identifiable event, whether or not that decision coincides with an actual discharge; (2) placing a 36-month time limit on a creditor's defined policy for discharging a debt under § 1.6050P–1(b)(2)(i)(G); (3) prohibiting creditors from issuing Forms 1099–C while collection activities are ongoing or while the creditor is considering selling the debt; and (4) requiring creditors to issue corrected Forms 1099–C if they engage in subsequent collection activities or receive a payment on the debt.

Because the revisions suggested by this commenter would not require information reporting only upon an actual discharge of indebtedness, the revisions would not eliminate the problems associated with issuance of Forms 1099–C under the 36-month rule. Adopting these changes could increase, not decrease, confusion, because they would modify another identifiable event, § 1.6050P–1(b)(2)(i)(G), to require that a debtor's policy for discharging debt incorporate a 36-month discharge rule. Additionally, as explained in this preamble, requiring creditors to issue corrected Forms 1099–C would neither improve tax compliance nor reduce debtors' confusion. Eliminating the 36-month rule for information reporting purposes, moreover, is likely to lead courts to cease using it as an identifiable event for purposes of determining when an actual discharge occurs, thereby eliminating the issue of the IRS being precluded from assessing tax on discharge of indebtedness before the information return has been issued.

Effective Date

Sections 1.6050P–1(b)(2)(i)(H), 1.6050P–1(b)(2)(iv), and 1.6050P–1(b)(2)(v) would be removed on the date these regulations are published as final regulations in the **Federal Register**. Conforming amendments to § 1.6050P–1(h)(1) necessary as a result of the removal of the above-referenced sections would be effective on the same date.

Special Analyses

It has been determined that this notice of proposed rulemaking is not a significant regulatory action as defined in Executive Order 12866, as supplemented by Executive Order 13563. Therefore, a regulatory assessment is not required. It also has been determined that section 553(b) of the Administrative Procedure Act (5 U.S.C. chapter 5) does not apply to these regulations. Because the regulations do not impose a collection of information on small entities, the Regulatory Flexibility Act (5 U.S.C. chapter 6) does not apply. Pursuant to section 7805(f) of the Code, this notice of proposed rulemaking has been submitted to the Chief Counsel for Advocacy of the Small Business Administration for comment on its impact on small business.

Comments and Requests for a Public Hearing

Before these proposed regulations are adopted as final regulations, consideration will be given to any comments that are submitted timely to the IRS as prescribed in this preamble under the **ADDRESSES** heading. The Treasury Department and the IRS request comments on all aspects of the proposed rules. All comments will be available at *www.regulations.gov* or upon request.

A public hearing will be scheduled if requested by any person who timely submits comments. If a public hearing is scheduled, notice of the date, time, and place for the hearing will be published in the **Federal Register**.

Drafting Information

The principal author of these proposed regulations is Hollie Marx of the Office of Associate Chief Counsel (Procedure and Administration).

List of Subjects in 26 CFR Part 1

Income taxes, Reporting and recordkeeping requirements.

Proposed Amendments to the Regulations

Accordingly, 26 CFR part 1 is proposed to be amended as follows:

PART 1—INCOME TAXES

■ **Paragraph 1.** The authority citation for part 1 continues to read in part as follows:

Authority: 26 U.S.C. 7805 * * *

■ **Par. 2.** Section 1.6050P–1 is amended by:

■ a. Removing paragraphs (b)(2)(i)(H), (b)(2)(iv), and (b)(2)(v).

■ b. Revising paragraph (h).

The revision reads as follows:

§ 1.6050P–1 Information reporting for discharge of indebtedness by certain entities.

* * * * *

(h) *Effective/applicability date.* The rules in this section apply to discharges of indebtedness after December 21, 1996, except paragraphs (e)(1) and (3) of this section, which apply to discharges of indebtedness after December 31, 1994, and except paragraph (e)(5) of this section, which applies to discharges of indebtedness occurring after December 31, 2004.

John Dalrymple,

Deputy Commissioner for Services and Enforcement.

