

about the Committee may contact the individuals listed above.

**Sandra L. Thompson,**

*Director, Federal Housing Finance Agency.*

[FR Doc. 2024–19453 Filed 8–28–24; 8:45 am]

**BILLING CODE 8070–01–P**

## FEDERAL RESERVE SYSTEM

### Formations of, Acquisitions by, and Mergers of Bank Holding Companies

The companies listed in this notice have applied to the Board for approval, pursuant to the Bank Holding Company Act of 1956 (12 U.S.C. 1841 *et seq.*) (BHC Act), Regulation Y (12 CFR part 225), and all other applicable statutes and regulations to become a bank holding company and/or to acquire the assets or the ownership of, control of, or the power to vote shares of a bank or bank holding company and all of the banks and nonbanking companies owned by the bank holding company, including the companies listed below.

The public portions of the applications listed below, as well as other related filings required by the Board, if any, are available for immediate inspection at the Federal Reserve Bank(s) indicated below and at the offices of the Board of Governors. This information may also be obtained on an expedited basis, upon request, by contacting the appropriate Federal Reserve Bank and from the Board's Freedom of Information Office at <https://www.federalreserve.gov/foia/request.htm>. Interested persons may express their views in writing on the standards enumerated in the BHC Act (12 U.S.C. 1842(c)).

Comments received are subject to public disclosure. In general, comments received will be made available without change and will not be modified to remove personal or business information including confidential, contact, or other identifying information. Comments should not include any information such as confidential information that would not be appropriate for public disclosure.

Comments regarding each of these applications must be received at the Reserve Bank indicated or the offices of the Board of Governors, Ann E. Misback, Secretary of the Board, 20th Street and Constitution Avenue NW, Washington, DC 20551–0001, not later than September 30, 2024.

*A. Federal Reserve Bank of Chicago* (Colette A. Fried, Assistant Vice President) 230 South LaSalle Street, Chicago, Illinois 60690–1414. Comments can also be sent

electronically to

[Comments.applications@chi.frb.org](mailto:Comments.applications@chi.frb.org):

1. *ChoiceOne Financial Services, Inc., Sparta, Michigan*; to merge with Fentura Financial, Inc., and thereby indirectly acquire The State Bank, both of Fenton, Michigan.

Board of Governors of the Federal Reserve System.

**Michele Taylor Fennell,**

*Associate Secretary of the Board.*

[FR Doc. 2024–19450 Filed 8–28–24; 8:45 am]

**BILLING CODE 6210–01–P**

## FEDERAL TRADE COMMISSION

[File No. P222100]

### HISA Proposed 2025 Budget

**AGENCY:** Federal Trade Commission.

**ACTION:** Notice of publication of Horseracing Integrity and Safety Authority 2025 proposed budget; request for public comment.

**SUMMARY:** The Federal Trade Commission publishes the 2025 proposed budget of the Horseracing Integrity and Safety Authority and seeks public comment on whether the Commission should approve, disapprove, or modify the proposed budget.

**DATES:** Comments must be filed on or before September 12, 2024.

**ADDRESSES:** Interested parties may file a comment online or on paper by following the instructions in the Comment Submissions part of the **SUPPLEMENTARY INFORMATION** section. Write “HISA 2025 Budget, Matter No. P222100” on your comment and file it online at <https://www.regulations.gov> by following the instructions on the web-based form. If you prefer to file your comment on paper, mail your comment to the following address: Federal Trade Commission, Office of the Secretary, 600 Pennsylvania Avenue NW, Mail Stop H–144 (Annex H), Washington, DC 20580.

**FOR FURTHER INFORMATION CONTACT:** Sarah Botha (202–326–2036), Attorney Advisor and Acting HISA Program Manager, Office of the Executive Director, Federal Trade Commission, 600 Pennsylvania Avenue NW, Washington, DC 20580.

**SUPPLEMENTARY INFORMATION:** The Horseracing Integrity and Safety Act,<sup>1</sup> enacted on December 27, 2020,<sup>2</sup> and amended on December 29, 2022,<sup>3</sup> directs the Federal Trade Commission to oversee the activities of a private, self-regulatory organization called the Horseracing Integrity and Safety

Authority (“HISA” or the “Authority”). In March 2023, the Commission issued rules setting forth the procedure whereby the Commission approves, disapproves, or modifies the Authority’s proposed annual budget.<sup>4</sup> Under these rules, the Authority must first publish a proposed budget on its own website and invite public comments. See 16 CFR 1.150(b). Thereafter, the Authority must forward the budget to the Commission, along with all public comments received and an assessment of those comments, and must identify any changes made to the proposed budget in response to the comments received. 16 CFR 1.150(c). The Authority’s submission must also include (a) a statement of the vote by the Authority’s Board of Directors approving the proposed budget; (b) information about revenues, including how fees are calculated and apportioned; (c) information about expenditures, broken down by program area, *e.g.*, the racetrack safety program, the anti-doping and medication control program, etc.; (d) sufficient information about individual line items for the Authority’s Board of Directors to exercise their fiduciary duty of care; and (e) information comparing actual revenues and expenses against the approved budget and explaining variances of greater than 10 percent. *Id.*

After the Authority submits its proposed budget and supporting materials to the Commission, and if the Secretary determines the submission comports with the requirements of the 16 CFR 1.150(c), the Secretary publishes the Authority’s proposed budget in the **Federal Register** and invites public comment for a period of 14 days. 16 CFR 1.150(d). After taking into consideration the comments submitted, the Commission either approves or disapproves the budget. 16 CFR 1.151(a). The Commission will approve the proposed budget if “the Commission determines that, on balance, the proposed budget is consistent with and serves the goals of the Horseracing Integrity and Safety Act in a prudent and cost-effective manner and that its anticipated revenues are sufficient to meet its anticipated expenditures.” 16 CFR 1.151(c). The Commission may also modify the amount of any line item. 16 CFR 1.151(d).

