

- (1) Your age;
- (2) Your education and training;
- (3) Your work experience;
- (4) Your daily activities both before and after the date you say that you became disabled;
- (5) Your efforts to work; and
- (6) Any other evidence showing how your impairment(s) affects your ability to work. (In §§ 220.125 through 220.134, we discuss in more detail the evidence the Board needs when it considers vocational factors.)

Dated: September 19, 2024.

By Authority of the Board.

Stephanie Hillyard,
Secretary to the Board.

[FR Doc. 2024–21777 Filed 9–24–24; 8:45 am]

BILLING CODE 7905–01–P

DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

24 CFR Part 570

[FR–6483–N–01]

Section 108 Loan Guarantee Program: Announcement of Fee To Cover Credit Subsidy Costs for FY 2025 and Solicitation of Comment

AGENCY: Office of the Assistant Secretary for Community Planning and Development, HUD.

ACTION: Announcement of fee; request for comments.

SUMMARY: This document announces and solicits comment on the fee that HUD will collect from borrowers of loans guaranteed under HUD’s Section 108 Loan Guarantee Program (Section 108 Program) to offset the credit subsidy costs of the guaranteed loans pursuant to commitments awarded in Fiscal Year 2025 in the event HUD is required or authorized by statute to do so, notwithstanding subsection (m) of section 108 of the Housing and Community Development Act of 1974. The fee to offset credit subsidy costs is changing from 1.64 percent in Fiscal Year 2024 to 0.82 percent in Fiscal Year 2025.

DATES: September 25, 2024.

Comment Due Date: October 25, 2024.

Applicability Date: October 28, 2024, unless after consideration of comments received, HUD determines a second **Federal Register** notification is necessary. If HUD determines a second **Federal Register** notification is necessary, it will indicate that on October 25, 2024 at https://www.hud.gov/program_offices/comm_planning/section108.

ADDRESSES: Interested persons are invited to submit comments responsive to this document. Copies of all comments submitted are available for inspection and downloading at www.regulations.gov. To receive consideration as public comments, comments must be submitted through one of the two methods specified below. All submissions must refer to the above docket number and title.

1. *Electronic Submission of Comments.* Interested persons may submit comments electronically through the Federal eRulemaking Portal at www.regulations.gov. HUD strongly encourages commenters to submit comments electronically. Electronic submission of comments allows the commenter maximum time to prepare and submit a comment, ensures timely receipt by HUD, and enables HUD to make them immediately available to the public. Comments submitted electronically through the www.regulations.gov website can be viewed by other commenters and interested members of the public. Commenters should follow the instructions provided on that site to submit comments electronically.

2. *Submission of Comments by Mail.* Comments may be submitted by mail to the Regulations Division, Office of General Counsel, Department of Housing and Urban Development, 451 7th Street SW, Room 10276, Washington, DC 20410–0500.

No Facsimile Comments. Facsimile (FAX) comments will not be accepted.

Public Inspection of Comments. All comments and communications properly submitted to HUD will be available for public inspection and copying between 8 a.m. and 5 p.m. weekdays at the above address. Due to security measures at the HUD Headquarters building, an advance appointment to review the public comments must be scheduled by calling the Regulations Division at (202) 708–3055 (this is not a toll-free number). HUD welcomes and is prepared to receive calls from individuals who are deaf or hard of hearing, as well as individuals with speech or communication disabilities. To learn more about how to make an accessible telephone call, please visit: <https://www.fcc.gov/consumers/guides/telecommunications-relay-service-trs>. Copies of all comments submitted are available for inspection and downloading at <http://www.regulations.gov>.

FOR FURTHER INFORMATION CONTACT: Paul Webster, Director, Financial Management Division, Office of Block

Grant Assistance, Office of Community Planning and Development, U.S. Department of Housing and Urban Development, 451 7th Street, SW, Room 7282, Washington, DC 20410; telephone number 202–402–4563 (this is not a toll-free number). HUD welcomes and is prepared to receive calls from individuals who are deaf or hard of hearing, as well as individuals with speech or communication disabilities. To learn more about how to make an accessible telephone call, please visit <https://www.fcc.gov/consumers/guides/telecommunications-relay-service-trs>. FAX inquiries (but not comments) may be sent to Mr. Webster at 202–708–1798 (this is not a toll-free number).

