

an application that meets the priority over an application of comparable merit that does not meet the priority (34 CFR 75.105(c)(2)(ii)).

**Invitational priority:** Under an invitational priority, we are particularly interested in applications that meet the priority. However, we do not give an application that meets the priority a preference over other applications (34 CFR 75.105(c)(1)).

This notice does not preclude us from proposing additional priorities, requirements, definitions, or selection criteria, subject to meeting applicable rulemaking requirements.

**Note:** This notice does *not* solicit applications. In any year in which we choose to use this priority, we invite applications through a notice in the **Federal Register**.

## Executive Orders 12866 and 13563

### Regulatory Impact Analysis

Under Executive Order 12866, the Secretary must determine whether this 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 loan 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 stated in the Executive order.

This final regulatory action is not a significant regulatory action subject to review by OMB under section 3(f) of Executive Order 12866.

We have also reviewed this final regulatory action under Executive Order 13563, which supplements and explicitly reaffirms the principles, structures, and definitions governing regulatory review established in Executive Order 12866. To the extent permitted by law, Executive Order 13563 requires that an agency—

(1) Propose or adopt regulations only upon a reasoned determination that

their benefits justify their costs (recognizing that some benefits and costs are difficult to quantify);

(2) Tailor its regulations to impose the least burden on society, consistent with obtaining regulatory objectives and taking into account—among other things and to the extent practicable—the costs of cumulative regulations;

(3) In choosing among alternative regulatory approaches, select those approaches that maximize net benefits (including potential economic, environmental, public health and safety, and other advantages; distributive impacts; and equity);

(4) To the extent feasible, specify performance objectives, rather than the behavior or manner of compliance a regulated entity must adopt; and

(5) Identify and assess available alternatives to direct regulation, including economic incentives—such as user fees or marketable permits—to encourage the desired behavior, or provide information that enables the public to make choices.

Executive Order 13563 also requires an agency “to use the best available techniques to quantify anticipated present and future benefits and costs as accurately as possible.” The Office of Information and Regulatory Affairs of OMB has emphasized that these techniques may include “identifying changing future compliance costs that might result from technological innovation or anticipated behavioral changes.”

We are issuing this final priority only on a reasoned determination that its benefits justify its costs. In choosing among alternative regulatory approaches, we selected those approaches that maximize net benefits. Based on the analysis that follows, the Department believes that this regulatory action is consistent with the principles in Executive Order 13563.

We also have determined that this regulatory action does not unduly interfere with State, local, and tribal governments in the exercise of their governmental functions.

In accordance with both Executive orders, the Department has assessed the potential costs and benefits, both quantitative and qualitative, of this regulatory action. The potential costs are those resulting from statutory requirements and those we have determined as necessary for administering the Department’s programs and activities.

The benefits of the Disability and Rehabilitation Research Projects and Centers Program have been well established over the years, as projects similar to the one envisioned by the

final priority have been completed successfully. The new RRTC will generate, and promote the use of, new knowledge that will improve the options for individuals with disabilities to perform regular activities of their choice in the community.

**Accessible Format:** Individuals with disabilities can obtain this document in an accessible format (e.g., braille, large print, audiotape, or compact disc) on request to the program contact person listed under **FOR FURTHER INFORMATION CONTACT**.

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Dated: June 4, 2013.

**Michael K. Yudin,**

*Delegated the authority to perform the functions and the duties of the Assistant Secretary for Special Education and Rehabilitative Services.*

[FR Doc. 2013–13602 Filed 6–6–13; 8:45 am]

**BILLING CODE 4000–01–P**

## DEPARTMENT OF HEALTH AND HUMAN SERVICES

### Office of the Secretary

#### 45 CFR Parts 160 and 164

**RIN 0945–AA03**

### Technical Corrections to the HIPAA Privacy, Security, and Enforcement Rules

**AGENCY:** Office for Civil Rights, Department of Health and Human Services.

**ACTION:** Final rule.

**SUMMARY:** These technical corrections address certain inadvertent errors and omissions in the HIPAA Privacy, Security, and Enforcement Rules that are located at 45 CFR parts 160 and 164.