### Request for Comments

On July 31, 2024, the Authority forwarded to the Commission a Notice of Filing of HISA Budget, together with appendices furnishing detailed information pertinent to its 2025 budget proposal (as required by 16 CFR 1.150(c)). The Notice of Filing of HISA

Budget is reproduced below. The appendices to which it refers have been collected and reproduced as a supporting document on the docket for this publication at <https://www.regulations.gov>.

The Secretary concluded that the Authority's proposed 2025 budget submission complies with the requirements of 16 CFR 1.150(c), and therefore issues this document and invites comments from the public on the Authority's 2025 budget. Comments should address the decisional criteria set forth in 16 CFR 1.151(c) and whether any line items should be modified. See 16 CFR 1.150(d).

### Comment Submissions

You can file a comment online or on paper. For the Commission to consider your comment, we must receive it on or before September 12, 2024. Write "HISA 2025 Budget, Matter No. P222100" on your comment. Your comment—including your name and your state—will be placed on the public record of this proceeding, including the <https://www.regulations.gov> website.

Postal mail addressed to the Commission is subject to delay due to heightened security screening. As a result, we strongly encourage you to submit your comments online. To make sure the Commission considers your online comment, you must file it at <https://www.regulations.gov>, by following the instructions on the web-based form.

If you file your comment on paper, write "HISA 2025 Budget, Matter No. P222100" on your comment and on the envelope, and mail your comment to the following address: Federal Trade Commission, Office of the Secretary, 600 Pennsylvania Avenue NW, Mail Stop H-144 (Annex H), Washington, DC 20580. If possible, please submit your paper comment to the Commission by overnight service.

Because your comment will be placed on the publicly accessible website at <https://www.regulations.gov>, you are solely responsible for making sure your comment does not include any sensitive or confidential information. In particular, your comment should not include any sensitive personal information, such as your or anyone else's Social Security number; date of birth; driver's license number or other state identification number, or foreign country equivalent; passport number; financial account number; or credit or debit card number. You are also solely responsible for making sure your comment does not include any sensitive health information, such as medical records or other individually

identifiable health information. In addition, your comment should not include any "any trade secret or any commercial or financial information . . . which is privileged or confidential." 15 U.S.C. 46(f); see 16 CFR 4.10(a)(2). In particular, your comment should not include competitively sensitive information such as costs, sales statistics, inventories, formulas, patterns, devices, manufacturing processes, or customer names.

Comments containing material for which confidential treatment is requested must be filed in paper form, must be clearly labeled "Confidential," and must comply with 16 CFR 4.9(c). In particular, the written request for confidential treatment that accompanies the comment must include the factual and legal basis for the request and must identify the specific portions of the comment to be withheld from the public record. See 16 CFR 4.9(c). Your comment will be kept confidential only if the General Counsel grants your request in accordance with the law and the public interest. Once your comment has been posted publicly at <https://www.regulations.gov>, as legally required by 16 CFR 4.9(b), we cannot redact or remove your comment, unless you submit a confidentiality request that meets the requirements for such treatment under 16 CFR 4.9(c), and the General Counsel grants that request.

Visit the <https://www.regulations.gov> to read this document. The FTC Act and other laws that the Commission administers permit the collection of public comments to consider and use in this proceeding as appropriate. The Commission will consider all timely and responsive public comments it receives on or before September 12, 2024. For information on the Commission's privacy policy, including routine uses permitted by the Privacy Act, see <https://www.ftc.gov/site-information/privacy-policy>.

The text that follows is the Notice of Filing of HISA Budget that the Authority submitted to the Commission. The appendices to which it refers have been collected and reproduced as a supporting document on the docket for this publication at <https://www.regulations.gov>.

### Notice of Filing of HISA Budget

Pursuant to the Horseracing Integrity and Safety Act of 2020<sup>5</sup> (the "Act") and the Federal Trade Commission's (the "Commission") Procedures for Oversight of the Horseracing Integrity and Safety Authority's Annual Budget,<sup>6</sup> notice is hereby given that on July 31, 2024, the Horseracing Integrity and

Safety Authority ("HISA" or the "Authority") filed with the Commission the Authority's proposed 2025 budget. This Notice of Filing of HISA Budget (the "Notice") provides the contents of the submission as set forth in 16 CFR part 1 Subpart U.

