

Proposed Rules

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This section of the FEDERAL REGISTER contains notices to the public of the proposed issuance of rules and regulations. The purpose of these notices is to give interested persons an opportunity to participate in the rule making prior to the adoption of the final rules.

DEPARTMENT OF AGRICULTURE

Rural Housing and Community Development Service

Rural Business and Cooperative Development Service

Rural Utilities Service

Consolidated Farm Service Agency

7 CFR Part 1944

RIN 0575—AB43

Housing Preservation Grant Program

AGENCIES: Rural Housing and Community Development Service, Rural Business and Cooperative Development Service, Rural Utilities Service, and Consolidated Farm Service Agency, USDA.

ACTION: Proposed rule.

SUMMARY: The Rural Housing and Community Development Service (RHCD), a successor Agency to the Farmers Home Administration (FmHA), proposes to amend its Housing Preservation Grant regulations. The intended effect is to allow replacement housing where the grantee has determined that the costs for repair and rehabilitation on the recipient's (individual homeowners only) existing housing are not economically feasible or practical. These revisions will bring the regulations into conformance with the Housing and Community Development Act of 1992 amending the Housing Preservation Grant program, Section 533 of the Housing Act of 1949.

DATES: Comments must be received on or before June 16, 1995.

ADDRESSES: Submit written comments to the office of the Chief, Regulations Analysis and Control Branch, Rural Economic and Community Development, Room 6348, South Agriculture Building, Washington, D.C. 20250. All comments made pursuant to this notice will be available for public inspection at the above address.

FOR FURTHER INFORMATION CONTACT: Sue M. Harris, Senior Loan Specialist, Special Authorities Branch, Multiple Housing Processing Division, RHCD, USDA, Washington, D.C. 20250, Telephone (202) 720-1606 (This is not a toll-free number).

SUPPLEMENTARY INFORMATION:

Classification

This rule has been determined to be not-significant for purpose of Executive Order 12866 and therefore has not been reviewed by OMB.

The proposed regulation has been reviewed in light of Executive Order 12778 and meets the applicable standards provided in sections 2(a) and 2(b)(2) of that Order. Provisions within this part which are inconsistent with state law are controlling. All administrative remedies pursuant to 7 CFR Part 1900 Subpart B must be exhausted prior to filing suit.

Paperwork Reduction Act

The information collection requirements contained in this regulation have been approved by the Office of Management and Budget (OMB) under the provisions of 44 U.S.C. Chapter 35 and have been assigned OMB control number 0575-0115 in accordance with the Paperwork Reduction Act of 1980 (44 U.S.C. 3507). This proposed rule does not revise or impose any new information collection or recordkeeping requirement from those approved by OMB.

Environmental Impact Statement

This document has been reviewed in accordance with 7 CFR Part 1940, Subpart G, "Environmental Program." It is the determination of RHCD that this action does not constitute a major Federal action significantly affecting the quality of the human environment and, in accordance with the National Environmental Policy Act of 1969, P.L. 91-190, an environmental impact statement is not required.

Programs Affected

This program/activity is listed in the Catalog of Federal Domestic Assistance under number 10.433, Housing Preservation Grants.

Intergovernmental Consultation

This program is subject to the provisions of Executive Order 12372 which requires intergovernmental

consultation with State and local officials (7 CFR part 3015, Subpart V, 48 FR 29115, June 24, 1983.)

Regulatory Flexibility Act

The Administrator has determined that the proposed action will not have a significant economic impact on a substantial number of small entities because it contains normal business recordkeeping requirements and minimal essential reporting requirements. The proposed action will only affect a small number of rural communities.

Background and Drafting Information

The proposed rule incorporates Title VII, Section 711 of the Housing and Community Development Act of 1992 (Pub. L. 102-550, dated October 28, 1992) amending Section 533 of the Housing Act of 1949, 42 U.S.C. 1490m, allowing for replacement housing where the grantee has determined that the costs for repair and rehabilitation on the recipient's (individual homeowners only) existing housing is not economically feasible or practical. RHCD is making no other significant changes other than allowing for replacement housing where the grantee has determined that the costs for repair and rehabilitation on the recipient's (individual homeowner) existing housing are not economically feasible or practical.

