

Department are the airlines that are subject to the on-time performance reporting requirement. Those are the U.S. carriers that each account for at least 1 percent of total domestic scheduled-service passenger revenues—currently 18 airlines (see 14 CFR 234). The Department's monthly Air Travel Consumer Report provides data for these airlines in four areas: on-time performance, baggage mishandling, oversales, and consumer complaints. The oversale data for that report are derived from the Form 251 reports mandated by Part 250. The data in the Form 251 reports filed by the other carriers is not keypunched, summarized, published, or routinely reviewed.

The Department seeks comment on whether it should revise section 250.10 to relieve all carriers of this reporting requirement except for the airlines whose data is being used, *i.e.*, U.S. carriers that are required to report on-time performance under Part 234. Those airlines account for the vast majority of domestic traffic and bumpings, so the Department will still receive adequate information and the public will continue to have access to published data for the same category of carriers as before. Such action would be consistent with the Paperwork Reduction Act and the Regulatory Flexibility Act. It would also result in consistent carrier reporting requirements for all four sections of the Air Travel Consumer Report.

Regulatory Notices

A. Executive Order 12866 (Regulatory Planning and Review) and DOT Regulatory Policies and Procedures

This action has been determined to be significant under Executive Order 12866 and the Department of Transportation Regulatory Policies and Procedures. It has been reviewed by the Office of Management and Budget under that Order. A preliminary discussion of possible costs and benefits of the proposed rule is presented above.

B. Executive Order 13132 (Federalism)

This Advance Notice of Proposed Rulemaking has been analyzed in accordance with the principles and criteria contained in Executive Order 13132 ("Federalism"). This notice does not propose any regulation that: (1) Has substantial direct effects on the States, the relationship between the national government and the States, or the distribution of power and responsibilities among the various levels of government; (2) imposes substantial direct compliance costs on State and local governments; or (3)

preempts state law. Therefore, the consultation and funding requirements of Executive Order 13132 do not apply.

C. Executive Order 13084

This notice has been analyzed in accordance with the principles and criteria contained in Executive Order 13084 ("Consultation and Coordination with Indian Tribal Governments"). Because none of the options on which we are seeking comment would significantly or uniquely affect the communities of the Indian tribal governments and would not impose substantial direct compliance costs, the funding and consultation requirements of Executive Order 13084 do not apply.

D. Regulatory Flexibility Act

The Regulatory Flexibility Act (5 U.S.C. 601 *et seq.*) requires an agency to review regulations to assess their impact on small entities unless the agency determines that a rule is not expected to have a significant economic impact on a substantial number of small entities. Certain options on which we are seeking comment may impose new requirements on certain small air carriers, but few of them are small businesses as defined by the Small Business Administration and the Department believes that the economic impact would not be significant. All air carriers have control over the extent to which the rule impacts them since they control their own overbooking rates. Carriers can mitigate the cost of denied boarding compensation by obtaining volunteers who are willing to give up their seat for less compensation than what the rule mandates for passengers who are bumped involuntarily, and by offering travel vouchers in lieu of cash compensation. The vast majority of the traffic that would be covered by the oversales rule for the first time as a result of the options on which we seek comment is carried by airlines that are owned by or affiliated with a major carrier or its parent company. As noted below, one of the options on which we are seeking comment relieves an existing reporting requirement for all but the largest carriers. The monetary costs of most of these options result in a corresponding dollar-for-dollar monetary benefit for members of the public who are bumped from their confirmed flights and for small businesses that employ some of them. The options provide an economic incentive for carriers to use more efficient overbooking rates that result in fewer bumpings while still allowing the carriers to fill seats that would go unsold as the result of "no-show" passengers. Therefore, the options on

which we are seeking comment are not expected to have a significant economic impact on a substantial number of small entities.

E. Paperwork Reduction Act

The options on which we are seeking comment impose no new information reporting or record keeping necessitating clearance by the Office of Management and Budget. They relieve a reporting requirement for many carriers that are currently subject to that requirement. One required handout that airlines distribute to bumped passengers would require minor revisions.

