

or interest rate mode that occurs pursuant to the terms of the bond is a modification. Thus, an issuer's exercise of an option to alter the interest rate or interest rate mode on a qualified tender bond generally is not a modification under § 1.1001–3 because the alteration occurs by operation of the terms of the bond and the holder's resulting right to put the bond to the issuer or the issuer's agent pursuant to the disregarded qualified tender right does not prevent the issuer's option from qualifying as a unilateral option under § 1.1001–3(c)(3) that would not give rise to a modification.

(2) *Acquisition pursuant to a qualified tender right.* An acquisition of a qualified tender bond by the issuer or its agent does not result in the retirement of the bond under paragraph (b)(1)(ii) of this section if the acquisition is pursuant to the operation of a qualified tender right and neither the issuer nor its agent continues to hold the bond after the close of the 90-day period beginning on the date of the tender.

(3) *Acquisition of a tax-exempt bond by a guarantor or liquidity facility provider.* An acquisition of a tax-exempt bond by a guarantor or liquidity facility provider acting on the issuer's behalf does not result in the retirement of the bond under paragraph (b)(1)(ii) of this section if the acquisition is pursuant to the terms of the guarantee or liquidity facility and the guarantor or liquidity facility provider is not a related party (as defined in § 1.150–1(b)) to the issuer.

(d) *Effect of retirement.* If a bond is retired pursuant to paragraph (b)(1)(i) of this section (that is, in a transaction treated as an exchange of the bond for a bond with modified terms), the bond is treated as a new bond issued at the time of the modification as determined under § 1.1001–3. If the issuer or its agent resells a bond retired pursuant to paragraph (b)(1)(ii) of this section, the bond is treated as a new bond issued on the date of resale. The rules of § 1.150–1(d) apply to determine if the new bond is part of a refunding issue.

(e) *Definitions.* For purposes of this section, the following definitions apply:

(1) *Issuer* means the State or local governmental unit (as defined in § 1.103–1) that actually issues the tax-exempt bond and any related party (as defined in § 1.150–1(b)) to the actual issuer (as distinguished, for example, from a conduit borrower that is not a related party to the actual issuer).

(2) *Qualified tender bond* means a tax-exempt bond that, pursuant to the terms of the bond, has all of the following features:

(i) During each authorized interest rate mode, the bond bears interest at a

fixed interest rate, a qualified floating rate under § 1.1275–5(b), or an objective rate for a tax-exempt bond under § 1.1275–5(c)(5);

(ii) Interest on the bond is unconditionally payable (as defined in § 1.1273–1(c)(1)(ii)) at periodic intervals of no more than one year;

(iii) The bond has a stated maturity date that is not later than 40 years after the issue date of the bond; and

(iv) The bond includes a qualified tender right.

(3) *Qualified tender right* means a right or obligation of a holder of a tax-exempt bond pursuant to the terms of the bond to tender the bond for purchase as described in this paragraph (e)(3). The purchaser under the tender may be the issuer, its agent, or another party. The tender right is available on at least one date before the stated maturity date. For each such tender, the purchase price of the bond is equal to par (plus any accrued interest). Following each such tender, the issuer, its agent, or another party either redeems the bond or uses reasonable best efforts to resell the bond within the 90-day period beginning on the date of the tender.

Upon any such resale, the resale price of the bond is equal to the par amount of the bond (plus any accrued interest), except that, if the tender right is exercised in connection with a conversion of the interest rate mode on the bond to a fixed rate for the remaining term of the bond, the bond may be resold at any price, including a premium price above the par amount of the bond or a discount price below the par amount of the bond (plus any accrued interest). Any premium received by the issuer pursuant to such a resale is treated solely for purposes of the arbitrage investment restrictions under section 148 of the Code as additional sale proceeds of the bonds.

(f) *Applicability date*—(1) *General applicability.* This section applies to events occurring and actions taken with respect to bonds on or after December 30, 2025.

(2) *Permissive applicability.* An issuer may choose to apply this section to events occurring and actions taken with respect to bonds on or after December 30, 2024.

■ **Par. 3.** Section 1.1001–3 is amended by revising paragraph (a)(2) to read as follows:

§ 1.10011.1001–3 Modifications of debt instruments.

(a) * * *

(2) *Tax-exempt bonds.* For special rules governing whether tax-exempt bonds are retired for purposes of

sections 103 and 141 through 150 of the Internal Revenue Code, *see* § 1.150–3.

* * * * *

Douglas W. O'Donnell,

Deputy Commissioner.

Approved: December 8, 2024.

Aviva R. Aron-Dine,

Deputy Assistant Secretary of the Treasury (Tax Policy).

