For the reasons discussed in the preamble, the Coast Guard proposes to amend 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: 33 U.S.C. 1231; 46 U.S.C. Chapter 701, 3306, 3703; 50 U.S.C. 191, 195; 33 CFR 1.05–1(g), 6.04–1, 6.04–6, and 160.5; Pub. L. 107–295, 116 Stat. 2064; Department of Homeland Security Delegation No. 0170.1.

2. Add § 165.1157 to read as follows:

§ 165.1157 Security Zone; Cruise Ships, Santa Barbara, California.

(a) *Location.* The following areas are security zones: All navigable waters, from the surface to the sea floor within a 100-yard radius of any cruise ship located within 3 nautical miles of the Santa Barbara Harbor Breakwater Light (Light List Number 3750; 34–24–17.364 N, 119–41–16.260W).

(b) *Definition.* ''*Cruise ship''* as used in this section means any vessel, except for a ferry, over 100 feet in length, authorized to carry more than 12 passengers for hire; making voyages lasting more than 24 hours, any part of which is on the high seas; and for which passengers are embarked or disembarked in the U.S. or its territories.

(c) *Regulations.* (1) Under general security zone regulations in subpart D, entry into or remaining in the zones described in paragraph (a) of this section is prohibited unless authorized by the Coast Guard Captain of the Port (COTP) Los Angeles—Long Beach (LA–LB), or a designated representative of COTP LA–LB.

(2) Persons desiring to transit the area of the security zone may contact the COTP LA–LB at telephone number 1–310–521–3801 or on VHF–FM channel 16 (156.800 MHz) to seek permission to transit the area. If permission is granted, all persons and vessels must comply with the instructions of the Captain of the Port, or his designated representative.

Dated: May 11, 2012.

R.R. Laferriere,

Captain, U.S. Coast Guard, Captain of the Port Los Angeles Long Beach.

[FR Doc. 2012–14973 Filed 6–19–12; 8:45 am]

BILLING CODE 9110–04–P

DEPARTMENT OF EDUCATION

34 CFR Chapter II

DEPARTMENT OF HEALTH AND HUMAN SERVICES

45 CFR Subtitle A, Subchapter A

[Docket ID ED–2012–OESE–0012; CFDA Number 84.412A]

RIN 1810–AB15

Proposed Requirements—Race to the Top—Early Learning Challenge; Phase 2

AGENCY: Department of Education and Department of Health and Human Services.

ACTION: Proposed requirements.

SUMMARY: The Secretary of Education and the Secretary of Health and Human Services (hereafter ''the Secretaries'') propose requirements for Phase 2 of the Race to the Top—Early Learning Challenge (RTT–ELC) program. In this phase (Phase 2 of the RTT–ELC program), we would make awards to certain States that applied for, but did not receive, funding under Phase 1 of the RTT–ELC competition held in fiscal year (FY) 2011 (FY 2011 RTT–ELC competition). Specifically, we would consider eligible the five highest-scoring applicants that did not receive funding in the FY 2011 RTT–ELC competition, each of which received approximately 75 percent or more of the available points under the competition. We take this action to fund down the slate of the FY 2011 RTT–ELC competition and to establish the information and assurances that the eligible applicants would need to provide in order to receive funding under Phase 2 of the RTT–ELC program.

DATES: We must receive your comments on or before July 20, 2012.

ADDRESSES: Submit your comments through the Federal eRulemaking Portal or via postal mail, commercial delivery, or hand delivery. We will not accept comments by fax or by email. To ensure that we do not receive duplicate copies, please submit your comments only once. In addition, please include the Docket ID and the term ''Race to the Top-Early Learning Challenge Phase 2 Awards'' at the top of your comments.

- *Federal eRulemaking Portal:* Go to *www.regulations.gov* to submit your comments electronically. Information on using Regulations.gov, including instructions for accessing agency documents, submitting comments, and viewing the docket, is available on the site under ''How to Use This Site.''
- *Postal Mail, Commercial Delivery, or Hand Delivery.* If you mail or deliver your comments about these proposed requirements, address them to the Office of Elementary and Secondary Education (Attention: Race to the Top-Early Learning Challenge Phase 2 Comments), U.S. Department of Education, 400 Maryland Avenue SW., Washington, DC 20202–6200.

Privacy Note: The Department of Education's policy is to make all comments received from members of the public available for public viewing in their entirety on the Federal eRulemaking Portal at *www.regulations.gov*. Therefore, commenters should be careful to include in their comments only information that they wish to make publicly available.

FOR FURTHER INFORMATION CONTACT: Deborah Spitz, U.S. Department of Education, 400 Maryland Avenue SW., Room 3E230, Washington, DC 20202–6200. Telephone: (202) 260–3793 or by email: *RTT.Early.Learning.Challenge@ed.gov*.

