July, we believe the delay will benefit those students who are planning to take coursework via online programs during the summer months, or who may be making plans to do internships in other States. Many institutions and students

ordinarily not heavily engaged in distance education do provide and take online courses in the summer. If the final regulations were to go into effect on July 1, 2018, an institution may be hesitant to offer these courses outside the State in which the institution is located, because the uncertainty of how to determine students' residency, and the associated requirements, may make a State unwilling to pursue State authorization in all of the possible locations its students may reside during the summer. Students will also depend on their institution taking the necessary and involved steps to come into compliance in each State. Some institutions, especially those with limited resources, could simply determine that the cost of obtaining State authorization, of ensuring the relevant states have complaint procedures, and assessing licensure requirements, is simply not worth the benefit of eligibility for title IV aid if only a small number of students enroll online from a particular State, which would mean that some students could not continue their education during the summer if during those months they return to their parents' home to save money or because dormitory facilities on campus are closed. Thus, students would lose the opportunity to use title IV aid for these courses. By contrast, institutions that routinely provide distance education to large numbers of students from all 50 States may have already taken the initiative to obtain State authorization and assess the complaint systems and licensure requirements since the cost-benefit ratio favors such an action. As a result, the delay will not adversely affect students attending those institutions.

In addition, DCL GEN–12–13 provides guidance regarding student complaints and student consumer disclosures as related to distance education, ensuring that during the delay institutions will be aware of their existing obligations and that students will receive these protections. Under 34 CFR 668.43(b), an institution is required to provide to students its State approval or licensing and the contact information for filing complaints. DCL GEN–12–13 clarifies this requirement with respect to distance education.

The negotiated rulemaking process could not be completed with final regulations that would go into effect before July 1, 2020. To comply with section 482 of the HEA (20 U.S.C. 1089), also known as the ''master calendar requirement,'' a regulatory change that has been published in final form on or before November 1 prior to the start of an award year—which begins on July 1 of any given year—may take effect only at the beginning of the next award year, or in other words, on July 1 of the next year. Because November 1 has already passed, there is no way for the Department to publish a final rule that would be effective by July 1 of this year. Moreover, for the reasons explained below, any negotiated rulemaking process would not be finished until sometime in 2019, so regulations resulting from that process could not be effective before July 1, 2020 at the earliest. It would be confusing and counterproductive for the final regulations to go into effect before the conclusion of this reconsideration process. We thus propose delaying the current effective date—July 1, 2018—until July 1, 2020.

The Department has not had sufficient time to effectuate this delay through negotiated rulemaking. Negotiated rulemaking requires a number of steps that typically takes the Department well over 12 months to complete. The HEA requires the Department to hold public hearings before commencing any negotiations. Based upon the feedback the Department receives during the hearings, the Department then identifies those issues on which it will conduct negotiated rulemaking, announces those, and solicits nominations for non-Federal negotiators. Negotiations themselves are typically held over a 3-month period. Following the negotiations, the Department prepares a notice of proposed rulemaking and submits the proposed rule to the Office of Management and Budget (OMB) for review. The proposed rules are then open for public comment for 30–60 days. Following the receipt of public comments, the Department considers those comments and prepares a final regulation that is reviewed by OMB before publication.

In this instance, the catalysts for the delay are the February 6 and February 7 letters. The Department could not have completed the well-over 12-month negotiated rulemaking process, described in the previous paragraph, between February 6, 2018, and the July 1, 2018, effective date. Thus, the Department has good cause to waive the negotiated rulemaking requirement with regard to its proposal to delay the effective date of the final regulations to July 1, 2020, in order to complete a new negotiated rulemaking proceeding to address the concerns identified by some of the regulated parties in the higher education community.

Based on the above considerations, the Department is proposing to delay until July 1, 2020, the effective date of the following provisions of the final regulations in title 34 of the Code of Federal Regulations (CFR):

- § 600.2 Definitions (definition of State authorization reciprocity agreement).
- § 600.9(c) (State authorization distance education regulations).
- § 600.9(d) (State authorization of foreign locations of domestic institution regulations).
- § 668.2 (addition of ''Distance education'' to the list of definitions).
- § 668.50 (institutional disclosures for distance or correspondence programs regulations).

