

“Grandfathered Secondary Capital,” under § 702.402 of this part, is governed by § 702.414 of this part. Grandfathered Secondary Capital will no longer be treated as Regulatory Capital as of the later of 20 years from the date of issuance or January 1, 2042.

■ 4. In § 702.402 revise the definition for “Grandfathered Secondary Capital” to read as follows:

§ 702.402 Definitions.

* * * * *

Grandfathered Secondary Capital means any secondary capital issued under § 701.34 of this chapter before January 1, 2022, or, in the case of a federally insured, state-chartered credit union, with § 741.204(c) of this chapter, before January 1, 2022. (12 CFR 701.34 was recodified as § 702.414 as of January 1, 2022). This term also includes issuances of secondary capital to the U.S. Government or any of its subdivisions, under applications approved before January 1, 2022, pursuant to §§ 701.34 or 741.204(c) of this chapter, irrespective of the date of issuance.

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■ 5. In § 702.414 revise the introductory text and paragraph (a)(2) to read as follows:

§ 702.414 Regulations governing Grandfathered Secondary Capital.

This section recodifies the requirements from 12 CFR 701.34(b), (c), and (d) that were in effect as of December 31, 2021, with minor modifications. The terminology used in this section is specific to this section. Except as provided in the next sentence, all secondary capital issued under § 701.34 of this chapter before January 1, 2022, or, in the case of a federally insured, state-chartered credit union, § 741.204(c) of this chapter, that is referred to elsewhere in this subpart as “Grandfathered Secondary Capital,” is subject to the requirements set forth in this section. Issuances of secondary capital to the U.S. Government or any of its subdivisions, under applications approved before January 1, 2022, pursuant to §§ 701.34 or 741.204(c) of this chapter, are also considered “Grandfathered Secondary Capital” irrespective of the date of issuance.

(a) * * *

(2) *Issuances not completed before January 1, 2022.* Except as provided in the next sentence, any issuances of secondary capital not completed by January 1, 2022, are, as of January 1, 2022, subject to the requirements applicable to Subordinated Debt discussed elsewhere in this subpart. Issuances of secondary capital to the

U.S. Government or any of its subdivisions, under applications approved before January 1, 2022, pursuant to § 701.34 or 741.204(c) of this chapter, are not subject to the requirements applicable to Subordinated Debt, discussed elsewhere in this subpart, irrespective of the date of issuance.

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PART 741—REQUIREMENTS FOR INSURANCE

■ 6. The authority citation for part 741 continues to read as follows:

Authority: 12 U.S.C. 1757, 1766(a), 1781–1790, and 1790d; 31 U.S.C. 3717.

■ 7. Amend § 741.204 by revising paragraph (c) to read as follows:

§ 741.204 Maximum public unit and nonmember accounts, and low-income designation.

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(c) Follow the requirements of § 702.414 of this chapter for any Grandfathered Secondary Capital (as defined in part 702 of this chapter).

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DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

24 CFR Parts 5 and 200

[Docket No. FR–6160–N–02]

Notice of Continuation of Demonstration To Assess the National Standards for the Physical Inspection of Real Estate and Associated Protocols

AGENCY: Office of the Assistant Secretary for Housing; Office of the Assistant Secretary for Public and Indian Housing, U.S. Department of Housing and Urban Development.

ACTION: Demonstration continuation.

SUMMARY: Through this notification, HUD announces the continuation of the Demonstration to Assess the National Standards for the Physical Inspection of Real Estate and Associated Protocols through April 30, 2023. This demonstration allows HUD to test the NSPIRE standards and protocols as the means for assessing the physical conditions of HUD-assisted and HUD-insured housing. The continuation provides the authority to further evaluate and refine the future state of HUD’s physical inspection model.

DATES: The demonstration continuation is effective September 28, 2021.

FOR FURTHER INFORMATION CONTACT:

Timothy Weese, NSPIRE Program Manager, Office of Public and Indian Housing, Department of Housing and Urban Development, 550 12th Street SW, Suite 100, Washington, DC 20410–4000, telephone number 202–475–8811 (this is not a toll-free number) or via email to NSPIRE@hud.gov. Persons with hearing or speech impairments may contact the numbers above via TTY by calling the Federal Relay Service at 800–877–8339 (this is a toll-free number).