If you use a telecommunications device for the deaf (TDD) or a text telephone (TTY), call the Federal Relay Service (FRS), toll free, at 1–800–877–8339.

SUPPLEMENTARY INFORMATION:

Executive Summary

Purpose of This Regulatory Action: The Departments of Education and Health and Human Services (Departments) plan to implement Phase 2 of the RTT–ELC program by funding down the slate from the FY 2011 RTT–ELC competition. Specifically, the Departments plan to make awards available to the next five highest-scoring applicants that did not receive funding under the FY 2011 RTT–ELC competition. Because the amount of available funds in FY 2012 is limited, this action proposes specific requirements that the five eligible applicants must meet in order to receive up to 50 percent of the funds they requested in their FY 2011 RTT–ELC applications.

Summary of the Major Provisions of This Regulatory Action: In this notice, we propose to establish a limited number of application requirements, assurances, and budget requirements that the five eligible applicants must meet in order to receive funds under Phase 2 of the RTT–ELC program.

The *Application Requirements,* which can be found in section III of the *Proposed Requirements* section of this notice, include a requirement that each eligible applicant must: (1) Describe how it would implement the activities proposed in Core Area B (selection

criteria one through five) of its FY 2011 RTT–ELC application; (2) describe how it would implement the activities proposed in Competitive Preference Priority 2 of its FY 2011 RTT–ELC application; and (3) from two or more of the three Focused Investment Areas (C, D, and E) in its FY 2011 RTT–ELC application, select activities proposed in response to one or more selection criteria. The *Application Requirements* section further explains how applicants may make adjustments to the scope of the activities they proposed in their FY 2011 RTT–ELC applications to ensure that the activities can be carried out successfully with the amount of funds available in Phase 2 of the RTT–ELC program.

The *Application Assurances,* which can be found in section IV of the *Proposed Requirements* section of this notice, include a set of assurances for eligible applicants to include in their applications for Phase 2 RTT–ELC awards. These assurances relate to commitments made in the FY 2011 RTT–ELC applications. For example, in order to receive a Phase 2 RTT–ELC award, an eligible applicant must maintain the commitments made in Section A(1) of its FY 2011 RTT–ELC application, which describes existing State funding for early learning. Each eligible applicant must also maintain commitments to engage in partnerships described in its FY 2011 RTT–ELC application. This is important because the strength of these commitments influenced how reviewers scored the FY 2011 RTT–ELC applications. These commitments are also critical to building strong State systems of early learning and development.

The proposed Budget Requirements, which can be found in section V of the *Proposed Requirements* section of this notice, require that an eligible applicant complete a revised budget and narrative that includes an explanation of why the eligible applicant has selected the activities it proposes to carry out (as described under ''Application Requirements'') and why such activities will have the greatest impact on advancing its high-quality plan for early learning.

Costs and Benefits: We have determined that these proposed requirements would not impose significant additional costs to States, the eligible applicants under the RTT–ELC program, or the Federal Government and that the potential benefits would exceed the costs. The Departments believe States would incur minimal costs in developing plans and budgets for implementing selected activities from their FY 2011 RTT–ELC proposals, because such planning would entail revisions to existing plans and budgets already developed as part of the FY 2011 RTT–ELC application process.

Invitation to Comment: We invite you to submit comments regarding this notice. To ensure that your comments have maximum effect in developing the notice of final requirements, we urge you to identify clearly the specific proposed requirement that each comment addresses.

We invite you to assist us in complying with the specific requirements of Executive Orders 12866 and 13563 and their overall requirement of reducing regulatory burden that might result from these proposed requirements. Please let us know of any further ways we could reduce potential costs or increase potential benefits while preserving the effective and efficient administration of the program.

During and after the comment period, you may inspect all public comments about this notice by accessing *Regulations.gov*. You may also inspect the comments in person in room 3E230, 400 Maryland Avenue SW., Washington, DC, between the hours of 8:30 a.m. and 4:00 p.m., Washington, DC time, Monday through Friday of each week except Federal holidays. Please contact the person listed under **FOR FURTHER INFORMATION CONTACT**.

Assistance to Individuals with Disabilities in Reviewing the Rulemaking Record: On request we will provide an appropriate accommodation or auxiliary aid to an individual with a disability who needs assistance to review the comments or other documents in the public rulemaking record for this notice. If you want to schedule an appointment for this type of accommodation or auxiliary aid, please contact the person listed under **FOR FURTHER INFORMATION CONTACT**.

Purpose of Program: The purpose of the RTT–ELC program is to improve the quality of early learning and development and close the achievement gap for children with high needs. This program focuses on improving early learning and development for young children by supporting States' efforts to increase the number and percentage of low-income and disadvantaged children, in each age group of infants, toddlers, and preschoolers, who are enrolled in high-quality early learning and development programs; and designing and implementing an integrated system of high-quality early learning and development programs and services.