I. *Information Concerning Rule 1.150(b)*. The Authority's proposed 2025 budget was posted on the HISA website ([hisaus.org](https://hisaus.org)) on July 11, 2024. The Authority received one comment regarding the budget. Section VI contains a further discussion of the comment. The Authority did not make any revisions to the proposed budget in light of the comment.

II. *Information Concerning Rule 1.150(c)(1)*. The Authority's proposed 2025 budget was approved by its Board of Directors by a vote of 9 to 0 before the proposed budget was posted on the HISA website and was approved by the Board of Directors by a vote of 9 to 0 after reviewing the comment submitted by Mr. Cohen. Therefore, the requirements of 15 U.S.C. 3052(f)(1)(C)(iii) and Rule 1.150(c)(1) have been satisfied.

III. *Information Concerning Rule 1.150(c)(2)*. In accordance with 15 U.S.C. 3052(f) and using the Assessment Methodology Rule approved by the Commission, the Authority calculated the following:

- 2025 Assessments by State (attached as Appendix 8).
- 2025 Assessments by Track (attached as Appendix 9).

Appendix 8 and Appendix 9 display the estimated amount required from each State Racing Commission as calculated under the Assessment Methodology Rule.

The 2025 HISA Budget includes the following revenue line items:

- Racetrack Safety Fines Income—this consists of fines levied for violations of the Racetrack Safety Program.
- ADMC Fines Income—this consists of fines paid for violations of the Anti-Doping and Medication Control Program.
- Lab Test Income—this consists of the money paid to HISA to cover the cost of B Sample testing, claimed horse testing, and clearance testing.
- Interest Income—This consists of interest income from HISA's Money Market Savings account.
- Other Revenue—this consists of payments made by certain racetracks to reimburse HISA for paying for the cost of Racetrack Safety Program compliance (there is an offsetting expense).

Please note that no loans are contemplated to be procured by HISA in 2025.

IV. *Information Concerning Rule 1.150(c)(3)*. The Authority's proposed 2025 budget includes the following expense line<sup>7</sup> items:

- Rule 1.150(c)(3)(i): Racetrack Safety Program. These expenditures consist primarily of salaries for staff to monitor and implement the Racetrack Safety Program, racetrack surface testing, and vendors and contract employees that support the Racetrack Safety Program.

- Rule 1.150(c)(3)(ii): Anti-Doping and Medication Control. Pursuant to 15 U.S.C. 3054(e), the Authority contracted with the Horseracing Integrity and Welfare Unit ("HIWU") to serve as the independent anti-doping and medication control enforcement organization for covered horses, covered persons, and covered horseraces. HIWU implements the Anti-Doping and Medication Control Program on behalf of the Authority. Expenditures related to this Program include HIWU costs, lab testing, and professional services. Additionally, 15 U.S.C. 3055(e) provides that the Authority "shall convene an advisory committee . . . to conduct a study on the use of furosemide on horses during the 48-hour period before the start of a race, including the effect of furosemide on equine health and the integrity of competition and any other matter the Authority considers appropriate." The costs of this study are included in the Anti-Doping and Medication Control portion of the proposed 2025 budget.

- Rule 1.150(c)(3)(iii): Other programmatic expenses. These expenditures consist primarily of salaries, professional services, and technology to support the Authority's veterinary and technological needs. Additional programmatic expenditures relate to the business and operational components of the Authority and include expenses such as salaries, legal (lawsuits and general), and professional services.

- Rule 1.150(c)(3)(iv): Repayment of any loans. This expenditure consists of \$250,000 in repayment of loans.

- Rule 1.150(c)(3)(v): No funding shortfall is expected.

V. *Information Concerning Rule 1.150(c)(4)*. The Act recognizes that the establishment of a national set of uniform standards for racetrack safety and anti-doping and medication control will enhance the safety and integrity of horseracing. The 2025 budget allows the Authority to continue implementation of the horseracing Anti-Doping and Medication Control Program and the Racetrack Safety Program for Covered Horses, Covered Persons, and Covered Horseraces.

The proposed 2025 HISA Summary budget (Appendix 1) is a compilation of the following departmental budgets: Racetrack Safety (Appendix 2); Veterinary Services (Appendix 3); Anti-Doping and Medication Control (Appendix 4); HIWU (Appendix 5); Technology (Appendix 6); and Administration (Appendix 7). A summary of these departmental budgets is set forth below:

1. The 2025 Racetrack Safety budget funds the implementation of the Racetrack Safety Program as set forth in Rule Series 2000 and as originally approved by order of the Commission dated March 3, 2022.<sup>8</sup> The budget consists of the following items:

- a. Salaries/Payroll Taxes/Employee Benefits. The salaries provide for staffing to support and monitor the Racetrack Safety program, including those persons necessary to oversee the following components of the program:

- i. Administration
- ii. Track Accreditation Services
- iii. Stewards' & State Racing Commission Liaison
- iv. Jockey Health & Welfare

Salary levels for each position are based on market rates, while Employee Benefits consist primarily of a HISA contribution to cover a portion of employee health insurance and a 401(k) match that is consistent with market practice. The salaries budget provides for six racetrack safety employees. As of July 31, 2024, the Racetrack Safety Program has six employees. For all employees of the Authority, the Director of Operations and Compliance, an individual who does not have a conflict of interest with regard to the hiring of other open positions, reviews and documents compensation based on industry norms for similar positions prior to setting and to offering other open positions. Where needed, the Director of Operations and Compliance relies upon an outside search agency to help determine compensation for other open positions.

