

Pub. L. 107–295, 116 Stat. 2064; Department of Homeland Security Delegation No. 0170.1.

■ 2. Add § 165.T01–1072 to read as follows:

§ 165.T01–1072 Safety Zone: Congress Street Bridge, Pequonnock River, Bridgeport, Connecticut.

(a) *Location.* The following area is a safety zone: All navigable waters of the Pequonnock River in Bridgeport, Connecticut, from surface to bottom, within 100 yards to either side of the Congress Street Bridge.

(b) *Definitions.* The following definitions apply to this section: *Designated on-scene patrol personnel*, means any commissioned, warrant, and petty officers of the Coast Guard on board Coast Guard, Coast Guard Auxiliary, and local, State, and Federal law enforcement vessels who have been authorized to act on the behalf of the Captain of the Port, Long Island Sound.

(c) *Regulations.* (1) The general regulations contained in 33 CFR 165.23 apply.

(2) In accordance with the general regulations in § 165.23 of this part, entry into or movement within this zone is prohibited unless authorized by the Captain of the Port (COTP), Long Island Sound.

(3) All persons and vessels must comply with the Coast Guard Captain of the Port or designated on-scene patrol personnel.

(4) Upon being hailed by siren, radio, flashing light or other means from a U.S. Coast Guard vessel or other vessel with on-scene patrol personnel aboard, the operator of the vessel shall proceed as directed.

(5) Persons and vessels may request permission to enter the zone on VHF–16 or via phone at (203) 468–4401.

(d) *Effective dates.* The safety zone is being established from 11:59 p.m. on January 31, 2010, to 11:59 p.m. on April 16, 2010. Marine traffic may continue to transit the area during the January 1 to January 31 and April 17 to May 15 portions of the project. While the channel is open and the safety zone is not in place, mariners are still advised to transit the area with extreme caution.

Dated: December 29, 2009.

D.A. Ronan,

Captain, U.S. Coast Guard, Captain of the Port Long Island Sound.

[FR Doc. 2010–1003 Filed 1–20–10; 8:45 am]

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DEPARTMENT OF EDUCATION

34 CFR Subtitle B, Chapter II

[Docket ID ED–2009–OESE–0010]

RIN 1810–AB06

School Improvement Grants; American Recovery and Reinvestment Act of 2009 (ARRA); Title I of the Elementary and Secondary Education Act of 1965, as Amended (ESEA)

ACTION: Interim final requirements for School Improvement Grants authorized under section 1003(g) of Title I of the ESEA; request for comments.

SUMMARY: The U.S. Secretary of Education (Secretary) amends the final requirements for School Improvement Grants (SIG) authorized under section 1003(g) of Title I of the ESEA and funded through both the Consolidated Appropriations Act, 2009 (Pub. L. 111–8) and the ARRA to incorporate new authority included in the Consolidated Appropriations Act, 2010 (Pub. L. 111–117) applicable to fiscal year (FY) 2010 SIG funds and FY 2009 ARRA SIG funds. Specifically, the Consolidated Appropriations Act, 2010 expands the group of schools that are eligible to receive SIG funds. In addition, the Consolidated Appropriations Act, 2010 raises the maximum amount of SIG funds that a State educational agency (SEA) may award to a local educational agency (LEA) for each participating school from \$500,000 to \$2,000,000. This notice incorporates these changes into the final SIG requirements that the Department published on December 10, 2009.

DATES: These requirements are effective February 8, 2010. We must receive your comments by February 22, 2010.

ADDRESSES: Submit your comments through the Federal eRulemaking Portal or via postal mail, commercial delivery, or hand delivery. We will not accept comments by fax or by e-mail. Please submit your comments only one time, in order to ensure that we do not receive duplicate copies. In addition, please include the Docket ID at the top of your comments.

• *Federal eRulemaking Portal:* Go to <http://www.regulations.gov> to submit your comments electronically. Information on using Regulations.gov, including instructions for accessing agency documents, submitting comments, and viewing the docket, is available on the site under “How To Use This Site.”

• *Postal Mail, Commercial Delivery, or Hand Delivery:* If you mail or deliver your comments about these interim final

requirements, address them to Dr. Zollie Stevenson, Jr., U.S. Department of Education, 400 Maryland Avenue, SW., room 3W320, Washington, DC 20202.

Privacy Note: The Department’s policy for comments received from members of the public (including those comments submitted by mail, commercial delivery, or hand delivery) is to make these submissions available for public viewing in their entirety on the Federal eRulemaking Portal at <http://www.regulations.gov>. Therefore, commenters should be careful to include in their comments only information that they wish to make publicly available on the Internet.

FOR FURTHER INFORMATION CONTACT: Dr. Zollie Stevenson, Jr. Telephone: 202–260–0826 or by e-mail: Zollie.Stevenson@ed.gov.

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

Individuals with disabilities can obtain this document in an accessible format (e.g., braille, large print, audiotope, or computer diskette) on request to the contact person listed under **FOR FURTHER INFORMATION CONTACT**.

SUPPLEMENTARY INFORMATION:

Invitation to Comment:

We invite you to submit comments regarding these interim final requirements. To ensure that your comments have maximum effect in developing the final requirements, we urge you to identify clearly the specific section or sections of the interim final requirements that each of your comments addresses and to arrange your comments in the same order as the interim final requirements.

We invite you to assist us in complying with the specific requirements of Executive Order 12866 and its overall requirement of reducing regulatory burden that might result from these interim final requirements. Please let us know of any further opportunities we should take to reduce potential costs or increase potential benefits while preserving the effective and efficient administration of the SIG program.

During and after the comment period you may inspect all public comments about these interim final requirements by accessing Regulations.gov. You may also inspect the comments, in person, in room 3W100, 400 Maryland Avenue, SW., Washington, DC, between the hours of 8:30 a.m. and 4:00 p.m., Washington, DC time, Monday through Friday of each week except Federal holidays.