Program Authority: Sections 14005 and 14006, Division A, of the American Recovery and Reinvestment Act of 2009, as amended by section 1832(b) of Division B of Public Law 112–10, the Department of Defense and Full-Year Continuing Appropriations Act, 2011, and the Department of Education Appropriations Act, 2012 (Title III of Division F of Pub. L. 112–74, the Consolidated Appropriations Act, 2012).

Proposed Requirements

Background:

A critical focus of the Departments is supporting America's youngest learners and helping ensure that children, especially young children with high needs, such as those who are from low-income families, English learners, and children with disabilities or developmental delays, enter kindergarten ready to succeed in school and in life. A robust body of research demonstrates that high-quality early learning and development programs and services can improve young children's health, social-emotional, and cognitive outcomes; enhance school readiness; and help close the school readiness gap[1] [2] that exists between children with high needs and their peers at the time they enter kindergarten.[3] [4]

To address this school readiness gap, the Departments have identified, as high priorities, strengthening the quality of early learning and development programs and increasing access to high-quality early learning and development programs for all children, including those with high needs.

On May 25, 2011, Secretaries Arne Duncan and Kathleen Sebelius announced the Race to the Top-Early Learning Challenge, a new $500 million State-level grant competition authorized under the American Recovery and Reinvestment Act of 2009 (ARRA), as amended by section 1832(b) of the Department of Defense and Full-Year Continuing Appropriations Act, 2011. Through the RTT–ELC program, the

[1] Camilli, G., Vargas, S., Ryan, S., & Barnett, W. S. (2010). Meta-analysis of the effects of early education interventions on cognitive and social development. *Teachers College Record, 112*(3), 579–620.

[2] Reynolds, A.J., Temple, J.A., Ou, S., Arteaga, I.A., & White, B.A.B. (2011). School-based early childhood education and age-28 well-being: effects by timing, dosage, and subgroups. *Science,* Retrieved from *http://www.sciencemag.org/content/early/2011/06/08/science.1203618.abstract doi: 10.1126/science.1203618.*

[3] Princiotta, D., Flanagan, K. D., and Germino Hausken, E. (2006). *Fifth Grade: Findings From The Fifth-Grade Follow-up of the Early Childhood Longitudinal Study, Kindergarten Class of 1998–99 (ECLS–K). (NCES 2006–038) U.S. Department of Education.*

[4] Halle, T., Forry, N., Hair, E., Perper, K., Wandner, L., Wessel, J., & Vick, J.(2009). *Disparities in Early Learning and Development: Lessons from the Early Childhood Longitudinal Study—Birth Cohort (ECLS–B).* Washington, DC: Child Trends.

Departments seek to help close the achievement gap between children with high needs and their peers by supporting State efforts to build strong systems of early learning and development that provide increased access to high-quality programs for the children who need them most.

The FY 2011 RTT–ELC competition represented an unprecedented opportunity for States to focus deeply on their early learning and development systems for children from birth through age five. (See notice inviting applications for the competition, published in the **Federal Register** on August 26, 2011 (76 FR 53564).) Through the FY 2011 RTT–ELC competition, States were given an opportunity to build a more unified approach to supporting young children and their families—an approach that increases access to high-quality early learning and development programs and services and helps ensure that children enter kindergarten with the skills, knowledge, and dispositions toward learning they need to be successful.

In December 2011, the Departments made awards to the nine highest-scoring applications from the FY 2011 RTT–ELC competition: California, Delaware, Maryland, Massachusetts, Minnesota, North Carolina, Ohio, Rhode Island, and Washington. (Due to the limited amount of funding available and its ranking on the slate, California received approximately half of the funding it requested.)

On December 23, 2011, Public Law 112–74, the Consolidated Appropriations Act, 2012, which made $550 million available for the Race to the Top Fund, was signed into law. This legislation authorized the Secretary of Education to make Race to the Top Fund awards on ''the basis of previously submitted applications.'' The Department of Education must obligate these funds by December 31, 2012.

On April 9, 2012, the Departments announced that approximately $133 million of the $550 million appropriated for the Race to the Top Fund would be made available to the next five highest-scoring applicants from the FY 2011 RTT–ELC competition. These five applicants, each of which received approximately 75 percent or more of the available points under the competition, are Colorado, Illinois, New Mexico, Oregon, and Wisconsin. Throughout this notice, these States are referred to as ''eligible applicants'' for Phase 2 of the RTT–ELC program, under which the Departments will fund down the slate of applications from the FY 2011 RTT–ELC competition. While $133 million is not sufficient to support full implementation of the plans submitted by these States in the FY 2011 RTT–ELC competition, the Secretaries believe that supporting high-scoring applicants that did not receive funding under the FY 2011 RTT–ELC competition with FY 2012 funding will help build on the momentum from the FY 2011 RTT–ELC competition and engage more States to transform the patchwork of disconnected early childhood programs into a coordinated and high-quality system. Therefore, we propose to make FY 2012 funds available to the eligible applicants at up to 50 percent of the funds each requested in its application for funds under the FY 2011 RTT–ELC competition. Through this notice, we propose the requirements for implementing Phase 2 of the RTT–ELC program, under which the Departments will fund down the slate from the FY 2011 RTT–ELC competition.