F. Unfunded Mandates Reform Act

The Department has determined that the requirements of Title II of the Unfunded Mandates Reform Act of 1995 do not apply to this notice.

Issued this 3rd day of July, 2007, at Washington, DC.

Andrew B. Steinberg,

Assistant Secretary for Aviation and International Affairs.

[FR Doc. E7-13365 Filed 7-9-07; 8:45 am]

BILLING CODE 4910-9X-P

SOCIAL SECURITY ADMINISTRATION

20 CFR Parts 404, 405 and 416

[Docket No. SSA 2007-0032]

RIN 0960-AG47

Amendments to the Quick Disability Determination Process

AGENCY: Social Security Administration.

ACTION: Notice of proposed rulemaking.

SUMMARY: We propose to amend our regulations to extend the quick disability determination process (QDD), which is operating now in the Boston region, to all of the State disability determination services. We also propose to remove from the QDD process the existing requirements that each State disability determination service maintain a separate QDD unit and that each case referred under QDD be adjudicated within 20 days. These proposed actions stem from our continuing effort to improve our disability adjudication process.

DATES: To be sure that we consider your comments, we must receive them no later than August 9, 2007.

ADDRESSES: You may give us your comments by: Internet through the Federal eRulemaking Portal at <http://www.regulations.gov>; e-mail to regulations@ssa.gov; telefax to (410) 966-2830; or letter to the Commissioner

of Social Security, P.O. Box 17703, Baltimore, MD 21235-7703. You may also deliver them to the Office of Regulations, Social Security Administration, 107 Altmeyer Building, 6401 Security Boulevard, Baltimore, MD 21235-6401, between 8 a.m. and 4:30 p.m. on regular business days. Comments are posted on the Federal eRulemaking Portal, or you may inspect them on regular business days by making arrangements with the contact person shown in this preamble.

FOR FURTHER INFORMATION CONTACT:

Vince Sabatino, Social Security Administration, 6401 Security Boulevard, Baltimore, MD 21235-6401, (410) 966-8331 for information about this notice. For information on eligibility or filing for benefits, call our national toll-free number, 1-800-772-1213 or TTY 1-800-325-0778, or visit our Internet site, Social Security Online, at <http://www.socialsecurity.gov>.

SUPPLEMENTARY INFORMATION:

Electronic Version

The electronic file of this document is available on the date of publication in the **Federal Register** at <http://www.gpoaccess.gov/fr/index.html>.

Quick Disability Determinations

We are dedicated to providing high-quality service to the American public. When we announced changes in March 2006 to our administrative review process for initial disability claims, we explained that we expected that the changes would improve disability service. Our commitment to continuous improvement in the way we process disability claims did not end with the publication of those rules as we continually explore ways to improve service to some of the most vulnerable in our society. We nevertheless face significant challenges now and in the foreseeable future in our ability to provide the level of service that disability benefit claimants deserve because of the increased complexity of and growth in claims for those benefits. Consequently, we are proposing modifications to our administrative review process that will further help us provide accurate and timely service to claimants for Social Security disability benefits and supplemental security income payments based on disability or blindness.

In early spring 2006, we published a final rule in which we laid out changes to the administrative review process for initial disability claims. We expected that the changes would “improve the accuracy, consistency, and timeliness of decision-making throughout the

disability determination process.” 71 FR 16424 (March 31, 2006). We planned a gradual roll-out of the changes so that we could test them and their effect on the disability process overall. As we explained then, “Gradual implementation will allow us to monitor the effects that our changes are having on the entire disability determination process * * *. We will carefully monitor the implementation process in the Boston region and quickly address any problems that may arise.” 71 FR at 16440-41. Having thoroughly reviewed the initial determination level of that process, we have concluded that we need to modify some of the changes made last spring.