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

Background: The Secretary published final requirements for the SIG program in the **Federal Register** on December 10, 2009 (74 FR 65618). Subsequently, on December 16, 2009, the President signed into law the Consolidated Appropriations Act, 2010, which contains FY 2010 appropriations for the Department, and which also includes two provisions applicable to the use of both FY 2010 SIG funds and FY 2009 ARRA SIG funds. First, the Consolidated Appropriations Act, 2010 expands eligibility for participation in the SIG program by permitting an SEA to award SIG funds for, and for an LEA to use those funds to serve, any school that is eligible to receive assistance under Title I, Part A and that: (1) Has not made adequate yearly progress (AYP) for at least two years; or (2) is in the State's lowest quintile of performance based on proficiency rates. With respect to secondary schools, the Consolidated Appropriations Act, 2010 gives priority to high schools with graduation rates below 60 percent. Second, the Consolidated Appropriations Act, 2010 raises the maximum subgrant size for a participating school from \$500,000 to \$2,000,000.¹

These interim final requirements incorporate this new authority into the final SIG requirements that were

published on December 10, 2009. Although the interim final requirements give an SEA discretion to expand the group of schools that are eligible to receive SIG funds, the purpose of the SIG program remains the same: to provide funds to LEAs that demonstrate the greatest need for the funds and the strongest commitment to use the funds to turn around their persistently lowest-achieving schools and significantly raise student achievement in those schools.

Waiver of Rulemaking and Delayed Effective Date: Under the Administrative Procedure Act (APA) (5 U.S.C. 553), the Department is generally required to publish a notice of proposed rulemaking and provide the public with an opportunity to comment on proposed regulations prior to establishing a final rule. However, we are waiving the notice-and-comment rulemaking requirements under the APA. Section 553(b) of the APA provides that an agency is not required to conduct notice-and-comment rulemaking when the agency for good cause finds that notice and public procedure thereon are impracticable, unnecessary, or contrary to the public interest. Although these requirements are subject to the APA's notice-and-comment requirements, the Secretary has determined that it would be impracticable, unnecessary, and contrary to the public interest to conduct notice-and-comment rulemaking.

As noted above, these interim final requirements are needed to incorporate the new SIG authority provided by the Consolidated Appropriations Act, 2010 into the final SIG requirements published on December 10, 2009. Those final requirements take effect on February 8, 2010, also the date by which State applications for SIG funds are due to the Department. The Department must award FY 2009 SIG funds to SEAs by September 30, 2010 or the funds will lapse. Even on an extremely expedited timeline, it is impracticable for the Department to conduct notice-and-comment rulemaking and then promulgate final requirements in time to make grant awards to States by the September 30 deadline. Publishing a notice of proposed rulemaking, reviewing the public comments, and issuing final regulations normally takes at least six months. We are concerned that, when added to the time the Department will need to receive, review, and approve State applications for SIG funds, the Department may not be able to allocate FY 2009, including ARRA, SIG funds to all States by September 30, 2010. With \$3.5 billion at stake, it would be impracticable and contrary to the public interest for the Department to

take this risk. Issuing these interim final requirements permits the Department to maintain the current State application timeline.

Additionally, the Department has recently concluded notice-and-comment rulemaking on the final SIG requirements. These interim final requirements incorporate the new authority in the Consolidated Appropriations Act, 2010 into the existing final SIG requirements with only minimal, necessary changes. Accordingly, and in order to make timely grant awards for FY 2009, the Secretary is issuing these interim final requirements without first publishing proposed requirements for public comment.

Although the Department is adopting these requirements on an interim final basis, the Department requests public comment on these requirements. After consideration of public comments, the Secretary will publish final requirements.

The APA also requires that a substantive rule be published at least 30 days before its effective date, except as otherwise provided for good cause (5 U.S.C. 553(d)(3)). For the reasons outlined in the preceding paragraphs, the Secretary has determined that a delayed effective date for these interim final requirements would be unnecessary and contrary to the public interest, and that good cause exists to waive the requirement for a delayed effective date.

Summary of the Interim Final Requirements:

We discuss substantive changes to the final SIG requirements published on December 10, 2009 under the sections of the interim final requirements to which they pertain.

Section I.A.1—defining “greatest need”:

Statute: Section 1003(g) of the ESEA limits eligibility for school improvement funds to Title I schools in improvement, corrective action, or restructuring. The Consolidated Appropriations Act, 2010 expands the group of schools eligible to be served with SIG funds to include any school that is eligible to receive Title I, Part A funds (including schools that receive Title I, Part A funds and those that do not) and that (1) has not made AYP for at least two years, or (2) is in the State's lowest quintile of performance based on proficiency rates. In the case of secondary schools, the Consolidated Appropriations Act, 2010 requires that priority be given to those schools with graduation rates below 60 percent.

Current final requirements: Section I.A.1 defines three tiers of schools. A

¹ These two provisions apply only to FY 2009 ARRA SIG funds and FY 2010 SIG funds; they do not apply to SIG funds made available through the Consolidated Appropriations Act, 2009 (*i.e.*, the regular FY 2009 SIG funds). Therefore, prior to October 1, 2010, regular FY 2009 SIG funds cannot be spent pursuant to the flexibility in these provisions. Regular FY 2009 SIG funds, however, become subject to the requirements applicable to FY 2010 SIG funds on October 1, 2010 when they become carryover funds. See section 421(b)(2)(A) of the General Education Provisions Act (20 U.S.C. 1225(b)(2)(A)). Accordingly, in order to ensure compliance with the Consolidated Appropriations Act, 2010, we will consider LEAs' obligations of SIG funds in the State as a whole prior to October 1, 2010 to come from the State's allocation of FY 2009 ARRA SIG funds, which we believe in every State will be more than sufficient to cover those obligations. Beginning October 1, 2010, LEAs may use all SIG funds, including regular FY 2009 SIG funds, pursuant to the flexibility in these provisions, consistent with the final requirements as amended.

Tier I school is any Title I school in improvement, corrective action, or restructuring that is identified by the SEA as a “persistently lowest-achieving school.” As such, the school is among the lowest-achieving five percent of Title I schools in improvement, corrective action, or restructuring in the State (or the lowest-achieving five such schools) or is a Title I high school that has had a graduation rate that is less than 60 percent over a number of years.

A Tier II school is any secondary school that is eligible for, but does not receive, Title I, Part A funds and that is identified by the SEA as a “persistently lowest-achieving school.” As such, the school is among the lowest-achieving five percent of such secondary schools in the State (or the lowest-achieving five such secondary schools) or is a high school that has had a graduation rate that is less than 60 percent over a number of years.

A Tier III school is any Title I school in improvement, corrective action, or restructuring that is not a Tier I school.

