

**§ 100.T13–0207 Special Local Regulations; Festival of Sail Coos Bay**

(a) *Regulated Area.* The following area is designated as a regulated area: All navigable waters of Coos Bay, from the sea buoy to the Ferndale Lower Range.

(b) *Special Local Regulations.* (1) The Coast Guard may patrol the regulated area under the direction of a designated Coast Guard Patrol Commander (PATCOM). PATCOM may be contacted on Channel 16 VHF–FM (156.8 MHz) by the call sign “PATCOM.” Official patrol vessels may consist of any Coast Guard, Coast Guard Auxiliary, state, or local law enforcement vessels assigned or approved by the Captain of the Port, Sector Columbia River.

(2) Entrance into the regulated area is prohibited unless authorized by the Patrol Commander. The Patrol Commander may control the movement of all vessels in the regulated area. When hailed or signaled to stop by an official patrol vessel, a vessel shall come to an immediate stop and comply with the lawful directions issued. Failure to comply with a lawful direction may result in expulsion from the area, citation for failure to comply, or both.

(3) All vessels permitted to transit the regulated area shall maintain a separation of at least 100 yards away from the participating tall sailing ships and a distance of at least 50 yards away while transiting in the vicinity of the McCullough Memorial Bridge and the Coos Bay railroad bridge.

(c) *Enforcement Period.* This regulated area is in effect while the tall sailing ships are transiting Coos Bay, inbound on June 1, 2017 and outbound on June 5, 2017.

Dated: April 3, 2017.

**M.E. Butt,**

*RADM, U.S. Coast Guard, Commander,  
Thirteenth Coast Guard District.*

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**BILLING CODE 9110–04–P**

## DEPARTMENT OF HOMELAND SECURITY

### Coast Guard

#### 33 CFR Part 100 and 165

[Docket Number USCG–2016–0998]

RIN 1625–AA08; AA00

### Special Local Regulations and Safety Zones; Recurring Marine Events Held in the Coast Guard Sector Northern New England Captain of the Port Zone

**AGENCY:** Coast Guard, DHS.

**ACTION:** Notice of proposed rulemaking.

**SUMMARY:** The Coast Guard is proposing to update the special local regulations and permanent safety zones in Coast Guard Sector Northern New England Captain of the Port Zone for annual recurring marine events. When enforced, these proposed special local regulations and safety zones would restrict vessels from portions of water areas during certain annually recurring events. The proposed special local regulations and safety zones are intended to expedite public notification and ensure the protection of the maritime public and event participants from the hazards associated with certain maritime events. We invite your comments on this proposed rulemaking.

**DATES:** Comments and related material must be received by the Coast Guard on or before May 15, 2017.

**ADDRESSES:** You may submit comments identified by docket number USCG–2016–0998 using the Federal eRulemaking Portal at <http://www.regulations.gov>. See the “Public Participation and Request for Comments” portion of the **SUPPLEMENTARY INFORMATION** section for instructions on submitting comments.

**FOR FURTHER INFORMATION CONTACT:** If you have questions on this proposed rulemaking, call or email Chief Marine Science Technician Chris Bains, Sector Northern New England Waterways Management Division, U.S. Coast Guard; telephone 207–347–5003, email [Chris.D.Bains@uscg.mil](mailto:Chris.D.Bains@uscg.mil).

#### **SUPPLEMENTARY INFORMATION:**

##### **I. Table of Abbreviations**

CFR Code of Federal Regulations  
DHS Department of Homeland Security  
E.O. Executive order  
FR Federal Register  
NPRM Notice of Proposed Rulemaking  
NAD 83 North American Datum of 1983  
Pub. L. Public Law  
§ Section  
U.S.C. United States Code

##### **II. Background, Purpose, and Legal Basis**

Swim events, fireworks displays, and marine events are held on an annual recurring basis on the navigable waters within the Coast Guard Sector Northern New England COTP Zone. The Coast Guard has established special local regulations, regulated areas, and safety zones for these annual recurring events on a case by case basis to ensure the protection of the maritime public and event participants from the hazards associated with these events. In the past, the Coast Guard has not received public comments or concerns regarding the impact to waterway traffic from the Coast Guard’s regulations associated

with these annually recurring events. Known events were assessed for their likelihood to recur in subsequent years or to discontinue, and were added to or deleted from the tables accordingly. In addition, minor changes to existing events were made to ensure the accuracy of event details. The purpose of this rulemaking is to reduce administrative overhead, expedite public notification of events, and ensure the protection of the maritime public during marine events in the Sector Northern New England area.

##### **III. Discussion of Proposed Rule**

The proposed rule would update the tables of annual recurring events in the existing regulation for the Coast Guard Sector Northern New England COTP Zone, deleting outdated zones and providing updated information on dates, times, and locations. The tables provide the event name, sponsor, and type, as well as approximate times, dates, and locations of the events. Advanced public notification of specific times, dates, regulated areas, and enforcement periods for each event will be provided through appropriate means, which may include, but are not limited to, the Local Notice to Mariners, Broadcast Notice to Mariners, or a Notice of Enforcement published in the **Federal Register** at least 30 days prior to the event date. If an event does not have a date and time listed in this regulation, then the precise dates and times of the enforcement period for that event will be announced through a Local Notice to Mariners and, if time permits, a Notice of Enforcement in the **Federal Register**.

##### **IV. Regulatory Analyses**

We developed this proposed 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*

E.O.s 12866 (“Regulatory Planning and Review”) and 13563 (“Improving Regulation and Regulatory Review”) 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 including potential economic, environmental, public health and safety effects, distributive impacts, and equity. E.O. 13563 emphasizes the importance of quantifying both costs and benefits, of reducing costs, of harmonizing rules, and of promoting flexibility. Executive Order 13771 (“Reducing Regulation and

Controlling Regulatory Costs”), directs agencies to reduce regulation and control regulatory costs and provides that “for every one new regulation issued, at least two prior regulations be identified for elimination, and that the cost of planned regulations be prudently managed and controlled through a budgeting process.”

The Office of Management and Budget (OMB) has not designated this proposed rule a significant regulatory action under section 3(f) of Executive Order 12866. Accordingly, the Office of Management and Budget (OMB) has not reviewed it.

As this proposed rule is not a significant regulatory action, this proposed rule is exempt from the requirements of Executive Order 13771. See OMB’s Memorandum titled “Interim Guidance Implementing Section 2 of the Executive Order of January 30, 2017 titled ‘Reducing Regulation and Controlling Regulatory Costs’” (February 2, 2017).

We expect the economic impact of this proposed rule to be minimal. This regulation may have an impact on the general public, but that potential impact will likely be minimized for the following reason: The Coast Guard is only modifying an existing regulation to account for updated information.

