

of Idaho-Eastern Oregon onions. They are familiar with the Committee's needs and with the costs for goods and services in their local area and are thus in a position to formulate an appropriate budget. The budget was formulated and discussed in a public meeting. Thus, all directly affected persons have had an opportunity to participate and provide input.

The assessment rate recommended by the Committee was derived by dividing anticipated expenses by expected shipments of Idaho-Eastern Oregon onions. Because that rate will be applied to actual shipments, it must be established at a rate that will provide sufficient income to pay the Committee's expenses.

The Committee met on March 21, 1995, and unanimously recommended a 1995-96 budget of \$1,111,447, \$91,408 more than the previous year. Budget items for 1995-96 which have increased compared to those budgeted for 1994-95 (in parentheses) are: Manager's salary, \$33,472 (\$30,429), office salaries, \$66,222 (\$62,816), payroll taxes, \$9,229 (\$8,642), health and medical insurance, \$9,182 (\$8,700), workman's compensation, \$1,084 (\$929), rent, \$11,000 (\$10,000), property insurance, \$1,700 (\$1,400), miscellaneous, \$12,500 (\$9,000), promotion, \$724,076 (\$668,500), and contingency, \$75,000 (\$50,000). Items which have decreased compared to those budgeted for 1994-95 (in parentheses) are: Salary and disability insurance \$1,072 (\$1,099), research, \$59,340 (\$60,154), and property tax (\$800) for which no funding was recommended this year. All other items are budgeted at last year's amounts.

The Committee also unanimously recommended an assessment rate of \$0.10 per hundredweight, the same as last season. This rate, when applied to anticipated shipments of 8,800,000 hundredweight, will yield \$880,000 in assessment income. This, along with \$45,000 in interest income and \$186,447 from the Committee's authorized reserve, will be adequate to cover budgeted expenses. Funds in the reserve at the end of the 1994-95 fiscal period, estimated at \$921,500, will be within the maximum permitted by the order of one fiscal period's expenses.

While this action will impose some additional costs on handlers, the costs are in the form of uniform assessments on all handlers. Some of the additional costs may be passed on to producers. However, these costs will be offset by the benefits derived by the operation of the marketing order. Therefore, the Administrator of the AMS has determined that this action will not

have a significant economic impact on a substantial number of small entities.

After consideration of all relevant material presented, including the information and recommendation submitted by the Committee and other available information, it is hereby found that this rule, as hereinafter set forth, will tend to effectuate the declared policy of the Act.

Pursuant to 5 U.S.C. 553, it is also found and determined upon good cause that it is impracticable, unnecessary, and contrary to the public interest to give preliminary notice prior to putting this rule into effect because: (1) The Committee needs to have sufficient funds to pay its expenses which are incurred on a continuous basis; (2) the fiscal period begins on July 1, 1995, and the marketing order requires that the rate of assessment for the fiscal period apply to all assessable onions handled during the fiscal period; (3) handlers are aware of this action which was unanimously recommended by the Committee at a public meeting and is similar to other budget actions issued in past years; and (4) this interim final rule provides a 30-day comment period, and all comments timely received will be considered prior to finalization of this action.

#### List of Subjects in 7 CFR Part 958

Marketing agreements, Onions, Reporting and recordkeeping requirements.

For the reasons set forth in the preamble, 7 CFR Part 958 is amended as follows:

#### PART 958—ONIONS GROWN IN CERTAIN DESIGNATED COUNTIES IN IDAHO, AND MALHEUR COUNTY, OREGON

1. The authority citation for 7 CFR part 958 continues to read as follows:

**Authority:** 7 U.S.C. 601-674.

2. A new § 958.239 is added to read as follows:

**Note:** This section will not appear in the Code of Federal Regulations.

#### § 958.239 Expenses and assessment rate.

Expenses of \$1,111,447 by the Idaho-Eastern Oregon Onion Committee are authorized, and an assessment rate of \$0.10 per hundredweight of assessable onions is established for the fiscal period ending June 30, 1996. Unexpended funds may be carried over as a reserve.