The changes in the March 2006 final rule included establishing, in the Boston region, an initial-determination-level process to identify and accelerate the adjudication of the claims of persons who have a “high degree of probability” of being disabled, where there was an expectation that the claimant’s “allegations will be easily and quickly verified * * *.” 20 CFR 405.101-.110 (2006). We refer to this as the Quick Disability Determination (QDD) process. Under QDD, a predictive model analyzes specific elements of data within the electronic claims file to identify claims where there is a high potential that the claimant is disabled and where evidence of the claimant’s allegations can be quickly and easily obtained. Those claims are then sent to a separate QDD unit in the State agency, where experienced disability examiners review the claims on an expedited basis. The QDD process in essence is a workload triaging tool that helps identify, in an automated fashion, claims where the disability should be easy to verify.

This process has been working quite well. Because our experience with QDD has been very favorable, has proven to be of significant benefit to those claimants who have been affected by it, has been well-received by the State agencies in the Boston region, and has shown that there are no significant administrative costs associated with it, we propose to accelerate our implementation of the QDD process and extend QDD to all States.

Nevertheless, in order to improve the efficiencies that we have seen by using the QDD process, we propose to modify those aspects of the QDD process that have served as a barrier to the type of outstanding public service that we strive to provide. These proposed modifications would give State agencies greater flexibility in managing their QDD workloads. Specifically, we propose to eliminate the requirement

that QDD claims be adjudicated within 20 days of receipt in the State agency and remove the performance standard and sanction provisions related to that 20-day adjudication requirement. We also propose to eliminate the requirement that separate QDD units be established within the State agencies.

The QDD rules published in 2006 required the State agency to adjudicate any claim referred to it under QDD within 20 days of the date the claim was received in the QDD unit; any QDD claim not decided within this time frame had to be returned by the QDD unit for regular processing in the State agency. We propose to eliminate this 20-day requirement for three reasons. First, the early information concerning processing times for QDD claims is quite promising. The average QDD processing time for the Boston region State agencies has been approximately 12 days. For a large majority of the cases, they have processed claims selected for QDD in 9 days or less, and only a small minority of the claims exceeded the 20-day threshold. Given this experience, we are confident that the State agencies will continue to process the vast majority of QDD claims within 20 days. Eliminating the 20-day requirement will give the State agencies more flexibility in managing this workload.

Second, even where the processing time goes beyond 20 days, we believe disability claimants would be better served and the State agencies’ resources would be better utilized by allowing the QDD examiner to complete the work on the claim, rather than requiring the examiner to return the claim for regular processing in the State agency.

Third, we are concerned that the need to obtain evidence within the 20-day period may unduly burden the medical and other providers who submit that evidence to us, and we have reports of some resistance from health care providers stemming from efforts to satisfy the 20-day deadline. In turn, delays in obtaining the evidence might cause an increasing number of otherwise suitable claims to be removed from the QDD process because of the 20-day rule.

Though we are proposing to eliminate the 20-day adjudication requirement to give State agencies greater flexibility, we still believe that State agencies should strive to adjudicate any claim referred under QDD within 20 days. We would continue to monitor the performance of State agencies with these claims and would consider broadly or selectively reinstituting a formal time deadline if warranted.

Our second proposed change to the QDD rules would remove the

requirement that State agencies create separate QDD units to handle the QDD claims we refer. Our intent when we created that requirement was to ensure that QDD claims were processed by individuals with the knowledge, training, and experience to effectively carry out the QDD function and to ensure that they could be held accountable for performing this important task. 71 FR at 16429. At the same time, we recognized the State agencies' need for flexibility in handling their workloads. 71 FR at 16429. Now that we have some experience with the QDD process, we believe the requirement of a separate QDD unit in each DDS is not necessary. Particularly in smaller States, we believe the requirement of a separate QDD unit may unnecessarily restrict the flexibility the State agency needs to best address its workloads. Therefore, we propose to eliminate the requirement that State agencies create a separate QDD unit. We would retain the existing requirement that all QDD claims be handled by designated disability examiners who have the knowledge, training, and experience to effectively carry out the QDD process. We believe this is sufficient to afford QDD cases the proper level of attention and accountability.