[FR Doc. 2014–24392 Filed 10–14–14; 8:45 am]

BILLING CODE 4830–01–P

ENVIRONMENTAL PROTECTION AGENCY

40 CFR Part 52

[EPA–R09–OAR–2014–0746; FRL–9917–79–Region–9]

Approval, Disapproval, and Limited Approval and Disapproval of Air Quality Implementation Plans; California; Monterey Bay Unified Air Pollution Control District; Stationary Source Permits

AGENCY: Environmental Protection Agency.

ACTION: Proposed rule.

SUMMARY: The Environmental Protection Agency (EPA) is proposing action on seven permitting rules submitted as a revision to the Monterey Bay Unified Air Pollution Control District (MBUAPCD or District) portion of the applicable state implementation plan (SIP) for the State of California. We are proposing to disapprove one rule, we are proposing a limited approval and limited disapproval of one rule, we are proposing to repeal one rule, and we are proposing to approve the remaining four permitting rules. The submitted revisions include new and amended rules governing the issuance of permits for stationary sources, including review and permitting of minor sources, and major sources and major modifications under part C of title I of the Clean Air Act (CAA). The intended effect of these proposed actions is to update the applicable SIP with current MBUAPCD permitting rules and to set the stage for remedying certain deficiencies in these rules. If finalized as proposed, the limited disapproval actions would trigger an obligation for EPA to promulgate a Federal Implementation Plan unless California submits and we approve SIP revisions that correct the deficiencies within two years of the final action.

DATES: Written comments must be received on or before November 14, 2014.

ADDRESSES: Submit comments, identified by Docket ID Number EPA–R09–OAR–2014–0746, by one of the following methods:

1. *Federal eRulemaking Portal: www.regulations.gov.* Follow the on-line instructions.

2. *Email: R9airpermits@epa.gov.*

3. *Mail or deliver:* Gerardo Rios (AIR–3), U.S. Environmental Protection Agency, Region IX, 75 Hawthorne Street, San Francisco, CA 94105–3901. Deliveries are only accepted during the Regional Office's normal hours of operation.

Instructions: All comments will be included in the public docket without change and may be made available online at *www.regulations.gov,* including any personal information provided, unless the comment includes Confidential Business Information (CBI) or other information whose disclosure is restricted by statute. Information that you consider CBI or otherwise protected should be clearly identified as such and should not be submitted through *www.regulations.gov* or email. *www.regulations.gov* is an anonymous access system, and EPA will not know your identity or contact information unless you provide it in the body of your comment. If you send email directly to EPA, your email address will be automatically captured and included as part of the public comment. If EPA cannot read your comment due to technical difficulties and cannot contact you for clarification, EPA may not be able to consider your comment.

Docket: Generally, documents in the docket for this action are available electronically at *www.regulations.gov* and in hard copy at EPA Region IX, 75 Hawthorne Street, San Francisco, California. While all documents in the docket are listed at *www.regulations.gov,* some information may be publicly available only at the hard copy location (e.g., copyrighted material, large maps), and some may not be publicly available in either location (e.g., CBI). To inspect the hard copy materials, please schedule an appointment during normal business hours with the contact listed in the **FOR FURTHER INFORMATION CONTACT** section.

FOR FURTHER INFORMATION CONTACT: Laura Yannayon, by phone: (415) 972–3534 or by email at *yannayon.laura@epa.gov.*

SUPPLEMENTARY INFORMATION: Throughout this document, the terms ''we,'' ''us,'' and ''our'' refer to EPA.

Table of Contents

I. The State's Submittals

A. Which rules did the State submit?

On December 13, 2000, March 21, 2001, October 16, 2002, and April 20, 2011, the MBUAPCD submitted amended regulations to EPA for approval as revisions to the MBUAPCD portion of the California SIP under the Clean Air Act (CAA or Act). Collectively, the submitted regulations comprise the District's current program for preconstruction review and permitting of new or modified stationary sources. These SIP revision submittals, referred to herein as the ''SIP submittal'' or ''submitted rules,'' represent a minor update to the District's preconstruction review and permitting program and are intended to satisfy the requirements under part C (prevention of significant deterioration) (PSD) of title I of the Act as well as the general preconstruction review requirements for minor sources under section 110(a)(2)(C) of the Act (minor NSR).