## 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 certifies under 5 U.S.C. 605(b) that this proposed rule will not have a significant economic impact on a substantial number of small entities.

While some owners or operators of vessels intending to transit the safety zones or special local regulations may be small entities, for the reasons stated in section IV.A above this proposed rule would not have a significant economic impact on any vessel owner or operator.

If you think that your business, organization, or governmental jurisdiction qualifies as a small entity and that this rule would have a significant economic impact on it, please submit a comment (see **ADDRESSES**) explaining why you think it qualifies and how and to what degree this rule would economically affect it.

Under section 213(a) of the Small Business Regulatory Enforcement

Fairness Act of 1996 (Pub. L. 104–121), we want to assist small entities in understanding this proposed rule. If the rule would affect your small business, organization, or governmental jurisdiction and you have questions concerning its provisions or options for compliance, please contact the person listed in the **FOR FURTHER INFORMATION CONTACT**, above. The Coast Guard will not retaliate against small entities that question or complain about this proposed rule or any policy or action of the Coast Guard.

## C. Collection of Information

This proposed 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 proposed 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 proposed rule does not have tribal implications under Executive Order 13175, Consultation and Coordination with Indian Tribal Governments, because it would 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. If you believe this proposed rule has implications for federalism or Indian tribes, please contact the person listed in the **FOR FURTHER INFORMATION CONTACT** section above.

## 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 proposed rule would not result in such an expenditure, we do discuss the effects of this rule elsewhere in this preamble.

## F. Environment

We have analyzed this proposed rule under Department of Homeland Security Management Directive 023–01 and Commandant Instruction M16475.ID, which guide the Coast Guard in complying with the National Environmental Policy Act of 1969 (42 U.S.C. 4321–4370f), and have made a preliminary determination 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 proposed rule involves water activities including swimming events and fireworks displays and may be categorically excluded from further review under paragraph 34(g)(Safety Zones) and (34)(h)(Special Local Regulations) of Figure 2–1 of Commandant Instruction M16475.ID. A preliminary environmental analysis checklist is available in the docket where indicated under **ADDRESSES**. We seek any comments or information that may lead to the discovery of a significant environmental impact from this proposed rule.

## G. Protest Activities

The Coast Guard respects the First Amendment rights of protesters. Protesters are asked to contact 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.

## V. Public Participation and Request for Comments

We view public participation as essential to effective rulemaking, and will consider all comments and material received during the comment period. Your comment can help shape the outcome of this rulemaking. If you submit a comment, please include the docket number for this rulemaking, indicate the specific section of this document to which each comment applies, and provide a reason for each suggestion or recommendation.

We encourage you to submit comments through the Federal eRulemaking Portal at <http://www.regulations.gov>. If your material cannot be submitted using <http://www.regulations.gov>, contact the person in the **FOR FURTHER INFORMATION CONTACT** section of this document for alternate instructions.

We accept anonymous comments. All comments received will be posted without change to <http://www.regulations.gov> and will include

any personal information you have provided. For more about privacy and the docket, you may review a Privacy Act notice regarding the Federal Docket Management System in the March 24, 2005, issue of the **Federal Register** (70 FR 15086).

Documents mentioned in this NPRM as being available in the docket, and all public comments, will be in our online docket at <http://www.regulations.gov> and can be viewed by following that Web site's instructions. Additionally, if you go to the online docket and sign up for email alerts, you will be notified when comments are posted or a final rule is published.

We accept anonymous comments. All comments received will be posted without change to <http://>

[www.regulations.gov](http://www.regulations.gov) and will include any personal information you have provided. For more about privacy and the docket, you may review a Privacy Act notice regarding the Federal Docket Management System in the March 24, 2005, issue of the **Federal Register** (70 FR 15086).

#### List of Subjects

##### 33 CFR Part 100

Marine safety, Navigation (water), Reporting and recordkeeping requirements, Waterways.

##### 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 proposes to amend 33 CFR parts 100 and 165 as follows:

#### PART 100—SAFETY OF LIFE ON NAVIGABLE WATERS

- 1. The authority citation for Part 100 continues to read as follows:

**Authority:** 33 U.S.C. 1233.

- 2. In § 100.120, revise the table to read as follows:

#### § 100.120 Special local regulations; marine events held in the Coast Guard sector northern New England COTP zone.

\* \* \* \* \*

TABLE TO § 100.120

5.0	May occur May through September
5.1 Tall Ships Visiting Portsmouth .....	<ul style="list-style-type: none"> <li>• Event Type: Regatta and Boat Parade.</li> <li>• Date: A four day event from Friday through Monday.*</li> <li>• Time (Approximate): 9:00 a.m. to 8:00 p.m. each day.</li> <li>• Location: The regulated area includes all waters of Portsmouth Harbor, New Hampshire in the vicinity of Castle Island within the following points (NAD 83):               <ul style="list-style-type: none"> <li>43°03'11" N., 070°42'26" W.</li> <li>43°03'18" N., 070°41'51" W.</li> <li>43°04'42" N., 070°42'11" W.</li> <li>43°04'28" N., 070°44'12" W.</li> <li>43°05'36" N., 070°45'56" W.</li> <li>43°05'29" N., 070°46'09" W.</li> <li>43°04'19" N., 070°44'16" W.</li> <li>43°04'22" N., 070°42'33" W.</li> </ul> </li> </ul>
6.0	June
6.1 Charlie Begin Memorial Lobster Boat Races .....	<ul style="list-style-type: none"> <li>• Event Type: Power Boat Race.</li> <li>• Date: A one day event in June.*</li> <li>• Time (Approximate): 10:00 a.m. to 3:00 p.m.</li> <li>• Location: The regulated area includes all waters of Boothbay Harbor, Maine in the vicinity of John's Island within the following points (NAD 83):               <ul style="list-style-type: none"> <li>43°50'04" N., 069°38'37" W.</li> <li>43°50'54" N., 069°38'06" W.</li> <li>43°50'49" N., 069°37'50" W.</li> <li>43°50'00" N., 069°38'20" W.</li> </ul> </li> </ul>
6.2 Rockland Harbor Lobster Boat Races .....	<ul style="list-style-type: none"> <li>• Event Type: Power Boat Race.</li> <li>• Date: A one day event in June.*</li> <li>• Time (Approximate): 9:00 a.m. to 5:00 p.m.</li> <li>• Location: The regulated area includes all waters of Rockland Harbor, Maine in the vicinity of the Rockland Breakwater Light within the following points (NAD 83):               <ul style="list-style-type: none"> <li>44°05'59" N., 069°04'53" W.</li> <li>44°06'43" N., 069°05'25" W.</li> <li>44°06'50" N., 069°05'05" W.</li> <li>44°06'05" N., 069°04'34" W.</li> </ul> </li> </ul>
6.3 Windjammer Days Parade of Ships .....	<ul style="list-style-type: none"> <li>• Event Type: Tall Ship Parade.</li> <li>• Date: A one day event in June.*</li> <li>• Time (Approximate): 12:00 p.m. to 5:00 p.m.</li> <li>• Location: The regulated area includes all waters of Boothbay Harbor, Maine in the vicinity of Tumbler's Island within the following points (NAD 83):               <ul style="list-style-type: none"> <li>43°51'02" N., 069°37'33" W.</li> <li>43°50'47" N., 069°37'31" W.</li> <li>43°50'23" N., 069°37'57" W.</li> <li>43°50'01" N., 069°37'45" W.</li> <li>43°50'01" N., 069°38'31" W.</li> <li>43°50'25" N., 069°38'25" W.</li> </ul> </li> </ul>