In light of these considerations, we propose to amend our regulations to require all State agencies that perform disability determinations for us to handle claims we refer to them under QDD and to remove from the QDD rules the 20-day performance standard and the separate unit requirements discussed above. In addition, because we are proposing to accelerate our nationwide roll-out of the QDD process independent of the other changes in the March 2006 final rules, we would move the substantive QDD rules from part 405 of our regulations to part 404, subpart Q, and part 416, subpart J, which contain the provisions covering the State agency determination process.

We recognize that State agencies newly affected by this proposed roll-out of the QDD process will need a reasonable time to establish QDD procedures. Therefore, if these rules are adopted as final regulations, we plan to allow the State agencies outside of the Boston region a reasonable period of time within which to implement the QDD process. We would welcome comments from affected State agencies as to the amount of lead time they believe they would need to implement the revised QDD process we now propose.

Notices of Initial Determinations

In this rule we also propose to revise the provisions in parts 404, 405 and 416 of our regulations that describe the contents of the notices we send to inform claimants of our initial determinations on our claims. The current regulatory provisions, while not substantively inconsistent with one another, are phrased differently. In order to avoid any unintended suggestion that we apply different standards when drafting the notices to which these various sections apply, we propose to revise the language to be consistent in all three sections. We wish to emphasize that we are not in any way proposing to change the substance of what must be in our notices of initial determination, but rather are simply adopting more uniform language based on the statutory requirements in sections 205(b)(1), 205(s) and 1631(c)(1)(A) of the Social Security Act (Act).

Clarity of These Rules

Executive Order 12866, as amended, requires each agency to write all rules in plain language. In addition to your substantive comments on these proposed rules, we invite your comments on how to make them easier to understand. For example:

- Have we organized the material to suit your needs?
- Are the requirements in the rules clearly stated?
- Do the rules contain technical language or jargon that isn't clear?
- Would a different format (grouping and order of sections, use of headings, paragraphing) make the rules easier to understand?
- Would more (but shorter) sections be better?
- Could we improve clarity by adding tables, lists, or diagrams?
- What else could we do to make the rules easier to understand?

Regulatory Procedures

Executive Order 12866, as Amended

We have consulted with the Office of Management and Budget (OMB) and determined that this proposed rule meets the criteria for a significant regulatory action under Executive Order 12866, as amended. Thus, it was reviewed by OMB.

Regulatory Flexibility Act

We certify that this proposed rule will not have a significant economic impact on a substantial number of small entities as it affects only States and individuals. Therefore, a regulatory flexibility analysis as provided in the Regulatory

Flexibility Act, as amended, is not required.

Paperwork Reduction Act

This proposed rule will impose no additional reporting or recordkeeping requirements requiring OMB clearance.

Federalism Impact and Unfunded Mandates Impact

We have reviewed this proposed rule under the threshold criteria of Executive Order 13132 and the Unfunded Mandates Reform Act and have determined that it does not have substantial direct effects on the States, on the relationship between the national government and the States, on the distribution of power and responsibilities among the various levels of government, or on imposing any costs on State, local, or tribal governments. This proposed rule does not affect the roles of the State, local, or tribal governments. However, the rule takes administrative notice of existing statutes governing the roles and relationships of the State agencies and SSA with respect to disability determinations under the Act.

(Catalog of Federal Domestic Assistance Program Nos. 96.001, Social Security—Disability Insurance; 96.002, Social Security—Retirement Insurance; 96.004, Social Security—Survivors Insurance; 96.006, Supplemental Security Income.)

List of Subjects

20 CFR Part 404

Administrative practice and procedure; Blind, Disability benefits; Old-Age, Survivors, and Disability Insurance; Reporting and recordkeeping requirements; Social Security.

20 CFR Part 405

Administrative practice and procedure; Blind, Disability benefits; Old-Age, Survivors, and Disability Insurance; Public assistance programs; Reporting and recordkeeping requirements; Social Security; Supplemental Security Income (SSI).