Table 1 lists the rules addressed by this proposal with the dates that they were adopted by the District and submitted to EPA by the California Air Resources Board, which is the governor's designee for California SIP submittals.

TABLE 1—SUBMITTED NSR RULES

Rule No.	Rule title	Adopted or amended	Submitted
200	Permits Required	12/13/00	5/8/01
203	Application	10/16/02	12/12/02
204	Cancellation of Applications	3/21/01	5/31/01
206	Standards for Granting Applications	3/21/01	5/31/01
207	Review of New or Modified Sources	4/20/11	5/12/11
208	Standards for Granting Permits to Operate (Request to Repeal)	12/13/00	5/8/01
212	Public Availability of Emission Data	10/16/02	12/12/02

Each of these submittals was deemed by operation of law to meet the completeness criteria in 40 CFR part 51, appendix V, six months after the date of submittal. These criteria must be met before formal EPA review. Each of these submittals includes evidence of public notice and adoption of the regulation. While we can act only on the most recently submitted version of each regulation (which supersedes earlier submitted versions), we have reviewed materials provided with previous submittals. Our technical support document (TSD) provides additional background information on each of the submitted rules.

B. What are the existing MBUAPCD rules governing stationary source permits in the California SIP?

Table 2 lists the rules that make up the existing SIP-approved rules for new or modified stationary sources in MBUAPCD. All of these rules, except for Rule 200, would be replaced or otherwise deleted from the SIP by the submitted set of rules listed in table 1 if EPA were to take final action as proposed herein.

TABLE 2—EXISTING SIP RULES

Rule No.	Rule title	SIP approval date	FEDERAL REGISTER Citation
200	Permits Required	7/1/99	64 FR 35577
204	Cancellation of Applications	7/1/99	64 FR 35577
206	Standards for Granting Applications	7/13/87	52 FR 26148
207	Review of New or Modified Sources	2/4/00	65 FR 5433
208	Standards for Granting Permits to Operate (Request to Repeal)	7/13/87	52 FR 26148
212	Public Availability of Emission Data	7/13/87	52 FR 26148

C. What is the purpose of this proposed rule?

The purpose of this proposed rule is to present our evaluation under the CAA and EPA's regulations of the submitted rules adopted by the District as identified in table 1. We provide our reasoning in general terms below but provide more detailed analysis in our TSD, which is available in the docket for this proposed rulemaking.

II. EPA's Evaluation

A. How is EPA evaluating the rules?

EPA has reviewed the rules submitted by MBUAPCD governing PSD and minor NSR for stationary sources for compliance with the CAA's general requirements for SIPs in CAA section 110(a)(2), EPA's regulations for stationary source permitting programs in 40 CFR part 51, sections 51.160 through 51.164 and 51.166, and the CAA requirements for SIP revisions in CAA section 110(l).[1] As described below, EPA is proposing a combination of actions consisting of disapproval of Rule 200 (Permits), limited approval and limited disapproval of Rule 207 (Review of New or Modified Sources), repeal of Rule 208 (Standards for Granting Permits to Operate) and approval of Rules 203, 204, 206 and 212.

B. Do the rules meet the evaluation criteria?

With respect to procedures, CAA sections 110(a) and 110(l) require that revisions to a SIP be adopted by the State after reasonable notice and public hearing. EPA has promulgated specific procedural requirements for SIP revisions in 40 CFR part 51, subpart F. These requirements include publication of notices, by prominent advertisement in the relevant geographic area, of a public hearing on the proposed revisions, a public comment period of at least 30 days, and an opportunity for a public hearing.

Based on our review of the public process documentation included in the various submittals, we find that MBUAPCD has provided sufficient evidence of public notice and opportunity for comment and public hearings prior to adoption and submittal of these rules to EPA.