[FR Doc. 2024–30267 Filed 12–27–24; 8:45 am]

BILLING CODE 4830–01–P

DEPARTMENT OF HOMELAND SECURITY

Coast Guard

33 CFR Part 165

[Docket Number USCG–2024–0205]

RIN 1625–AA11

Regulated Navigation Area; Port of Miami, Miami, FL

AGENCY: Coast Guard, DHS.

ACTION: Final rule.

SUMMARY: The Coast Guard is establishing a regulated navigation area for certain waters surrounding the Port of Miami. This action is necessary to enhance the protection of high-risk vessel and port operations while reducing navigational hazards to waterway users and mariners by controlling vessel speeds. This rule will establish a slow speed zone throughout Fisherman's Channel and the Main Ship Channel for vessels less than 50 meters in length.

DATES: This rule is effective January 29, 2025.

ADDRESSES: To view documents mentioned in this preamble as being available in the docket, go to <https://www.regulations.gov>, type USCG–2024–0205 in the search box and click “Search.” Next, in the Document Type column, select “Supporting & Related Material.”

FOR FURTHER INFORMATION CONTACT: If you have questions about this rule, call or email Mr. David Lieberman, District 7 Dpw, U.S. Coast Guard; telephone (206) 827–3637, email David.L.Lieberman2@uscg.mil.

SUPPLEMENTARY INFORMATION:

I. Table of Abbreviations

CFR Code of Federal Regulations
COTP Captain of the Port
DHS Department of Homeland Security
FR Federal Register
LNG Liquefied Natural Gas
NAVCEN Coast Guard Navigation Center
NOI Notice of Intent

NPRM Notice of proposed rulemaking
PAWSA Port and Waterways Safety
Assessment
RNA Regulated Navigation Area
§ Section
U.S.C. United States Code

II. Background Information and Regulatory History

The Captain of the Port (COTP) Miami has determined that the Port of Miami is at increased navigational risk as the port continues to expand and vessel traffic increases. On May 10–11, 2023, Coast Guard Navigation Center (NAVCEN) and Sector Miami conducted a Ports and Waterways Safety Assessment (PAWSA) with key stakeholders of the Port of Miami. The core finding of workshop participants was the presence of increased hazards to navigational safety in the Port of Miami created by high-speed vessel operations and the resulting large and damaging wakes they often introduce into the congested and geographically confined waterway. Over the last few years, a growing number of near misses prompted concern for the safety of life as both the volume of vessel traffic and speeds of vessels have increased. On June 25, 2023, around 3:30 a.m., a recreational vessel, traveling at a high rate of speed through the Main Ship Channel, collided with a crossing vehicle ferry, killing one person and seriously injuring another. The incident not only resulted in the tragic loss of life but also caused a significant disruption of 30,000 cruise ship passengers and cargo movements within the Port of Miami for over 12 hours. Additionally, on February 12, 2024, a recreational vessel collided with an inspected passenger vessel in a critical point of Fisherman's Channel. This incident resulted in 13 injuries with one person in critical condition. This regulated navigation area (RNA) will reduce the navigational risk associated with one of the world's largest ports, reduce the loss of life, and mitigate the chance of disruption to port operations.

On April 11, 2024, under docket USCG–2024–0205, the Coast Guard published a Notice of Intent (NOI) entitled Regulated Navigation Area; Port of Miami, Miami, FL in the **Federal Register** (89 FR 25553) seeking comments on a potential RNA around the Port of Miami. The Coast Guard received 47 comments that had a predominantly positive tone.

On August 28, 2024, under docket USCG–2024–0205, the Coast Guard published a Notice of Proposed Rulemaking (NPRM) entitled Regulated Navigation Area; Port of Miami, Miami, FL in the **Federal Register** (89 FR

68843). The NPRM provided official notice of the proposed RNA and invited comment on the proposed regulatory action. The comment period ended on September 28, 2024, with 32 comments received that reflected a predominantly positive tone.

III. Legal Authority and Need for Rule

The Coast Guard is issuing this rule under the authority in 46 U.S.C. 70034. The COTP Miami has determined the potential hazards associated with increased vessel traffic and wake created by vessels transiting at high speeds poses a concern for navigational safety surrounding the Port of Miami. In addition, the Port of Miami is expanding its cruise ship terminals and will soon be the largest cruise ship port in the world, moving tens of thousands of passengers every day. With this, the Port of Miami also experienced an increase in Liquefied Natural Gas (LNG) powered cruise ships and cargo vessels resulting in an increase of hazardous bunkering operations within the port. The existing security risk associated with the Port of Miami is already high and this expansion only increases that risk. Establishing the RNA will reduce the speed of vessels and aid law enforcement officials in monitoring vessel traffic, as vessels not complying with slow speed zones will quickly draw attention, giving law enforcement officials more time to assess the situation and take appropriate action to protect vessels within the port and port facilities. The purpose of this rule is to ensure safe navigation and promote the safety of life at sea.