Waiver of Negotiated Rulemaking: Under section 492 of the HEA (20 U.S.C. 1098a), all regulations proposed by the Department for programs authorized under title IV of the HEA are subject to negotiated rulemaking requirements. However, section 492(b)(2) of the HEA provides that negotiated rulemaking may be waived for good cause when doing so would be ''impracticable, unnecessary, or contrary to the public interest.'' Section 492(b)(2) of the HEA requires the Secretary to publish the basis for waiving negotiations in the **Federal Register** at the same time as the proposed regulations in question are first published.

For the reasons stated above, it would not be practicable, before the July 1, 2018 effective date specified in the final regulations published December 19, 2016 (81 FR 92232), to engage in negotiated rulemaking and publish a notice of final regulations to delay the effective date. The Department also believes it will be in the public interest to delay the effective date of these regulations so that these issues can be resolved before the regulations go into effect. The approach may also benefit from input from States that are in the process of changing requirements for distance education programs. There is, therefore, good cause to waive negotiated rulemaking pertaining to this delay. Note, we are only waiving negotiated rulemaking and are providing this notice and opportunity to comment on the proposed delay.

Executive Orders 12866, 13563, and 13771

Regulatory Impact Analysis

Under Executive Order 12866, it must be determined whether this regulatory action is ''significant'' and, therefore, subject to the requirements of the Executive Order and subject to review by OMB. Section 3(f) of Executive Order 12866 defines a ''significant regulatory action'' as an action likely to result in a rule that may—

(1) Have an annual effect on the economy of $100 million or more, or

adversely affect a sector of the economy, productivity, competition, jobs, the environment, public health or safety, or State, local, or Tribal governments or communities in a material way (also referred to as an ''economically significant'' rule);

(2) Create serious inconsistency or otherwise interfere with an action taken or planned by another agency;

(3) Materially alter the budgetary impacts of entitlement grants, user fees, or loan programs or the rights and obligations of recipients thereof; or

(4) Raise novel legal or policy issues arising out of legal mandates, the President's priorities, or the principles stated in the Executive order.

This proposed regulatory action is a significant regulatory action subject to review by OMB under section 3(f) of Executive Order 12866. The quantified economic effects and net budget impact associated with the delayed effective date are not expected to be economically significant. Institutions will be relieved of an expected Paperwork Reduction Act burden of approximately $364,801 in annualized cost savings or $5.2 million in present value terms for the delay period, though it is possible some States have already incurred these costs preparing for the current effective date. The Department is interested in comments on whether costs have already been expended in this area and estimates of costs still needed to be incurred.

We have also reviewed this proposed delay under Executive Order 13563, which supplements and explicitly reaffirms the principles, structures, and definitions governing regulatory review established in Executive Order 12866. To the extent permitted by law, Executive Order 13563 requires that an agency:

(1) Propose or adopt regulations only upon a reasoned determination that their benefits justify their costs (recognizing that some benefits and costs are difficult to quantify);

(2) Tailor its regulations to impose the least burden on society, consistent with obtaining regulatory objectives and taking into account—among other things and to the extent practicable—the costs of cumulative regulations;

(3) In choosing among alternative regulatory approaches, select those approaches that maximize net benefits (including potential economic, environmental, public health and safety, and other advantages; distributive impacts; and equity);

(4) To the extent feasible, specify performance objectives, rather than the behavior or manner of compliance a regulated entity must adopt; and

(5) Identify and assess available alternatives to direct regulation, including economic incentives—such as user fees or marketable permits—to encourage the desired behavior, or provide information that enables the public to make choices.

Executive Order 13563 also requires an agency ''to use the best available techniques to quantify anticipated present and future benefits and costs as accurately as possible.'' The Office of Information and Regulatory Affairs of OMB has emphasized that these techniques may include ''identifying changing future compliance costs that might result from technological innovation or anticipated behavioral changes.''