Interim final requirements: The interim final requirements amend the definitions of Tier I, Tier II, and Tier III schools to incorporate the expanded eligibility provided for in the Consolidated Appropriations Act, 2010. The interim final requirements do not change the definition of “persistently lowest-achieving schools” as that definition is used to define Tier I and Tier II schools. An SEA must use this definition to identify the persistently lowest-achieving schools in the State, which will comprise at least part of the schools in Tier I and Tier II. The SEA must also identify the schools in Tier III—*i.e.*, the Title I schools in improvement, corrective action, or restructuring that are not in Tier I. The interim final requirements permit an SEA, at its option, to identify additional schools in each tier.

With respect to Tier I, in addition to the Title I schools in improvement, corrective action, or restructuring that

an SEA has identified as persistently lowest-achieving schools, the SEA may identify any elementary school that (1) is eligible to receive Title I, Part A funds (including schools that receive Title I, Part A funds and those that do not); (2) either has not made AYP for at least two consecutive years or is in the State’s lowest quintile of performance based on proficiency rates on the State’s assessments under section 1111(b)(3) of the ESEA in reading/language arts and mathematics combined; and (3) is no higher achieving on the State’s assessments combined than the highest-achieving Tier I school that the SEA has identified under paragraph (a)(1)(i) of the definition of “persistently lowest-achieving schools.” These newly eligible schools may be Title I schools that are not identified for improvement, corrective action, or restructuring or schools eligible for, but not receiving, Title I, Part A funds, provided they meet the criteria in section I.A.1(a)(ii) of the interim final requirements.

With respect to Tier II, in addition to the secondary schools that are eligible for, but do not receive, Title I, Part A funds and that an SEA has identified as persistently lowest-achieving schools, the SEA may identify any secondary school that (1) is eligible to receive Title I, Part A funds (including schools that receive Title I, Part A funds and those that do not); (2) either has not made AYP for at least two consecutive years or is in the State’s lowest quintile of performance based on proficiency rates on the State’s assessments under section 1111(b)(3) of the ESEA in reading/language arts and mathematics combined; and (3) either is no higher achieving on the State’s assessments combined than the highest-achieving Tier II school that the SEA has identified under paragraph (a)(2)(i) of the definition of “persistently lowest-achieving schools” or is a high school that has had a graduation rate that is less than 60 percent over a number of years. Tier II secondary schools that an

SEA has identified as persistently lowest-achieving schools—*i.e.*, secondary schools that are eligible for, but do not receive, Title I, Part A funds—are eligible without the need for an SEA or LEA to obtain a waiver of section 1003(g)’s limitation on serving only Title I schools in improvement, corrective action, or restructuring. Tier II also may now include Title I secondary schools that are or are not in improvement, corrective action, or restructuring if those schools meet the criteria in section I.A.1(b)(ii) of the interim final requirements and are not already captured in Tier I.

With respect to Tier III, in addition to any Title I school in improvement, corrective action, or restructuring that is not a Tier I school, an SEA may identify any school that (1) is eligible for Title I, Part A funds (including schools that receive Title I, Part A funds and those that do not); (2) has not made AYP for at least two years or is in the State’s lowest quintile of performance based on proficiency rates on the State’s assessments under section 1111(b)(3) of the ESEA in reading/language arts and mathematics combined; and (3) does not meet the requirements to be a Tier I or Tier II school. Thus, a Tier III school may be a Title I school in improvement, corrective action, or restructuring, a school that receives Title I, Part A funds that is not in improvement, or a school that is eligible for, but does not receive, Title I, Part A funds, provided the school meets one of the two criteria in section I.A.1(c)(ii)(A).

To illustrate further the changes we are making with respect to how an SEA identifies a newly eligible school as a Tier I, Tier II, or Tier III school, we are providing the following chart. The left column represents the schools an SEA must identify in each of Tiers I, II, and III; the right column represents the newly eligible schools based on the Consolidated Appropriations Act, 2010 that an SEA may, but is not required to, identify in Tiers I, II, and III.

	Schools an SEA MUST identify in each tier	Newly eligible schools an SEA MAY identify in each tier
Tier I	Schools that meet the criteria in paragraph (a)(1) in the definition of “persistently lowest-achieving schools.” ¹	Title I eligible ² elementary schools that are no higher achieving than the highest-achieving school that meets the criteria in paragraph (a)(1)(i) in the definition of “persistently lowest-achieving schools” and that are: <ul style="list-style-type: none"> • In the bottom 20% of all schools in the State based on proficiency rates; or • Have not made AYP for two consecutive years.
Tier II	Schools that meet the criteria in paragraph (a)(2) in the definition of “persistently lowest-achieving schools.”	Title I eligible secondary schools that are (1) no higher achieving than the highest-achieving school that meets the criteria in paragraph (a)(2)(i) in the definition of “persistently lowest-achieving schools” or (2) high schools that have had a graduation rate of less than 60 percent over a number of years and that are:

	Schools an SEA MUST identify in each tier	Newly eligible schools an SEA MAY identify in each tier
		<ul style="list-style-type: none"> • In the bottom 20% of all schools in the State based on proficiency rates; <i>or</i> • Have not made AYP for two consecutive years.
Tier III	Title I schools in improvement, corrective action, or restructuring that are not in Tier I. ³	Title I eligible schools that do not meet the requirements to be in Tier I or Tier II <i>and</i> that are: <ul style="list-style-type: none"> • In the bottom 20% of all schools in the State based on proficiency rates; <i>or</i> • Have not made AYP for two years.

Notes to Chart:

¹ “Persistently lowest-achieving schools” means, as determined by the State—

(a)(1) Any Title I school in improvement, corrective action, or restructuring that—

(i) Is among the lowest-achieving five percent of Title I schools in improvement, corrective action, or restructuring or the lowest-achieving five Title I schools in improvement, corrective action, or restructuring in the State, whichever number of schools is greater; *or*

(ii) Is a high school that has had a graduation rate as defined in 34 CFR 200.19(b) that is less than 60 percent over a number of years; *and*

(2) Any secondary school that is eligible for, but does not receive, Title I funds that—

(i) Is among the lowest-achieving five percent of secondary schools or the lowest-achieving five secondary schools in the State that are eligible for, but do not receive, Title I funds, whichever number of schools is greater; *or*

(ii) Is a high school that has had a graduation rate as defined in 34 CFR 200.19(b) that is less than 60 percent over a number of years.

² For the purposes of schools that *may* be added to Tier I, Tier II, or Tier III, “Title I eligible” schools may be schools that are eligible for, but do not receive, Title I, Part A funds *or* schools that are Title I participating (*i.e.*, schools that are eligible for and do receive Title I, Part A funds).