- b. Meetings. This includes the travel, meals, and materials to support the following annual meetings:

- i. Track Superintendents
- ii. Racetrack Safety Committee

These meetings are necessary to promote the health and safety of both Covered Horses and Riders.

- c. Travel. This category covers the travel and meal expenses for all of the employees previously listed in Salaries (section a) of this department (excluding the travel and meal expenses for the Meetings described in section b. and the Track Accreditation Services travel set forth in section f.). Travel to Covered

Racetracks by Authority employees is often necessary to ensure that Covered Horseraces are run in accordance with the standards established in HISA's Racetrack Safety Program.

- d. Supplies. This primarily consists of materials to be used in educational and Continuing Education programs provided and overseen by the Racetrack Safety Department. These programs ensure that trainers, jockeys, veterinarians, and stewards are educated in methods and procedures that promote the health and safety of Covered Horses and Riders.

- e. Professional Services. Several independent contractors and external service provider companies will partner with HISA on a part-time basis to provide and/or augment services in the following areas:

- i. Data Analysis
- ii. Research/Testing
- iii. Statistical Analysis
- iv. Jockey Concussion Tracking
- v. National Medical Director
- vi. Study on the causes of Exercise-Associated Sudden Death (EASD) in racehorses

Pay rates are based on market rates for similar positions. All of these independent contractor relationships will increase the knowledge base and/or education level of participants in Covered Horseraces.

- f. Track Accreditation Services. Pursuant to 15 U.S.C. 3056 and the Racetrack Safety rules, the Authority is responsible for implementing an evaluation and accreditation program that ensures that Covered Racetracks meet certain safety and performance standards. Both the Act and the Racetrack Safety rules require that tracks be accredited, and the rules mandate site visits to determine the extent of compliance with the rules. The accreditation visits afford HISA staff the ability to conduct an in-depth and in-person review of a racetrack's operations to determine its level of compliance with the Racetrack Safety Program and to provide training on how best to meet ongoing reporting requirements. This category includes the costs of compensating teams of employees and independent contractors to perform these site visits, and the costs of covering the travel and meal expenses for this team.<sup>9</sup> The accreditation site visits are conducted by teams of three to four individuals. The costs included in this category are based on the actual cost of accreditation site visits in 2023 and 2024.

- g. Racetrack Surface Testing. This category includes the cost of pre-meet track surface testing of tracks that run

Covered Horseraces. Testing is performed to ensure that track surfaces comply with the Racetrack Safety Program. This testing is performed by the Racing Surfaces Testing Laboratory.

2. The 2025 Veterinary Services budget ensures that the veterinary care component of the Racetrack Safety Program is effectively implemented and administered nationally.

a. Salaries/Payroll Taxes/Employee Benefits. This category contemplates four HISA full-time employees that cover the administration of veterinary rules, compliance with those rules, and veterinary medical records. Salary levels for each position are based on market rates, while Employee Benefits consist primarily of a HISA contribution to cover a portion of employee health insurance and a 401(k) match that is consistent with market practice. As of July 31, 2024, the Veterinary Services department has four employees.

b. Meetings. This includes the travel, meals, and materials to support the Equine Safety Directors Meeting. This meeting is necessary to promote the health and safety of both Covered Horses and Riders.

c. Travel. This includes the costs of travel by veterinary employees to racetracks to meet with regulatory veterinarians, attending veterinarians, and other practicing equine veterinarians and their staff. This also includes travel to training seminars and veterinary conferences. Participation by veterinary employees in these meetings and seminars will result in a more effective and efficient program that better meets the needs of HISA's constituents.

d. Supplies. This primarily consists of materials to be used in educational and Continuing Education programs provided and overseen by the Veterinary Services department. These programs ensure that trainers, jockeys, veterinarians, and stewards are educated in methods and procedures that promote the health and safety of Covered Horses and Riders.

e. Professional Services. Several independent contractors will partner with HISA on a part-time basis to provide and/or augment services in areas including veterinary consulting and data entry.

Pay rates are based on market rates for similar positions. All of these independent contractor relationships will increase the knowledge base and/or education level of veterinarians and other participants in Covered Horseraces.

3. The 2025 Anti-Doping and Medication Control budget supports the implementation of the ADMC Protocol.

The budget consists of the following items:

a. Travel. This line item covers the travel and meal expenses that are expected to be incurred by HISA personnel to support and achieve the goals of the ADMC Program.

b. Supplies. This line item sets forth the cost of materials utilized by the Authority to support and achieve the goals of the ADMC Program.

c. Professional Services. Independent contractors have partnered with HISA on a part-time basis to provide and/or augment services in the following areas:

i. Arbitration—this covers the fees to be paid to arbitrators who preside over cases involving positive tests for banned substances.

ii. Independent Adjudication Panel (IAP)—this covers the fees paid to members of the IAP, who hear cases involving positive tests for controlled medications.

iii. Furosemide Study—this covers the fees to be paid in 2025 for the furosemide study that is required by the Act.