We are issuing this proposed delay only on a reasoned determination that its benefits would justify its costs. In choosing among alternative regulatory approaches, we selected the approach that would maximize net benefits. In particular, the Department believes avoiding the compliance costs for institutions and the potential unintended harm to students if institutions decide not to offer distance education courses to students who switch locations for a semester or do not allow students to receive title IV aid for such courses because the definition of residency needs additional clarification outweighs any negative effect of the delayed disclosures. Based on the analysis that follows, the Department believes that this proposed delay of the final regulations is consistent with the principles in Executive Order 13563.

Consistent with Executive Order 13771 (82 FR 9339, February 3, 2017), we have estimated that this proposed rule has a potential upper bound effect of estimated annualized cost savings of $705,737, or $10,081,963 in present value terms, using a 7 percent discount rate over a perpetual time horizon, in administrative and information disclosure costs. This is an upper bound estimate of these cost savings, since some institutions may have begun development of disclosures to meet the proposed regulatory requirements. As a central estimate, the Department estimates institutions will be relieved of an expected Paperwork Reduction Act burden of approximately $364,801 in annualized cost savings or $5.2 million in present value terms for the delay period; though it is possible some States have already incurred these costs preparing for the current effective date.

Because of these savings, this proposed rule, if finalized, would be considered an Executive Order 13771 deregulatory action. The Department explicitly requests comments on whether these administrative cost savings and foregone benefits calculations and discussions are accurate and fully capture the impacts of this rule delay.

Effects of Delay

The Regulatory Impact Analysis of the final regulations stated that the regulations would have the following primary benefits: (1) Updated and clarified requirements for State authorization of distance education and foreign additional locations, (2) a process for students to access complaint resolution in either the State in which the institution is authorized or the State in which they reside, and (3) increased transparency and access to institutional and program information.

As a result of the proposed delay, students might not receive disclosures of adverse actions taken against a particular institution or program. Students also may not receive other information about an institution, such as information about refund policies or whether a program meets certain State licensure requirements. Increased access to such information could help students identify programs that offer credentials that potential employers recognize and value, so delaying the requirement to provide these disclosures may require students to obtain this information from another source or may lead students to choose sub-optimal programs for their preferred courses of study. On the other hand, students who attend on-ground campuses may find that, while the program they completed meets licensure requirements in that State, it does not meet licensure requirements in other States. The Department has never required ground-based campuses to provide this information to students, including campuses that enroll large numbers of students from other States.

Additionally, the delay of the disclosures related to the complaints resolution process could make it harder for students to access available consumer protections. Some students may be aware of Federal Student Aid's Ombudsman Group, State Attorneys General offices, or other resources for potential assistance, but the disclosure would help affected students be aware of these options.

The Department also recognizes a potential unintended effect of the final regulation on students from institutions reacting to uncertainty in the definition of residency and other aspects of the 2016 final regulation by refusing enrollment or title IV aid to distance education students as a safeguard against unintentional non-compliance. A variety of other possible scenarios

described herein, resulting from confusion about the rule or an institution's inability or unwillingness to comply, could also result in loss of title IV aid to students. For example, if a student pursues a summer internship and relocates to another State for the summer semester, institutions may choose not to allow them to take courses online because their residency is unclear. The Department believes the possibility of this outcome and the disruption it could have to students' education plans counts in favor of delaying the rule to prevent institutions from taking such actions while negotiated rulemaking clears up lingering and widespread uncertainty. A student who is unable to take classes during the summer months may be unable to complete his or her program on time, especially if the student is working or raising children and cannot manage a 15 credit course load during the regular academic terms.

Delay may, however, better allow institutions to address the costs of complying with the final regulations. In promulgating those regulations, the Department recognized that institutions could face compliance costs associated with obtaining State authorization for distance education programs or operating foreign locations. But the Department did not ascribe specific costs to the State authorization regulations and associated definitions because it presumed that institutions were already complying with applicable State authorization requirements and because nothing in the final regulations requires institutions to have distance education programs.