With respect to substantive requirements, we have evaluated each submitted rule in accordance with the CAA and regulatory requirements that apply to: (1) General preconstruction review programs for minor sources under section 110(a)(2)(C) of the Act and 40 CFR 51.160–164, and (2) PSD permit programs under part C of title I of the Act and 40 CFR 51.166. For the most part, the submitted rules satisfy the applicable requirements for these permit programs and would strengthen the applicable SIP by updating the regulations and adding requirements to address new or revised PSD permitting requirements promulgated by EPA in the last several years, but the submitted rules also contain specific deficiencies which prevent full approval. Below, we discuss generally our evaluation of MBUAPCD's submitted rules and the deficiencies that are the basis for our proposed action on these rules. Our TSD contains a more detailed evaluation and recommendations for program improvements.

1. Minor Source Permits

Section 110(a)(2)(C) of the Act requires that each SIP include a program to provide for ''regulation of the modification and construction of any stationary source within the areas covered by the plan as necessary to assure that national ambient air quality standards are achieved, including a permit program as required in parts C and D'' of title I of the Act. Thus, in addition to the permit programs required in parts C and D of title I of the Act, which apply to new or modified ''major'' stationary sources of pollutants, each SIP must include a program to provide for the regulation of the construction and modification of any stationary source within the areas covered by the plan as necessary to assure that the NAAQS are achieved. These general pre-construction requirements are commonly referred to as ''minor NSR'' and are subject to EPA's implementing regulations in 40 CFR 51.160–51.164.

Rules 200—*Permits Required,* 203—*Application,* 204—*Cancellation of Applications,* 206—*Standards for Granting Applications,* 207—*Review of New or Modified Sources,* and 212—*Public Availability of Emission Data,* contain the requirements for review and permitting of individual minor stationary sources in MBUAPCD. Except for Rule 200, these regulations satisfy the statutory and regulatory requirements for minor NSR programs. The changes the District made to the rules listed above were largely administrative in nature and provide additional clarity to the rules. However, language added to Rule 200 in Part 4 conflicts with the provisions of 40 CFR 52.23 which provides that all permit conditions issued under an EPA-approved permit program which are incorporated into the SIP, are federally enforceable conditions subject to enforcement under section 113 of the CAA. Thus, the default enforcement status of permit conditions issued as part of a federally approved permit program is that they are federally enforceable, regardless of the origin of the authority for the conditions. Because the new language in Rule 200, Part 4, explicitly contravenes the provisions contained in 40 CFR 52.23, the revisions to Rule 200 cannot be approved into the SIP. Therefore EPA is proposing to disapprove submitted Rule 200—*Permits Required.* If we finalize our action as proposed, the current SIP approved version of Rule 200—*Permits Required* will remain in effect. (64 FR 35577 July 1, 1999).

[1] CAA section 110(l) requires SIP revisions to be subject to reasonable notice and public hearing prior to adoption and submittal by States to EPA and prohibits EPA from approving any SIP revision that would interfere with any applicable requirement concerning attainment and reasonable further progress, or any other applicable requirement of the CAA.

2. Prevention of Significant Deterioration

Part C of title I of the Act contains the provisions for the prevention of significant deterioration (PSD) of air quality in areas designated ''attainment'' or ''unclassifiable'' for the NAAQS, including preconstruction permit requirements for new major sources or major modifications proposing to construct in such areas. EPA's regulations for PSD permit programs are found in 40 CFR 51.166. MBUAPCD is currently designated as ''attainment'' or ''unclassifiable/attainment'' for all NAAQS pollutants.

Rule 207 contains the requirements for review and permitting of minor and PSD sources in MBUAPCD. This Rule satisfies most of the statutory and regulatory requirements for PSD permit programs, but Rule 207 also contains several deficiencies that form the basis for our proposed limited disapproval, as discussed below.

First, 40 CFR 51.161(a) requires the District to provide an opportunity for public comment on proposed permit actions. In addition, 40 CFR 51.161(d) specifies that a public notice must be provided for all lead point sources, as defined in 40 CFR 51.100(k). The provisions of Sections 6.9 and 4.2 provide specific public notice emission rate thresholds to determine when public notice is required. The rule provides thresholds for all NAAQS pollutants except $PM_{2.5}$ and lead. To correct this deficiency, the District should add public notice emission thresholds for both pollutants.