20 CFR Part 416

Administrative practice and procedure; Aged, Blind, Disability benefits, Public assistance programs, Reporting and recordkeeping requirements; Supplemental Security Income (SSI).

Dated: June 25, 2007.

Michael J. Astrue,
Commissioner of Social Security.

For the reasons set out in the preamble, we propose to amend subparts J, P and Q of part 404, subparts

A, B and I of part 405, and subparts I, J and N of part 416 as set forth below:

PART 404—FEDERAL OLD-AGE, SURVIVORS AND DISABILITY INSURANCE (1950—)

Subpart J—[Amended]

1. The authority citation for subpart J of part 404 continues to read as follows:

Authority: Secs. 201(j), 204(f), 205(a), (b), (d)–(h), and (j), 221, 223(i), 225, and 702(a)(5) of the Social Security Act (42 U.S.C. 401(j), 404(f), 405(a), (b), (d)–(h), and (j), 421, 423(i), 425, and 902(a)(5)); sec. 5, Pub. L. 97–455, 96 Stat. 2500 (42 U.S.C. 405 note); secs. 5, 6(c)–(e), and 15, Pub. L. 98–460, 98 Stat. 1802 (42 U.S.C. 421 note); sec. 202, Pub. L. 108–203, 118 Stat. 509 (42 U.S.C. 902 note).

2. Amend § 404.903 by revising paragraphs (x) and (y) to read as follows:

§ 404.903 Administrative actions that are not initial determinations.

* * * * *

(x) Determining whether to select your claim for the quick disability determination process under § 404.1619;

(y) The removal of your claim from the quick disability determination process under § 404.1619;

* * * * *

3. Revise § 404.904 to read as follows:

§ 404.904 Notice of the initial determination.

We will mail a written notice of our initial determination to you at your last known address. The written notice will explain in simple and clear language what we have determined and the reasons for and the effect of our determination. If our determination involves a determination of disability that is in whole or in part unfavorable to you, our written notice also will contain in understandable language a statement of the case setting forth the evidence on which our determination is based. The notice also will inform you of your right to reconsideration. We will not mail a notice if the beneficiary's entitlement to benefits has ended because of his or her death.

Subpart P—[Amended]

4. The authority citation for subpart P continues to read as follows:

Authority: Secs. 202, 205(a), (b), and (d)–(h), 216(i), 221(a) and (j), 222(c), 223, 225, and 702(a)(5) of the Social Security Act (42 U.S.C. 402, 405(a), (b), and (d)–(h), 416(i), 421(a) and (j), 422(c), 423, 425, and 902(a)(5)); sec. 211(b), Pub. L. 104–193, 110 Stat. 2105, 2189; sec. 202, Pub. L. 108–203, 118 Stat. 509 (42 U.S.C. 902 note).

5. Amend § 404.1503 by removing the last sentence in paragraph (a).

Subpart Q—[Amended]

6. The authority citation for subpart Q continues to read as follows:

Authority: Secs. 205(a), 221, and 702(a)(5) of the Social Security Act (42 U.S.C. 405(a), 421, and 902(a)(5)).

7. Amend § 404.1602 by adding a definition for “Quick disability determination,” to read as follows:

§ 404.1602 Definitions.

* * * * *

Quick disability determination means an initial determination on a claim that we have identified as one that reflects a high degree of probability that you will be found disabled and where we expect that your allegations will be easily and quickly verified.

* * * * *

8. Amend § 404.1603 by revising paragraph (c)(2) to read as follows:

§ 404.1603 Basic responsibilities for us and the State.

* * * * *

(c) * * *

(2) Provide an organizational structure, adequate facilities, qualified personnel, medical consultant services, designated quick disability determination examiners (§§ 404.1619 and 404.1620(c)), and a quality assurance function (§§ 404.1620 through 404.1624);

* * * * *

9. Add a new § 404.1619 under the new undesignated center heading QUICK DISABILITY DETERMINATIONS to read as follows:

§ 404.1619 Quick disability determination process.