**DATES:** This final rule is effective on June 7, 2013.

**FOR FURTHER INFORMATION CONTACT:** Andra Wicks 202–205–2292.

**SUPPLEMENTARY INFORMATION:**

**I. Executive Summary and Background**

On January 25, 2013, the Department of Health and Human Services (HHS or “the Department”) published a final rule to implement changes to the HIPAA Privacy, Security, Enforcement, and Breach Notification Rules (“the HIPAA Rules”) pursuant to statutory amendments under the Health Information Technology for Economic and Clinical Health Act (“the HITECH Act”), pursuant to section 105 of Title I of the Genetic Information Nondiscrimination Act of 2008, to address public comment received on the interim final Breach Notification Rule, and to make certain other modifications to the HIPAA Rules to improve their workability and effectiveness and to increase flexibility for and decrease burden on the regulated entities. See 78 FR 5566. Since then, HHS has discovered a number of minor inadvertent errors and omissions in citations, and one typographical error, in several provisions of the HIPAA Rules. As explained below, with one exception, the errors and omissions are related to the modifications made in the final rule published on January 25, 2013. This final rule contains technical corrections to the HIPAA Rules to revise these errors and omissions, which are discussed below.

**II. Discussion of Technical Corrections to 45 CFR Part 160**

a. Section 160.508(c)(5) should be corrected to refer to § 160.410(b)(2)(ii)(B) and 42 U.S.C. 1320d–5(b)(2)(B) instead of § 160.410(b)(3)(ii)(B) and 42 U.S.C. 1320d–5(b)(3)(B), respectively, as § 160.410(b)(3)(ii)(B) and 42 U.S.C. 1320d–5(b)(3)(B) were previously amended and became § 160.410(b)(2)(ii)(B) and 42 U.S.C. 1320d–5(b)(2)(B) as a result. Also, § 160.508(c)(5) should include a reference to § 160.410(c)(2)(ii) after the reference to § 160.410(b)(2)(ii)(B), so that there is a corresponding regulatory reference for the grant of an extension of time pursuant to the Secretary’s discretion for violations occurring on or after February 18, 2009, as there is for violations occurring prior to February 18, 2009.

b. Section 160.548(e) references an affirmative defense by which the Secretary may not impose a civil money penalty on a covered entity if the

violation falls under the HIPAA criminal provisions at 42 U.S.C. 1320d–6 and cites § 160.410(b)(1) as the regulatory reference for this affirmative defense. However, § 160.410(b)(1) was changed to be § 160.410(a)(1) and (2). Thus, § 160.548(e) should be corrected to refer to § 160.410(a)(1) or (2) instead of § 160.410(b)(1).

**III. Discussion of Technical Corrections to 45 CFR Part 164**

a. The definition of *health care component* found at § 164.103 references § 164.105(a)(2)(iii)(C), but that reference should be corrected to be § 164.105(a)(2)(iii)(D), as § 164.105(a)(2)(iii)(D) now contains the hybrid entity designation requirements referenced by the definition of *health care component*.

b. The definition of *hybrid entity* found at § 164.103 references § 164.105(a)(2)(iii)(C), but that reference should be corrected to be § 164.105(a)(2)(iii)(D), as § 164.105(a)(2)(iii)(D) now contains the hybrid entity designation requirements referenced by the definition of *hybrid entity*.

c. Section 164.314(a)(1), in discussing business associate contracts or other arrangements, refers to the requirements for such contracts or other arrangements found at § 164.308(b)(4). However, as such requirements were renumbered and are now found at § 164.308(b)(3), § 164.314(a)(1) should be revised to refer to § 164.308(b)(3).

d. Section 164.512(k)(4)(i) refers to Executive Order (“E.O.”) 12698. However E.O. 12698 discusses pay rate adjustments and is not applicable to the subject of § 164.512(k)(4)(i). The preamble to the 2000 HIPAA Privacy Final Rule refers to E.O. 12968, which discusses classified information and is applicable to the subject of § 164.512(k)(4)(i). See 65 FR 82707. Given that § 164.512(k)(4)(i) relates to uses and disclosures of protected health information to the Department of State to determine medical suitability for the purpose of a required security clearance, as discussed in the preamble to the 2000 Privacy Final Rule, § 164.512(k)(4)(i) should properly refer to E.O. 12968.

e. Section 164.514(f)(2)(iv), in discussing the implementation specifications for covered entities that make fundraising communications, refers to the requirements to allow an individual to opt out of receiving fundraising communications, and erroneously refers to § 164.514(f)(1)(ii)(B), which does not exist. The proper reference for the opt out requirements is at § 164.514(f)(2)(ii).

Accordingly, § 164.514(f)(2)(iv) should be revised to refer to § 164.514(f)(2)(ii).

f. Section 164.524(c)(4)(iv) describes the summary or explanation allowed by § 164.524(c)(2)(iii), while incorrectly referring to § 164.524(c)(2)(ii), which discusses the form of access requested by an individual. As such, § 164.524(c)(4)(iv) should be revised to refer to § 164.524(c)(2)(iii).

g. In section 164.532(f), the “[” should be removed before “January 25, 2013” to correct a typographical error.