TABLE TO § 100.120—Continued

6.4 Bass Harbor Blessing of the Fleet Lobster Boat Race .....	<p>43°50'49" N., 069°37'45" W.</p> <ul style="list-style-type: none"> <li>• Event Type: Power Boat Race.</li> <li>• Date: A one day event in June.*</li> <li>• Time (Approximate): 10:00 a.m. to 2:00 p.m.</li> <li>• Location: The regulated area includes all waters of Bass Harbor, Maine in the vicinity of Lopaus Point within the following points (NAD 83):               <ul style="list-style-type: none"> <li>44°13'28" N., 068°21'59" W.</li> <li>44°13'20" N., 068°21'40" W.</li> <li>44°14'05" N., 068°20'55" W.</li> <li>44°14'12" N., 068°21'14" W.</li> </ul> </li> </ul>
7.0	July
7.1 Burlington 3rd of July Air Show .....	<ul style="list-style-type: none"> <li>• Event Type: Air Show.</li> <li>• Date: A one day event held near July 4th.*</li> <li>• Time (Approximate): 8:30 p.m. to 9:00 p.m.</li> <li>• Location: The regulated area includes all waters of Lake Champlain, Burlington, VT within the following points (NAD 83):               <ul style="list-style-type: none"> <li>44°28'51" N., 073°14'21" W.</li> <li>44°28'57" N., 073°13'41" W.</li> <li>44°28'05" N., 073°13'26" W.</li> <li>44°27'59" N., 073°14'03" W.</li> </ul> </li> </ul>
7.2 Moosabec Lobster Boat Races .....	<ul style="list-style-type: none"> <li>• Event Type: Power Boat Race.</li> <li>• Date: A one day event held near July 4th.*</li> <li>• Time (Approximate): 10:00 a.m. to 12:30 p.m.</li> <li>• Location: The regulated area includes all waters of Jonesport, Maine within the following points (NAD 83):               <ul style="list-style-type: none"> <li>44°31'21" N., 067°36'44" W.</li> <li>44°31'36" N., 067°36'47" W.</li> <li>44°31'44" N., 067°35'36" W.</li> <li>44°31'29" N., 067°35'33" W.</li> </ul> </li> </ul>
7.3 The Great Race .....	<ul style="list-style-type: none"> <li>• Event Type: Rowing and Paddling Boat Race.</li> <li>• Date: A one day event in July.*</li> <li>• Time (Approximate): 10:00 a.m. to 12:30 p.m.</li> <li>• Location: The regulated area includes all waters of Lake Champlain in the vicinity of Saint Albans Bay within the following points (NAD 83):               <ul style="list-style-type: none"> <li>44°47'18" N., 073°10'27" W.</li> <li>44°47'10" N., 073°08'51" W.</li> </ul> </li> </ul>
7.4 Stonington Lobster Boat Races .....	<ul style="list-style-type: none"> <li>• Event Type: Power Boat Race.</li> <li>• Date: A one day event in July.*</li> <li>• Time (Approximate): 8:00 a.m. to 3:30 p.m.</li> <li>• Location: The regulated area includes all waters of Stonington, Maine within the following points (NAD 83):               <ul style="list-style-type: none"> <li>44°08'55" N., 068°40'12" W.</li> <li>44°09'00" N., 068°40'15" W.</li> <li>44°09'11" N., 068°39'42" W.</li> <li>44°09'07" N., 068°39'39" W.</li> </ul> </li> </ul>
7.5 Mayor's Cup Regatta .....	<ul style="list-style-type: none"> <li>• Event Type: Sailboat Parade.</li> <li>• Date: A one day event in July.*</li> <li>• Time (Approximate): 10:00 a.m. to 4:00 p.m.</li> <li>• Location: The regulated area includes all waters of Cumberland Bay on Lake Champlain in the vicinity of Plattsburgh, New York within the following points (NAD 83):               <ul style="list-style-type: none"> <li>44°41'26" N., 073°23'46" W.</li> <li>44°40'19" N., 073°24'40" W.</li> <li>44°42'01" N., 073°25'22" W.</li> </ul> </li> </ul>
7.6 The Challenge Race .....	<ul style="list-style-type: none"> <li>• Event Type: Rowing and Paddling Boat Race.</li> <li>• Date: A one day event in July.*</li> <li>• Time (Approximate): 11:00 a.m. to 3:00 p.m.</li> <li>• Location: The regulated area includes all waters of Lake Champlain in the vicinity of Button Bay State Park within the following points (NAD 83):               <ul style="list-style-type: none"> <li>44°12'25" N., 073°22'32" W.</li> <li>44°12'00" N., 073°21'42" W.</li> <li>44°12'19" N., 073°21'25" W.</li> <li>44°13'16" N., 073°21'36" W.</li> </ul> </li> </ul>
7.7 Yarmouth Clam Festival Paddle Race .....	<ul style="list-style-type: none"> <li>• Event Type: Rowing and Paddling Boat Race.</li> <li>• Date: A one day event in July.*</li> <li>• Time (Approximate): 8:00 a.m. to 4:00 p.m.</li> <li>• Location: The regulated area includes all waters in the vicinity of the Royal River outlet and Lane's Island within the following points (NAD 83):</li> </ul>