³ Certain Title I schools in improvement, corrective action, or restructuring that are not in Tier I may be in Tier II rather than Tier III. In particular, Title I secondary schools in improvement, corrective action, or restructuring that are not in Tier I may be in Tier II if they meet the criteria in section I.A.1(b)(ii)(A)(2) and (B) and an SEA chooses to include them in Tier II.

Reasons: These changes are needed to incorporate into the final SIG requirements the expanded authority in the Consolidated Appropriations Act, 2010 with respect to eligible schools. It is important to note that an SEA has the option to add these newly eligible schools to its lists of Tier I, Tier II, and Tier III schools in accordance with these interim final requirements, but the SEA is not required to do so. Moreover, if an SEA chooses to add newly eligible schools at all, it has the flexibility to add only a subset of those schools to its lists of Tier I, Tier II, and Tier III schools. For example, an SEA might choose to add newly eligible schools to Tier I and Tier II but not to Tier III, or it might add to Tier III only newly eligible schools that are in the lowest decile (rather than quintile) of schools in the State based on proficiency rates.

An LEA may apply to serve only schools that are included in an SEA’s definition of Tier I, Tier II, and Tier III schools.

We note that the Consolidated Appropriations Act, 2010 also requires that, “in the case of secondary schools, priority shall be given to those schools with graduation rates below 60 percent.” This priority is accounted for in the definition of “persistently lowest-achieving schools,” which requires an SEA to identify any Title I high school in improvement, corrective action, or restructuring and any secondary school that is eligible for, but does not receive, Title I, Part A funds that has a graduation rate of less than a 60 percent over a number of years.

Sections I.B.2 and I.B.3—waivers for Tier I and Tier II Title I participating schools:

Statute: Section 1116(b) of the ESEA prescribes a school improvement timeline for a Title I school that misses AYP for at least two consecutive years. Section 1114(a) of the ESEA authorizes a Title I school with a poverty percentage of at least 40 percent to operate a schoolwide program; a school that does not meet that poverty threshold may provide Title I services only to identified students who are failing, or most at risk of failing, to meet State standards.

Current final requirements: Section I.B.2 permits an SEA to seek a waiver of the school improvement timeline in section 1116(b) of the ESEA for any Tier I school—*i.e.*, a Title I school in improvement, corrective action, or restructuring—that implements a turnaround or restart model as defined in section I.A.2(a) and (b). Section I.B.3 permits an SEA to seek a waiver of the poverty threshold in section 1114(a) for any Tier I school below that threshold in order that the school may implement one of the school intervention models defined in section I.A.2 through a schoolwide program.

Interim final requirements: The interim final requirements amend section I.B.2 to clarify that an SEA may seek a waiver of the school improvement timeline in section 1116(b) with respect to a Tier I or Tier II Title I participating school that implements a turnaround or restart model. The interim final requirements also amend section I.B.3 to clarify that an SEA may seek a waiver of the

schoolwide program poverty threshold in section 1114(a) with respect to a Tier I or Tier II Title I participating school below that threshold in order that the school may implement one of the school intervention models through a schoolwide program.

Reasons: In expanding eligibility, the Consolidated Appropriations Act, 2010 created the possibility of identifying as Tier II schools secondary schools that receive Title I, Part A funds. It also created the possibility of identifying as Tier I schools elementary schools that are eligible for, but do not receive, Title I, Part A funds. Accordingly, we are clarifying in sections I.B.2 and I.B.3 that waivers of sections 1116(b) and 1114(a) of the ESEA would be appropriate for Tier II schools that receive Title I, Part A funds as well as for Tier I schools that receive Title I, Part A funds. The phrase “Title I participating school”—*i.e.*, a school that receives Title I, Part A funds—has been added in both sections; waivers are not necessary for non-Title I schools in either Tier I or Tier II because the requirements in sections 1116 and 1114 do not apply to those schools.

Section I.B.4—waiver to serve a Tier II school:

Statute: Section 1003(g) of the ESEA requires an SEA to award SIG funds only to LEAs with one or more Title I schools in improvement, corrective action, or restructuring. The Consolidated Appropriations Act, 2010 expands the group of schools eligible to be served with SIG funds to include any school that is eligible to receive Title I, Part A funds, including Tier II

secondary schools that are eligible for, but do not receive, those funds.

Current final requirements: Section I.B.4 permits an SEA to seek a waiver from the Secretary to enable an LEA to use SIG funds to serve a Tier II secondary school that is eligible for, but does not receive, Title I, Part A funds.

Interim final requirements: The interim final requirements remove section I.B.4.

Reasons: Section I.B.4 is no longer needed. Because the Consolidated Appropriations Act, 2010 authorizes an SEA and LEA to use SIG funds to serve secondary schools that are eligible for, but do not receive, Title I, Part A funds, an SEA no longer needs a waiver to do so.

Section II.A.1—LEA eligibility:

Statute: Section 1003(g) of the ESEA requires an SEA to award SIG funds only to LEAs with Title I schools in improvement, corrective action, or restructuring. The Consolidated Appropriations Act, 2010 expands this eligibility to permit an SEA to award SIG funds to LEAs that have a school eligible to receive assistance under Title I, Part A that has not made AYP for at least two years or is in the State's lowest quintile of performance based on proficiency rates.

Current final requirements: Section II.A.1 makes clear that, to apply for a SIG grant, an LEA must have one or more schools in Tier I or Tier III. In other words, the current requirements provide that, to be eligible for SIG funds, an LEA must have one or more Title I schools in improvement, corrective action, or restructuring.

Interim final requirements: The interim final requirements amend section II.A.1 to make clear that an LEA may apply for a SIG grant if the LEA receives Title I, Part A funds and has one or more schools that qualify under the State's definition of a Tier I, Tier II, or Tier III school.

Reasons: Based on the expanded eligibility authorized by the Consolidated Appropriations Act, 2010, an LEA may apply for a SIG grant even if it does not have any Title I schools in improvement, corrective action, or restructuring, provided the LEA has one or more schools that are eligible for Title I, Part A funds and meet the criteria in section I.A.1(a) (definition of Tier I schools), (b) (definition of Tier II schools), or (c) (definition of Tier III schools) as defined by the SEA. Accordingly, to be eligible, an LEA must have one or more schools that meet the SEA's definition of a Tier I, Tier II, or Tier III school.