d. HIWU. As set forth above, the Act requires that HISA contract with an independent enforcement agency to oversee the components of the ADMC Program. HIWU, a division of Drug Free Sport ("DFS"), was retained by the Authority as the independent enforcement agency. The HIWU line items in the ADMC budget consist of the following:

i. Salaries/Payroll Taxes/Employee Benefits. All HIWU employees are employed by DFS. The salaries account for a staff (expected to total 43 full-time individuals) that will carry out all of the responsibilities of the enforcement agency, including those persons necessary to oversee and complete the following components of the program:

1. Testing Operations
2. Testing Strategy
3. Compliance & Policy
4. Collection Personnel Recruitment, Training, & Certification
5. Support Line Management
6. Science
7. Laboratory Accreditation
8. Equine Medical Resources
9. Intelligence & Strategy
10. Investigative Operations
11. Education
12. Communications & Outreach
13. Legal
14. Litigation
15. Results Management
16. Information Technology
17. Human Resources
18. Finance

HIWU shares 7 staff with DFS in the areas of Information Technology,

Finance, and Human Resources. This arrangement produces cost savings, obviating the need for HIWU to retain full-time employees to provide these services.

ii. Rent. HIWU has procured 3,000 sq. ft. of office space for its employees. HIWU is paying \$32/sq. ft., which is consistent with market rates in the Kansas City area. The cost of basic office equipment is also included in this category.

iii. Office Expense. This consists of common office expenses such as utilities and maintenance costs and is based on historical costs for similar businesses.

iv. Telecommunications. This consists of the cost of office phones, mobile phone service at \$65/month/employee (a commercially reasonable rate), and portable hot-spot wi-fi services to be used in test barns.

v. Travel. This is the travel expense necessary for full-time employees to perform functions such as meetings with State Racing Commissions and track associations, training and continuing education sessions with sample collection personnel, conducting investigations, arbitration hearings, laboratory visits, meetings with HISA personnel, and participation in industry meetings and conventions. Travel expenses include airfare, hotel rooms, rental cars, fuel costs, mileage for personal vehicles used for business purposes, parking, and meals. The amounts for each expense component were based on estimated market average costs.

vi. Supplies. This consists of drug testing supplies needed for sample collections and sample collection personnel training.

vii. Professional Services. This consists largely of consulting fees paid to experts in the areas of:

1. Results Management
2. Investigations and State Racing Commission Relations
3. Laboratory Accreditation

The guidance provided by these subject matter experts will result in a safer sport run on a more level playing field.

viii. Technology. This consists of the cost of all software, hardware, licenses and continued technological development needed to perform HIWU's work.

ix. Insurance. The expense consists of the cost of all of HIWU's insurance policies, including liability insurance with an Umbrella policy, cyber-risk insurance, property insurance, and workers' compensation insurance.

x. Resources and Education. This includes Training and Continuing

Education, registration fees for industry conferences, accounting fees for state tax filings, and dues and subscriptions to industry publications. All of these are necessary for HIWU to properly conduct its business.

xi. Taxes—Other. Estimated taxes based on historical experience. These taxes are minimal in amount and are commercially reasonable.

xii. ADMC Collection Costs. This includes wages paid to sample collection personnel in all states that conduct Covered Horseraces. The wage amounts were initially based on rates paid to sample collection personnel in each state prior to HIWU assuming these sample collection functions and have been adjusted where necessary to reflect rates currently being paid. Additionally, to cover travel expenses specifically related to sample collection, this includes airfare, hotel rooms, rental cars, fuel costs, mileage for personal vehicles used for business purposes, parking, and meals. The amounts for each expense component were based on estimated market average costs.

xiii. Management Fees. This is the profit amount to HIWU for administering the program. It is a negotiated amount of 8% of the total expenses incurred for services that HIWU provides directly and 4% for everything else.

e. Lab Testing. Once the samples to be tested have been collected by HIWU personnel, they are shipped to one of five accredited laboratories located in the United States. All of the laboratories have many years of experience in the testing of blood, urine, and hair samples taken from thoroughbred racehorses. HIWU has conducted extensive negotiations with each of these laboratories in order to ensure that competent testing is performed at the lowest price possible. One way HIWU has successfully reduced costs is by utilizing only five laboratories to perform testing, instead of the nine laboratories previously used by various State Racing Commissions across the country. This allows the five laboratories to spread their fixed costs (salaried employees, testing equipment, etc.) over a larger number of samples, resulting in a lower charge per test.

It is important to note that the ADMC Collection Costs and Lab Testing line items represent 47.96% of the total budget of the Authority.