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	<p>43°47'47" N., 070°08'40" W.  43°47'50" N., 070°07'13" W.  43°47'06" N., 070°07'32" W.  43°47'17" N., 070°08'25" W.</p>
7.8 Maine Windjammer Lighthouse Parade .....	<ul style="list-style-type: none"> <li>• Event Type: Wooden Boat Parade.</li> <li>• Date: A one day event in July.*</li> <li>• Time (Approximate): 1:00 p.m. to 3:00 p.m.</li> <li>• Location: The regulated area includes all waters of Rockland Harbor, Maine in the vicinity of the Rockland Harbor Breakwater within the following points (NAD 83):  44°06'14" N., 069°03'48" W.  44°05'50" N., 069°03'47" W.  44°06'14" N., 069°05'37" W.  44°05'50" N., 069°05'37" W.</li> </ul>
7.9 Friendship Lobster Boat Races .....	<ul style="list-style-type: none"> <li>• Event Type: Power Boat Race.</li> <li>• Date: A one day event during a weekend between the 15th of July and the 15th of August.*</li> <li>• Time (Approximate): 9:30 a.m. to 3:00 p.m.</li> <li>• Location: The regulated area includes all waters of Friendship Harbor, Maine within the following points (NAD 83):  43°57'51" N., 069°20'46" W.  43°58'14" N., 069°19'53" W.  43°58'19" N., 069°20'01" W.  43°58'00" N., 069°20'46" W.</li> </ul>
8.0	August
8.1 Eggmoggin Reach Regatta .....	<ul style="list-style-type: none"> <li>• Event Type: Wooden Boat Parade.</li> <li>• Date: A one day event on a Saturday between the 15th of July and the 15th of August.*</li> <li>• Time (Approximate): 11:00 a.m. to 7:00 p.m.</li> <li>• Location: The regulated area includes all waters of Eggmoggin Reach and Jericho Bay in the vicinity of Naskeag Harbor, Maine within the following points (NAD 83):  44°15'16" N., 068°36'26" W.  44°12'41" N., 068°29'26" W.  44°07'38" N., 068°31'30" W.  44°12'54" N., 068°33'46" W.</li> </ul>
8.2 Southport Rowgatta Rowing and Paddling Boat Race .....	<ul style="list-style-type: none"> <li>• Event Type: Rowing and Paddling Boat Race.</li> <li>• Date: A one day event in August.*</li> <li>• Time (Approximate): 8:00 a.m. to 3:00 p.m.</li> <li>• Location: The regulated area includes all waters of Sheepscot Bay and Boothbay, on the shore side of Southport Island, Maine within the following points (NAD 83):  43°50'26" N., 069°39'10" W.  43°49'10" N., 069°38'35" W.  43°46'53" N., 069°39'06" W.  43°46'50" N., 069°39'32" W.  43°49'07" N., 069°41'43" W.  43°50'19" N., 069°41'14" W.  43°51'11" N., 069°40'06" W.</li> </ul>
8.3 Winter Harbor Lobster Boat Races .....	<ul style="list-style-type: none"> <li>• Event Type: Power Boat Race.</li> <li>• Date: A one day event in August.*</li> <li>• Time (Approximate): 9:00 a.m. to 3:00 p.m.</li> <li>• Location: The regulated area includes all waters of Winter Harbor, Maine within the following points (NAD 83):  44°22'06" N., 068°05'13" W.  44°23'06" N., 068°05'08" W.  44°23'04" N., 068°04'37" W.  44°22'05" N., 068°04'44" W.</li> </ul>
8.4 Lake Champlain Dragon Boat Festival .....	<ul style="list-style-type: none"> <li>• Event Type: Rowing and Paddling Boat Race.</li> <li>• Date: A one day event in August.*</li> <li>• Time (Approximate): 7:00 a.m. to 5:00 p.m.</li> <li>• Location: The regulated area includes all waters of Burlington Bay within the following points (NAD 83):  44°28'49" N., 073°13'22" W.  44°28'41" N., 073°13'36" W.  44°28'28" N., 073°13'31" W.  44°28'38" N., 073°13'18" W.</li> </ul>
8.5 Merritt Brackett Lobster Boat Races .....	<ul style="list-style-type: none"> <li>• Event Type: Power Boat Race.</li> <li>• Date: A one day event in August.*</li> <li>• Time (Approximate): 10:00 a.m. to 3:00 p.m.</li> <li>• Location: The regulated area includes all waters of Pemaquid Harbor, Maine within the following points (NAD 83):</li> </ul>

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8.6 Multiple Sclerosis Regatta .....	<p>43°52'16" N., 069°32'10" W.  43°52'41" N., 069°31'43" W.  43°52'35" N., 069°31'29" W.  43°52'09" N., 069°31'56" W.</p> <ul style="list-style-type: none"> <li>• Event Type: Regatta and Sailboat Race.</li> <li>• Date: A one day event in August.*</li> <li>• Time (Approximate): 10:00 a.m. to 4:00 p.m.</li> <li>• Location: The regulated area for the start of the race includes all waters of Casco Bay, Maine in the vicinity of Peaks Island within the following points (NAD 83):  43°40'24" N., 070°14'20" W.  43°40'36" N., 070°13'56" W.  43°39'58" N., 070°13'21" W.  43°39'46" N., 070°13'51" W.</li> </ul>
8.7 Multiple Sclerosis Harborfest Lobster Boat/Tugboat Races .....	<ul style="list-style-type: none"> <li>• Event Type: Power Boat Race.</li> <li>• Date: A one day event in August.*</li> <li>• Time (Approximate): 10:00 a.m. to 3:00 p.m.</li> <li>• Location: The regulated area includes all waters of Portland Harbor, Maine in the vicinity of Maine State Pier within the following points (NAD 83):  43°40'25" N., 070°14'21" W.  43°40'36" N., 070°13'56" W.  43°39'58" N., 070°13'21" W.  43°39'47" N., 070°13'51" W.</li> </ul>
8.8 Long Island Lobster Boat Race .....	<ul style="list-style-type: none"> <li>• Event Type: Power Boat Race.</li> <li>• Date: A one day event in August.*</li> <li>• Time (Approximate): 10:00 a.m. to 3:00 p.m.</li> <li>• Location: The regulated area includes all waters of Casco Bay, Maine in the vicinity of Great Ledge Cove and Dorseys Cove off the north west coast of Long Island, Maine within the following points (NAD 83):  43°41'59" N., 070°08'59" W.  43°42'04" N., 070°09'10" W.  43°41'41" N., 070°09'38" W.  43°41'36" N., 070°09'30" W.</li> </ul>

\* Date subject to change. Exact date will be posted in Notice of Enforcement and Local Notice to Mariners.

\* \* \* \* \*

**PART 165—REGULATED NAVIGATION  
AREAS AND LIMITED ACCESS AREAS**

■ 3. The authority citation for Part 165 continues to read as follows:

**Authority:** 33 U.S.C. 1231; 46 U.S.C. Chapter 701, 3306, 3703; 33 CFR 1.05–1, 6.04–1, 6.04–6, and 160.5; Pub. L. 107–295, 116 Stat. 2064; Department of Homeland Security Delegation No. 0170.1.