The Department of Education may use any unused funds from Phase 2 of the RTT–ELC program to make awards in the FY 2012 district-level Race to the Top competition, which will be announced in a separate notice published in the **Federal Register.** Conversely, the Department of Education may use any unused FY 2012 funds from the district-level Race to the Top Fund competition to supplement the awards for Phase 2 of the RTT–ELC program.

In this notice, we propose specific requirements that eligible applicants would have to meet in order to apply for up to 50 percent of the funds they requested in their FY 2011 RTT–ELC competition applications.

The FY 2011 RTT–ELC competition identified five key reform areas representing the foundation of an effective early learning and development reform agenda that is focused on school readiness and ongoing educational success. These areas, which provided a framework for the competition's priorities, requirements, and selection criteria, are as follows:

(A) Successful State Systems;

(B) High-Quality, Accountable Programs;

(C) Promoting Early Learning and Development Outcomes for Children;

(D) A Great Early Childhood Education Workforce; and

(E) Measuring Outcomes and Progress.

The first two of these reform areas, (A) and (B), are core areas of focus for this program (hereafter ''Core Areas''), and applicants under the FY 2011 RTT–ELC competition were required to respond to all selection criteria under these Core Areas. The reform areas in (C), (D), and (E) are areas (hereafter ''Focused Investment Areas'') where applicants directed targeted attention to specific activities that were relevant to their State's context. Applicants were required to address each Focused Investment Area but not all of the selection criteria under them.

Proposed Requirements

The Departments propose the following requirements to implement Phase 2 of the RTT–ELC program. Except where otherwise indicated in this notice, the priorities, requirements, and definitions in the notice inviting applications for the FY 2011 RTT–ELC competition, published in the **Federal Register** on August 26, 2011 (76 FR 53564), would also apply to the RTT–ELC Phase 2 application process.

I. Proposed Eligibility Requirements

Eligible applicants for the Phase 2 RTT–ELC award process are those States that applied for funding under the FY 2011 RTT–ELC competition and received approximately 75 percent or more of the available points, but that did not receive grant awards under that competition. Therefore, only the States of Colorado, Illinois, New Mexico, Oregon, and Wisconsin are eligible to apply for Phase 2 RTT–ELC awards.

II. Proposed Award Process

To receive a Phase 2 RTT–ELC award, an eligible applicant must submit—

(a) An application, consistent with its FY 2011 RTT–ELC application, that—

(1) Meets the application requirements described in the *Proposed Application Requirements* section of this notice; and

(2) Provides the assurances described in the *Proposed Application Assurances* section of this notice; and

(b) For review and approval by both Departments, a detailed plan and budget describing the activities selected from its FY 2011 RTT–ELC application that would be implemented with Phase 2 RTT–ELC funding, in accordance with the *Budget Requirements* in this notice.

Note: We encourage eligible applicants to partner with each other and currently funded RTT–ELC grantees in carrying out specific activities (such as validation of a State's Tiered Quality Rating and Improvement System (TQRIS), implementation of longitudinal data systems, or development of a kindergarten entry assessment). Each eligible applicant may apply for Phase 2 RTT–ELC awards individually or as a member of a consortium (with other eligible applicants) under 34 CFR 75.127–129. In any event, an eligible applicant must propose activities for Phase 2 of the RTT–ELC program that are consistent with its FY 2011 RTT–ELC application.

III. Proposed Application Requirements

We propose the following application requirements for eligible applicants that apply for Phase 2 RTT–ELC awards:

(a) Each eligible applicant must describe how it would implement an organizational structure for managing the grant that is consistent with the activities and commitments described in response to selection criterion A(3)(a)(1) [5] of its FY 2011 RTT–ELC application, and describe how it would implement the activities described in response to Core Area B (selection criteria one through five) of its FY 2011 RTT–ELC application using a Phase 2 RTT–ELC award. The FY 2011 RTT–ELC Core Area B criteria promote broad participation in the State's TQRIS across a range of programs, active and continuous program quality improvement, and the publication of program ratings so that families can make informed decisions about which programs can best serve the needs of their children. Specifically, in Core Area B of its FY 2011 RTT–ELC application, each applicant had to demonstrate that it had developed and adopted, or had a high-quality Plan to develop and adopt, a TQRIS. In addition, each applicant must also implement the activities proposed under Competitive Preference Priority 2, including all early learning and development programs in the TQRIS.