4. The 2025 Technology budget supports the building and development of all IT systems needed to properly and efficiently manage the Racetrack Safety and ADMC programs. The budget consists of the following items:

a. Salaries/Payroll Taxes/Employee Benefits. This contemplates nine HISA full-time employees in areas including programming, field support, internal support, external support, project administration, and third-party developer coordination. Salary levels for each position are based on market rates, while Employee Benefits consist primarily of a HISA contribution to cover a portion of employee health insurance and a 401(k) match that is consistent with market practice. As of July 31, 2024, the Technology department has seven employees.

b. Travel. This includes the costs of travel by IT employees to racetracks to meet with customers/users, to Lexington, Kentucky and Montclair, New Jersey for HISA meetings, and to training seminars and technology summit meetings. Participation by IT employees in these meetings and seminars will result in a more efficient program that better meets the needs of the constituents and will ensure alignment between the functionality of the system and the published regulations.

c. Supplies. This includes the purchase of laptops for all HISA employees, the provision of workstations for those employees located in the Lexington office, and the hardware/software/3rd-party services needed for image processing. These items are necessary for HISA to efficiently perform its duties under the Act.

d. Technology. This item includes the costs of cloud computing and other specialized applications that together form the foundation of HISA's technology system. This includes the cost of Palantir, Amazon Web Services, and other vendors relating to the HISA website and technology systems. In order to be as cost-effective as possible, HISA has chosen not to invest in centralized computing assets. This keeps total cost of ownership low and infrastructure stability high, and it enables solution flexibility as HISA is engaged in meeting its mandate.

e. Professional Services. This item budgets for outsourced technology delivery provided by third-party system integrators and software factories. Given the need for cost-effective, round-the-clock services, the necessary software and technology systems were procured internationally from development resources in the US, Europe, and Asia; this allowed for the implementation of a 24-hour code and test development cycle. This is the most cost-effective method of building and maintaining technology systems/portals to facilitate

program reporting to and monitoring by HISA.

5. The 2025 Administration budget consists of the general and administrative staff and expenditures that are needed to conduct HISA's business. This budget consists of:

a. Salaries/Payroll Taxes/Employee Benefits. This contemplates 13 employees including executive-level personnel (the CEO and CFO) and employees in Legal, Communications, Operations/Compliance, Public Affairs, and Administrative Services. Salary levels for each position are based on market rates, while Employee Benefits consist primarily of a HISA contribution to cover a portion of employee health insurance and a 401(k) match that is consistent with market practice. As of July 31, 2024, nine employees make up the Administration Department.

b. Board and Committee Travel. This consists of travel, hotel, and meal expenses for the one annual board meeting that is held with in-person attendance by the board members.

c. Rent. In the fall of 2024, HISA anticipates moving its office location to a 1,798 sq. ft. office space in Lexington, Kentucky. HISA expects to pay \$18/sq. ft., which is consistent with market rates in the Lexington area. The costs of basic office equipment and furniture are also included in this category.

d. Phones. This is the cost of an office phone system in HISA's corporate office, necessary for HISA to conduct its business.

e. Meetings. This is the cost of miscellaneous meetings of HISA's corporate staff as are necessary for HISA to conduct its business.

f. Travel. This includes airfare, car rental, mileage, and meals for HISA's corporate staff in the course of traveling to Covered Racetracks, industry meetings, HISA meetings (strategic planning summits, board meetings, etc.), and meetings with industry stakeholders. Travel to these events allows HISA's corporate staff to conduct its business more efficiently and to perform its duties under the Act.

g. Membership and Subscriptions. This is the cost of professional membership dues and subscription fees. These memberships allow HISA staff to meet with industry stakeholders and carry out its duties under the Act.

h. Bank and Credit Card Fees. This includes the cost of bank fees and credit card fees. These fees are necessary to efficiently and effectively conduct business.

i. Supplies. This includes the cost of office supplies, including printer/copier paper, printer/copier ink and toner,

postage, shipping, and other miscellaneous office supplies.

j. Postage. This includes the cost of postage and shipping for communications to Covered Persons. While HISA primarily conducts business via electronic communications, U.S. Mail is required where the recipient does not utilize an electronic means of communication.

k. Accounting Services. This consists of the cost of a contract bookkeeping service that books accounting entries, produces financial statements, manages and processes Accounts Receivable, manages and processes Accounts Payable, and drafts/files HISA's annual IRS Form 990. Contracting this work out to a company with expertise in these areas is much more cost-effective than if HISA were to hire staff to perform these functions in-house. Additionally, this includes the cost of an annual independent audit of HISA.

l. Public Relations Services. This is the cost of a contract public relations service to manage HISA's website, issue press releases, assist with the production and distribution of information to industry stakeholders, and provide continuing education information for industry stakeholders. The public relations firm that HISA is working with has many years of expertise in P/R for thoroughbred racing enterprises. The firm can perform the aforementioned tasks more efficiently and effectively than if HISA were to hire staff to perform these tasks in-house.

m. Legal—General and Lawsuits. This includes the cost of outside legal counsel for the creation, management, and updating of Racetrack Safety and ADMC rules as well as the cost of outside counsel that is working on the various lawsuits in which HISA is a party. Additionally, this includes the cost of outside legal counsel that handles enforcement actions brought under the Racetrack Safety Program. Doing all of these tasks requires a decentralized group of lawyers with varied skill sets. At present, it is much more efficient and effective to utilize outside counsel than for HISA to hire a large in-house legal team to handle these issues.

n. Insurance. This includes the following insurance policies for HISA:

- i. Directors & Officers insurance.
- ii. Workers' Compensation insurance.