■ 4. In § 165.171, revise the table to read as follows:

**§ 165.171 Safety zones for fireworks displays and swim events held in Coast Guard sector northern New England COTP zone.**

\* \* \* \* \*

TABLE TO § 165.171

6.0	June
6.1 Rotary Waterfront Days Fireworks .....	<ul style="list-style-type: none"> <li>• Event Type: Fireworks Display.</li> <li>• Date: Two night event on a Wednesday and Saturday in June.*</li> <li>• Time (Approximate): 8:00 p.m. to 10:00 p.m.</li> <li>• Location: In the vicinity of the Gardiner Waterfront, Gardiner, Maine in approximate position:  44°13'52" N., 069°46'08" W. (NAD 83).</li> </ul>
6.2 LaKermesse Fireworks .....	<ul style="list-style-type: none"> <li>• Event Type: Fireworks Display.</li> <li>• Date: One night event in June.*</li> <li>• Time (Approximate): 8:00 p.m. to 10:00 p.m.</li> <li>• Location: Biddeford, Maine in approximate position:  43°29'37" N., 070°26'47" W. (NAD 83).</li> </ul>
6.3 Windjammer Days Fireworks .....	<ul style="list-style-type: none"> <li>• Event Type: Fireworks Display.</li> <li>• Date: One night event in June.*</li> <li>• Time (Approximate): 8:00 p.m. to 10:30 p.m.</li> <li>• Location: In the vicinity of McFarland Island, Boothbay Harbor, Maine in approximate position:  43°50'38" N., 069°37'57" W. (NAD 83).</li> </ul>
7.0	July
7.1 Vinalhaven 4th of July Fireworks .....	<ul style="list-style-type: none"> <li>• Event Type: Firework Display.</li> <li>• Date: One night event in July.*</li> <li>• Time (Approximate): 8:00 p.m. to 10:30 p.m.</li> </ul>

TABLE TO § 165.171—Continued

7.2 Burlington Independence Day Fireworks .....	<ul style="list-style-type: none"> <li>• Location: In the vicinity of Grime's Park, Vinalhaven, Maine in approximate position: 44°02'34" N., 068°50'26" W. (NAD 83).</li> <li>• Event Type: Firework Display.</li> <li>• Date: One night event in July.*</li> <li>• Time (Approximate): 9:00 p.m. to 11:00 p.m.</li> <li>• Location: From a barge in the vicinity of Burlington Harbor, Burlington, Vermont in approximate position: 44°28'31" N., 073°13'31" W. (NAD 83).</li> </ul>
7.3 Camden 3rd of July Fireworks .....	<ul style="list-style-type: none"> <li>• Event Type: Fireworks Display.</li> <li>• Date: One night event in July.*</li> <li>• Time (Approximate): 8:00 p.m. to 10:00 p.m.</li> <li>• Location: In the vicinity of Camden Harbor, Maine in approximate position: 44°12'32" N., 069°02'58" W. (NAD 83).</li> </ul>
7.4 Bangor 4th of July Fireworks .....	<ul style="list-style-type: none"> <li>• Event Type: Fireworks Display.</li> <li>• Date: One night event in July.*</li> <li>• Time (Approximate): 8:00 p.m. to 10:30 p.m.</li> <li>• Location: In the vicinity of the Bangor Waterfront, Bangor, Maine in approximate position: 44°47'27" N., 068°46'31" W. (NAD 83).</li> </ul>
7.5 Bar Harbor 4th of July Fireworks .....	<ul style="list-style-type: none"> <li>• Event Type: Fireworks Display.</li> <li>• Date: One night event in July.*</li> <li>• Time (Approximate): 8:00 p.m. to 10:30 p.m.</li> <li>• Location: In the vicinity of Bar Harbor Town Pier, Bar Harbor, Maine in approximate position: 44°23'31" N., 068°12'15" W. (NAD 83).</li> </ul>
7.6 Boothbay Harbor 4th of July Fireworks .....	<ul style="list-style-type: none"> <li>• Event Type: Fireworks Display.</li> <li>• Date: One night event in July.*</li> <li>• Time (Approximate): 8:00 p.m. to 10:30 p.m.</li> <li>• Location: In the vicinity of McFarland Island, Boothbay Harbor, Maine in approximate position: 43°50'38" N., 069°37'57" W. (NAD 83).</li> </ul>
7.7 Eastport 4th of July Fireworks .....	<ul style="list-style-type: none"> <li>• Event Type: Fireworks Display.</li> <li>• Date: One night event in July.*</li> <li>• Time (Approximate): 9:00 p.m. to 9:30 p.m.</li> <li>• Location: From the Waterfront Public Pier in Eastport, Maine in approximate position: 44°54'25" N., 066°58'55" W. (NAD 83).</li> </ul>
7.8 Ellis Short Sand Park Trustee Fireworks .....	<ul style="list-style-type: none"> <li>• Event Type: Fireworks Display.</li> <li>• Date: One night event in July.*</li> <li>• Time (Approximate): 8:30 p.m. to 11:00 p.m.</li> <li>• Location: In the vicinity of York Beach, Maine in approximate position: 43°10'30" N., 070°36'22" W. (NAD 83).</li> </ul>
7.9 Hampton Beach 4th of July Fireworks .....	<ul style="list-style-type: none"> <li>• Event Type: Fireworks Display.</li> <li>• Date: One night event in July.*</li> <li>• Time (Approximate): 8:30 p.m. to 11:00 p.m.</li> <li>• Location: In the vicinity of Hampton Beach, New Hampshire in approximate position: 42°54'40" N., 070°36'25" W. (NAD 83).</li> </ul>
7.10 Moosabec 4th of July Committee Fireworks .....	<ul style="list-style-type: none"> <li>• Event Type: Fireworks Display.</li> <li>• Date: One night event in July.*</li> <li>• Time (Approximate): 8:00 p.m. to 10:30 p.m.</li> <li>• Location: In the vicinity of Beals Island, Jonesport, Maine in approximate position: 44°31'18" N., 067°36'43" W. (NAD 83).</li> </ul>
7.11 Lubec 4th of July Fireworks .....	<ul style="list-style-type: none"> <li>• Event Type: Fireworks Display.</li> <li>• Date: One night event in July.*</li> <li>• Time (Approximate): 8:00 p.m. to 10:30 p.m.</li> <li>• Location: In the vicinity of the Lubec Public Boat Launch in approximate position: 44°51'52" N., 066°59'06" W. (NAD 83).</li> </ul>
7.12 Main Street Heritage Days 4th of July Fireworks .....	<ul style="list-style-type: none"> <li>• Event Type: Fireworks Display.</li> <li>• Date: One night event in July.*</li> <li>• Time (Approximate): 8:00 p.m. to 10:30 p.m.</li> <li>• Location: In the vicinity of Reed and Reed Boat Yard, Woolwich, Maine in approximate position: 43°54'56" N., 069°48'16" W. (NAD 83).</li> </ul>
7.13 Portland Harbor 4th of July Fireworks .....	<ul style="list-style-type: none"> <li>• Event Type: Fireworks Display.</li> <li>• Date: One night event in July.*</li> <li>• Time (Approximate): 8:30 p.m. to 10:30 p.m.</li> <li>• Location: In the vicinity of East End Beach, Portland, Maine in approximate position:</li> </ul>