Lists of Subjects for 7 CFR Part 1944

Grant programs—Housing and community development, Home improvement, Loan programs—Housing and community development, Nonprofit organizations, Rural housing.

Therefore, as proposed, Chapter XVIII, Title 7, Code of Federal Regulations, is amended as follows:

PART 1944—HOUSING

1. The authority citation for Part 1944 continues to read as follows:

Authority: 42 U.S.C. 1480; 5 U.S.C. 301; 7 CFR 2.23 and 2.70.

Subpart N—Housing Preservation Grants

2. Section 1944.651 is amended by removing the words "if such person has capacity to contract" in paragraph (b) and by revising the last two sentences of paragraph (a) to read as follows:

§ 1944.651 General.

(a) * * * Such assistance will be used to reduce the cost of repair and rehabilitation, to remove or correct health or safety hazards, to comply with applicable development standards or codes, or to make needed repairs to improve the general living conditions of the resident(s), including improved accessibility by persons with handicaps. Individual housing that is owner/occupied and is determined by the grantee to be beyond repair or rehabilitation may qualify for replacement housing.

3. Section 1944.652 is revised to read as follows:

§ 1944.652 Policy.

(a) The policy of RHCDS is to provide HPG's to grantees to operate a program which finances repair and rehabilitation activities to individual housing, rental properties, or co-ops for very low- and low-income persons. Individual housing that is owner/occupied and is determined by the grantee to be beyond repair or rehabilitation may qualify for replacement housing. Grantees are expected to:

(1) Coordinate and leverage funding for repair and rehabilitation activities, as well as replacement housing, with housing and community development organizations and/or activities operating in the same geographic area; and

(2) Focus the program to rural areas and smaller communities so that it serves very low- and low-income persons.

(b) RHCDS intends to permit grantees considerable latitude in program design and administration. The forms or types of assistance must provide the greatest long term benefit to the greatest number of persons residing in individual housing, rental properties, or co-ops needing repair and rehabilitation, or replacement of individual housing.

(c) Repairs and rehabilitation or replacement activities affecting properties on or eligible for listing on the National Register of Historic Places will be accomplished in a manner that supports national historic preservation objectives as specified in § 1944.673 of this subpart.

4. Section 1944.653 is amended by adding a sentence to the end of the paragraph to read as follows:

§ 1944.653 Objective.

* * * Further, individual housing that is owner/occupied and is determined by the grantee to be beyond repair or rehabilitation may qualify for replacement, except as specified in § 1944.659 of this subpart.

5. Section 1944.656 is amended by adding a sentence to the end of the definition of "Housing preservation" and by adding the definition of "Replacement housing" in alphabetical order, to read as follows:

§ 1944.656 Definitions.

* * * * *
Housing preservation. * * * The term housing preservation does not apply to replacement housing.

* * * * *
Replacement housing. The replacement of existing, individual owner/occupied housing where repair and/or rehabilitation assistance is not economically feasible or practical. The term replacement housing does not apply to housing preservation.

§ 1944.658 [Amended]

6. Section 1944.658 is amended by adding the words ", as well as for replacement housing" after the word "assistance" in paragraph (a)(2).

7. Section 1944.659 is added to read as follows:

§ 1944.659 Replacement housing.