Sections II.A.4 and II.A.5—LEA's budget:

Statute: Section 1003(g)(5) of the ESEA requires an SEA to allocate to an LEA "not less than \$50,000 and not more than \$500,000 for each participating school." The Consolidated Appropriations Act, 2010 raises the maximum amount per participating school from \$500,000 to \$2,000,000.

Current final requirements: Sections II.A.4 and II.A.5 recognize that an LEA's budget will likely need to exceed the statutory maximum of \$500,000 for most Tier I and Tier II schools in order for the LEA to implement fully and effectively three of the four school intervention models. Under the current final SIG requirements, additional funds needed to implement school intervention models in Tier I and Tier II schools would be generated by Tier III schools. Section II.A.5 provides that services for a Tier III school do not need to be commensurate with the funds an SEA allocates to the LEA for the school.

Interim final requirements: The interim final requirements remove language that is no longer necessary from sections II.A.4 and II.A.5 regarding an LEA's budget. In section II.A.4, we are removing the last two sentences. We are amending section II.A.5 to read "The LEA's budget for each Tier III school it commits to serve must include the services it will provide the school, particularly if the school meets additional criteria established by the SEA."

Reasons: Because the Consolidated Appropriations Act, 2010 raises the maximum amount for each participating school from \$500,000 to \$2,000,000, an LEA's budget can reflect more accurately the actual amount needed to implement one of the four school intervention models in each Tier I and Tier II school the LEA commits to serve. Moreover, the LEA may budget more accurately for its Tier III schools without concern that they generate funds for the LEA's Tier I and Tier II schools.

Section II.A.6—SIG funds are supplemental:

Statute: Section 1114(a)(2)(B) of the ESEA requires an LEA to allocate to a Title I school operating a schoolwide program "the amount of funds that would, in the absence of [Title I, Part A funds], be made available from non-Federal sources for the school, including funds needed to provide services that are required by law for children with disabilities and children with limited English proficiency."

Current final requirements: None.

Interim final requirements: The interim final requirements add section II.A.6, which requires an LEA that commits to serve one or more Tier I,

Tier II, or Tier III schools that do not receive Title I, Part A funds to ensure that each of those schools receives all of the State and local funds it would have received in the absence of the SIG funds.

Reasons: Under the current final SIG requirements, a Tier I school must be a Title I school operating a schoolwide program in order to implement one of the school intervention models. Accordingly, under section 1114(a)(2)(B) of the ESEA, the LEA must provide the school all of the non-Federal funds that would have been available to the school in the absence of Title I, Part A funds. Thus, both Title I, Part A funds and SIG funds are supplemental to the State and local funds the school receives. To ensure that SIG funds are also supplemental in Tier II schools, which are not Title I schools under the final SIG requirements and, thus, are not covered by section 1114(a)(2)(B), we intended to condition a waiver permitting an LEA to serve Tier II schools on the LEA's providing all State and local funds to those schools that they otherwise would have received. Now that the Consolidated Appropriations Act, 2010 has made non-Title I schools eligible as Tier I, Tier II, and Tier III schools without need for a waiver, we cannot ensure that SIG funds will be supplemental to State and local funds without establishing the requirement in section II.A.6.

Sections II.B.4 and II.B.7—priority for funding Tier I and Tier II schools:

Statute: Section 1003(g)(6) of the ESEA requires an SEA to give priority, in awarding SIG grants, to LEAs that demonstrate the greatest need for the funds and the strongest commitment to ensuring that the funds are used to provide adequate resources to enable the lowest-achieving schools to raise student achievement.

Current final requirements: Section II.B.4 requires an SEA to give priority to LEAs that apply to serve both Tier I and Tier II schools and then give priority to LEAs that apply to serve Tier I, but not Tier II, schools. Section II.B.7 requires an SEA to award funds to LEAs that apply to serve only Tier III schools only after it funds all LEAs that apply to serve Tier I or Tier II schools.

Interim final requirements: The interim final requirements amend sections II.B.4 and II.B.7 (as well as various other sections—e.g., sections I.A.4(a), II.A.1, II.A.3) to give equal status to Tier I and Tier II schools. Accordingly, sections II.B.4 and II.B.7 make clear that an LEA that applies to serve either Tier I or Tier II schools receives priority before an LEA that

applies to serve only Tier III schools. Moreover, as section II.B.7 makes clear, an SEA must award SIG funds to each LEA to serve the Tier I and Tier II schools that the SEA has approved the LEA to serve before awarding any funds to an LEA to serve a Tier III school. In other words, an SEA must ensure that all Tier I and Tier II schools are funded before it funds the Tier III schools identified in its LEAs' applications.

Reasons: These provisions incorporate the expanded eligibility provisions in the Consolidated Appropriations Act, 2010 to best carry out the statutory priority in the ESEA requiring an SEA to award SIG funds to LEAs with the lowest-achieving schools that demonstrate the greatest need for the funds and the strongest commitment to use the funds to raise student achievement substantially.

Section II.B.9—2010 SIG appropriations:

Statute: The Consolidated Appropriations Act, 2010 appropriated \$546 million for SIG grants in FY 2010.

Current final requirements: Section II.B.9 requires certain SEAs and permits other SEAs to carry over 25 percent of their FY 2009 SIG funds and to combine those funds with FY 2010 funds "(depending on the availability of appropriations)."

Interim final requirements: The interim final requirements remove the phrase "(depending on the availability of appropriations)" in section II.B.9(a) and (b).

Reasons: Because the Consolidated Appropriations Act, 2010 appropriated SIG funds for FY 2010, this language is no longer necessary.

Section II.C—renewal for additional one-year periods:

Statute: Section 1003(g)(5)(C) of the ESEA permits an SEA to renew an LEA's SIG grant if schools are meeting the goals under section 1116 of the ESEA.

Current final requirements: Section II.C requires an SEA to renew the SIG grant for each LEA for one-year periods if the LEA demonstrates that its Tier I and Tier II schools are meeting the requirements in section II.A.7 of the final SIG requirements and that its Tier III schools are meeting their goals under section 1116.

Interim final requirements: The interim final requirements amend section II.C(a)(i) to require Tier III schools that receive SIG funds to meet "goals established by the LEA and approved by the SEA."