(b) In addition to addressing the requirements in paragraph (a) of this section, each eligible applicant must select and describe how it will implement activities that it identified in its FY 2011 RTT–ELC application in response to Focused Investment Areas C, D, or E. The eligible applicant must select activities from two or more of the three Focused Investment Areas C, D, and E, and the activities must be responsive to one or more of the selection criteria under the Focused Investment Areas chosen by the applicant. (Eligible applicants may implement additional activities proposed under more than one selection criterion within each Focused Investment Area.) In determining which selection criteria to address given the amount of available funds under Phase 2 of the RTT–ELC program, each eligible applicant should give consideration to those activities that will have the greatest impact on improving access to high-quality early learning programs for children with high needs.

[5] The selection criteria from the FY 2011 RTT–ELC application can be found at *http://www2.ed.gov/programs/racetothetop-earlylearningchallenge/2011-412.doc* (pp. 26–74).

Note: In light of the reduced funding available, applicants may make adjustments in the scope of services provided to meet selection criteria in Focused Investment Areas C, D, and E. For example, an applicant may propose to serve fewer programs or regions of the State than it proposed to serve in its FY 2011 RTT–ELC application. The eligible applicant must provide a detailed explanation of its rationale for such adjustments and also must amend its targets in Tables B(2)(c) and B(4)(c)(1–2) of the FY 2011 RTT–ELC application, as needed. Applicants should ensure that the adjustments do not diminish the program's impact on improving access to high quality early learning programs for children with high needs. In addition, when the scope of work is adjusted by targeting specific regions in the State, the activities should be consistent across regions.

(c) In addition, each eligible applicant may implement the activities it proposed in response to the Invitational Priorities from its FY 2011 RTT–ELC application. Eligible applicants that wrote to Invitational Priority 2 are encouraged to pursue public-private partnerships to the extent that this will augment total funds available for carrying out the activities described in the FY 2011 RTT–ELC application. Note: We encourage grantees to enter into consortia, where relevant, in order to maximize the use of available funds. Please refer to section (V)(B) later in this notice.

(d) We will use Phase 2 RTT–ELC funding to support only those activities included in an eligible applicant's FY 2011 RTT–ELC application. Therefore, an eligible applicant must not include new activities in its Phase 2 RTT–ELC application.

(e) Each Phase 2 RTT–ELC application must include current signatures by the eligible applicant's Governor or an authorized representative signing on behalf of the Governor; an authorized representative from the eligible applicant's Lead Agency; and an authorized representative from each Participating State Agency.

(f) Each Phase 2 RTT–ELC application must include a newly signed Memorandum of Understanding and a preliminary scope of work for each Participating State Agency.

IV. Proposed Application Assurances

Each eligible applicant must include in its Phase 2 RTT–ELC application the following assurances from its Governor or authorized representative of the Governor of its State:

(a) While the State may make appropriate adjustments to the scope, budget, timeline, and performance targets, consistent with the reduced amount of funding that is available under the Phase 2 RTT–ELC award process, the State will maintain consistency with the absolute priority and all program and eligibility requirements of the FY 2011 RTT–ELC competition.

(b) The State will maintain its commitment to and investment in high-quality, accessible early learning and development programs and services for children with high needs, as described in Section A(1) of its FY 2011 RTT–ELC application.

(c) Subject to adjustments due to the reduced amount of funding available under the Phase 2 RTT–ELC award process, the State will maintain its plan to establish strong participation and commitment by Participating State Agencies and other early learning and development stakeholders as described in Section A(3) of its FY 2011 RTT–ELC application.

(d) The State will maintain its commitment to integrating and aligning resources and policies across Participating State Agencies as described in Section A(3) of its FY 2011 RTT–ELC application.

(e) The State will comply with all of the accountability, transparency, and reporting requirements that applied to the FY 2011 RTT–ELC competition. (See the notice inviting applications for the FY 2011 RTT–ELC competition, published in the **Federal Register** on August 26, 2011 (76 FR 53564).)

(f) The State will comply with the requirements of any evaluation of the RTT–ELC program, or of specific activities it proposes to pursue as part of the program, conducted and supported by the Departments.

V. Proposed Budget Requirements

An eligible applicant may apply for up to 50 percent of the funds requested in its FY 2011 RTT–ELC application. The following budget requirements would apply to the Phase 2 RTT–ELC award process:

(a) *Budget Narrative.* Each eligible applicant must submit a detailed narrative and budget, using the format and instructions provided in the FY 2011 RTT–ELC application package, which describes the activities it has selected from its FY 2011 RTT–ELC application that it proposes to implement with a Phase 2 RTT–ELC award. This detailed narrative must include an explanation of why the eligible applicant has selected these activities and why the eligible applicant believes they will have the greatest impact on advancing its high-quality plan for early learning. The narrative must also explain where the applicant has made adjustments (such as a

reduction in the number of participating programs or areas of the State served) to ensure that the activities can be carried out successfully with the amount of funds available. In reviewing the narrative, we may request the applicant submit revisions to address concerns related to feasibility or the strategic use of funds. (See the notice inviting applications for the FY 2011 RTT–ELC competition, published in the **Federal Register** on August 26, 2011 (76 FR 53564).)