IV. Discussion of Comments, Changes, and the Rule

There are no changes in the regulatory text of this rule from the proposed language in the NPRM. This rule establishes an RNA for certain waters surrounding the Port of Miami. This rule will establish a slow speed zone throughout Fisherman's Channel and the Main Ship Channel for vessels less than 50 meters in length. This action is necessary to provide for the safety of life by enhancing the protection of increased high-risk vessel traffic while reducing the navigational hazards to the mariners who operate throughout the port.

V. Regulatory Analyses

We developed this rule after considering numerous statutes and Executive orders related to rulemaking. Below we summarize our analyses based on a number of these statutes and Executive orders, and we discuss First Amendment rights of protestors.

A. Regulatory Planning and Review

Executive Orders 12866 and 13563 direct agencies to assess the costs and benefits of available regulatory alternatives and, if regulation is necessary, to select regulatory approaches that maximize net benefits. This rule has not been designated a “significant regulatory action,” under section 3(f) of Executive Order 12866, as amended by Executive Order 14094 (Modernizing Regulatory Review). Accordingly, this rule has not been reviewed by the Office of Management and Budget (OMB).

This regulatory action determination is based on the size, location, duration and time of day of the regulated area. The regulated navigation area will only affect vessels entering and passing within the Main Ship Channel, Fisherman's Channel, and Meloy Channel. Vessels may continue to operate within the regulated navigation area with the only restriction being the requirement to operate at slow speeds and not create an excessive wake. Moreover, upon activating the regulated navigation area, the Coast Guard will notify the local maritime community through various means including, Local Notice to Mariners and Broadcast Notice to Mariners issued on VHF–FM marine radio channel 16.

B. Impact on Small Entities

The Regulatory Flexibility Act of 1980, 5 U.S.C. 601–612, as amended, requires Federal agencies to consider the potential impact of regulations on small entities during rulemaking. The term “small entities” comprises small businesses, not-for-profit organizations that are independently owned and operated and are not dominant in their fields, and governmental jurisdictions with populations of less than 50,000. The Coast Guard received no comments from the Small Business Administration on this rulemaking. The Coast Guard certifies under 5 U.S.C. 605(b) that this rule will not have a significant economic impact on a substantial number of small entities.

C. Collection of Information

This rule will not call for a new collection of information under the Paperwork Reduction Act of 1995 (44 U.S.C. 3501–3520).

D. Federalism and Indian Tribal Governments

A rule has implications for federalism under Executive Order 13132, Federalism, if it has a substantial direct effect on the States, on the relationship between the National Government and the States, or on the distribution of

power and responsibilities among the various levels of government. We have analyzed this rule under that Order and have determined that it is consistent with the fundamental federalism principles and preemption requirements described in Executive Order 13132.

Also, this rule does not have tribal implications under Executive Order 13175, Consultation and Coordination with Indian Tribal Governments, because it does not have a substantial direct effect on one or more Indian Tribes, on the relationship between the Federal Government and Indian Tribes, or on the distribution of power and responsibilities between the Federal Government and Indian Tribes.

E. Unfunded Mandates Reform Act

The Unfunded Mandates Reform Act of 1995 (2 U.S.C. 1531–1538) requires Federal agencies to assess the effects of their discretionary regulatory actions. In particular, the Act addresses actions that may result in the expenditure by a State, local, or Tribal government, in the aggregate, or by the private sector of \$100,000,000 (adjusted for inflation) or more in any one year. Though this rule will not result in such an expenditure, we do discuss the effects of this rule elsewhere in this preamble.

F. Environment

We have analyzed this rule under Department of Homeland Security Directive 023–01, Rev. 1, associated implementing instructions, and Environmental Planning COMDTINST 5090.1 (series), which guide the Coast Guard in complying with the National Environmental Policy Act of 1969 (42 U.S.C. 4321–4370f), and have determined that this action is one of a category of actions that do not individually or cumulatively have a significant effect on the human environment. This rule involves a regulated navigation area requiring vessels 50 meters or less to transit the regulated area at a slow speed that creates minimum wake. It is categorically excluded from further review under paragraph L[60a] of Appendix A, Table 1 of DHS Instruction Manual 023–01–001–01, Rev. 1. A Record of Environmental Consideration supporting this determination is available in the docket. For instructions on locating the docket, see the **ADDRESSES** section of this preamble.