SUPPLEMENTARY INFORMATION:

I. Background

The Transportation, Housing and Urban Development, and Related Agencies Appropriations Act, 2015 (division K of Public Law 113–235, approved December 16, 2014) (2015 Appropriations Act) provided that “the Secretary shall collect fees from borrowers, notwithstanding subsection (m) of such section 108, to result in a credit subsidy cost of zero for guaranteeing . . .” Section 108 loans. Section 108(m) of the Housing and Community Development Act of 1974 states that “No fee or charge may be imposed by the Secretary or any other Federal agency on or with respect to a guarantee made by the Secretary under this section after February 5, 1988.” Identical language was continued or included in the Department’s continuing resolutions and appropriations acts authorizing HUD to issue Section 108 loan guarantees during Fiscal Years (FYs) 2016 to 2024. HUD anticipates that the Fiscal Year (FY) 2025 HUD appropriations bill under consideration¹ also has identical language suspending the prohibition against charging fees for loans issued with Section 108 guarantees after February 5, 1988, and requiring that the Secretary collect fees from borrowers to result in a credit subsidy cost of zero for the Section 108 Program.

On November 3, 2015, HUD published a final rule (80 FR 67626) that amended the Section 108 Program regulations at 24 CFR part 570 to establish additional procedures, including procedures for announcing the amount of the fee each fiscal year when HUD is required to offset the credit subsidy costs to the Federal Government to guarantee Section 108

¹ Title II of H.R. 9028, 118th Cong., under the heading “Community Development Loan Guarantees Program Account.”

loans. For FYs 2016 to 2024, HUD published notifications to set the fees.²

II. FY 2025 Fee: 0.82 Percent of the Principal Amount of the Loan

If authorized by statute, this document sets the fee for Section 108 loan disbursements under loan guarantee commitments awarded for FY 2025 at 0.82 percent of the principal amount of the loan. HUD will collect this fee from borrowers of loans guaranteed under the Section 108 Program to offset the credit subsidy costs of the guaranteed loans pursuant to commitments awarded in FY 2025 if the FY 2025 HUD appropriations bill under consideration is enacted, or if HUD is otherwise required or authorized by statute to collect fees from borrowers to offset the credit subsidy costs of the guaranteed loans, notwithstanding subsection (m) of section 108 of the Housing and Community Development Act of 1974 (42 U.S.C. 5308(m)). The calculation of the FY 2025 fee uses a similar calculation model as the FY 2016 to FY 2024 fee notifications, but incorporates updated information regarding the composition of the Section 108 portfolio and the timing of the estimated future cash flows for defaults and recoveries. The calculation of the fee is also affected by the discount rates required to be used by HUD when calculating the present value of the future cash flows as part of the Federal budget process. HUD is also changing some of the underlying assumptions of the fee calculation for this fee announcement.

As described in 24 CFR 570.712(b), HUD's credit subsidy calculation is based on the amount required to reduce the credit subsidy cost to the Federal Government associated with making a Section 108 loan guarantee to the amount established by applicable appropriation acts. As a result, HUD's credit subsidy cost calculations incorporated assumptions based on: (1) data on default frequency for municipal debt where such debt is comparable to loans in the Section 108 loan portfolio; (2) data on recovery rates on collateral security for comparable municipal debt; (3) the expected composition of the Section 108 portfolio by end users of the guaranteed loan funds (e.g., third-party borrowers and public entities); and (4) other factors that HUD determined were relevant to this calculation (e.g.,

assumptions as to loan disbursement and repayment patterns). HUD changed the assumptions underlying the fee calculations that had applied in previous fiscal years by (1) increasing the expected housing component of the Section 108 portfolio in anticipation of a Departmental initiative and (2) adjusting the projected repayment period for loans to accommodate more flexible repayment options to be made available under a Departmental initiative, resulting in more principal payments occurring in later years of the loan term.

Taking these factors into consideration, HUD determined that the fee for disbursements made under loan guarantee commitments awarded in FY 2025 will be 0.82 percent, which will be applied only at the time of loan disbursements. Note that future notifications may provide for a combination of upfront and periodic fees for loan guarantee commitments awarded in future fiscal years but, if so, HUD will provide the public an opportunity to comment if appropriate under 24 CFR 570.712(b)(2).