Although the Department did not ascribe specific costs to this aspect of the regulation, it provided examples of costs ranging from $5,000 to $16,000 depending on institution size, for a total estimated annual cost for all institutions of $19.3 million. Several commenters stated that the Department underestimated the costs of compliance with the regulations, noting that extensive research may be required for each program in each State. One institution reported that it costs $23,520 to obtain authorization for a program with an internship in all 50 States and $3,650 to obtain authorization for a new 100 percent online program in all 50 States. To renew the authorization for its existing programs, this institution estimated a cost of $75,000 annually including fees, costs for surety bonds, and accounting services, and noted these costs have been increasing in recent years. The Department believes this institution's estimate is credible; however, we request comment on whether this example provides a typical or accurate level of expected compliance costs across a representative population, and the extent to which institutions have already incurred these costs. In practice, actual costs to institutions vary based on a number of factors including an institution's size, the extent to which an institution provides distance education, and whether it participates in a State authorization reciprocity agreement or chooses to obtain authorization in specific States.

Delay may also allow institutions to postpone incurring costs associated with the disclosure requirements. As indicated in the *Paperwork Reduction Act of 1995* section of the final regulations, those costs were estimated to be 152,565 hours and $5,576,251 annually.

Net Budget Impact: As noted in the final regulations, in the absence of evidence that the regulations would significantly change the size and nature of the student loan borrower population, the Department estimated no significant net budget impact from these regulations. While the updated requirements for State authorization and the option to use State authorization reciprocity agreements may expand the availability of distance education, student loan volume will not necessarily expand greatly. Additional distance education could provide convenient options for students to pursue their educations and loan funding may shift from physical to online campuses. Distance education has expanded significantly already and the final regulations are only one factor in institutions' plans within this field. The distribution of title IV, HEA program funding could continue to evolve, but the overall volume is also driven by demographic and economic conditions that are not affected by these regulations and State authorization requirements were not expected to change loan volumes in a way that would result in a significant net budget impact. Likewise, the availability of options to study abroad at foreign locations of domestic institutions offers students flexibility and potentially rewarding experiences, but was not expected to significantly change the amount or type of loans students use to finance their education. Therefore, the Department did not estimate that the foreign location requirements in 34 CFR 600.9(d) would have a significant budget impact on title IV, HEA programs. As the final regulations were not expected to have a significant budget impact, delaying them to allow for reconsideration and renegotiation of the final rule is not expected to have a significant budget impact. This analysis is limited to the effect of delaying the effective date of the final regulations to July 1, 2020, and does not account for any potential future substantive changes in the final regulations.

Regulatory Flexibility Analysis

The final regulations would affect institutions that participate in the title IV, HEA programs, many of which are considered small entities. The U.S. Small Business Administration (SBA) Size Standards define ''for-profit institutions'' as ''small businesses'' if they are independently owned and operated and not dominant in their field of operation with total annual revenue below $7 million. The SBA Size Standards define ''not-for-profit institutions'' as ''small organizations'' if they are independently owned and operated and not dominant in their field of operation, or as ''small entities'' if they are institutions controlled by governmental entities with populations below 50,000. Under these definitions, approximately 4,267 of the IHEs that would be subject to the paperwork compliance provisions of the final regulations are small entities. Accordingly, we have reviewed the estimates from the 2016 final rule and prepared this regulatory flexibility analysis to present an estimate of the effect on small entities of the delay in the final regulations.

In the Regulatory Flexibility Analysis for the final regulations, the Department estimated that 4,267 of the 6,890 IHEs participating in the title IV, HEA programs were considered small entities— 1,878 are not-for-profit institutions, 2,099 are for-profit institutions with programs of two years or less, and 290 are for-profit institutions with four-year programs. Using the definition described above, approximately 60 percent of IHEs qualify as small entities, even if the range of revenues at the not-for-profit institutions varies greatly. Many small institutions may focus on local provision of specific programs and would not be significantly affected by the delay in the 2016 regulations because they do not offer distance education. As described in the analysis of the 2016 final rule, distance education is a growing area with potentially significant effects on the postsecondary education market and the small entities that participated in it, including an opportunity to expand and serve more students than their physical locations can accommodate but also increased competitive pressure from online options. Overall, as of Fall 2016,

approximately 15 percent of students receive their education exclusively through distance education while 68.3 percent took no distance education courses. However, at proprietary institutions almost 59.2 percent of students were exclusively distance education students and 30.4 percent had not enrolled in any distance education courses.[1] The delay in a clear State authorization rule for distance education may slow the reshuffling of the postsecondary education market or the increased participation of small entities in distance education, but that is not necessarily the case. Distance education has expanded over recent years even in the absence of a clear State authorization regime.