Reasons: Under the expanded eligibility authority in the Consolidated Appropriations Act, 2010, non-Title I schools may now be served as Tier III

schools if they have missed AYP for at least two years or are in the lowest quintile in the State in terms of proficiency on a State's reading/language arts and mathematics assessments combined. Because those schools are not subject to meeting goals under section 1116 of the ESEA, the interim final requirements include a provision addressing accountability for those schools. This provision in the interim final requirements, therefore, treats all Tier III schools the same; however, to the extent they apply, an LEA may use as the goals for a Tier III school the goals in its school improvement plan under section 1116 of the ESEA.

Interim Final Requirements:

For the reasons discussed previously, the Secretary amends the final SIG requirements published in the **Federal Register** on December 10, 2009 (74 FR 65618) as follows:

1. Section I.A.1 is amended to read as follows:

1. *Greatest need.* An LEA with the greatest need for a School Improvement Grant must have one or more schools in at least one of the following tiers:

(a) *Tier I schools:* (i) A Tier I school is a Title I school in improvement, corrective action, or restructuring that is identified by the SEA under paragraph (a)(1) of the definition of "persistently lowest-achieving schools."

(ii) At its option, an SEA may also identify as a Tier I school an elementary school that is eligible for Title I, Part A funds that—

(A)(1) Has not made adequate yearly progress for at least two consecutive years; or

(2) Is in the State's lowest quintile of performance based on proficiency rates on the State's assessments under section 1111(b)(3) of the ESEA in reading/language arts and mathematics combined; and

(B) Is no higher achieving than the highest-achieving school identified by the SEA under paragraph (a)(1)(i) of the definition of "persistently lowest-achieving schools."

(b) *Tier II schools:* (i) A Tier II school is a secondary school that is eligible for, but does not receive, Title I, Part A funds and is identified by the SEA under paragraph (a)(2) of the definition of "persistently lowest-achieving schools."

(ii) At its option, an SEA may also identify as a Tier II school a secondary school that is eligible for Title I, Part A funds that—

(A)(1) Has not made adequate yearly progress for at least two consecutive years; or

(2) Is in the State's lowest quintile of performance based on proficiency rates on the State's assessments under section 1111(b)(3) of the ESEA in reading/language arts and mathematics combined; and

(B)(1) Is no higher achieving than the highest-achieving school identified by the SEA under paragraph (a)(2)(i) of the definition of "persistently lowest-achieving schools;" or

(2) Is a high school that has had a graduation rate as defined in 34 CFR 200.19(b) that is less than 60 percent over a number of years.

(c) *Tier III schools:* (i) A Tier III school is a Title I school in improvement, corrective action, or restructuring that is not a Tier I school.

(ii) At its option, an SEA may also identify as a Tier III school a school that is eligible for Title I, Part A funds that—

(A)(1) Has not made adequate yearly progress for at least two years; or

(2) Is in the State's lowest quintile of performance based on proficiency rates on the State's assessments under section 1111(b)(3) of the ESEA in reading/language arts and mathematics combined; and

(B) Does not meet the requirements to be a Tier I or Tier II school.

(iii) An SEA may establish additional criteria to use in setting priorities among LEA applications for funding and to encourage LEAs to differentiate among Tier III schools in their use of school improvement funds.

2. The introductory language in section I.A.4 is amended to read as follows:

4. *Evidence of strongest commitment.*

(a) In determining the strength of an LEA's commitment to ensuring that school improvement funds are used to provide adequate resources to enable Tier I and Tier II schools to improve student achievement substantially, an SEA must consider, at a minimum, the extent to which the LEA's application demonstrates that the LEA has taken, or will take, action to—

* * * * *

3. Section I.B.2 is amended to read as follows:

2. An SEA may seek a waiver from the Secretary of the requirements in section 1116(b) of the ESEA in order to permit a Tier I or Tier II Title I participating school implementing an intervention that meets the requirements under section I.A.2(a) or 2(b) of these requirements in an LEA that receives a School Improvement Grant to "start over" in the school improvement timeline. Even though a school implementing the waiver would no longer be in improvement, corrective

action, or restructuring, it may receive school improvement funds.

4. Section I.B.3 is amended to read as follows:

3. An SEA may seek a waiver from the Secretary to enable a Tier I or Tier II Title I participating school that is ineligible to operate a Title I schoolwide program and is operating a Title I targeted assistance program to operate a schoolwide program in order to implement an intervention that meets the requirements under section I.A.2(a), 2(b), or 2(d) of these requirements.

5. Section I.B.4 is removed.

6. Sections I.B.5 and 6 are redesignated as sections I.B.4 and 5, respectively.

7. Section I.B.5, as redesignated, is amended to read as follows:

5. If an SEA does not seek a waiver under section I.B.2, 3, or 4, an LEA may seek a waiver.

8. Section II.A.1 is amended to read as follows:

A. LEA requirements.

1. An LEA may apply for a School Improvement Grant if it receives Title I, Part A funds and has one or more schools that qualify under the State's definition of a Tier I, Tier II, or Tier III school.

9. Section II.A.3 is amended to read as follows:

3. The LEA must serve each Tier I school unless the LEA demonstrates that it lacks sufficient capacity (which may be due, in part, to serving Tier II schools) to undertake one of these rigorous interventions in each Tier I school, in which case the LEA must indicate the Tier I schools that it can effectively serve. An LEA may not serve with school improvement funds awarded under section 1003(g) of the ESEA a Tier I or Tier II school in which it does not implement one of the four interventions identified in section I.A.2 of these requirements.

10. Section II.A.4 is amended to read as follows:

4. The LEA's budget for each Tier I and Tier II school it commits to serve must be of sufficient size and scope to ensure that the LEA can implement one of the rigorous interventions identified in section I.A.2 of these requirements. The LEA's budget must cover the period of availability of the school improvement funds, taking into account any waivers extending the period of availability received by the SEA or LEA.

11. Section II.A.5 is amended to read as follows:

5. The LEA's budget for each Tier III school it commits to serve must include the services it will provide the school, particularly if the school meets

additional criteria established by the SEA.

12. Sections II.A.6, 7, and 8 are redesignated as sections II.A.7, 8, and 9, respectively, and a new section II.A.6 is added to read as follows:

6. An LEA that commits to serve one or more Tier I, Tier II, or Tier III schools that do not receive Title I, Part A funds must ensure that each such school it serves receives all of the State and local funds it would have received in the absence of the school improvement funds.