SUPPLEMENTARY INFORMATION: On August 21, 2019, the U.S. Department of Housing and Urban Development published a document implementing the “Demonstration To Assess the National Standards for the Physical Inspection of Real Estate and Associated Protocols.” (“the 2019 document”).¹ Through this demonstration, HUD is collecting, processing, and evaluating physical inspection data and information, and is improving and refining the NSPIRE model. The NSPIRE model will revise the way that HUD-assisted housing is inspected and evaluated to reduce regulatory burden and improve HUD oversight through a unified assessment of housing quality and a prioritization of resident health and safety.

HUD has decided to extend this demonstration to assess the improvements and alignment of the inspection protocol. This decision furthers the direction contained in the Joint Explanatory Statement accompanying the Consolidated Appropriations Act of 2016, Public Law 114–113, approved December 18, 2015; the statutory requirements detailed in the Economic Growth and Recovery, Regulatory Relief, and Consumer Protection Act of 2018, Public Law 115–174;² and the proposed guidance the Department has outlined in the *Economic Growth, Regulatory Relief, and Consumer Protection Act: Implementation of National Standards for the Physical Inspection of Real Estate* proposed rule.³ All participant

¹ Originally announced in the *Notice of Demonstration To Assess the National Standards for the Physical Inspection of Real Estate and Associated Protocols*, 84 FR 43536 (August 21, 2019) <https://www.federalregister.gov/documents/2019/08/21/2019-17910/notice-of-demonstration-to-assess-the-national-standards-for-the-physical-inspection-of-real-estate>.

² The text of the *Economic Growth Act*, along with a summary prepared by the Congressional Research Service, can be found at <https://www.congress.gov/bills/115/congress/senate-bill/2155/text>.

³ See *Economic Growth Regulatory Relief and Consumer Protection Act: Implementation of National Standards for the Physical Inspection of Real Estate (NSPIRE)*, 86 FR 2582 (January 13, 2021) <https://www.federalregister.gov/documents/2021/>

and program-specific requirements highlighted in the 2019 document continue to apply, including the extension of the inspection periodicity for participating properties as outlined in section V. HUD extends this demonstration through April 30, 2023. HUD may amend the demonstration dates in response to changes in programmatic and environmental conditions through subsequent **Federal Register** publications.

This notification provides operating instructions and procedures in connection with activities under a **Federal Register** document that has previously been subject to a required environmental review. Accordingly, under § 50.19(c)(4), this notification is categorically excluded from environmental review under the National Environmental Policy Act (42 U.S.C. 4321, *et seq.*)

Dominique G. Blom,

General Deputy Assistant Secretary for Public and Indian Housing.

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ENVIRONMENTAL PROTECTION AGENCY

40 CFR Part 52

[EPA-R09-OAR-2020-0567; FRL-9001-01-R9]

Air Plan Approval; Hawaii; Interstate Transport for the 2015 Ozone NAAQS

AGENCY: Environmental Protection Agency (EPA).

ACTION: Proposed rule.

SUMMARY: The Environmental Protection Agency (EPA) is proposing to approve a state implementation plan (SIP) submission from the State of Hawaii addressing requirements in the Clean Air Act (CAA or “Act”) regarding interstate transport for the 2015 ozone national ambient air quality standards (NAAQS). Hawaii submitted a SIP revision on November 12, 2019 addressing the CAA provision prohibiting any source or other type of emissions activity in one state from emitting any air pollutant in amounts that will contribute significantly to nonattainment or interfere with maintenance of the NAAQS in any other state (“the good neighbor provision”). The EPA is proposing to approve Hawaii’s good neighbor SIP revision for the 2015 ozone NAAQS.

01/13/2021-00098/economic-growth-regulatory-relief-and-consumer-protection-act-implementation-of-national-standards.

DATES: Any comments must arrive by October 28, 2021.

