structure and regulatory framework. As discussed above,[23] the compliance date for the required daily customer and PAB reserve computations is December 31, 2025. However, industry representatives and carrying broker-dealers have indicated through telephonic meetings with Commission staff and letters, that an extension of the compliance date to implement the capability to perform a required daily customer and PAB reserve computation is needed.[24]

The Commission is extending the compliance date for the required daily customer and PAB reserve computations to June 30, 2026. Extending the compliance date by six months will delay the start-up compliance costs of carrying broker-dealers above the $500 Million Threshold and hence provide them with additional time for developing the appropriate policies and procedures, and systems, necessary to successfully automate and implement the daily customer and PAB reserve computation requirement.[25] This extension will also provide carrying broker-dealers additional time to fulfill their staffing needs and train their personnel to facilitate the shift to the daily computation requirement.

The extension of the compliance date from December 31, 2025, to June 30, 2026, will also delay the realization of economic benefits associated with the final rule. In particular, the delayed benefits include the reduced risk of a potential delay in the return of cash and securities to customers and PAB account holders in the event of a failure of an affected carrying broker-dealer.[26]

The effect of the extension of the compliance dates on efficiency, competition, or capital formation will be a delay in the impact of the rule on efficiency, competition, and capital formation described in the final rule. Additionally, the extension could mitigate the potential impact on competition by giving smaller carrying broker-dealers the opportunity to develop more cost-effective compliance approaches because they will have more time to implement operational changes and system and internal control upgrades.

The Commission considered reasonable alternatives to the new compliance date, namely a longer extension. The Commission believes, however, that, consistent with SIFMA's request, a six-month extension is what is needed to facilitate the successful implementation of the rule amendments.

III. Procedural and Other Matters

The Administrative Procedure Act (''APA'') generally requires an agency to publish notice of a rulemaking in the **Federal Register** and provide an opportunity for public comment. This requirement does not apply, however, if the agency ''for good cause finds . . . that notice and public procedure are impracticable, unnecessary, or contrary to the public interest.'' [27]

For the reasons discussed below, the Commission, for good cause, finds that notice and solicitation of comment regarding the extension of the compliance date is impracticable, unnecessary, or contrary to the public interest.[28] This rule does not impose any new substantive regulatory requirements on any person and merely reflects the extension of the compliance date for carrying broker-dealers that become subject to the daily computation requirements. Furthermore, carrying broker-dealers subject to the daily computation requirement must begin preparing well in advance of the compliance date in order to be fully compliant with the daily computation requirement by that date. As a result, many carrying broker-dealers, particularly those with more complex customer and PAB reserve computations, would need to undertake significant operational costs imminently in order to meet the December 31, 2025, compliance date, including making major staffing changes. Providing immediate certainty of an extension is therefore needed to allow carrying broker-dealers to avoid incurring unnecessary burdens and other challenges associated with meeting the initial compliance date.[29]

For similar reasons, although the APA generally requires publication of a rule at least 30 days before its effective date, the requirements of 5 U.S.C. 808(2) are satisfied (notwithstanding the requirement of 5 U.S.C. 801),[30] and the Commission finds that there is good cause for this extension to take effect on July 1, 2025.

The Office of Management and Budget has determined that this action is not a significant regulatory action as defined in Executive Order 12866, as amended, and therefore it was not subject to Executive Order 12866 review. Pursuant to the Congressional Review Act, the Office of Information and Regulatory Affairs has designated the extension of the compliance date not a ''major rule,'' as defined by 5 U.S.C. 804(2).

IV. Conclusion

The Commission extends the compliance date for the requirement to perform a customer and PAB reserve computation daily rather than weekly under paragraph (e)(3)(i)(B)(*1*) of Rule 15c3–3 by six months, to June 30, 2026.

By the Commission.

Dated: June 25, 2025.

Stephanie J. Fouse,

Assistant Secretary.

[FR Doc. 2025–12016 Filed 6–30–25; 8:45 am]

BILLING CODE 8011–01–P

[23] *See supra* section I.

[24] *See* SIFMA Letter at 2.

[25] Extending the compliance date will also mitigate the potential costs associated with overlap of the compliance date of the daily customer and PAB reserve computation requirement and rules that were adopted prior to the broker-dealer customer protection rule. *See* Adopting Release at section IV.C.3. As explained in the Adopting Release, where overlap in compliance periods exists, the Commission acknowledges that there may be additional costs on those entities subject to one or more other rules, but spreading the compliance dates out over an extended period limits the number of implementation activities occurring simultaneously. *Id.*

[26] *See* Adopting Release, 90 FR at 2792.

[27] 5 U.S.C. 553(b)(B).

[28] *See id.* (stating that an agency may dispense with prior notice and comment when it finds, for good cause, that notice and comment are ''impracticable, unnecessary, or contrary to the public interest'').

[29] The compliance date extension set forth in this release is effective upon publication in the **Federal Register**. Section 553(d)(1) of the APA allows effective dates that are less than 30 days after publication for a ''substantive rule which grants or recognizes an exemption or relieves a restriction.'' 5 U.S.C. 553(d)(1).