The expected cost of a Section 108 loan guarantee is difficult to estimate using historical program data because there have been no defaults in the history of the program that required HUD to invoke its full faith and credit guarantee or use the credit subsidy reserved each year for future losses.³ This is due to a variety of factors, including the availability of Community Development Block Grant (CDBG) funds as security for HUD's guarantee as provided in 24 CFR 570.705(b). As authorized by Section 108 of the Housing and Community Development Act of 1974, as amended (42 U.S.C. 5308), borrowers may make payments on Section 108 loans using CDBG grant funds. Borrowers may also make Section 108 loan payments from other anticipated sources but continue to have CDBG funds available should they encounter shortfalls in the anticipated repayment source. Despite the program's history of no defaults, Federal credit budgeting principles require that the availability of CDBG funds to repay the guaranteed loans cannot be assumed in the development of the credit subsidy cost estimate (see 80 FR 67629, November 3, 2015). Thus, the estimate must incorporate the risk that alternative sources are used to repay the guaranteed loan in lieu of CDBG funds,

and that those sources may be insufficient. Based on the rate that CDBG funds are used annually for repayment of loan guarantees, HUD's calculation of the credit subsidy cost must acknowledge the possibility of future defaults if those CDBG funds were not available. The fee of 0.82 percent of the principal amount of the loan will offset the expected cost to the Federal Government due to default, financing costs, and other relevant factors. To arrive at this measure, HUD analyzed data on comparable municipal debt over an extended period. The estimated rate is based on the default and recovery rates for general purpose municipal debt and industrial development bonds. The cumulative default rates on industrial development bonds were higher than the default rates on general purpose municipal debt during the period from which the data were taken. These two subsectors of municipal debt were chosen because their purposes and loan terms most closely resemble those of Section 108 guaranteed loans.

In this regard, Section 108 guaranteed loans can be broken down into two categories: (1) loans that finance public infrastructure and activities to support subsidized housing (other than financing new construction) and (2) other development projects (e.g., retail, commercial, industrial). The 0.82 percent fee was derived by weighting the default and recovery data for general purpose municipal debt and the data for industrial development bonds according to the expected composition of the Section 108 portfolio by corresponding project type. Based on the dollar amount of Section 108 loan guarantee commitments awarded from FY 2019 through FY 2023 and expected Section 108 guaranteed loans as part of a Departmental initiative, HUD expects that 71.7 percent of the Section 108 portfolio will be similar to general purpose municipal debt and 28.3 percent of the portfolio will be similar to industrial development bonds. In setting the fee at 0.82 percent of the principal amount of the guaranteed loan, HUD expects that the amount generated will fully offset the cost to the Federal Government associated with making guarantee commitments awarded in FY 2025. Note that the fee decreased from 1.64 percent in FY 2024 to 0.82 percent in FY 2025, a decrease of 0.82 percentage points in the level of fee charged.

This document establishes a statutorily required fiscal requirement in the form of a fee based on rate and cost determinations that does not constitute a development decision that

² 80 FR 67634 (November 3, 2015), 81 FR 68297 (October 4, 2016), 82 FR 44518 (September 25, 2017), 83 FR 50257 (October 5, 2018), 84 FR 35299 (July 23, 2019), 85 FR 52479 (August 26, 2020), 86 FR 59302 (October 27, 2021), 87 FR 53662 (September 1, 2022), and 88 FR 73532 (October 26, 2023) respectively.

³ U.S. Department of Housing and Urban Development, *Study of HUD's Section 108 Loan Guarantee Program*, (prepared by Econometrica, Inc. and The Urban Institute), September 2012, at pp. 73–74. This fact has not changed since the issuance of this report.

affects the physical condition of specific project areas or building sites. Accordingly, under 24 CFR 50.19(c)(6), this document is categorically excluded from environmental review under the National Environmental Policy Act of 1969 (42 U.S.C. 4321).

III. Solicitation of Comment

HUD solicits comment on the fee rate to be imposed on the Section 108 Program. HUD will publish a second **Federal Register** notice, if necessary, after consideration of public comments. This announced fee goes will become applicable on October 28, 2024 unless HUD indicates its intent to publish a second **Federal Register** notice through a notice on https://www.hud.gov/program_offices/comm_planning/section108 on October 25, 2024.

Marion M. McFadden,

Principal Deputy Assistant Secretary for Community Planning and Development.

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DEPARTMENT OF THE TREASURY

United States Mint

31 CFR Part 100

Exchange of Coin

AGENCY: United States Mint, Department of the Treasury.

ACTION: Final rule.

SUMMARY: This final rule removes Treasury regulations relating to the exchange of bent, partial, fused, and mixed coins. The removal will end the exchange program for bent and partial coin.

DATES: *Effective Date:* October 25, 2024.