Dated: May 3, 1995.

**Sharon Bomer Lauritsen,**

*Deputy Director, Fruit and Vegetable Division.*  
[FR Doc. 95-11306 Filed 5-8-95; 8:45 am]

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#### Rural Housing and Community Development Service

#### Rural Business and Cooperative Development Service

#### Rural Utilities Service

#### Consolidated Farm Service Agency

#### 7 CFR Part 1924

RIN 0575-AA88

#### Construction and Repair

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

**ACTION:** Final rule.

**SUMMARY:** The Rural Housing and Community Development Service (RHCDS) is amending the regulation on Planning and Performing Site Development Work. RHCDS will no longer review or approve subdivisions, but will review and approve individual sites for its program. This action is consistent with similar actions being proposed or promulgated by the Department of Housing and Urban Development (HUD) and the Department of Veterans Affairs (VA). This site approval authority will allow RHCDS to bring into the program many low cost homes in subdivisions that have already been developed. Many of these were not previously reached because the seller would not, or could not afford to furnish RHCDS with all the required data for a total subdivision approval.

To assure that eligible individuals are afforded quality sites, subdivisions must meet the community standards and the sites must meet RHCDS site underwriting criteria. Environmental reviews will be required on a site by site basis and cumulative impact will be addressed when indicated.

**EFFECTIVE DATE:** June 8, 1995.

**FOR FURTHER INFORMATION CONTACT:** Billy Chapman, Senior Loan Specialist, Rural Housing and Community Development Service, USDA, Room 5334-S, South Agriculture Building, 14th and Independence Avenue SW., Washington, D.C. 20250, Telephone (202) 720-1485.

**SUPPLEMENTARY INFORMATION:****Classification**

This rule has been determined to be not-significant for purposes of Executive Order 12866, and, therefore, has not been reviewed by the Office of Management and Budget (OMB).

**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 0575-0164, in accordance with the Paperwork Reduction Act of 1980. This final rule does not impose any new information collection requirements in addition to 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 RHCDS 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, Public Law 91-190, an Environmental Impact Statement is not required.

**Intergovernmental Consultation**

For the reason set forth in the final rule and related notice to 7 CFR part 3015, Subpart V, 48 FR 29115, June 24, 1983, this program is excluded from the scope of Executive Order 12372 which requires intergovernmental consultation with state and local officials.

**Program Affected**

These changes affect the following RHCDS program as listed in the Catalog of Federal Domestic Assistance: 10.410, Low Income Housing Loans.

**Civil Justice Reform**

This final rule has been reviewed under Executive Order 12778, Civil Justice Reform. In accordance with this rule: (1) all state and local laws and regulations that are in conflict with this rule will be preempted; (2) no retroactive effect will be given to this rule; and (3) administrative proceedings in accordance with the regulations of the RHCDS at 7 CFR part 1900, subpart B as published by the Department of Agriculture to implement the provisions of the National Appeals Division as mandated by the Department of Agriculture Reorganization Act of 1994, must be exhausted before bringing suit in court challenging actions taken under

this rule unless those regulations specifically allow bringing suit at an earlier time.

**Regulatory Reform: Less Burdensome or More Efficient Alternatives**

The Department of Agriculture is committed to carrying out its statutory and regulatory mandates in a manner that best serves the public interest. Therefore, where legal discretion permits, the Department actively seeks to promulgate regulations that promote economic growth, create jobs, are minimally burdensome and are easy for the public to understand, use or comply with. In short, the Department is committed to issuing regulations that maximize the net benefits to society and minimize costs imposed by those regulations. The Department has utilized comments and suggestions from the public to develop this regulation in accordance with these principles.