In the analysis of the 2016 final rule, we noted that the Department estimated total State Authorization Reciprocity Agreement (SARA) fees and additional State fees of approximately $7 million annually for small entities, but acknowledged that costs could vary significantly by type of institution and institutions' resources and that these considerations may influence the extent to which small entities operate distance education programs. Small entities that do participate in the distance education sector may benefit from avoiding these fees during the delay period. If 50 percent of small entities offer distance education, the average annual cost savings per small entity during the delay would be approximately $3,280, but that would increase to $6,560 if distance education was only offered by 25 percent of small entities. This estimate assumes small entities have not already taken steps to comply with the State authorization requirements in the 2016 final rule. The Department welcomes comments on the distribution of small entities offering distance education, the estimated costs to obtain State authorization for their programs, and the extent to which small entities have already incurred costs to comply with the 2016 final rule.

The Department also estimated that small entities would incur 13,981 hours of burden in connection with information collection requirements with an estimated cost of $510,991 annually. Small entities may be able to avoid some of the anticipated burden during the delay. To the extent small entities would need to spend funds to comply with State authorization requirements for distance education, the proposed delay would allow them to postpone incurring those costs. And although institutions may have incurred some of the $510,991 annual costs to prepare for the information collection requirements, it is possible that institutions could avoid up to that amount during the period of the delay.

Paperwork Reduction Act of 1995

As indicated in the Paperwork Reduction Act section published in the 2016 final regulations, the assessed estimated burden was 152,565 hours affecting institutions with an estimated cost of $5,576,251.

The table below identifies the regulatory sections, OMB Control Numbers, estimated burden hours, and estimated costs of those final regulations.

Regulatory section	OMB control No.	Burden hours	Estimated cost $36.55/hour institution
600.9	1845–0144	160	5,848
668.50(b)	1845–0145	151,715	5,545183
668.50(c)	1845–0145	690	25,220
Total	.....	152,565	5,576,251
Cost savings due to delayed effective date	.....	152,565	5,576,251

This notice proposes to delay the effective date of the all of the cited regulations.

Accessible Format: Individuals with disabilities may obtain this document in an accessible format (*e.g.,* Braille, large print, audiotape, or compact disc) on request to the contact person listed under **FOR FURTHER INFORMATION CONTACT**.

Electronic Access to this Document: The official version of this document is the document published in the **Federal Register**. Free internet access to the official edition of the **Federal Register** and the Code of Federal Regulations is available via the Federal Digital System at: *www.gpo.gov/fdsys.* At this site, you can view this document, as well as all other documents of this Department published in the **Federal Register**, in text or PDF. To use PDF, you must have Adobe Acrobat Reader, which is available free at the site.

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List of Subjects

34 CFR Part 600

Colleges and universities, Foreign relations, Grant programs—education, Loan programs—education, Reporting and recordkeeping requirements, Student aid, Vocational education.

34 CFR Part 668

Administrative practice and procedure, Colleges and universities, Consumer protection, Grant programs—education, Loan programs—education, Reporting and recordkeeping requirements, Selective Service System, Student aid, Vocational education.

Dated: May 22, 2018.

Betsy DeVos,

Secretary of Education.

[FR Doc. 2018–11262 Filed 5–24–18; 8:45 am]

BILLING CODE 4000–01–P

[1] 2017 Digest of Education Statistics Table 311.15: Number and percentage of students enrolled in degree-granting postsecondary institutions, by distance education participation, location of student, level of enrollment, and control and level of institution: Fall 2015 and fall 2016. Available at *https://nces.ed.gov/programs/digest/d17/tables/dt17_311.15.asp?current=yes.*

ENVIRONMENTAL PROTECTION AGENCY

40 CFR Part 30

[EPA–HQ–OA–2018–0259; FRL–9978–31–ORD]

RIN 2080–AA14

Strengthening Transparency in Regulatory Science; Extension of Comment Period and Notice of Public Hearing

AGENCY: Environmental Protection Agency (EPA).