**IV. Inapplicability of Notice and Delayed Effective Date**

Under the Administrative Procedure Act, an agency may waive the normal notice and comment procedures if it finds, for good cause, that they are impracticable, unnecessary, or contrary to the public interest. The Department has determined that the corrections in this final rule are minor, routine determinations in which the public would not be particularly interested, or about which the public has already been put on notice, given the context of the errors or omissions to be corrected. Therefore, the Department finds that good cause exists for waiving the notice and public comment procedures as unnecessary under 5 U.S.C. 553(b)(B). For the same reasons, pursuant to 5 U.S.C. 553(d)(3), a delayed effective date is not required.

**V. Regulatory Flexibility Act**

Because this document is not subject to the notice and public procedure requirements of 5 U.S.C. 553, it is not subject to the provisions of the Regulatory Flexibility Act (5 U.S.C. 601 et seq.).

**VI. Executive Order 12866**

These technical corrections do not meet the criteria for a “significant regulatory action” as specified in Executive Order 12866, as supplemented by Executive Order 13563.

**List of Subjects**

*45 CFR Part 160*

Administrative practice and procedure, Computer technology, Electronic information system, Electronic transactions, Employer benefit plan, Health, Health care, Health facilities, Health insurance, Health records, Hospitals, Investigations, Medicaid, Medical research, Medicare, Penalties, Privacy, Reporting and recordkeeping requirements, Security.

*45 CFR Part 164*

Administrative practice and procedure, Computer technology,

Electronic information system, Electronic transactions, Employer benefit plan, Health, Health care, Health facilities, Health insurance, Health records, Hospitals, Medicaid, Medical research, Medicare, Privacy, Reporting and recordkeeping requirements, Security.

For the reasons set forth in the preamble, the Department amends 45 CFR Subtitle A, Subchapter C, parts 160 and 164, as set forth below:

## **PART 160—GENERAL ADMINISTRATIVE REQUIREMENTS**

■ 1. The authority citation for part 160 continues to read as follows:

**Authority:** 42 U.S.C. 1302(a); 42 U.S.C. 1320d–1320d–9; sec. 264, Pub. L. 104–191, 110 Stat. 2033–2034 (42 U.S.C. 1320d–2 (note)); 5 U.S.C. 552; secs. 13400–13424, Pub. L. 111–5, 123 Stat. 258–279; and sec. 1104 of Pub. L. 111–148, 124 Stat. 146–154.

### **§ 160.508 [Amended]**

■ 2. Amend § 160.508(c)(5) by correcting “§ 160.410(b)(3)(ii)(B)” to read “§ 160.410(b)(2)(ii)(B) or (c)(2)(ii)” and by correcting “42 U.S.C. 1320d–5(b)(3)(B)” to read “42 U.S.C. 1320d–5(b)(2)(B)”.

### **§ 160.548 [Amended]**

■ 3. Amend § 160.548(e) by correcting “§ 160.410(b)(1)” to read “§ 160.410(a)(1) or (2)”.

## **PART 164—SECURITY AND PRIVACY**

■ 4. The authority citation for part 164 continues to read as follows:

**Authority:** 42 U.S.C. 1302(a); 42 U.S.C. 1320d–1320d–9; sec. 264, Pub. L. 104–191, 110 Stat. 2033–2034 (42 U.S.C. 1320d–2 (note)); and secs. 13400–13424, Pub. L. 111–5, 123 Stat. 258–279.

### **§ 164.103 [Amended]**

■ 5. Amend § 164.103 as follows:  
 ■ a. In the definition of *health care component*, by correcting “§ 164.105(a)(2)(iii)(C)” to read “§ 164.105(a)(2)(iii)(D)”.  
 ■ b. In the definition of *hybrid entity*, by correcting “§ 164.105(a)(2)(iii)(C)” to read “§ 164.105(a)(2)(iii)(D)”.

### **§ 164.314 [Amended]**

■ 6. Amend § 164.314(a)(1) by correcting “§ 164.308(b)(4)” to read “§ 164.308(b)(3)”.

### **§ 164.512 [Amended]**

■ 7. Amend § 164.512(k)(4)(i) by correcting “12698” to read “12968”.

### **§ 164.514 [Amended]**

■ 8. Amend § 164.514(f)(2)(iv) by correcting “paragraph (f)(1)(ii)(B)” to read “paragraph (f)(2)(ii)”.