[30] *See* 5 U.S.C. 808(2) (if a Federal agency finds that notice and public comment are impracticable, unnecessary or contrary to the public interest, a rule shall take effect at such time as the Federal agency promulgating the rule determines). This rule also does not require analysis under the Regulatory Flexibility Act. *See* 5 U.S.C. 604(a) (requiring a final regulatory flexibility analysis only for rules required by the APA or other law to undergo notice and comment). Finally, this rule does not contain any collection of information requirements as defined by the Paperwork Reduction Act of 1995 (''PRA''). 44 U.S.C. 3501 *et seq.* Accordingly, the PRA is not applicable.

DEPARTMENT OF LABOR

Employment and Training Administration

20 CFR Parts 660, 661, 662, 663, 664, 665, 666, 667, 668, 669, 670, 671, and 672

[Docket No. ETA–2025–0001]

RIN 1205–AC26

Rescission of Workforce Investment Act Regulations

AGENCY: Employment and Training Administration, Labor.

ACTION: Direct final rule; request for comments.

SUMMARY: The Employment and Training Administration (ETA) of the Department of Labor (Department) is removing the regulations that implemented and governed the Title I Workforce Investment Act (WIA) programs at the national, State, and local levels and provided program requirements applicable to all WIA formula and competitive funds. Title I of WIA was repealed by Congress with the enactment of the Workforce Innovation and Opportunity Act (WIOA) on June 22, 2014, and all remaining grant funding under Title I has been closed out by the Department. Accordingly, these regulations are no longer necessary, and the Department is taking this action to remove regulations from the Code of Federal Regulations (CFR) for programs that are no longer operative.

DATES: This final rule is effective September 2, 2025, unless significant adverse comments are received by July 31, 2025. If adverse comment is received, ETA will publish a timely withdrawal of the rule in the **Federal Register**.

ADDRESSES: You may send comments, identified by Docket No. ETA–2025–0001 and Regulatory Identification Number (RIN) 1205–AC26, by the following method:

- *Federal eRulemaking Portal: https://www.regulations.gov.* Search for the above-referenced RIN, open the proposed rule, and follow the on-screen instructions for submitting comments.

Instructions: All submissions received must include the agency name and docket number for this rulemaking or ''RIN 1205–AC26.''

Please be advised that the Department will post comments received that relate to this proposed rule to *https://www.regulations.gov,* including any personal information provided. The *https://www.regulations.gov* website is the Federal e-Rulemaking Portal and all comments posted there are available and accessible to the public. Please do not submit comments containing trade secrets, confidential or proprietary commercial or financial information, personal health information, sensitive personally identifiable information (for example, social security numbers, driver's license or state identification numbers, passport numbers, or financial account numbers), or other information that you do not want to be made available to the public. Should the agency become aware of such information, the agency reserves the right to redact or refrain from posting sensitive information, libelous, or otherwise inappropriate comments, including those that contain obscene, indecent, or profane language; that contain threats or defamatory statements; or that contain hate speech. Please note that depending on how information is submitted, the agency may not be able to redact the information and instead reserves the right to refrain from posting the information or comment in such situations.

Docket: For access to the docket to read background documents or comments received, go to *https://www.regulations.gov* (search using RIN 1205–AC26 or Docket No. ETA–2025–0001). If you need assistance to review the comments, contact the Office of Policy Development and Research at 202–693–3700 (this is not a toll-free number).

FOR FURTHER INFORMATION CONTACT: Luke Murren, Acting Administrator, Office of Policy Development and Research, U.S. Department of Labor, 200 Constitution Avenue NW, Room N–5641, Washington, DC 20210; telephone (202) 693–3700 (this is not a toll-free number). For persons with a hearing or speech disability who need assistance using the telephone system, please dial 711 to access telecommunications relay services.

SUPPLEMENTARY INFORMATION: The Department is removing the regulations at 20 CFR parts 660 through 672, which implement and govern the WIA programs authorized under Title I and under secs. 501–503 of Title V of WIA (Secs. 101–195 and 501–503, Pub. L. 105–220 (codified at 29 U.S.C. 2901–2945).

The Workforce Investment Act of 1998 (WIA) was comprehensive reform legislation that superseded the Job Training Partnership Act (JTPA) of 1982 and amended the Wagner-Peyser Act title III program, also administered by the Department. Title I authorized the Workforce Investment System, established governance provisions for State and local levels; set forth the ''One-Stop'' service delivery system; established the funding mechanism for States and local areas; specified participant eligibility criteria; and authorized a broad array of services for youth, adults, and dislocated workers, certain statewide activities, and a performance accountability system, as well as number of national programs—the Job Corps, Native American programs, Migrant and Seasonal Farmworker programs, Veterans' Workforce Investment programs, Youth Opportunity grants, National Emergency grants, technical assistance efforts, and demonstration, pilot, and other special national projects. Sections 501–503 of Title V authorized State unified plans, definitions of indicators of performance, and incentive grants for exceeding negotiated levels of performance. WIA also included the Adult Education and Family Literacy Act (title II), and the Rehabilitation Act Amendments of 1998 (title IV) for programs administered by the U.S. Department of Education (ED). In April 1999, pursuant to Sec. 506(c), Public Law 105–220; 20 U.S.C. 9276(c), the Department issued an Interim Final Rule implementing provisions of titles I, III, and V of WIA.[1] Public comments were received in response to the Interim Final Rule, which were taken into consideration in drafting the final rule. In August 2000, the Department then issued a Final Rule implementing provisions of titles I, III and V of WIA.[2] The final rules implementing titles I and V of WIA were codified at 20 CFR parts 660 through 672.