Second, the definitions of ''Major Stationary Source'' and ''Major Modification to an Existing Source'' do not include the specific applicability thresholds provided in 40 CFR 51.166(b)(1) and (2), respectively, for these terms. Instead both definitions provide a general reference to the ''. . . threshold levels provided by the federal Clean Air Act . . .'' to be used to determine the emission thresholds that constitute a Major Stationary Source and Major Modification to an Existing Source. This general reference is not sufficient to satisfy the requirement to provide definitions for these terms which are ''more stringent, or at least as stringent, in all respects as the corresponding definitions. . . .'' To correct the deficiency, the District should add the threshold levels provided in the 40 CFR 51.166(b)(1) and (2) to its definitions.

Third, the definition in 40 CFR 51.166(b)(2) provides that a modification is ''major'' if it would result in a ''significant emissions increase'' and a ''significant net emissions increase'' of a pollutant, whereas the definition in Rule 207 provides that a modification is ''major'' if it may result in a ''potential to emit'' greater than the threshold levels provided by the federal CAA for the area designation and pollutant. This rule language means that only increases above the existing potential to emit levels are considered emission increases when determining if a project will result in a major modification. This calculation methodology is inconsistent with federal requirements in 40 CFR 51.166(a)(7)(iv)(c) and (d), which specify that emission increases from a modification must be based on the difference between post-project projected actual or potential emissions and pre-project actual emissions. Using the Rule 207 definition, a project that would be considered a major modification under federal regulations, may not be considered a major modification at an existing source under Rule 207. The District should correct this deficiency by including an applicability test equivalent to the test provided in 40 CFR 51.166(a)(7) to its rule.

Fourth, 40 CFR 51.166(b)(23) for the term ''significant'' contains three separate paragraphs ((i), (ii) and (iii)). While Rule 207 does not provide a specific definition for this term, we have determined that the emission thresholds provided in Table 4.1.1 of the rule provide an alternative definition that is at least as stringent as the provisions in paragraph (i). Paragraph (ii) specifies the definition of significant for any regulated NSR pollutant not listed in paragraph (i). We could not find any Rule 207 provisions that would satisfy the paragraph (ii) definition of significant. Paragraph (iii) defines ''any emissions rate or any net emissions increase [NEI] associated with a major stationary source or major modification, which would construct within 10 kilometers [6 miles] of a Class I area, and have an impact on such area equal to or greater than 1 $\mu g/m^3$ (24-hour average)'' as significant. While the provisions of Section 4.5, Protection of Class I Areas appear to satisfy the requirements for this definition by providing a range of 15 miles, impact levels of 1 $\mu g/m^3$ (24-hour average) or less for various pollutants, and a net emission increase threshold of zero, it provides for the calculation of a ''net emission increase'' in a manner entirely inconsistent with the 40 CFR 51.166(b)(3) definition of this term. EPA's definition only allows contemporaneous emission increases and decreases (typically occurring within the last 5 years) to be used in determining the NEI from a project, whereas the definition of NEI in Section 2.36 requires the use of all emission increases and decreases since the specified baseline date for each pollutant. Except for $PM_{2.5}$, these dates are between 20 and 30 years old. The District should correct this deficiency by including all of the provisions found in 40 CFR 51.166(23)(iii) in Rule 207.

Fifth, Rule 207 does not contain a provision to satisfy the requirement of 40 CFR 51.166(q)(2)(iii) which requires the District to provide the opportunity for a public hearing to consider a proposed permit action. The District should correct this deficiency by including the opportunity for a public hearing for proposed permit actions in Rule 207.

Finally, Rule 207 does not contain any provisions to satisfy the requirements of 40 CFR 51.166(r)(1) and (2) which require permit programs to include specific language providing that (1) ''. . . approval to construct shall not relieve any owner or operator of the responsibility to comply fully with applicable provisions of the plan and any other requirements under local, State or Federal law'' and (2) that if ''. . . a particular source or modification becomes a major stationary source or major modification solely by virtue of a relaxation in any enforceable limitation which was established after August 7, 1980, on the capacity of the source or modification otherwise to emit a pollutant, such as a restriction on hours of operation, then the requirements . . .'' of the PSD program shall apply to the source or modification as though construction had not yet commenced on the source or modification. This deficiency should be corrected by adding the language found in 40 CFR 51.166(r)(1) and (2).