### **§ 164.524 [Amended]**

■ 9. Amend § 164.524(c)(4)(iv) by correcting “paragraph (c)(2)(ii)” to read “paragraph (c)(2)(iii)”.

### **§ 164.532 [Amended]**

■ 10. Amend the introductory text of § 164.532(f) by correcting “[January 25, 2013” to read “January 25, 2013”.

Dated: May 31, 2013.

**Jennifer M. Cannistra,**

*Executive Secretary to the Department.*

[FR Doc. 2013–13472 Filed 6–6–13; 8:45 am]

**BILLING CODE 4153–01–P**

## **DEPARTMENT OF THE INTERIOR**

### **Office of the Secretary**

### **48 CFR Parts 1401, 1452, and 1480**

**RIN 1090–AB03**

### **Acquisition Regulations; Buy Indian Act; Procedures for Contracting**

**AGENCY:** Assistant Secretary for Policy, Management and Budget, Interior.

**ACTION:** Final rule.

**SUMMARY:** The Department of the Interior is finalizing regulations guiding implementation of the Buy Indian Act, which provides Indian Affairs (IA) with authority to set aside procurement contracts for Indian-owned and controlled businesses. This rule supplements the Federal Acquisition Regulation (FAR) and the Department of the Interior Acquisition Regulation (DIAR).

**DATES:** This rule is effective on July 8, 2013.

**FOR FURTHER INFORMATION CONTACT:** Jonodev Chaudhuri, Office of the Assistant Secretary—Indian Affairs, (202) 208–7163; [jonodev.chaudhuri@bia.gov](mailto:jonodev.chaudhuri@bia.gov); or David Brown, Office of Acquisitions—Indian Affairs, (703) 390–6605, [David.Brown@bia.gov](mailto:David.Brown@bia.gov).

### **SUPPLEMENTARY INFORMATION:**

- I. Background
- II. Statutory Authority
- III. Overview of Final Rule
  - A. Numbering System
  - B. What this Rule Does
- IV. Development of Rule
  - A. Prior Publication and Comment Solicitation
  - B. Summary of Comments
    1. Goals for Set-Asides
    2. Indian Economic Enterprise Definition & Representation
      - a. Fifty-one (51) percent Indian ownership
      - b. Self-certification
      - c. Challenges to an entity’s representation as an “Indian economic enterprise”

3. Restrictions on Construction
4. Subcontracting
5. Buy Indian Implementation by Other Bureaus and Departments
6. Awarding
7. Applicability to Tribes
8. Other
- V. Procedural Requirements
  - A. Regulatory Planning and Review (Executive Order 12866 and 13563)
  - B. Regulatory Flexibility Act
  - C. Small Business Regulatory Enforcement Fairness Act (SBREFA)
  - D. Unfunded Mandates Reform Act
  - E. Takings Implications (Executive Order 12630)
  - F. Federalism (Executive Order 13132)
  - G. Civil Justice Reform (Executive Order 12988)
  - H. Consultation with Indian Tribes (Executive Order 13175)
  - I. Paperwork Reduction Act
  - J. National Environmental Policy Act
  - K. Effects on the Energy Supply (E.O. 13211)

### **I. Background**

IA has obtained services and supplies from Indian sources using the Buy Indian Program since 1965, based on policy memoranda and acquisition. This rule describes uniform administrative procedures that IA will use in all of its locations to encourage procurement relationships with eligible Indian Economic Enterprises in the execution of the Buy Indian Act.

This rule incorporates the decision of the Assistant Secretary—Indian Affairs to increase economic development and employment of Indian persons by reducing the percentage of Indian ownership of business enterprises from a mandatory 100 percent to minimum 51 percent.

In addition, the regulations respond to and incorporate the nuances of Section 831 of the National Defense Authorization Act for Fiscal Year 1991 (Pub. L. 101–510, 10 U.S.C. 2301 note) that amended 25 U.S.C. 47 to allow Indian firms to participate in the Department of Defense’s Mentor-Protégé Program and not lose their eligibility for contracts awarded under the authority of the Buy Indian Act. This rule includes language stating that participation in the Mentor-Protégé program has no effect on eligibility for contracts awarded under the authority of the Buy Indian Act.

This rule also includes revisions to address the input received as a result of earlier publications and consultation hearings in Indian Country.

Indian economic enterprises interested in contracting with IA should monitor [www.FedBizOpps.gov](http://www.FedBizOpps.gov) to identify opportunities for which there is a Buy Indian set-aside under this rule.