TABLE TO § 165.171—Continued

7.14 St. Albans Day Fireworks .....	<p>43°40'16" N., 070°14'44" W. (NAD 83).</p> <ul style="list-style-type: none"> <li>• Event Type: Fireworks Display.</li> <li>• Date: One night event in July.*</li> <li>• Time (Approximate): 9:00 p.m. to 10:00 p.m.</li> <li>• Location: From the St. Albans Bay dock in St. Albans Bay, Vermont in approximate position: 44°48'25" N., 073°08'23" W. (NAD 83).</li> </ul>
7.15 Stonington 4th of July Fireworks .....	<ul style="list-style-type: none"> <li>• Event Type: Fireworks Display.</li> <li>• Date: One night event in July.*</li> <li>• Time (Approximate): 8:00 p.m. to 10:30 p.m.</li> <li>• Location: In the vicinity of Two Bush Island, Stonington, Maine in approximate position: 44°08'57" N., 068°39'54" W. (NAD 83).</li> </ul>
7.16 Southwest Harbor 4th of July Fireworks .....	<ul style="list-style-type: none"> <li>• Event Type: Fireworks Display.</li> <li>• Date: One night event in July.*</li> <li>• Time (Approximate): 8:00 p.m. to 10:30 p.m.</li> <li>• Location: Southwest Harbor, Maine in approximate position: 44°16'25" N., 068°19'21" W. (NAD 83).</li> </ul>
7.17 Shelburne Triathlons .....	<ul style="list-style-type: none"> <li>• Event Type: Swim Event.</li> <li>• Date: Up to three Saturdays throughout July and August.*</li> <li>• Time (Approximate): 7:00 a.m. to 11:00 a.m.</li> <li>• Location: The regulated area includes all waters of Lake Champlain in the vicinity of Shelburne Beach in Shelburne, Vermont within a 400 yard radius of the following point: 44°21'45" N., 075°15'58" W. (NAD 83).</li> </ul>
7.18 St. George Days Fireworks .....	<ul style="list-style-type: none"> <li>• Event Type: Fireworks.</li> <li>• Date: One night event in July.*</li> <li>• Time (Approximate): 8:30 p.m. to 10:30 p.m.</li> <li>• Location: The regulated area includes all waters of Inner Tenants Harbor, ME, in approximate position: 43°57'41.37" N., 069°12'45" W. (NAD 83).</li> </ul>
7.19 Tri for a Cure Swim Clinics and Triathlon .....	<ul style="list-style-type: none"> <li>• Event Type: Swim Event</li> <li>• Date: A multi-day event held throughout July.*</li> <li>• Time (Approximate): 8:30 a.m. to 11:30 a.m.</li> <li>• Location: The regulated area includes all waters of Portland Harbor, Maine in the vicinity of Spring Point Light within the following points (NAD 83): 43°39'01" N., 070°13'32" W. 43°39'07" N., 070°13'29" W. 43°39'06" N., 070°13'41" W. 43°39'01" N., 070°13'36" W.</li> </ul>
7.20 Richmond Days Fireworks .....	<ul style="list-style-type: none"> <li>• Event Type: Fireworks Display.</li> <li>• Date: A one day event in July.*</li> <li>• Time (Approximate): 8:00 p.m. to 10:00 p.m.</li> <li>• Location: From a barge in the vicinity of the inner harbor, Tenants Harbor, Maine in approximate position: 44°08'42" N., 068°27'06" W. (NAD 83).</li> </ul>
7.21 Colchester Triathlon .....	<ul style="list-style-type: none"> <li>• Event Type: Swim Event.</li> <li>• Date: A one day event in July.*</li> <li>• Time (Approximate): 7:00 a.m. to 11:00 a.m.</li> <li>• Location: The regulated area includes all waters of Malletts Bay on Lake Champlain, Vermont within the following points (NAD 83): 44°32'57" N., 073°12'38" W. 44°32'46" N., 073°13'00" W. 44°33'24" N., 073°11'43" W. 44°33'14" N., 073°11'35" W.</li> </ul>
7.22 Peaks to Portland Swim .....	<ul style="list-style-type: none"> <li>• Event Type: Swim Event.</li> <li>• Date: A one day event in July.*</li> <li>• Time (Approximate): 5:00 a.m. to 1:00 p.m.</li> <li>• Location: The regulated area includes all waters of Portland Harbor between Peaks Island and East End Beach in Portland, Maine within the following points (NAD 83): 43°39'20" N., 070°11'58" W. 43°39'45" N., 070°13'19" W. 43°40'11" N., 070°14'13" W. 43°40'08" N., 070°14'29" W. 43°40'00" N., 070°14'23" W. 43°39'34" N., 070°13'31" W. 43°39'13" N., 070°11'59" W.</li> </ul>
7.23 Friendship Days Fireworks .....	<ul style="list-style-type: none"> <li>• Event Type: Fireworks Display.</li> <li>• Date: A one day event in July.*</li> <li>• Time (Approximate): 8:00 p.m. to 10:30 p.m.</li> <li>• Location: In the vicinity of the Town Pier, Friendship Harbor, Maine in approximate position:</li> </ul>