(b) *Applying as a Consortium.* As discussed elsewhere in this notice, we encourage eligible applicants to form consortia with each other and partner with currently funded RTT–ELC grantees in carrying out specific activities (such as validation of a State's TQRIS, implementation of longitudinal data systems, or development of a kindergarten entry assessment). Eligible applicants may apply individually or as members of a consortium (with other eligible applicants) under 34 CFR 75.127–129. Each applicant must propose activities consistent with its FY 2011 RTT–ELC application. Therefore, each eligible applicant that chooses to apply as a member of a consortium or to partner with a current RTT–ELC grantee in carrying out project activities must include in its revised budget narrative an explanation of how the activities to be undertaken by the consortium or partnership are consistent with the applicant's FY 2011 RTT–ELC application and how the consortium or partnership will help the applicant implement its selected activities. It is important to note that an applicant may propose some activities that it would execute alone and others that it would execute as part of a consortium.

(c) *Available Funds.* The maximum amounts of funding for which each eligible applicant may apply are shown in the following table. The amounts in this table are based on the requirement that each eligible applicant may apply for up to half of the amount it requested in its FY 2011 RTT–ELC application.

State	Maximum amount
Colorado	$29,925,888
Illinois	34,798,696
New Mexico	25,000,000
Oregon	20,508,902
Wisconsin	22,701,389

Final Requirements:

We will announce the final requirements for the Phase 2 RTT–ELC award process in a notice in the **Federal Register**. We will determine the final requirements after considering any comments submitted in response to this notice and other information available to the Departments. This notice does not preclude the Departments 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 one or more of these requirements, we invite applications through a notice in the **Federal Register**.

Executive Orders 12866 and 13563

Regulatory Impact Analysis

Under Executive Order 12866, the Secretaries must determine whether a 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 local 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 regulatory action would have an annual effect on the economy of more than $100 million because the amount of government transfers through the Phase 2 RTT–ELC award process exceeds that amount. Therefore, this proposed action is ''economically significant'' and subject to review by OMB review under section 3(f)(1) of Executive Order 12866. Notwithstanding this determination, we have assessed the potential costs and benefits—both quantitative and qualitative—of this proposed regulatory action and have determined that the benefits would justify the costs.

The Departments have also reviewed these proposed requirements 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, 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 specifying the behavior or manner of compliance a regulated entity must adopt; and

(5) Identify and assess available alternatives to direct regulation, including providing 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 these proposed requirements only on a reasoned determination that their benefits justify their costs. In choosing among alternative regulatory approaches, we selected those approaches that would maximize net benefits. Based on the analysis that follows, the Departments believe these proposed regulations are consistent with the principles in Executive Order 13563.

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

In this regulatory impact analysis we discuss the need for regulatory action, the potential costs and benefits, net budget impacts, assumptions, limitations, and data sources, as well as regulatory alternatives we considered.

Need for Federal Regulatory Action

These proposed requirements are needed to implement the Phase 2 RTT–ELC award process in the manner that the Departments believe will best enable the program to achieve its objectives of creating the conditions for effective reform in State early learning systems in States that had high-scoring applications in the FY 2011 RTT–ELC competition but that did not receive funding in that competition, to implement key elements of their comprehensive reform proposals submitted as part of their FY 2011 RTT–ELC competition applications.

Potential Costs and Benefits

Under Executive Order 12866, we have assessed the potential costs and benefits of this regulatory action and have determined that these proposed requirements would not impose significant additional costs to State applicants or the Federal Government. Most of the proposed requirements contained in this notice involve re-affirming State commitments and plans already completed as part of the FY 2011 RTT–ELC competition or other Federal education programs. Similarly, other proposed requirements, in particular those related to maintaining conditions for reform required under the FY 2011 RTT–ELC competition, would require continuation of existing commitments and investments rather than the imposition of additional burdens and costs. The Departments believe those States that are eligible for Phase 2 awards would incur minimal costs in developing plans and budgets for implementing selected activities from their FY 2011 RTT–ELC competition proposals, because in most cases such planning would entail revisions to existing plans and budgets already developed as part of the FY 2011 RTT–ELC application process and not the development and implementation of entirely new plans and budgets. In all such cases, the Departments believe that the benefits resulting from the proposed requirements for the Phase 2 RTT–ELC award process, would exceed their costs.

Regulatory Alternatives Considered

An alternative to promulgation of the types of requirements proposed in this notice would be to use FY 2012 Race to the Top funds to make awards to the one or two highest-scoring unfunded applications from the FY 2011 RTT–ELC competition and to use the remaining funds for the Race to the Top district-level competition to be held in FY 2012. We have concluded that approximately $400 million in available FY 2012 funds is necessary to support a meaningful district-level competition.