13. Section II.B.4 is amended to read as follows:

4. If an SEA does not have sufficient school improvement funds to award, for up to three years, a grant to each LEA that submits an approvable application, the SEA must give priority to LEAs that apply to serve Tier I or Tier II schools.

14. Section II.B.5 is amended to read as follows:

5. An SEA must award a School Improvement Grant to an LEA in an amount that is of sufficient size and scope to support the activities required under section 1116 of the ESEA and these requirements. The LEA's total grant may not be less than \$50,000 or more than \$2,000,000 per year for each Tier I, Tier II, and Tier III school that the LEA commits to serve.

15. Section II.B.6 is removed.

16. Sections II.B.7, 8, 9, 10, 11, 12, and 13 are redesignated as sections II.B.6, 7, 8, 9, 10, 11, and 12, respectively.

17. Section II.B.7, as redesignated, is amended to read as follows:

7. An SEA must award funds to serve each Tier I and Tier II school that its LEAs commit to serve, and that the SEA determines its LEAs have the capacity to serve, prior to awarding funds to its LEAs to serve any Tier III schools. If an SEA has awarded school improvement funds to its LEAs for each Tier I and Tier II school that its LEAs commit to serve in accordance with these requirements, the SEA may then, consistent with section II.B.9, award remaining school improvement funds to its LEAs for the Tier III schools that its LEAs commit to serve.

18. Section II.B.9, as redesignated, is amended to read as follows:

9. (a) If not every Tier I school in a State is served with FY 2009 school improvement funds, an SEA must carry over 25 percent of its FY 2009 funds, combine those funds with FY 2010 school improvement funds, and award those funds to eligible LEAs consistent with these requirements. This requirement does not apply in a State that does not have sufficient school

improvement funds to serve all the Tier I schools in the State.

(b) If each Tier I school in a State is served with FY 2009 school improvement funds, an SEA may reserve up to 25 percent of its FY 2009 allocation and award those funds in combination with its FY 2010 funds consistent with these requirements.

19. Section II.C is amended to read as follows:

C. Renewal for additional one-year periods.

(a) If an SEA or an individual LEA requests and receives a waiver of the period of availability of school improvement funds, an SEA—

(i) Must renew the School Improvement Grant for each affected LEA for additional one-year periods commensurate with the period of availability if the LEA demonstrates that its Tier I and Tier II schools are meeting the requirements in section II.A.8, and that its Tier III schools are meeting the goals established by the LEA and approved by the SEA; and

(ii) May renew an LEA's School Improvement Grant if the SEA determines that the LEA's schools are making progress toward meeting the requirements in section II.A.8 or the goals established by the LEA.

(b) If an SEA does not renew an LEA's School Improvement Grant because the LEA's participating schools are not meeting the requirements in section II.A.8 or the goals established by the LEA, the SEA may reallocate those funds to other eligible LEAs, consistent with these requirements.

Executive Order 12866

Under Executive Order 12866, the Secretary must determine whether a regulatory action is "significant" and therefore subject to the requirements of the Executive order and subject to review by the Office of Management and Budget (OMB). Section 3(f) of Executive Order 12866 defines a "significant regulatory action" as an action likely to result in a rule that may (1) have an annual effect on the economy of \$100 million or more, or adversely affect a sector of the economy, productivity, competition, jobs, the environment, public health or safety, or State, local or tribal governments or communities in a material way (also referred to as an "economically significant" rule); (2) create serious inconsistency or otherwise interfere with an action taken or planned by another agency; (3) materially alter the budgetary impacts of entitlement grants, user fees, or local programs or the rights and obligations of recipients thereof; or (4) raise novel legal or policy issues arising out of legal

mandates, the President's priorities, or the principles set forth in the Executive order. The Secretary has determined that this regulatory action is significant under section 3(f) of the Executive order.

Potential Costs and Benefits

Under Executive Order 12866, we have assessed the potential costs and benefits of this regulatory action and have determined that this rule will not impose additional costs to SEA applicants, SEA grantees, or the Federal government. The Department is regulating only to incorporate two new legislative provisions into the existing final SIG requirements, both of which add flexibility to the final requirements. One provision raises the maximum subgrant size for a participating school. The other provision permits an SEA or LEA, at its discretion, to serve schools not covered by the final SIG requirements. However, because this regulatory action makes additional LEAs eligible to apply for and receive SIG funds, it may result in additional costs to these newly eligible LEAs. As shown below in the section on the Paperwork Reduction Act, we estimate that an additional 500 LEAs may apply for SIG funds, at a total cost of \$750,000 (\$1,500 per applicant). We also estimate that approximately 200 additional successful applicants would spend a total of \$200,000 (\$1,000 per applicant) to meet SIG reporting requirements. The Department notes that these estimates assume that SEAs and LEAs will, in fact, exercise the discretion provided in these interim final requirements to serve additional LEAs and schools and that these LEAs and schools will qualify for SIG awards under the requirements and priorities governing the SIG program. It is possible that very few of these newly eligible LEAs will apply for and compete successfully for SIG funds. For those that do, the benefits of participating in the SIG program exceed the costs by a wide margin, as the program is specifically designed to provide sufficient resources (as much as \$2,000,000 annually over a three-year period) to turn around an LEA's persistently lowest-achieving schools. Similarly, the benefits of this regulatory action far outweigh any unforeseen administrative costs to the Federal government in administering the SIG program. The Department has also determined that this regulatory action does not unduly interfere with State, local, and tribal governments in the exercise of their governmental functions.

Clarity of the Requirements

Executive Order 12866 and the Presidential memorandum on "Plain Language in Government Writing" require each agency to write regulations that are easy to understand. The Secretary invites comments on how to make these interim final requirements easier to understand, including answers to questions such as the following:

- Are the interim final requirements clearly stated?
- Do the interim final requirements contain technical terms or other wording that interferes with their clarity?
- Does the format of the interim final requirements (grouping and order of sections, use of heading, paragraphing, *etc.*) aid or reduce their clarity?
- Would the interim final requirements be easier to understand if we divided them into more (but shorter) sections?
- Could the description of the interim final requirements in the "Supplementary Information" section of this preamble be more helpful in making the interim final requirements easier to understand? If so, how?
- What else could we do to make the interim final requirements easier to understand?

To send any comments that concern how the Department could make these interim final requirements easier to understand, see the instructions in the **ADDRESSES** section of this preamble.