Compared to the existing SIP approved PSD program in Rule 207 (approved February 4, 2000), however, submitted Rule 207 represents an overall strengthening of the District's PSD program, in large part because the rule includes updated PSD provisions to regulate new or modified major stationary sources of $PM_{2.5}$ emissions, which is unregulated under the existing SIP PSD program. Because submitted Rule 207 strengthens the SIP, we are proposing a limited approval and limited disapproval based on the deficiencies listed above.

3. Nonattainment New Source Review

The CAA defines ''nonattainment areas'' as air quality planning areas that exceed the primary or secondary

NAAQS for the given criteria pollutant. The MBUAPCD is not designated nonattainment for any NAAQS, although the District was classified as nonattainment in the past. Because the MBUAPCD is not currently classified nonattainment for any NAAQS, we are not evaluating the submitted rules for approval under 40 CFR 51.165, which contains the requirements for nonattainment NSR programs. To the extent some rules contain provisions typically associated with nonattainment NSR programs (e.g. offset provisions), we are approving those provisions only for purposes of the District's minor NSR program.

4. Section 110(l) of the Act

Section 110(l) prohibits EPA from approving a revision of a plan if the revision would ''interfere with any applicable requirement concerning attainment and reasonable further progress . . . or any other applicable requirement of [the Act].''

MBUAPCD is currently designated attainment or unclassifiable/attainment for all NAAQS pollutants. We are unaware of any reliance by the District on the continuation of any aspect of the permit-related rules in the MBUAPCD portion of the California SIP for the purpose of continued attainment or maintenance of the NAAQS. Our approval of the MBUAPCD SIP submittal (and supersession of the existing SIP rules) would strengthen the applicable SIP in some specific respects and would relax the SIP in other specific respects. Taken in its entirety, we find that the SIP revision represents a strengthening of MBUAPCD's minor NSR and PSD programs compared to the existing SIP rules that we approved in 1987, 1999 and 2000, and that our approval of the SIP submittal would not interfere with any applicable requirement concerning attainment or any other applicable requirement of the Act.

Given all these considerations and in light of the air quality improvements in MBUAPCD, we propose to conclude that our approval of these updated NSR regulations into the California SIP would not interfere with any applicable requirement concerning attainment or any other applicable requirement of the Act.

5. Conclusion

For the reasons stated above and explained further in our TSD, we find that the submitted rules satisfy most of the applicable CAA and regulatory requirements for the District's minor NSR and PSD permit programs under CAA section 110(a)(2)(C) and part C of title I of the Act. However, Rule 207 contains certain deficiencies that prevent us from proposing a full approval and we are proposing a limited approval and limited disapproval of that Rule. We do so based also on our finding that, while Rule 207 does not meet all of the applicable requirements, the Rule represents an overall strengthening of the SIP by clarifying and enhancing the permitting requirements for major and minor stationary sources in MBUAPCD. We are also proposing a full disapproval of Rule 200. We are proposing to approve the District's request to repeal Rule 208 from the SIP. Finally, we are proposing a full approval of the remaining four permitting rules.

III. Public Comment and Proposed Action

Pursuant to section 110(k) of the CAA and for the reasons provided above, EPA is proposing a limited approval and limited disapproval of Rule 207, a full disapproval of Rule 200 and approval of the remaining revisions to the MBUAPCD portion of the California SIP that governs the issuance of permits for stationary sources under the jurisdiction of the MBUAPCD, including review and permitting of major sources and major modifications under part C of title I of the CAA. Specifically, EPA is proposing an action on MBUAPCD regulations listed in table 1, above, as a revision to the MBUAPCD portion of the California SIP.