Moreover, the Departments believe that simply funding the one or two highest-scoring applicants that were not selected in the FY 2011 RTT–ELC competition would result in a missed opportunity to reward the efforts of other high-scoring applicants from that competition and to enable them to make meaningful progress on key elements of their State early learning plans.

To assist the Departments in complying with the requirements of Executive Order 12866, the Secretaries invite comments on whether there may be further opportunities to reduce any potential costs or increase potential benefits resulting from these proposed requirements without impeding the effective and efficient administration of the RTT–ELC program.

Accounting Statement

As required by OMB Circular A–4 (available at *www.whitehouse.gov/sites/default/files/omb/assets/omb/circulars/a004/a-4.pdf*), in the following table we have prepared an accounting statement showing the classification of the expenditures associated with the provisions of this proposed regulatory action. This table provides our best estimate of the Federal payments to be made to States under this program as a result of this proposed regulatory action. Expenditures are classified as transfers to States.

ACCOUNTING STATEMENT CLASSIFICATION OF ESTIMATED EXPENDITURES

Category	Transfers
Annualized Monetized Transfers.	$132,934,875.
From Whom To Whom?	Federal Government to States.

The Phase 2 RTT–ELC award process would provide approximately $133 million in competitive grants to eligible applicants (those five applicants that did not receive funding in the FY 2011 RTT–ELC competition, but which received approximately 75 percent or more of the available points under the competition).

Regulatory Flexibility Act Certification

The Secretaries certify that this proposed regulatory action will not have a significant economic impact on a substantial number of small entities. This proposed regulatory action will not have a significant economic impact on small entities (such as subaward recipients) because they will be able to meet the costs of compliance with this regulatory action using the funds provided under this program.

The Secretaries invite comments from small entities as to whether they believe this proposed regulatory action would have a significant economic impact on them and, if so, request evidence to support that belief.

Paperwork Reduction Act of 1995

These proposed requirements contain information collection requirements. However, because the eligible applicants for Phase 2 RTT–ELC awards are fewer than 10, these collections are not subject to approval under the Paperwork Reduction Act of 1995 (44 U.S.C. 3502(3)(A)(i)).

Intergovernmental Review: This program is subject to Executive Order 12372 and the regulations in 34 CFR part 79. One of the objectives of the Executive order is to foster an intergovernmental partnership and a strengthened federalism. The Executive order relies on processes developed by State and local governments for coordination and review of proposed Federal financial assistance.

This document provides early notification of our specific plans and actions for this program.

Assessment of Educational Impact: In accordance with section 411 of the General Education Provisions Act, 20 U.S.C. 1221e–4, the Departments invite comment on whether these proposed requirements would require transmission of information that any other agency or authority of the United States gathers or makes available.

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

Electronic Access to This Document: The official version of this document is the document published in the **Federal Register**. Free Internet access to the official edition of the **Federal Register** is available via the Federal Digital System at *www.gpo.gov/fdsys*. At this site you can view this document, as well as all other documents of these Departments published in the **Federal Register**, in text or Adobe Portable Document Format (PDF). To use PDF you must have Adobe Acrobat Reader, which is available free at this site.

You may also access documents of these Departments published in the **Federal Register** by using the article search feature at *www.federalregister.gov*. Specifically,

through the advanced search feature at this site, you can limit your search to documents published by these Departments.

Dated: June 14, 2012.

Arne Duncan,

Secretary of Education.

Kathleen Sebelius,

Secretary of Health and Human Services.

[FR Doc. 2012–14954 Filed 6–19–12; 8:45 am]

BILLING CODE 4000–01–P

ENVIRONMENTAL PROTECTION AGENCY

40 CFR Part 52

[EPA–R06–OAR–2011–0332; FRL–9687–6]

Approval and Promulgation of Implementation Plans; Texas; Revisions to the New Source Review (NSR) State Implementation Plan (SIP); Antibacksliding of Major NSR SIP Requirements for the One-Hour Ozone National Ambient Air Quality Standards (NAAQS); Major Nonattainment NSR (NNSR) SIP Requirements for the 1997 Eight-Hour Ozone NAAQS; and Major NSR Reform Program

AGENCY: Environmental Protection Agency (EPA).

ACTION: Proposed rule.