ADDRESSES: Submit your comments, identified by Docket ID No. EPA-R09-OAR-2020-0567 at <https://www.regulations.gov>. Follow the online instructions for submitting comments at [Regulations.gov](https://www.regulations.gov). Once submitted, comments cannot be edited or removed from [Regulations.gov](https://www.regulations.gov). The EPA may publish any comment received to its public docket. Do not submit electronically any information you consider to be Confidential Business Information (CBI) or other information whose disclosure is restricted by statute. Multimedia submissions (audio, video, etc.) must be accompanied by a written comment. The written comment is considered the official comment and should include discussion of all points you wish to make. The EPA will generally not consider comments or comment contents located outside of the primary submission (*i.e.*, on the web, cloud, or other file sharing system). For additional submission methods, or if you need assistance in a language other than English or if you are a person with disabilities who needs a reasonable accommodation at no cost to you, please contact the person identified in the **FOR FURTHER INFORMATION CONTACT** section. For the full EPA public comment policy, information about CBI or multimedia submissions, and general guidance on making effective comments, please visit <https://www.epa.gov/dockets/commenting-epa-dockets>.

FOR FURTHER INFORMATION CONTACT: Tom Kelly, EPA Region IX, (415) 972-3856, kelly.thomasp@epa.gov. If you need assistance in a language other than English or if you are a person with disabilities who needs a reasonable accommodation at no cost to you, please contact the person identified in the **FOR FURTHER INFORMATION CONTACT** section.

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

I. Background

On October 1, 2015, the EPA promulgated a revision to the ozone NAAQS (“2015 ozone NAAQS”), lowering the level of both the primary and secondary standards to 0.070 parts per million (ppm).¹ Section 110(a)(1) of the CAA requires states to submit, within 3 years after promulgation of a new or revised standard, SIP

¹ National Ambient Air Quality Standards for Ozone, Final Rule, 80 FR 65292 (October 26, 2015). Although the level of the standard is specified in the units of ppm, ozone concentrations are also described in parts per billion (ppb). For example, 0.070 ppm is equivalent to 70 ppb.

submissions meeting the applicable requirements of section 110(a)(2).² One of these applicable requirements is found in section 110(a)(2)(D)(i)(I), otherwise known as the good neighbor provision, which generally requires SIPs to contain adequate provisions to prohibit in-state emissions activities from having certain adverse air quality effects on other states due to interstate transport of pollution. There are two so-called “prongs” within CAA section 110(a)(2)(D)(i)(I). A SIP for a new or revised NAAQS must contain adequate provisions prohibiting any source or other type of emissions activity within the state from emitting air pollutants in amounts that will: Significantly contribute to nonattainment of the NAAQS in another state (prong 1); or interfere with maintenance of the NAAQS in another state (prong 2). The EPA and states must give independent significance to prong 1 and prong 2 when evaluating downwind air quality problems under CAA section 110(a)(2)(D)(i)(I).³

We note that the EPA has addressed the interstate transport requirements of CAA section 110(a)(2)(D)(i)(I) with respect to prior ozone NAAQS in several regional regulatory actions, including the Cross-State Air Pollution Rule (CSAPR), which addressed interstate transport with respect to the 1997 ozone NAAQS as well as the 1997 and 2006 fine particulate matter standards,⁴ the CSAPR Update, and, most recently, the Revised CSAPR Update for the 2008 ozone NAAQS.^{5 6}

Through the development and implementation of CSAPR and other regional rulemakings pursuant to the good neighbor provision,⁷ the EPA,

² SIP revisions that are intended to meet the applicable requirements of section 110(a)(1) and (2) of the CAA are often referred to as infrastructure SIPs and the applicable elements under 110(a)(2) are referred to as infrastructure requirements.

³ See *North Carolina v. EPA*, 531 F.3d 896, 909–911 (2008).

⁴ 76 FR 48208 (August 8, 2011).

⁵ The Revised Cross-State Air Pollution Rule Update for the 2008 Ozone NAAQS (86 FR 23054; April 30, 2021) was signed by the EPA Administrator on March 15, 2021 and responded to the remand of the CSAPR Update (81 FR 74504; October 26, 2016) and the vacatur of a separate rule, the CSAPR Close-Out (83 FR 65878; December 21, 2018) by the D.C. Circuit. *Wisconsin v. EPA*, 938 F.3d 303 (D.C. Cir. 2019); *New York v. EPA*, 781 F. App’x. 4 (D.C. Cir. 2019).

⁶ In 2019, the D.C. Circuit Court of Appeals remanded the CSAPR Update to the extent it failed to require upwind states to eliminate their significant contribution by the next applicable attainment date by which downwind states must come into compliance with the NAAQS, as established under CAA section 181(a). 938 F.3d 303, 313.

⁷ In addition to the CSAPR rulemakings, other regional rulemakings addressing ozone transport

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