G. Protest Activities

The Coast Guard respects the First Amendment rights of protesters. Protesters are asked to call or email the person listed in the **FOR FURTHER INFORMATION CONTACT** section to

coordinate protest activities so that your message can be received without jeopardizing the safety or security of people, places or vessels.

List of Subjects in 33 CFR Part 165

Harbors, Marine Safety, Navigation (water), Reporting and recordkeeping requirements, Security measures, Waterways.

For the reasons discussed in the preamble, the Coast Guard amends 33 CFR part 165 as follows:

PART 165—REGULATED NAVIGATION AREAS AND LIMITED ACCESS AREAS

■ 1. The authority citation for part 165 continues to read as follows:

Authority: 46 U.S.C. 70034, 70051, 70124; 33 CFR 1.05–1, 6.04–1, 6.04–6, and 160.5; Department of Homeland Security Delegation No. 00170.1, Revision No. 01.3.

■ 2. Add § 165.792 before the center heading “Eighth Coast Guard District” to read as follows:

§ 165.792 Regulated Navigation Area; Port of Miami, Miami, Florida.

(a) *Location.* The following area is a Regulated Navigation Area (RNA): All waters of the Port of Miami, from Fisherman’s Channel Daybeacon 16 at 25°46.40’ N, 080°10.84’ W proceeding southeasterly through Fisherman’s Channel south of Dodge Island to Miami Main Channel Light 15 at 25°45.86’ N, 080°08.24’ W in Government Cut, thence northwesterly through the Main Ship Channel north of Dodge Island to Biscayne Bay Light 50 at 25°46.90’ N, 080°10.88’ W. Additionally, the Meloy Channel from Miami Main Channel Lighted Buoy 16 at 25°46.04’ N, 080°08.41’ W proceeding northwesterly to the MacArthur Causeway Bridge. The coordinates used in this paragraph are based on the World Geodetic System (WGS) 1984.

(b) *Definitions.* As used in this section, slow speed means the speed at which a vessel proceeds when it is fully off plane, completely settled in the water and not creating excessive wake. Due to the different speeds at which vessels of different sizes and configurations may travel while in compliance with this definition, no specific speed is assigned to slow speed. A vessel is not proceeding at slow speed if it is:

- (1) On plane;
 - (2) In the process of coming up on or coming off plane; or
 - (3) Creating an excessive wake.
- (c) *Regulations.* Vessels less than 50 meters entering and transiting through the regulated navigation area shall proceed at a slow speed. Nothing in this

section alleviates vessels or operators from complying with all state and local laws in the area including manatee slow speed zones. Nor should anything in this section be construed as conflicting with the requirement to operate at safe speed under the Inland Navigation Rules, (33 CFR chapter I, subchapter E).

(d) *Enforcement.* The Coast Guard may be assisted in the patrol and enforcement of the Regulated Navigation Area by other Federal, State, and local agencies.

(e) *Contact information.* If you observe violations of the regulations in this section, you may notify the COTP via the Coast Guard Sector Miami Command Center via VHF channel 16, by phone at 305–535–4472, or by email at SectorMiamiWaterways@uscg.mil.

Dated: December 20, 2024.

Douglas M. Schofield,

Rear Admiral, U.S. Coast Guard, Commander, Seventh Coast Guard District.

[FR Doc. 2024–31268 Filed 12–27–24; 8:45 am]

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DEPARTMENT OF HOMELAND SECURITY

Coast Guard

33 CFR Part 165

[Docket No. USCG–2024–1065]

Safety Zone; Annual Fireworks Displays and Other Events in the Eighth Coast Guard District Requiring Safety Zones

AGENCY: Coast Guard, DHS.

ACTION: Notification of enforcement of regulation.

SUMMARY: The Coast Guard will enforce a safety zone for the Crescent City Countdown Club/New Year’s Celebration fireworks display, from 11:30 p.m. on December 31, 2024, through 12:30 a.m. on January 1, 2025, to provide for the safety of life on the navigable waterways during this event. Our regulation for annual fireworks displays and other events in the Eighth Coast Guard District identifies this safety zone for this event on the Mississippi River in New Orleans, LA. During the enforcement period, entry into this zone is prohibited unless authorized by the Captain of the Port or a designated representative.

DATES: The regulations in 33 CFR 165.801 will be enforced for the Crescent City Countdown Club/New Year’s Celebration safety zone listed in item 10 in table 5 to § 165.801 from 11:30 p.m. on December 31, 2024, through 12:30 a.m. on January 1, 2025.