



DEPARTMENT OF COMMERCE

Economic Development Administration

13 CFR Part 302

[Docket No. 260311-0078]

RIN 0610-AA73

Streamlining the Regulations Establishing General Terms and Conditions for the Economic Development Administration's Investment Assistance

AGENCY: Economic Development Administration (EDA), Department of Commerce
(Department).

ACTION: Final rule.

SUMMARY: By this rule, EDA amends its regulations establishing general terms and conditions for investment assistance by removing three unnecessary sections. This action is intended to streamline the described body of regulations, eliminate redundant and otherwise unwarranted regulatory text, and to promote administrative efficiency without diminishing any substantive obligations or entitlements related to EDA's investment assistance.

DATES: The rule is effective [insert date of publication in the Federal Register].

FOR FURTHER INFORMATION CONTACT: Jeffrey Roberson, Chief Counsel, Economic Development Administration, at (202) 779-0563.

SUPPLEMENTARY INFORMATION: By this rule, the Department amends the regulations at 13 CFR part 302, which establish the general terms and conditions for EDA's investment assistance. The Department amends those regulations in the following ways.

First, the Department is removing § 302.6, which reiterates that recipients of EDA's investment assistance are "subject to all Federal laws and to Federal, Department, and EDA policies, regulations, and procedures applicable to Federal financial assistance awards," including the government-wide requirements at 2 CFR part 200. 13 CFR 302.6. Upon review, the

Department has determined that § 302.6 is appropriate for removal, as the application of part 200 is sufficiently established by the language of part 200, and § 302.6's vague references to other applicable authorities are of minimal, if any, value; the requirements of these other authorities apply, and are sufficiently established, regardless of whether § 302.6 specifically or generally cross-references them. Accordingly, § 302.6 is appropriate for removal under the Department's broader deregulatory policies.

Second, the Department is removing § 302.12, which states that "EDA shall approve Investment Assistance awards only if, as determined in EDA's sole discretion, the Project for which such Investment Assistance is awarded will be properly and efficiently administered, operated and maintained." 13 CFR 302.12. But this requirement of efficiency is already sufficiently established by section 504 of the Public Works and Economic Development Act of 1965 (42 U.S.C. 3194); the government-wide regulations at 2 CFR part 200, *see* 2 CFR 200.400(a), (c) (establishing, as part of the "fundamental premises" guiding Federal awards, the importance of "efficient administration"); and the Department's internal materials, including its Federal Financial Assistance Manual. Accordingly, § 302.12 is appropriate for removal under the Department's deregulatory policies.

Third, the Department is removing § 302.15, which states that "EDA will accept an Eligible Applicant's certifications, accompanied by evidence satisfactory to EDA, that the Eligible Applicant meets the requirements for receiving Investment Assistance." 13 CFR 302.15. No statutory provision requires the promulgation and maintenance of such regulatory language, and the Department finds it to be of little, if any, value; the rest of part 302 sufficiently addresses the requirements for receiving assistance and contemplates the presentation of evidence. Based on the other sections of part 302, the Department is satisfied that § 302.15 does not serve any meaningful independent purpose and thus is appropriate for removal under the Department's deregulatory policies.

Overall, the Department has determined that these amendments to part 302 are warranted, as they will remove unnecessary regulatory language of little to no value and generally streamline part 302, thereby promoting simplicity and efficiency without diminishing any substantive rights or obligations related to EDA's investment assistance.

CLASSIFICATIONS

A. Administrative Procedure Act

Pursuant to 5 U.S.C. 553(b)(B), the Department finds good cause to waive the prior notice and opportunity for public participation requirements of the Administrative Procedure Act for this final rule. The Department considers this rule to be uncontroversial, and has determined that prior notice and opportunity for public participation is unnecessary, because this rule only removes regulatory language that is unnecessary and does not serve any meaningful significant function; none of the language being removed by this rule is statutorily required, and public participation could not justify the continued maintenance of any of the language at issue under the Department's broader regulatory policies. For the same reasons, the Department has determined that delaying the effectiveness of these amendments would be contrary to the public interest. The language being removed by this rule adds complexity and clutter to part 302; the removal of this language will immediately streamline part 302, thereby promoting administrative efficiency and benefiting the public, at little to no cost. The Department therefore finds good cause to waive the public notice and comment period under 553(b)(B) and to waive the 30-day delay in effectiveness under 553(d).

B. Executive Orders 12866, 14192, 13132

The Office of Management and Budget has determined this rule is not significant pursuant to Executive Order ("E.O.") 12866. This rule is an E.O. 14192 deregulatory action. This rule does not contain policies having federalism implications as the term is defined in E.O. 13132.

C. Regulatory Flexibility Act

Because a notice of proposed rulemaking and an opportunity for public participation are not required to be given for this rule by 5 U.S.C. 553(b)(B), the analytical requirements of the Regulatory Flexibility Act (5 U.S.C. 601 *et seq.*) are not applicable. Accordingly, no regulatory flexibility analysis is required, and none has been prepared.

D. Paperwork Reduction Act

This rule will not impose additional reporting or recordkeeping requirements under the Paperwork Reduction Act of 1995, 44 U.S.C. 3501 *et seq.*

List of Subjects for 13 CFR Part 302

Federal policy and procedures, Pre-approval requirements, Reporting and audit requirements, Project administration, Post-approval requirements.

Dated: March 13, 2026.

Benjamin Page,
Deputy Assistant Secretary and Chief Operating Officer.

For the reasons set forth in the preamble, EDA amends 13 CFR part 302 as follows:

PART 302 – GENERAL TERMS AND CONDITIONS FOR INVESTMENT

ASSISTANCE

1. The authority citation for part 302 continues to read as follows:

Authority: 19 U.S.C. 2341 *et seq.*; 42 U.S.C. 3150; 42 U.S.C. 3152; 42 U.S.C. 3153; 42 U.S.C. 3192; 42 U.S.C. 3193; 42 U.S.C. 3194; 42 U.S.C. 3211; 42 U.S.C. 3212; 42 U.S.C. 3216; 42 U.S.C. 3218; 42 U.S.C. 3220; 42 U.S.C. 5141; 15 U.S.C. 3701;
Department of Commerce Delegation Order 10-4.

§ 302.6 [Removed and Reserved]

2. Remove and reserve § 302.6.

§ 302.12 [Removed and Reserved]

3. Remove and reserve § 302.12.

§ 302.15 [Removed and Reserved]

4. Remove and reserve § 302.15.

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