TABLE TO § 165.171—Continued

7.24 Bucksport Festival and Fireworks .....	<p>43°58'23" N., 069°20'12" W. (NAD 83).</p> <ul style="list-style-type: none"> <li>• Event Type: Fireworks Display.</li> <li>• Date: A one day event in July.*</li> <li>• Time (Approximate): 8:00 p.m. to 10:30 p.m.</li> <li>• Location: In the vicinity of the Verona Island Boat Ramp, Verona, Maine, in approximate position: 44°34'9" N., 068°47'28" W. (NAD 83).</li> </ul>
7.25 Nubble Light Swim Challenge .....	<ul style="list-style-type: none"> <li>• Event Type: Swim Event.</li> <li>• Date: A one day event in July.*</li> <li>• Time (Approximate): 9:00 a.m. to 12:30 p.m.</li> <li>• Location: The regulated area includes all waters around Cape Neddick, Maine and within the following coordinates: 43°10'28" N., 070°36'26" W. 43°10'34" N., 070°36'06" W. 43°10'30" N., 070°35'45" W. 43°10'17" N., 070°35'24" W. 43°09'54" N., 070°35'18" W. 43°09'42" N., 070°35'37" W. 43°09'51" N., 070°37'05" W.</li> </ul>
7.26 Paul Coulombe Anniversary Fireworks .....	<ul style="list-style-type: none"> <li>• Event Type: Fireworks Display.</li> <li>• Date: A one day event in July.*</li> <li>• Time: 8:00 p.m. to 11:30 p.m.</li> <li>• Location: In the vicinity of Pratt Island, Southport, ME, in approximate position: 43°48'44" N., 069°41'11" W. (NAD 83).</li> </ul>
7.27 Castine 4th of July Fireworks .....	<ul style="list-style-type: none"> <li>• Event Type: Fireworks Display.</li> <li>• Date: One night event in July.*</li> <li>• Time (Approximate): 9:00 p.m. to 10:30 p.m.</li> <li>• Location: In the vicinity of the town dock in the Castine Harbor, Castine, Maine in approximate position: 44°23'10" N., 068°47'28" W. (NAD 83).</li> </ul>
8.0	August
8.1 Westerlund's Landing Party Fireworks .....	<ul style="list-style-type: none"> <li>• Event Type: Fireworks Display.</li> <li>• Date: A one day event in August.*</li> <li>• Time (Approximate): 8:00 p.m. to 10:30 p.m.</li> <li>• Location: In the vicinity of Westerlund's Landing in South Gardiner, Maine in approximate position: 44°10'19" N., 069°45'24" W. (NAD 83).</li> </ul>
8.2 York Beach Fire Department Fireworks .....	<ul style="list-style-type: none"> <li>• Event Type: Fireworks Display.</li> <li>• Date: A one day event in August.*</li> <li>• Time (Approximate): 8:30 p.m. to 11:30 p.m.</li> <li>• Location: In the vicinity of Short Sand Cove in York, Maine in approximate position: 43°10'27" N., 070°36'25" W. (NAD 83).</li> </ul>
8.3 North Hero Air Show .....	<ul style="list-style-type: none"> <li>• Event Type: Air Show</li> <li>• Date: A one day event in August.*</li> <li>• Time (Approximate): 10:00 a.m. to 5:00 p.m.</li> <li>• Location: In the vicinity of Shore Acres Dock, North Hero, Vermont in approximate position: 44°48'24" N., 073°17'02" W. 44°48'22" N., 073°16'46" W. 44°47'53" N., 073°16'54" W. 44°47'54" N., 073°17'09" W.</li> </ul>
8.4 Islesboro Crossing Swim .....	<ul style="list-style-type: none"> <li>• Event Type: Swim Event.</li> <li>• Date: A one day event in August.*</li> <li>• Time (Approximate): 6:00 a.m. to 11:00 a.m.</li> <li>• Location: West Penobscot Bay from Ducktrap Beach, Lincolnville, ME to Grindel Point, Islesboro, ME, in approximate position: 44°17'44" N., 069°00'11" W. 44°16'58" N., 068°56'35" W.</li> </ul>
8.5 Paul Columbe Party Fireworks .....	<ul style="list-style-type: none"> <li>• Event Type: Fireworks Display.</li> <li>• Date: A one day event in August.*</li> <li>• Time (Approximate): 9:00 p.m. to 10:30 p.m.</li> <li>• Location: From a barge in the vicinity of Pratt Island, Southport, Maine in approximate position: 43°48'69" N., 069°41'18" W. (NAD 83).</li> </ul>
8.6 Casco Bay Island Swim/Run .....	<ul style="list-style-type: none"> <li>• Event Type: Swim/Run Event.</li> <li>• Date: A one day event in August.*</li> <li>• Time (Approximate): 7:30 a.m. to 1:00 p.m.</li> <li>• Location: All waters of Casco Bay, Maine in the vicinity of Casco Bay Island archipelago and within the following coordinates (NAD 83): 43°42'47" N., 070°07'07" W.</li> </ul>

TABLE TO § 165.171—Continued

8.7 Port Mile Swim .....	43°38'09" N., 070°11'57" W. 43°34'57" N., 070°12'55" W. 43°41'31" N., 070°11'37" W. 43°43'25" N., 070°08'25" W. • Event Type: Swim Event. • Date: A one day event August.* • Time (Approximate): 7:00 a.m. to 9:00 a.m. • Location: All waters of Casco Bay, Maine in the vicinity of East End Beach within the following points (NAD 83): 43°40'09" N., 070°14'27" W. 43°40'05" N., 070°14'01" W. 43°40'21" N., 070°14'09" W.
8.8 Challenge Maine Triathlon .....	• Event Type: Swim Event. • Date: A one day event August.* • Time (Approximate): 6:00 a.m. to 08:30 a.m. • Location: All waters of Saco Bay, Maine in the vicinity of Old Orchard Beach within the following points (NAD 83): 43°30'57" N., 070°22'22" W. 43°30'48" N., 070°21'58" W. 43°30'29" N., 070°22'43" W. 43°30'19" N., 070°22'21" W.
9.0	September
9.1 Windjammer Weekend Fireworks .....	• Event Type: Fireworks Display. • Date: A one night event in September.* • Time (Approximate): 8:00 p.m. to 9:30 p.m. • Location: From a barge in the vicinity of Northeast Point, Camden Harbor, Maine in approximate position: 44°12'10" N., 069°03'11" W. (NAD 83).
9.2 Eastport Pirate Festival Fireworks .....	• Event Type: Fireworks Display. • Date: A one night event in September.* • Time (Approximate): 7:00 p.m. to 10:00 p.m. • Location: From the Waterfront Public Pier in Eastport, Maine in approximate position: 44°54'17" N., 066°58'58" W. (NAD 83).
9.3 The Lobsterman Triathlon .....	• Event Type: Swim Event. • Date: A one day event in September.* • Time (Approximate): 8:00 a.m. to 11:00 a.m. • Location: The regulated area includes all waters in the vicinity of Winslow Park in South Freeport, Maine within the following points (NAD 83): 43°47'59" N., 070°06'56" W. 43°47'44" N., 070°06'56" W. 43°47'44" N., 070°07'27" W. 43°47'57" N., 070°07'27" W.
9.4 Eliot Festival Day Fireworks .....	• Event Type: Fireworks Display. • Date: A one night event in September.* • Time (Approximate): 8:00 p.m. to 10:30 p.m. • Location: In the vicinity of Eliot Town Boat Launch, Eliot, Maine in approximate position: 43°08'56" N., 070°49'52" W. (NAD 83).
9.5 Lake Champlain Swimming Race .....	• Event Type: Swim Event. Date: A one day event in September. • Time (Approximate): 9:00 a.m. to 3 p.m. • Location: Essex Beggs Point Park, Essex, NY, to Charlotte Beach, Charlotte, VT. 44°18'32" N., 073°20'52" W. 44°20'03" N., 073°16'53" W.