Replacement housing applies only to existing, individual owner/occupied housing. Replacement housing does not apply to rental properties (single-unit or multiple-unit) or to cooperative housing projects. The grantee is responsible for determining the extent of the repairs and rehabilitation prior to any assistance given to an individual homeowner. If the cost of such repairs and rehabilitation is not economically feasible or practical, then the grantee may consider replacing the existing housing with replacement housing, subject to the following:

(a) The HPG grantee:
 (1) Shall document the total costs for all repairs and rehabilitation on the existing housing; and

(2) Shall document the basis for the determination that the costs for all repairs and rehabilitation for the existing housing are not economically feasible or practical;

(b) The individual homeowner:
 (1) Must meet all requirements of § 1944.661 of this subpart;

(2) Must have been denied a RHCDS section 502 loan;

(3) Must lack the income and repayment ability to replace their existing home without the assistance of the HPG grantee; and

(4) Must be able to afford the replacement housing on terms set forth by the HPG grantee;

(c) The existing home:
 (1) Must be demolished to make way for the replacement housing; and

(2) May not be sold to make way for the replacement housing;

(d) The replacement housing:

(1) May be either new housing or a dwelling brought onto the site of the existing housing;

(2) May use no more than \$15,000 in HPG funds;

(3) Must meet all applicable requirements of § 1944.16 of Subpart A of this part; and

(4) May not be sold for a minimum of 5 years.

(e) Any monies received by the homeowner from selling salvaged material after demolishing the existing home must be used towards the replacement housing.

8. Section 1944.661 is amended by revising the introductory text of paragraph (b)(2) and paragraph (b)(3) to read as follows:

§ 1944.661 Individual homeowners—eligibility for HPG assistance.

* * * * *

(b) * * *

(2) An undivided or divided interest in the property to be repaired, rehabilitated, or replaced when not all of the owners are occupying the property. HPG assistance may be made in such cases when:

* * * * *

(3) A leasehold interest in the property to be repaired, rehabilitated, or replaced. When the potential HPG recipient's "ownership" interest in the property is based on a leasehold interest, the lease must be in writing and a copy must be included in the grantee's file. The unexpired portion of the lease must not be less than 5 years and must permit the recipient to make modifications to the structure or replace it without increasing the recipient's lease cost.

* * * * *

9. Section 1944.664 is amended by redesignating paragraphs (d) through (g) as (e) through (h) respectively, by revising the words "to make improvements that" to read "where they" in the first sentence of the introductory text of newly redesignated paragraph (f); by adding the words "or replacement housing" after the word "preservation" in the introductory text of newly redesignated paragraph (g); by revising the section heading, paragraph (a), and newly redesignated paragraphs (h)(1) and (h)(3); and by adding paragraph (d) to read as follows:

§ 1944.664 Housing preservation and replacement housing assistance.

(a) Grantees are responsible for providing loans, grants, or other comparable assistance to homeowners,

owners of rental properties, co-ops for housing preservation or for replacement housing as described in § 1944.656 of this subpart.

* * * * *

(d) Authorized replacement housing assistance includes, but is not limited to:

(1) Building a dwelling and providing related facilities for use by the individual homeowner as a permanent resident;

(2) Providing a safe and sanitary water and waste disposal system, together with related plumbing and fixtures, which will meet local health department requirements;

(3) Providing minimum site preparation, including grading, foundation plantings, and minimal landscaping;

(4) Providing special design features or equipment when necessary because of physical handicap or disability of the HPG recipient or member of the household;

(5) Purchasing and installing approved energy saving measures and approved furnaces and space heaters which use a type of fuel that is commonly used, and is economical and dependably available;

(6) Providing storm cellars and similar protective structures, if typical for the area;

(7) Paying real estate taxes which are due and payable on the existing dwelling/site at the time of closing, if this amount is not a substantial part of the HPG assistance;

(8) Providing living area for the HPG recipient and all members of the household as specified in § 1944.16 (c) of subpart A of this part; and

(9) Moving a dwelling onto the site of the demolished, previously existing housing and meeting all HPG housing preservation requirements for repair and rehabilitation;

(10) Providing funds for demolishing the existing housing; and

(11) Any other cost that is reasonable and justifiable directly related to replacement activities.

* * * * *

(h) * * *

(1) Assist in the construction or completion of an addition (excluding paragraph (c)(11) of this section) or a new dwelling. This paragraph does not apply to replacement housing.