Regulatory Flexibility Act Certification

The Secretary certifies that these interim final requirements will not have a significant economic impact on a substantial number of small entities. Under the U.S. Small Business Administration's Size Standards, small entities include small governmental jurisdictions such as cities, towns, or school districts (LEAs) with a population of less than 50,000. Approximately 11,900 LEAs that receive Title I, Part A funds qualify as small entities under this definition. However, the small entities that the interim final requirements will affect are small LEAs receiving SIG funds under section 1003(g) of the ESEA—*i.e.*, a small LEA that has one or more schools eligible to receive SIG funds and that meets the SEA's priorities for greatest need for those funds and demonstrates the strongest commitment to use the funds to provide adequate resources to their lowest-achieving schools to raise substantially the achievement of their students.

SEAs will develop their own definitions for their Tier I, Tier II, and

Tier III schools, consistent with these interim final requirements, but preliminary data analyses by the Department suggest that 15–25 percent of the lowest-achieving schools in the Nation are located in rural areas, which are likely to contain most of the targeted schools that are operated by small LEAs. Assuming a maximum of 1,100 Tier I and Tier II schools nationwide, and that few if any rural LEAs will contain more than one of their State's lowest-achieving schools, there would be a range of 165 to 275 small LEAs affected by these interim final requirements, including a limited number of small suburban and urban LEAs.

These interim final requirements will not have a significant economic impact on these small LEAs because (1) the costs of implementing the required interventions would be covered by the grants received by successful applicants, and (2) the costs of submitting applications would not be higher than the costs that would be incurred in applying for SIG grants under the existing final SIG requirements.

Successful LEAs will receive up to three years of funding under section 1003(g) of the ESEA to implement their proposed interventions, consistent with the current final SIG requirements that SEAs ensure that awards are of sufficient size and duration to turn around the Nation's persistently lowest-achieving schools.

Small LEAs may incur costs to develop and submit applications for turning around their lowest-achieving schools but, in general, such costs would be similar to those incurred to apply for SIG funding under existing statutory and regulatory requirements. Moreover, because most of the schools included in the applications submitted by small LEAs will be schools that already are in improvement status, these LEAs will be able to incorporate existing data analysis and planning into their applications at little additional cost. Also, small LEAs may receive technical assistance and other support from their SEAs in developing their applications for SIG funds.

In addition, the Department believes the benefits provided under these interim final requirements will outweigh the burdens on small LEAs of complying with the requirements. In particular, the interim final requirements potentially make available to eligible small LEAs significant resources to make the fundamental changes needed to turn around their lowest-achieving schools, resources that otherwise may not be available to small and often geographically isolated LEAs.

The Secretary invites comments from small LEAs as to whether they believe these interim final requirements will have a significant economic impact on them and, if so, requests evidence to support that belief.

Paperwork Reduction Act of 1995

The interim final requirements contain information collection requirements that are subject to review by OMB under the Paperwork Reduction Act of 1995 (44 U.S.C. 3501–3520). The Department had received previously emergency approval for the information collections in the final SIG requirements published on December 10, 2009, under OMB Control Number 1810–0682. The Department will submit to OMB a Paperwork Reduction Act

Change Worksheet for this collection that will include the changes described below.

In the interim final requirements, the Department is increasing its estimates of the number of LEAs that will apply for and have to report on using SIG funds from the estimates included in the December 10, 2009, final SIG requirements. This change factors in the provision in the Consolidated Appropriations Act, 2010 regarding which schools are eligible to receive SIG funds, which will likely increase the number of LEAs that apply to their SEA for these funds. The Department used its data on the number of LEAs receiving Title I, Part A funds and the proportion of LEAs with identified schools to estimate the new figures. The estimates

for SEAs remain the same because the Consolidated Appropriations Act, 2010 changes do not affect the number of SEAs that can apply.

A description of the specific information collection requirements is provided in the following tables along with estimates of the annual recordkeeping burden for these requirements. The estimates include time for an SEA and an LEA to prepare their respective applications (including requests for waivers), an SEA to review an LEA's application, and an LEA to report data to an SEA and the SEA to report those data to the Department. The first table shows the estimated burden for SEAs and the second table shows the estimated burden for LEAs.

STATE EDUCATIONAL AGENCY ESTIMATES*

SIG activity	Number of SEAs	Hours/activity	Hours	Cost/hour	Cost
Complete SEA application (including requests for waivers)	52	100	5,200	\$30	\$156,000
Review and post LEA applications	52	800	41,600	30	1,248,000
Collect and report school-level data to the Department **	52	80	4,160	30	124,800
Total .....	.....	.....	50,960	30	1,528,800

* The SEA estimates remain the same from the December 10, 2009, final SIG requirements.

** These are data the Department does not currently collect through *EDFacts*.

LOCAL EDUCATIONAL AGENCY ESTIMATES

SIG activity	Number of LEAs	Hours/activity	Hours	Cost/hour	Cost
Complete LEA application (including requests for waivers if the SEA does not so request)	3,050	60	183,000	\$25	\$4,575,000
Report data to SEA*	1,200	40	48,000	25	1,200,000
Total .....	.....	.....	231,000	25	5,775,000

* These are data the Department does not currently collect through *EDFacts*.

Intergovernmental Review

This program is not subject to Executive Order 12372 and the regulations in 34 CFR 79.

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Dated: January 13, 2010.

Arne Duncan,
Secretary of Education.

[FR Doc. 2010–1048 Filed 1–20–10; 8:45 am]

BILLING CODE 4000–01–P

POSTAL REGULATORY COMMISSION

39 CFR Part 3020

[Docket Nos. MC2010–7 and CP2010–7;
Order No. 361]

New Postal Product

AGENCY: Postal Regulatory Commission.
ACTION: Final rule.

SUMMARY: The Commission is adding Express Mail Contract 7 to the Competitive Product List. This action is consistent with a postal reform law. Republication of the lists of market

dominant and competitive products is also consistent with statutory requirements.

DATES: Effective January 21, 2010 and is applicable beginning December 15, 2009.

FOR FURTHER INFORMATION CONTACT: Stephen L. Sharfman, General Counsel, 202–789–6820 or stephen.sharfman@prc.gov.

SUPPLEMENTARY INFORMATION: *Regulatory History*, 74 FR 57538 (November 6, 2009).

I. Introduction
II. Background
III. Comments
IV. Commission Analysis
V. Ordering Paragraphs

I. Introduction

The Postal Service seeks to add a new product identified as Express Mail