\* Date subject to change. Exact date will be posted in Notice of Enforcement and Local Notice to Mariners.

Dated: March 22, 2017.

**M.A. Barody,**

*Captain, U.S. Coast Guard, Captain of the Port, Sector Northern New England.*

[FR Doc. 2017-07514 Filed 4-12-17; 8:45 am]

**BILLING CODE 9110-04-P**

# DEPARTMENT OF VETERANS AFFAIRS

## 38 CFR Part 36

RIN 2900-AP62

### Loan Guaranty: Revisions to Allowable Charges and Fees Assessed Incident to VA-Guaranteed Home Loans

**AGENCY:** Department of Veterans Affairs.

**ACTION:** Advanced notice of proposed rulemaking.

**SUMMARY:** The Department of Veterans Affairs (VA) Loan Guaranty Service (LGY) is currently reviewing its regulations governing the allowable expenses that a veteran may pay or be charged in connection with obtaining a VA-guaranteed home loan. By issuing this advanced notice of proposed rulemaking, LGY seeks comments on how the public believes VA should approach this undertaking. Although LGY identifies specific issues for discussion below, it encourages commenters to discuss any issue related to improving these specific regulations.

**DATES:** Comments must be received on or before June 12, 2017.

**ADDRESSES:** Written comments may be submitted through [www.regulations.gov](http://www.regulations.gov); by mail or hand-delivery to Director, Regulation Policy and Management (00REG), Department of Veterans Affairs, 810 Vermont Avenue NW., Room 1068, Washington, DC 20420; or by fax to (202) 273-9026. Comments should indicate that they are submitted in response to “RIN 2900-AP62—Loan Guaranty: Revisions to Allowable Charges and Fees Assessed Incident to VA-Guaranteed Home Loans.” Copies of comments received will be available for public inspection in the Office of Regulation Policy and Management, Room 1068, between the hours of 8:00 a.m. and 4:30 p.m., Monday through Friday (except holidays). Please call (202) 461-4902 for an appointment. (This is not a toll-free number.) In addition, during the comment period, comments may be viewed online through the Federal Docket Management System (FDMS) at [www.regulations.gov](http://www.regulations.gov).

**FOR FURTHER INFORMATION CONTACT:** John Bell, III, Assistant Director for Loan Policy and Valuation, Loan Guaranty Service (262), Veterans Benefits Administration, Department of Veterans Affairs, 810 Vermont Avenue NW., Washington, DC 20420, (202) 632-8786. (This is not a toll-free number.)

#### SUPPLEMENTARY INFORMATION:

#### I. Background

VA has promulgated a list of permissible charges and fees a borrower may be charged or may pay incident to obtaining a VA-guaranteed home loan. See 38 CFR 36.4313. In 1948, VA published its rule regulating charges and fees which was codified at the former 38 CFR 36.4312. See 13 FR 7275, Nov. 27, 1948. That rule set forth the costs and expenses that loan proceeds could be used to pay, but was silent on whether a veteran might be allowed to pay such costs and expenses out of his or her own cash reserves. Id. Under the rule, borrowers could use proceeds from the loan to pay any cost or expense normally paid under local lending customs, except for certain brokerage and service charges. Id.

In 1954, VA substantially altered the rule's regulatory scheme. Instead of permitting lenders to charge costs and expenses normally paid under local lending customs, VA restricted the types of charges and fees veterans were allowed to pay by expressly enumerating the types allowed. See 19 FR 6717, Oct. 19, 1954. VA instituted this rule amendment in order to protect veterans from what are commonly known as “junk fees”.

The current charges and fees rule, now codified at 38 CFR 36.4313, is substantially similar to the 1954 version. While VA has amended the rule to modify the types of permissible charges and fees in the intervening years, the rule still retains the express enumeration scheme established by the 1954 version. In other words, the current rule protects veterans from having to satisfy any charge or fee not expressly allowed by the schedule codified at 38 CFR 36.4313(d). The rule, however, does allow a lender to charge a veteran, and for the veteran to pay, an origination fee of up to 1 percent of the loan amount, provided that the 1 percent fee be charged in lieu of all other fees permitted by the schedule. See 38 CFR 36.4313(d)(2). Compared with a conventional housing loan transaction, the fees the rule permits to be charged to veterans are relatively limited. Consequently, in transacting a sale with a VA-guaranteed loan borrower, sellers and lenders must bear many of the customary real estate transaction expenses.

Since implementation, the rule has protected many veterans from having to incur unreasonable closing costs. However, the home buying process has changed significantly since VA last implemented substantive changes to the permissible fee schedule. In recent

years, some veterans and their representatives have complained to VA that certain provisions of the rule can be detrimental to veterans' bargaining position during real estate negotiations. These parties have asserted that VA-guaranteed loan borrowers are sometimes unable to compete with other offerors whose financing options are not restricted by similar regulatory constraints. VA recognizes that these constraints can contribute to sellers' decisions to accept other offers or lead lenders to charge higher interest rates to offset losses.

VA will continue to safeguard the best interests of veteran homebuyers by protecting them from excessive and unreasonable closing costs. However, VA recognizes that an overly restrictive list of permissible charges and fees might, in certain circumstances, motivate market participants to avoid financing or selling homes to veterans.

#### II. Questions for Comment

In order to strike the appropriate balance between making it easier for veterans to utilize their home loan benefits and protecting them from unreasonable charges and fees, VA is considering ways to revise the list of acceptable charges and fees specified by the schedule codified at 38 CFR 36.4313(d). VA invites responses to the following questions:

1. What are ways that VA can protect veterans from incurring excessive closing costs, without being overly restrictive?

2. Under the current rule, VA distinguishes between a “fee” and a “charge” but does not define the terms. VA invites comments as to whether the public finds the distinction meaningful. Should VA eliminate the distinction? If not, how should VA define the terms?

3. Does the term “origination fee” accurately reflect what a borrower would pay to a lender in order to originate a loan? What do veterans and lenders view as the purpose of an origination fee?

4. How should VA identify which closing costs are acceptable for the veteran to pay, which are acceptable for another party but not a veteran to pay, and which, if any, should be prohibited?

5. To what extent, if at all, should VA limit third-party charges or fees to the actual costs of the service provided? Alternatively, should VA permit borrowers, sellers, and lenders to negotiate their own bargains?