SUMMARY: EPA is proposing to approve revisions to the SIP for the State of Texas that relate to antibacksliding of Major NSR SIP Requirements for the one-hour ozone NAAQS; Major NNSR SIP requirements for the 1997 eight-hour ozone NAAQS; Major NSR Reform Program with Plantwide Applicability Limit (PAL) provisions; and non-PAL aspects of the Major NSR SIP requirements. EPA proposes to find that these changes to the Texas SIP comply with the Federal Clean Air Act (the Act or CAA) and EPA regulations and are consistent with EPA policies. Texas submitted revisions to these programs on June 10, 2005, and February 1, 2006. EPA disapproved these SIP revisions on September 15, 2010 (75 FR 56424). In response to the 2010 disapproval, Texas submitted revisions to these programs in two separate SIP submittals on March 11, 2011. These SIP submittals include resubmittal of the rules that were previously submitted June 10, 2005, and February 1, 2006, and subsequently disapproved by EPA on September 15, 2010. On February 22, 2012, Texas proposed further revisions to the NSR Reform Program to further clarify and ensure compliance with Federal requirements relating to NSR Reform. On May 3, 2012, Texas provided a letter to EPA which requested that EPA parallel process the revisions proposed February 22, 2012, and included a demonstration showing how its submitted rules are at least as stringent as the Federal NSR Reform Program. Texas has requested that EPA parallel process the revisions proposed February 22, 2012, and consider the May 3, 2012, letter in the review of the March 11, 2011, SIP submittals. Today, EPA is proposing to find that the March 11, 2011, SIP submittals; the February 22, 2012, proposed revisions; and the May 3, 2012, letter, address each of the grounds for EPA's September 15, 2010, disapproval and other issues related to the Texas NSR Reform revisions as identified later. Accordingly, EPA proposes to approve these two March 11, 2011, revisions; the February 22, 2012, proposed revisions for which Texas has requested parallel processing; and the May 3, 2012, letter as part of the Texas NSR SIP. EPA is proposing this action under section 110 and parts C and D of the Act.

DATES: Comments must be received on or before July 20, 2012.

ADDRESSES: Submit your comments, identified by Docket ID No. EPA–R06–OAR–2011–0332 by one of the following methods:

(1) *Federal eRulemaking Portal: http://www.regulations.gov*. Follow the on-line instructions for submitting comments.

(2) *Email:* Mr. Stanley M. Spruiell at *spruiell.stanley@epa.gov*.

(3) *U.S. EPA Region 6 ''Contact Us'' Web site: http://epa.gov/region6/r6coment.htm*. Please click on ''6PD'' (Multimedia) and select ''Air'' before submitting comments.

(4) *Fax:* Mr. Stanley M. Spruiell, Air Permits Section (6PD–R), at fax number 214–665–6762.

(5) *Mail:* Mr. Stanley M. Spruiell, Air Permits Section (6PD–R), Environmental Protection Agency, 1445 Ross Avenue, Suite 1200, Dallas, Texas 75202–2733.

(6) *Hand or Courier Delivery:* Mr. Stanley M. Spruiell, Air Permits Section (6PD–R), Environmental Protection Agency, 1445 Ross Avenue, Suite 1200, Dallas, Texas 75202–2733. Such deliveries are accepted only between the hours of 8:30 a.m. and 4:30 p.m. weekdays except for legal holidays. Special arrangements should be made for deliveries of boxed information.

Instructions: Direct your comments to Docket ID No. EPA–R06–OAR–2011–0332. EPA's policy is that all comments received will be included in the public docket without change and may be made available online at *http://www.regulations.gov*, including any personal information provided, unless the comment includes information claimed to be Confidential Business Information (CBI) or other information whose disclosure is restricted by statute. Do not submit information that you consider to be CBI or otherwise protected through *http://www.regulations.gov* or email. The *http://www.regulations.gov* Web site is an ''anonymous access'' system, which means that EPA will not know your identity or contact information unless you provide it in the body of your comment. If you send an email comment directly to EPA without going through *http://www.regulations.gov* your email address will be automatically captured and included as part of the comment that is placed in the public docket and made available on the internet. If you submit an electronic comment, EPA recommends that you include your name and other contact information in the body of your comment and with any disk or CD–ROM you submit. If EPA cannot read your comment due to technical difficulties and cannot contact you for clarification, EPA may not be able to consider your comment. Electronic files should avoid the use of special characters, any form of encryption, and be free of any defects or viruses.

Docket: All documents in the docket are listed in the *http://www.regulations.gov* index. Although listed in the index, some information is not publicly available, e.g., CBI or other information whose disclosure is restricted by statute. Certain other material, such as copyrighted material, will be publicly available only in hard copy. Publicly available docket materials are available either electronically in *http://www.regulations.gov* or in hard copy at the Air Permits Section (6PD–R), Environmental Protection Agency, 1445 Ross Avenue, Suite 700, Dallas, Texas 75202–2733. The file will be made available by appointment for public inspection in the Region 6 Freedom of Information Act Review Room between the hours of 8:30 a.m. and 4:30 p.m. weekdays except for legal holidays. Contact the person listed in the **FOR FURTHER INFORMATION CONTACT** paragraph below or Mr. Bill Deese at (214) 665–7253 to make an appointment. If possible, please make the appointment at least two working days in advance of your visit. There will be a 15 cent per page fee for making photocopies of documents. On the day of the visit, please check in at the EPA