EPA is proposing this action because, although we find that the new and amended rules meet most of the applicable requirements for such permit programs and that the SIP revisions improve the existing SIP, we have found certain deficiencies that prevent full approval of Rule 207, as explained further in this preamble and in the TSD for this rulemaking. The intended effect of the proposed approval and limited approval and limited disapproval portions of this action is to update the applicable SIP with current MBUAPCD permitting regulations [2] and to set the stage for remedying deficiencies in these regulations.

If finalized as proposed, the limited disapproval of Rule 207 would trigger an obligation for EPA to promulgate a Federal Implementation Plan unless the State of California corrects the deficiencies, and EPA approves the related plan revisions, within two years of the final action.

We will accept comments from the public on this proposed action for 30 days following publication in the **Federal Register**.

IV. Statutory and Executive Order Reviews

A. Executive Order 12866, Regulatory Planning and Review

This proposed action is not a ''significant regulatory action'' under the terms of Executive Order (EO) 12866 (58 FR 51735, October 4, 1993) and is therefore not subject to review under the EO.

B. Paperwork Reduction Act

This proposed action does not impose an information collection burden under the provisions of the Paperwork Reduction Act, 44 U.S.C. 3501 et seq., because this proposed action under section 110 and subchapter I, part D of the Clean Air Act will not in-and-of itself create any new information collection burdens but simply disapproves certain State requirements for inclusion into the SIP. Burden is defined at 5 CFR 1320.3(b).

C. Regulatory Flexibility Act

The Regulatory Flexibility Act (RFA) generally requires an agency to conduct a regulatory flexibility analysis of any rule subject to notice and comment rulemaking requirements unless the agency certifies that the rule will not have a significant economic impact on a substantial number of small entities. Small entities include small businesses, small not-for-profit enterprises, and small governmental jurisdictions. For purposes of assessing the impacts of today's proposed rule on small entities, small entity is defined as: (1) A small business as defined by the Small Business Administration's (SBA) regulations at 13 CFR 121.201; (2) a small governmental jurisdiction that is a government of a city, county, town, school district or special district with a population of less than 50,000; and (3) a small organization that is any not-for-profit enterprise which is independently owned and operated and is not dominant in its field.

After considering the economic impacts of today's proposed rule on small entities, I certify that this action will not have a significant impact on a substantial number of small entities. This rule does not impose any requirements or create impacts on small entities. This proposed action under section 110 and subchapter I, part C of the Clean Air Act will not in-and-of itself create any new requirements but simply disapproves certain State

[2] Final approval of the rules in table 1, except Rule 200, would supersede all of the rules in the existing California SIP as listed in table 2.

requirements for inclusion into the SIP. Accordingly, it affords no opportunity for EPA to fashion for small entities less burdensome compliance or reporting requirements or timetables or exemptions from all or part of the rule. Therefore, this proposed action will not have a significant economic impact on a substantial number of small entities.

We continue to be interested in the potential impacts of this proposed rule on small entities and welcome comments on issues related to such impacts.

D. Unfunded Mandates Reform Act

This action contains no Federal mandates under the provisions of Title II of the Unfunded Mandates Reform Act of 1995 (UMRA), 2 U.S.C. 1531–1538 for State, local, or tribal governments or the private sector.'' EPA has determined that the proposed disapproval and limited disapproval portions of this action does not include a Federal mandate that may result in estimated costs of $100 million or more to either State, local, or tribal governments in the aggregate, or to the private sector. This action proposes to disapprove pre-existing requirements under State or local law, and imposes no new requirements. Accordingly, no additional costs to State, local, or tribal governments, or to the private sector, result from this action.

E. Executive Order 13132, Federalism

Executive Order 13132, entitled ''Federalism'' (64 FR 43255, August 10, 1999), requires EPA to develop an accountable process to ensure ''meaningful and timely input by State and local officials in the development of regulatory policies that have federalism implications.'' ''Policies that have federalism implications'' is defined in the Executive Order to include regulations that have ''substantial direct effects on the States, on the relationship between the national government and the States, or on the distribution of power and responsibilities among the various levels of government.''