(a) If we identify a claim as one involving a high degree of probability that the individual is disabled, and we expect that the individual's allegations will be easily and quickly verified, we will refer the claim to the State agency for consideration under the quick disability determination process pursuant to this section and § 404.1620(c).

(b) If we refer a claim to the State agency for a quick disability determination, a designated quick disability determination examiner must:

(1) Have a medical or psychological consultant verify that the medical evidence in the file is sufficient to determine that, as of the alleged onset date, the individual's physical or mental impairment(s) meets the standards we establish for making quick disability determinations;

(2) Make quick disability determinations based only on the

medical and nonmedical evidence in the files; and

(3) Subject to the provisions in paragraph (c) of this section, make the quick disability determination by applying the rules in subpart P of this part.

(c) If the quick disability determination examiner cannot make a determination that is fully favorable to the individual or if there is an unresolved disagreement between the disability examiner and the medical or psychological consultant, the State agency will adjudicate the claim using the regularly applicable procedures in this subpart.

10. Amend § 404.1620 by adding a new paragraph (c) to read as follows:

§ 404.1620 General administrative requirements.

* * * * *

(c) Each State agency will designate experienced disability examiners to handle claims we refer to it under § 404.1619(a).

PART 405—ADMINISTRATIVE REVIEW PROCESS FOR ADJUDICATING INITIAL DISABILITY CLAIMS

11. The authority citation for part 405 continues to read as follows:

Authority: Secs. 201(j), 205(a)–(b), (d)–(h), and (s), 221, 223(a)–(b), 702(a)(5), 1601, 1602, 1631, and 1633 of the Social Security Act (42 U.S.C. 401(j), 405(a)–(b), (d)–(h), and (s), 421, 423(a)–(b), 902(a)(5), 1381, 1381a, 1383, and 1383b).

Subpart A—[Amended]

§ 405.5 [Amended]

12. Amend § 405.5 by removing the definitions of the terms “Quick disability determination” and “Quick Disability Determination Unit.”

13. Amend the appendix to subpart A by removing paragraph (d).

Subpart B—[Amended]

14. Amend § 405.101 by removing from the first sentence the phrase “unless it makes a quick disability determination under §§ 405.105–.110” and the commas that immediately precede and follow that phrase.

§§ 405.105 and 405.110 [Removed]

15. Remove and reserve §§ 405.105 and 405.110.

16. Revise § 405.115 to read as follows:

§ 405.115 Notice of the initial determination.

We will mail a written notice of our initial determination to you at your last known address. The written notice will

explain in simple and clear language what we have determined and the reasons for and the effect of our determination. If our determination involves a determination of disability that is in whole or in part unfavorable to you, our written notice also will contain in understandable language a statement of the case setting forth the evidence on which our determination is based. The notice also will inform you of your right to review by a Federal reviewing official and explain your right to representation. We will not mail a notice if the beneficiary's entitlement to benefits has ended because of his or her death.

Subpart I—[Removed]

17. Remove and reserve subpart I, consisting of §§ 405.801 through 405.850.

PART 416—SUPPLEMENTAL SECURITY INCOME FOR THE AGED, BLIND, AND DISABLED

Subpart I—[Amended]

18. The authority citation for subpart I is revised to read as follows:

Authority: Secs. 702(a)(5), 1611, 1614, 1619, 1631(a), (c), (d)(1), and (p), and 1633 of the Social Security Act (42 U.S.C. 902(a)(5), 1382, 1382c, 1382h, 1383(a), (c), (d)(1), and (p), and 1383b); secs. 4(c) and 5, 6(c)–(e), 14(a), and 15, Pub. L. 98–460, 98 Stat. 1794, 1801, 1802, and 1808 (42 U.S.C. 421 note, 423 note, 1382h note).

19. Amend § 416.903 by removing the last sentence in paragraph (a).

Subpart J—[Amended]

20. The authority citation for subpart J continues to read as follows:

Authority: Secs. 702(a)(5), 1614, 1631, and 1633 of the Social Security Act (42 U.S.C. 902(a)(5), 1382c, 1383, and 1383b).