**Background**

The proposed rule was published in the **Federal Register** (59 FR 42778) on August 19, 1994, providing for a 60-day comment period. The rule proposed that RHCDS no longer approve subdivisions and instead approve individual lots.

Interested persons have been afforded an opportunity to participate in the making of this rule. Due consideration has been given to the 47 comments received (including four late comments).

Twenty-seven commenters issued strong support for the rule and requested that it be published as written.

Nine commenters applauded RHCDS for a step in the right direction. However, they along with eleven other commenters, furnished some of the following suggestions for revisions to individual sections of the rule:

One commenter contends this rule goes through several paragraphs to outline details to look for, but appears to wind up stating that regardless of whether or not the subdivision is approved by a local community RHCDS may accept the site. The commenter recommended that RHCDS should just allow approval officials to approve any well located site and eliminate the rule completely.

RHCDS does not concur with this request. RHCDS must ensure that sites are developed to provide decent, safe, and sanitary living conditions for recipients of RHCDS loans and to serve as adequate security for these loans. In order to effectively perform its mission, RHCDS must have guidelines for loan approval officials as well as applicants, builders, and developers, that will give some standardization to what is

expected before financing is approved for a particular site. However, a paragraph has been added to the rule to make it clear that no site will be approved unless it meets all state and local permits and approvals in connection with any proposed development.

Two commenters suggested that RHCDS should still require that subdivisions be developed as part of a rural community.

RHCDS does not concur with this suggestion. When this rule is effective RHCDS will no longer approve subdivisions, and does not plan to deny financing for individual sites to eligible applicants just because they may be in a subdivision not associated with a town. Section 502(f) of the Housing Act of 1949, 42 U.S.C. § 1472(f), clearly provides that RHCDS cannot deny credit on a site just because it is in a remote rural area.

Four commenters stated that the process for an environmental review of a site is not clear and phrases like "important farmland" should be clarified. One of these commenters stated RHCDS was excluding flood hazard areas from their loan making and eliminating entire communities as locations for Section 502 loans in the West and Southwest.

RHCDS has not changed the final rule because of these comments. Several sections in the rule refer to 7 CFR part 1940, subpart G, which contains RHCDS environmental requirements. RHCDS environmental policies on individual site reviews are not changed with the revision of this rule. RHCDS policy on flood hazard areas, as set forth in 7 CFR part 1806, subpart B, has not been changed by this regulation.

One commenter contends that the requirements for approval of sites for Federal Housing Administration (FHA), VA, and RHCDS guaranteed loans are similar and the requirements for approval of sites for this program are different.

RHCDS has not changed the final rule relating to these comments. This rule is for the RHCDS direct loan program which is designed for low- and very low-income applicants. RHCDS serves not as a guarantor in this program, but as a lender. In the guaranteed loan programs the guaranteed lender reviews the site for acceptability for loan purposes. In this program RHCDS must ensure that sites are developed to provide decent lots for the applicants.

Three commenters stated that if RHCDS did not approve subdivisions and had no process to approve more than one lot in a subdivision at a time, it was going to be very difficult for

developers to get financing for multiple lot developments.

RHCDS has not changed the final rule relating to these comments. There is no provision in the rule to package approvals of more than one site at a time. However, a developer may have more than one site approval in any time period. The funding for RHCDS housing programs is no longer strong enough to support subdivisions developed for 100 percent RHCDS financing. The requirements for approval of a site are specified in this rule. If a developer receives approval on one lot in a subdivision it should be fairly simple to receive approval on other similar sites in the same subdivision.

One commenter suggested that with reduced funding for RHCDS programs RHCDS should use only the best sites, i.e., the "cream of the crop," for the most needy low- and very low-income applicants.

RHCDS does not concur with this suggestion. This practice would be discriminatory by refusing to finance properties that applicants really wanted and requiring them to find "better" sites.

One commenter advised that 7 CFR part 1822, subpart G (FmHA Instruction 444.8), Site Loan Procedures, still requires a subdivision approval and it refers to this rule for further instructions.