In 2014, the enactment of WIOA repealed and replaced WIA.[3] WIOA also includes five titles: Workforce Development Activities (title I), which authorized programs primarily administered by ETA, including three state formula grant programs, multiple national programs, and Job Corps. Adult Education and Literacy (title II), which authorized programs administered by ED, including a state formula grant program and National Leadership activities. Title III amended the Wagner-Peyser Act of 1933, which authorized the Employment Service (ES) and is administered by ETA. Title IV amended the Rehabilitation Act of 1973, which authorized vocational rehabilitation services to individuals with disabilities and is administered by ED. Title V included General Provisions for the administration of WIOA. In August 2016, the Department promulgated regulations implementing title I of WIOA and the title III Wagner-Peyser Act amendments.[4] Any remaining active participants in the WIA titles I, III and V programs have been transitioned into similarly-targeted programs under WIOA.[5] All grant funds appropriated under WIA titles I, III and V have been closed out.

[1] *See* 64 FR 18662 (Apr. 15, 1999).

[2] *See* 65 FR 49294 (Aug. 10, 2000).

[3] Section 511 of Public Law 113–128, 128 Stat. 1425.

[4] These regulations were included in a Joint Final Rule issued with the Department of Education and a Final Rule that applied to only DOL WIOA programs. See 81 FR 55792 (Aug. 19, 2016); 81 FR 56072 (Aug. 19, 2016). They are codified in Title 20 of the Code of Federal Regulations at parts 652–688.

[5] Section 503 of Public Law 113–128, 128 Stat. 1425.

The Department is therefore undertaking this ministerial action to remove the regulations governing the former WIA title I program (which includes the provisions in secs. 501–503 of WIA) from the CFR at 20 CFR parts 660 through 672, as they are obsolete.

Procedural and Other Matters

A. Review Under Executive Orders 12866

Executive Order (E.O.) 12866, ''Regulatory Planning and Review,'' 58 FR 51735 (Oct. 4, 1993), requires agencies, 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.

Section 6(a) of E.O. 12866 also requires agencies to submit ''significant regulatory actions'' to OIRA for review. OIRA has determined that this direct final rule does not constitute a ''significant regulatory action'' under section 3(f) of E.O. 12866. Accordingly, this direct final rule was not submitted to OIRA for review under E.O. 12866.

B. Review Under the Regulatory Flexibility Act

The Regulatory Flexibility Act (5 U.S.C. 601 *et seq.*) requires preparation of an initial regulatory flexibility analysis (IRFA) and 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. DOL reviewed this rescission under the provisions of the Regulatory Flexibility Act. This program is no longer operational, so there is no impact on small entities.

C. Review Under the Paperwork Reduction Act

This rescission imposes no new information or record-keeping requirements. Accordingly, OMB clearance is not required under 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 E.O. 13132 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 E.O. 13132 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 Federal 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 proposed rule 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 proposed rescission under the OMB guidelines and has concluded that it is consistent with applicable policies in those guidelines.

G. 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).

H. Review Under Additional Executive Orders and Presidential Memoranda

DOL has examined this proposed rule and has determined that it is consistent with the policies and directives outlined in E.O. 14192, ''Unleashing Prosperity Through Deregulation,'' This rescission is expected to be an E.O. 14192 deregulatory action.

List of Subjects

20 CFR Parts 660, 661, 662, and 663

Employment, Grant programs—labor.

20 CFR Part 664

Employment, Grant programs—labor, Youth.

20 CFR Part 665 and 666

Employment, Grant programs—labor.

20 CFR Part 667

Administrative practice and procedure, Employment, Foreign trade, Grant programs—labor, Intergovernmental relations, Manpower, Penalties, Reporting and recordkeeping requirements, Waiver.

20 CFR Part 668

Employment, Grant programs—labor, Indians, Reporting and recordkeeping requirements.

20 CFR Part 669

Employment, Grant programs—labor, Migrant labor, Reporting and recordkeeping requirements.

20 CFR Part 670

Employment, Grant programs—labor, Job Corps.

20 CFR Part 671

Employment, Grant programs—labor, Labor, Manpower training programs.

20 CFR Part 672

Employment, Grant programs—labor, Reporting and recordkeeping requirements.

PARTS 660 THROUGH 672—[REMOVED AND RESERVED]

■ For the reasons stated in the preamble, and under the authority 29 U.S.C. 3101, *et seq.,* Public Law 113–128., the

Department removes and reserves 20 CFR parts 660 through 672.

Susan Frazier,

Acting Assistant Secretary for Employment and Training, Labor.

[FR Doc. 2025–11742 Filed 6–30–25; 8:45 am]

BILLING CODE 4510–FN–P

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