* * * * *

(3) Repair or rehabilitate, as well as replace any property located in the Coastal Barrier Resources System.

10. Section 1944.665 is amended by revising the heading and the first sentence to read as follows:

§ 1944.665 Supervision and inspection of work.

Grantees are responsible for supervising all rehabilitation and repair work, as well as replacement housing financed with HPG assistance. * * *

§ 1944.666 [Amended]

11. Section 1944.666 is amended by revising the reference “§ 1944.64 (f)” to read “§ 1944.664 (g)” in the last sentence of paragraph (b)(3), and by adding the words “, as well as for replacement housing (individual homeowners only)” after the word “rehabilitation” in paragraph (b)(6).

§ 1944.667 [Amended]

12. Section 1944.667 is amended by adding the words “, or for individual homes replaced,” after the word “rehabilitated” in the second sentence of the introductory text of paragraph (a).

13. Section 1944.670 is amended by revising paragraph (b) to read as follows:

§ 1944.670 Project income.

* * * * *

(b) Grantees are encouraged to establish a program which reuses income from loans after the grant period for continuing repair and rehabilitation activities, as well as for individual housing replaced.

14. Section 1944.671 is amended by revising paragraph (a)(2) to read as follows:

§ 1944.671 Equal opportunity requirements and outreach efforts.

* * * * *

(a) * * *

(2) The term “residential real estate-related transaction” includes the making or purchasing of loans, grants, or other financial assistance for purchasing, constructing, improving, repairing, or rehabilitating a unit or dwelling, as well as for replacement housing for individual homeowners.

* * * * *

15. Section 1944.672 is amended by adding the words “or housing replacement” after the word “preservation” in the fourth sentence of paragraph (b); in paragraph (d), by revising the reference “Paragraph VII of exhibit C of this subpart” to read “Paragraph VIII of exhibit C of this subpart”; and by revising the first sentence of paragraphs (a) and (b) to read as follows:

§ 1944.672 Environmental requirements.

* * * * *

(a) The approval of an HPG grant for the repair, rehabilitation, or replacement of dwellings shall be a Class I action.

* * *

(b) The use of HPG funds by the grantee to repair, rehabilitate, or replace specific dwellings is generally exempt from an RHCDS environmental review. * * *

* * * * *

§ 1944.673 [Amended]

16. Section 1944.673 is amended by adding the words “and replacement housing” after the word “preservation” in the section heading, and by revising the words “rehabilitation or repair” to read “rehabilitation, repair, or replacement” in the first sentence of paragraph (b).

17. Section 1944.683 is amended by redesignating paragraphs (b)(3) through (b)(7) as paragraphs (b)(4), through (b)(8) respectively, by adding the words “, as well as for replacement housing,” after the word “rehabilitation” in newly redesignated paragraph (b)(4)(i) and after the word “financed” in newly redesignated paragraph (b)(8), and by adding a new paragraph (b)(3) to read as follows:

§ 1944.683 Reporting requirements.

* * * * *

(b) * * *

(3) The use of HPG and any other funds for replacement housing.

* * * * *

Dated: March 22, 1995.

Michael V. Dunn,

Acting Under Secretary, Rural Economic and Community Development.

[FR Doc. 95-9262 Filed 4-14-95; 8:45 am]

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NUCLEAR REGULATORY COMMISSION

10 CFR Parts 50 and 70

RIN 3150-AF27

Physical Security Plan Format Changes

AGENCY: Nuclear Regulatory Commission.

ACTION: Proposed rule.

SUMMARY: The Nuclear Regulatory Commission (NRC) is proposing to amend its regulations to eliminate the requirement for applicants for power reactor and Category I fuel cycle licenses to submit physical security plans in two parts. This action is necessary to allow for a quicker and more efficient review of the physical security plans.

DATES: The comment period expires May 17, 1995. Comments received after this date will be considered if it is