FOR FURTHER INFORMATION CONTACT: Apryl Whitaker, Senior Legal Counsel, Office of the Chief Counsel, United States Mint, at (202) 354-7938 or rulemaking@usmint.treas.gov.

SUPPLEMENTARY INFORMATION:

I. Background

The Treasury regulations appearing at 31 CFR 100.11 are promulgated under 31 U.S.C. 321 and relate to the exchange of bent and partial coin. The last amendment to 31 CFR part 100, subpart C, was on December 20, 2017. In August 2018, the United States Mint suspended the redemption program due to the possibility of unlawful material being submitted for redemption. On May 5, 2021, the United States Mint issued a notice of proposed rulemaking proposing certain revisions to these

regulations (86 FR 23877), which was withdrawn on May 3, 2024 (89 FR 36721). The United States Mint subsequently decided to close the bent and partial coin exchange program.

For many years, the United States Mint has redeemed bent and partial coins for full face value. However, circumstances surrounding the redemption program have materially changed. Today submissions must be carefully evaluated to ensure that counterfeit coins are not accepted to the program, and the condition of many coins, particularly large volumes of coins damaged by recycling or industrial processes, makes authentication increasingly difficult and time-consuming. In addition, the volume of coins submitted for possible redemption has greatly increased, and counterfeits have been increasingly identified in imported coins intercepted by law enforcement, as well as in several large submissions to the redemption program. The result of these changes is that there is no financially responsible way to ensure the integrity of the redemption program and to meet the full level of demand. The United States Mint's capacity to process mutilated coins is limited by physical storage capacity, caseload complexity, and workload. Authentication procedures require extensive time and resources. The United States Mint has dedicated substantial time and resources to the bent and partial coin exchange program, in addition to operating the program at a loss by paying out face value for redemptions.

In 89 FR 36721, May 3, 2024, the United States Mint issued a notice of proposed rulemaking (NPRM) to remove regulations relating to the exchange of bent and partial coins, and it requested comments on the proposed revisions. In the NPRM, the Mint proposed to end the exchange program for bent and partial coin. As discussed below, the United States Mint has considered the comments received and has concluded that the proposed regulations will be adopted as a final rule.

II. Public Participation

The United States Mint received 35 comments in response to the NPRM proposing to end the Mutilated Coin Redemption Program. Eight of these comments were provided by organizations that identified as businesses, two identified as a trade association, and the remainder of the comments were provided by unknown, anonymous, or individual persons. The comments are available at www.regulations.gov.

Disposing of Coins

Some commenters were concerned about the disposal of dimes, quarters, half-dollar, and dollar coins. The proposed rule indicated correctly that the melting of dimes, quarters, half-dollar, and dollar coins is not regulated by the United States Mint. There is no prohibition on melting dimes, quarters, half-dollar, and dollar coins for non-fraudulent purposes. Some commenters expressed concern that 18 U.S.C. 331 criminalizes the melting of all U.S. coins. This statute, however, specifically addresses certain behavior that is conducted with the intent to defraud and does not address coins melted without fraudulent intent and consistent with 31 CFR part 82.

While there is a prohibition against melting pennies and nickels, there is a specific exception at 31 CFR 82.2 for coins melted or treated incidental to recycling other materials if (1) the coins were not added to the other materials for their metallurgical value, (2) the volumes of the coins, relative to the volumes of the other materials recycled, makes it clear that the presence of such coins is merely incidental, and (3) the separation of the coins from the other materials would be impracticable or cost prohibitive. See 31 CFR 82.2(c). This exception extends to the melting of coins that become mutilated due to treatment that is itself within the scope of the exception. If an exception does not apply, then applications for licenses to melt pennies and nickels should be transmitted to the Director, United States Mint; 801 9th Street NW, Washington, DC 20220. See 31 CFR 82.2(f).

Some individuals were concerned about how they can dispose of their bent or partial coins. Individuals can inquire of their local scrap metal dealers.

Lack of Capacity

Some commenters indicated that the United States Mint's assertion that it lacks the capacity to process large volumes of bent or partial coin is disingenuous, because, in the past, large submissions of bent or partial coin were delivered directly to a third-party contractor, not to the United States Mint. However, after the program was suspended in 2018, the United States Mint developed new authentication techniques and procedures as recommended by the Treasury Department's Office of Inspector General to test and authenticate the genuineness of coins. To effectively authenticate the material with the new counterfeit detection methods that the United States Mint developed, the