All of these policies were competitively shopped by a broker to get the lowest rate possible.

o. Payroll Services. This includes all costs of HISA's relationship with Resource Management, Inc. (RMI), a Professional Employer Organization (PEO). RMI provides Human Resources

administration (handbook and policy management resources, new employee onboarding, labor law assistance, etc.), benefits management, compliance services (workers' compensation claims management and annual reporting, unemployment claims management, etc.), and payroll administration (payroll processing, W2 management, vacation tracking, etc.). The relationship with RMI allows these functions to be performed in a more cost-effective manner than if HISA hired employees to perform those functions.

p. Printing and Publication. This includes the cost of printing and publishing various educational and communication materials.

q. Professional Services. This account consists of:

- i. Consulting fees to independent contractors assisting HISA with consulting projects and board and executive functions.
- ii. \$100,000 to fund the preparation of a white paper on the benefits provided by security cameras in shedrows.
- iii. \$150,000 contingency fund set aside for unexpected expenses.

These items will ensure that HISA has high-quality employees who are well-trained to properly serve its constituents.

Please note that the 2025 HISA budget contemplates the repayment of \$250,000 of loans; it does not assume that any funding shortfall will be incurred.

VI. *Information Concerning Rule 1.150(c)(5)*. Attached as Appendix 10 is a comparison of the approved HISA 2024 Budget to actual revenues and expenditures. A variance has been calculated for each line item, and a narrative explanation has been provided for all variances >10% and at least \$100,000.

VII. *Information Concerning Rule 1.150(c)(6)*. The Authority received one public comment after posting the proposed budget on its website. The comment was submitted on July 22, 2024 by Andrew Cohen, a columnist for the Paulick Report, a horse racing publication. Mr. Cohen submitted his article titled, "Keeping Pace: A Closer Look at HISA's Proposed Budget" as a comment regarding the budget. The column is attached as Appendix 11. The comment was posted on the Authority's website on the same day that it was submitted by Mr. Cohen. The article sets forth the following suggestions and questions regarding the budget: (i) requesting a summary explanation of the budgetary changes; (ii) question regarding why the lab testing budget went from \$21.2 million to \$20.5 million; (iii) question regarding revenue reduction from \$3.6 million to \$2.4

million; and (iv) question regarding credits for sample collection and state laboratory services and whether "HISA officials expect to charge states and tracks about \$2 million less in 2025 than in 2024."

The Authority's assessment of Mr. Cohen's comment follows: In future years, the Authority will consider including the Notice with the budget on its website. The lab testing budget and collection costs decreased in large part because the 2024 budget included analysis for Louisiana, West Virginia, and Texas, while the 2025 budget does not. As it relates to the question regarding revenue reduction, this revenue line represents revenue from fines. After reviewing the actual fines collected to date, the Authority believes that the budget should be based on the fines expected to be collected instead of fines levied. The larger fines associated with the ADMC program generally accompany a longer suspension and, in these cases, the covered person is not motivated to pay the fine until the suspension has been served.

The Authority did not make any revisions to the proposed budget in light of the comment.

#### HISA's Conclusion

The proposed budget is consistent with and serves the goals of the Act in a prudent and cost-effective manner. The proposed budget allocates the funding necessary for the successful implementation by HISA of the requirements of the Act. The budget has been carefully analyzed and is narrowly tailored to the various regulatory activities of HISA as contemplated by the Act. As demonstrated herein, the anticipated revenues are sufficient to meet its anticipated expenditures.

By direction of the Commission.

**April J. Tabor,**  
Secretary.

#### Endnotes

<sup>1</sup> Codified at 15 U.S.C. 3051 through 3060.

<sup>2</sup> Public Law 116-260, 134 Stat. 1182, 3252 (Dec. 27, 2020).

<sup>3</sup> Public Law 117-328, 136 Stat. 4459, 5231 (Dec. 29, 2022).

<sup>4</sup> 88 FR 18034 (Mar. 27, 2023). These rules were amended in February 2024. 89 FR 8530 (Feb. 8, 2024); see 16 CFR 1.150-1.152.

<sup>5</sup> 15 U.S.C. 3051 through 3060.

<sup>6</sup> 16 CFR Part 1 Subpart U.

<sup>7</sup> The Authority notes that it has adopted and implemented a Conflicts of Interest and Business Ethics Policy (the "Policy") which acknowledges that Authority "[r]epresentatives involved in procurement have a special responsibility to adhere to principles of fair competition in the purchase of products and services by selecting vendors based exclusively on standard commercial

considerations, such as quality, cost, availability, service and reputation, and not on the receipt of special favors." The Policy requires, among other things, transactions to be supported by appropriate documentation; no entry be made in our books and records that intentionally hides or disguises the nature of any transaction or of any of our liabilities, or misclassifies any transactions as to accounts or accounting periods; HISA Representatives comply with our system of internal controls; no cash or other assets be maintained for any purpose in any unrecorded or "off-the-books" fund; no HISA Representative may take or authorize any action that would cause our financial records or financial disclosures to fail to comply with generally accepted accounting principles or other applicable laws, rules, and regulations; and all HISA Representatives must cooperate fully with our finance staff, as well as our independent public accountants and legal counsel, and respond to their questions with candor and provide them with complete and accurate information to help ensure that our records are accurate and complete. Any HISA Representative who becomes aware of any departure from these standards has a responsibility to report his or her knowledge promptly to the CEO or Chair of the Board. A copy of the Policy is available to the public on the Authority's website.