21. Amend § 416.1002 by adding a definition for “Quick disability determination,” to read as follows:

§ 416.1002 Definitions.

* * * * *

Quick disability determination means an initial determination on a claim that we have identified as one that reflects a high degree of probability that you will be found disabled and where we expect that your allegations will be easily and quickly verified.

* * * * *

22. Amend § 416.1003 by revising paragraph (c)(2) to read as follows:

§ 416.1003 Basic responsibilities for us and the State.

* * * * *

(c) * * *

(2) Provide an organizational structure, adequate facilities, qualified personnel, medical consultant services, designated quick disability determination examiners (§§ 416.1019 and 416.1020(c)), and a quality assurance function (§§ 416.1020 through 416.1024);

* * * * *

23. Add a new § 416.1019 under the new undesignated center heading QUICK DISABILITY DETERMINATIONS to read as follows:

§ 416.1019 Quick disability determination process.

(a) If we identify a claim as one involving a high degree of probability that the individual is disabled, and we expect that the individual's allegations will be easily and quickly verified, we will refer the claim to the State agency for consideration under the quick disability determination process pursuant to this section and § 416.1020(c).

(b) If we refer a claim to the State agency for a quick disability determination, a designated quick disability determination examiner must:

(1) Have a medical or psychological consultant verify that the medical evidence in the file is sufficient to determine that, as of the alleged onset date, the individual's physical or mental impairment(s) meets the standards we establish for making quick disability determinations;

(2) Make quick disability determinations based only on the medical and nonmedical evidence in the files; and

(3) Subject to the provisions in paragraph (c) of this section, make the quick disability determination by applying the rules in subpart I of this part.

(c) If the quick disability determination examiner cannot make a determination that is fully favorable to the individual or if there is an unresolved disagreement between the disability examiner and the medical or psychological consultant, the State agency will adjudicate the claim using the regularly applicable procedures in this subpart.

24. Amend § 416.1020 by adding a new paragraph (c) to read as follows:

§ 416.1020 General administrative requirements.

* * * * *

(c) Each State agency will designate experienced disability examiners to handle claims we refer to it under § 416.1019(a).

Subpart N—[Amended]

25. The authority citation for subpart N continues to read as follows:

Authority: Secs. 702(a)(5), 1631, and 1633 of the Social Security Act (42 U.S.C. 902(a)(5), 1383, and 1383b); sec. 202, Pub. L. 108–203, 118 Stat. 509 (42 U.S.C. 902 note).

26. Amend § 416.1403 by revising paragraphs (a)(22) and (a)(23) to read as follows:

§ 416.1403 Administrative actions that are not initial determinations.

(a) * * *

(22) Determining whether to select your claim for the quick disability determination process under § 416.1019;

(23) The removal of your claim from the quick disability determination process under § 416.1019;

* * * * *

27. Amend § 416.1404 by revising paragraph (a), removing existing paragraph (b) and redesignating existing paragraph (c) as paragraph (b), to read as follows:

§ 416.1404 Notice of the initial determination.

(a) We will mail a written notice of our initial determination to you at your last known address. The written notice will explain in simple and clear language what we have determined and the reasons for and the effect of our determination. If our determination involves a determination of disability that is in whole or in part unfavorable to you, our written notice also will contain in understandable language a statement of the case setting forth the evidence on which our determination is based. The notice also will inform you of your right reconsideration. We will not mail a notice if the beneficiary's entitlement to benefits has ended because of his or her death.

* * * * *

[FR Doc. E7–13288 Filed 7–9–07; 8:45 am]

BILLING CODE 4191–02–P

DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

24 CFR Part 203

[Docket No. FR–5087–N–02]

RIN 2502–AI52

Standards for Mortgagor's Investment in Mortgaged Property: Extension of Public Comment Period

AGENCY: Office of the Assistant Secretary for Housing/Federal Housing Commissioner, HUD.