This proposed action does not have federalism implications. It will not have substantial direct effects on the States, on the relationship between the national government and the States, or on the distribution of power and responsibilities among the various levels of government, as specified in Executive Order 13132, because it merely disapproves certain State requirements for inclusion into the SIP and does not alter the relationship or the distribution of power and responsibilities established in the Clean Air Act. Thus, Executive Order 13132 does not apply to this proposed action.

F. Executive Order 13175, Coordination With Indian Tribal Governments

This proposed action does not have tribal implications, as specified in Executive Order 13175 (65 FR 67249, November 9, 2000), because the SIP EPA is proposing to disapprove would not apply in Indian country located in the state, and EPA notes that it will not impose substantial direct costs on tribal governments or preempt tribal law. Thus, Executive Order 13175 does not apply to this proposed action.

G. Executive Order 13045, Protection of Children From Environmental Health Risks and Safety Risks

EPA interprets EO 13045 (62 FR 19885, April 23, 1997) as applying only to those regulatory actions that concern health or safety risks, such that the analysis required under section 5–501 of the EO has the potential to influence the regulation. This proposed action is not subject to EO 13045 because it is not an economically significant regulatory action based on health or safety risks subject to Executive Order 13045 (62 FR 19885, April 23, 1997). These proposed actions under section 110 and subchapter I, part C of the Clean Air Act will not in-and-of itself create any new regulations but simply disapproves certain State requirements for inclusion into the SIP.

H. Executive Order 13211, Actions That Significantly Affect Energy Supply, Distribution, or Use

This proposed rule is not subject to Executive Order 13211 (66 FR 28355, May 22, 2001) because it is not a significant regulatory action under Executive Order 12866.

I. National Technology Transfer and Advancement Act

Section 12(d) of the National Technology Transfer and Advancement Act of 1995 (''NTTAA''), Public Law 104–113, 12(d) (15 U.S.C. 272 note) directs EPA to use voluntary consensus standards in its regulatory activities unless to do so would be inconsistent with applicable law or otherwise impractical. Voluntary consensus standards are technical standards (e.g., materials specifications, test methods, sampling procedures, and business practices) that are developed or adopted by voluntary consensus standards bodies. NTTAA directs EPA to provide Congress, through OMB, explanations when the Agency decides not to use available and applicable voluntary consensus standards.

The EPA believes that this action is not subject to requirements of Section 12(d) of NTTAA because application of those requirements would be inconsistent with the Clean Air Act.

J. Executive Order 12898: Federal Actions To Address Environmental Justice in Minority Populations and Low-Income Population

Executive Order (EO) 12898 (59 FR 7629 (Feb. 16, 1994)) establishes federal executive policy on environmental justice. Its main provision directs federal agencies, to the greatest extent practicable and permitted by law, to make environmental justice part of their mission by identifying and addressing, as appropriate, disproportionately high and adverse human health or environmental effects of their programs, policies, and activities on minority populations and low-income populations in the United States.

EPA lacks the discretionary authority to address environmental justice in this rulemaking.

List of Subjects in 40 CFR Part 52

Environmental protection, Air pollution control, Incorporation by reference, Intergovernmental relations, Nitrogen dioxide, Ozone, Reporting and recordkeeping requirements, Volatile organic compounds.

Authority: 42 U.S.C. 7401 *et seq.*

Dated: September 30, 2014.

Jared Blumenfeld,

Regional Administrator, Region IX.

[FR Doc. 2014–24506 Filed 10–14–14; 8:45 am]

BILLING CODE 6560–50–P

ENVIRONMENTAL PROTECTION AGENCY

40 CFR Part 52

[EPA–R09–OAR–2014–0178; FRL–9917–85–Region–9]

Approval and Promulgation of Implementation Plans; State of California; Sacramento Metro Area; Attainment Plan for 1997 8-Hour Ozone Standard

AGENCY: U.S. Environmental Protection Agency.

ACTION: Proposed rule.

SUMMARY: The Environmental Protection Agency (EPA) is proposing to approve state implementation plan (SIP) revisions submitted by the State of California to provide for attainment of the 1997 8-hour ozone national ambient air quality standard (''standard'' or NAAQS) in the Sacramento Metro