<sup>8</sup> A modification of the Racetrack Safety Rule was approved by the Commission by Order dated June 7, 2024.

<sup>9</sup> In 2023, the HISA Accreditation Team completed accreditation visits at 21 racetracks.

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BILLING CODE 6750-01-P

## DEPARTMENT OF DEFENSE

### GENERAL SERVICES ADMINISTRATION

### NATIONAL AERONAUTICS AND SPACE ADMINISTRATION

[OMB Control No. 9000-0035; Docket No. 2024-0053; Sequence No. 14]

#### Information Collection; Claims and Appeals

**AGENCY:** Department of Defense (DoD), General Services Administration (GSA), and National Aeronautics and Space Administration (NASA).

**ACTION:** Notice and request for comments.

**SUMMARY:** In accordance with the Paperwork Reduction Act of 1995, and the Office of Management and Budget (OMB) regulations, DoD, GSA, and NASA invite the public to comment on an extension concerning claims and appeals. DoD, GSA, and NASA invite comments on: whether the proposed collection of information is necessary for the proper performance of the

functions of Federal Government acquisitions, including whether the information will have practical utility; the accuracy of the estimate of the burden of the proposed information collection; ways to enhance the quality, utility, and clarity of the information to be collected; and ways to minimize the burden of the information collection on respondents, including the use of automated collection techniques or other forms of information technology. OMB has approved this information collection for use through March 31, 2025. DoD, GSA, and NASA propose that OMB extend its approval for use for three additional years beyond the current expiration date.

**DATES:** DoD, GSA, and NASA will consider all comments received by October 28, 2024.

**ADDRESSES:** DoD, GSA, and NASA invite interested persons to submit comments on this collection through <https://www.regulations.gov> and follow the instructions on the site. This website provides the ability to type short comments directly into the comment field or attach a file for lengthier comments. If there are difficulties submitting comments, contact the GSA Regulatory Secretariat Division at 202-501-4755 or [GSARegSec@gsa.gov](mailto:GSARegSec@gsa.gov).

**Instructions:** All items submitted must cite OMB Control No. 9000-0035, Claims and Appeals. Comments received generally will be posted without change to <https://www.regulations.gov>, including any personal and/or business confidential information provided. To confirm receipt of your comment(s), please check [www.regulations.gov](https://www.regulations.gov), approximately two-to-three days after submission to verify posting.

**FOR FURTHER INFORMATION CONTACT:** Zenaída Delgado, Procurement Analyst, at telephone 202-969-7207, or [zenaida.delgado@gsa.gov](mailto:zenaida.delgado@gsa.gov).

#### SUPPLEMENTARY INFORMATION:

##### A. OMB Control Number, Title, and Any Associated Form(s)

9000-0035, Claims and Appeals.

##### B. Need and Uses

This clearance covers the information that contractors must submit to comply with the following Federal Acquisition Regulation (FAR) requirements:

*FAR 52.233-1, Disputes.* This clause requires contractors to submit a claim in writing to the contracting officer for a written decision. For any claim exceeding \$100,000, contractors must provide a certification that (1) the claim is made in good faith; (2) supporting data are accurate and complete; and (3)

the amount requested accurately reflects the contract adjustment for which the contractor believes the Government is liable. Contractors may appeal the contracting officer's decision by submitting written appeals to the appropriate officials.

If the contractor refuses the Government's offer to use alternative dispute resolution (ADR), the contractor must inform the contracting officer, in writing, of the contractor's specific reasons for rejecting the offer.

The contracting officer will use the information to decide the disposition of the claim.

#### C. Annual Burden

*Respondents:* 4,500.

*Total Annual Responses:* 13,500.

*Total Burden Hours:* 13,500.

*Obtaining Copies:* Requesters may obtain a copy of the information collection documents from the GSA Regulatory Secretariat Division by calling 202-501-4755 or emailing [GSARegSec@gsa.gov](mailto:GSARegSec@gsa.gov). Please cite OMB Control No. 9000-0035, Claims and Appeals.

#### Janet Fry,

*Director, Federal Acquisition Policy Division, Office of Governmentwide Acquisition Policy, Office of Acquisition Policy, Office of Governmentwide Policy.*

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## DEPARTMENT OF HEALTH AND HUMAN SERVICES

### Centers for Disease Control and Prevention

[Docket No. CDC-2023-0093]

#### Reporting of Pregnancy Success Rates From Assisted Reproductive Technology (ART) Programs; Proposed Modifications to Data Collection Fields and Data Validation Procedures; Final Notice

**AGENCY:** Centers for Disease Control and Prevention (CDC), Department of Health and Human Services.

**ACTION:** General notice.

**SUMMARY:** The Centers for Disease Control and Prevention (CDC) within the Department of Health and Human Services (HHS) announces revised plans for data collection fields for reporting of pregnancy success rates from assisted reproductive technology (ART) programs and for data validation procedures. This reporting is required by the Fertility Clinic Success Rate and Certification Act of 1992 (FCSRCA).