RHCDS agrees with the commenter and a section is added to make it clear that individual sites financed with RHCDS site loans must comply with the requirements in this regulation.

Two commenters stated that sections 1924.105(a)(1) and 1924.106(a)(1)(i) should be deleted. If RHCDS was not going to approve subdivisions they should not provide developers advice on how to develop them.

RHCDS agrees with the commenters and the sections are revised in the final rule.

One commenter noted section 1924.105(b)(1) referred to exhibit B as a guide while section 1924.106(a)(1) states individual water and sewer systems must meet requirements of exhibit B. This commenter along with another recommended this rule be revised to require that exhibit B be referenced as a mandatory minimum instead of a guide.

RHCDS agrees with this recommendation, even though several commenters disagreed and wanted all references in the rule to refer to exhibit B as a guide. After further review RHCDS believes single family housing should use exhibit B as a mandatory minimum for all sites unless an exception is issued by the state director.

Multiple family housing projects are reviewed by architects and engineers and unacceptable sites are not as likely. This rule is revised accordingly.

Two commenters pointed out that the requirement that "sites must...insure long-term market demand and acceptability," in section 1924.106(b), did not comply with the law.

RHCDS agrees with these commenters and this phrase will be removed from the final rule.

Four commenters suggested that section 1924.106(c) was too restrictive. Railroads and cemeteries should not be restricted as surroundings for a multiple family complex.

RHCDS partially concurs with the commenters. RHCDS is still responsible as a Government agency to not finance a multiple family complex if the loan approval official observes a problem for the residents. RHCDS is concerned that the long-term viability of an apartment complex will be adversely impacted by the non-desirable influences and more importantly, the quality of the life of the tenants would be diminished. RHCDS is responsible for ensuring that the proposed housing is located to provide a desirable place for the tenants to reside. The final rule will be revised to remove proximity to cemeteries and low activity railroads as unacceptable locations.

Two commenters suggested that section 1924.107(a)(1) be revised to accept individual water systems for financing if they meet the requirements of the state Department of Health or other comparable reviewing and regulatory authority.

RHCDS partially concurs with these commenters and the final rule will be revised to state that individual water or sewer systems must meet the requirements of the state Department of Health or other comparable reviewing and regulatory authority. However, because there is a vast difference in local area requirements, RHCDS will still require minimum requirements for water and sewer systems serving an individual site unless an exception is issued by the state director.

Nine commenters thought that the rule required nearly the same steps to approve a site as previously required to approve a subdivision. Several of these commenters wrote that the Housing and Community Development Act of 1992 (HCDA of 1992) allowed the Secretary to accept subdivisions that had been approved by local, county or state agencies. They recommended that a section be included to accept subdivisions planned in accordance with local requirements which generally meet or exceed those of this subpart.

Several of these commenters recommended that the state director be authorized to make those determinations.

RHCDS does not concur with the commenters' request. The HCDA of 1992 did allow the Secretary to accept subdivisions that had been approved by local, county or state agencies. This rule does not authorize RHCDS to accept or reject subdivisions. RHCDS approves or rejects individual sites. Therefore, if a subdivision had been approved by a local, county or state agency RHCDS is still required to approve the site. Section 1924.115 requires information on the site to be provided by the appraiser and/or the site approval official on a form provided by the RHCDS. Currently the form that is planned for this purpose is Form HUD-54891, "Appraiser/Review Appraiser Checklist." The site review official must complete the proper environmental review required by 7 CFR part 1940, subpart G for each site. The applicant or builder will only be involved in this phase if this review exposes a problem. The other sections of this rule describe the kind of site that is expected, and for appropriate reasons, the state director is authorized to waive many of the individual site requirements. The agency anticipates that the site approval official and builders will become familiar with these requirements and it will normally only require a very short time for a builder to complete the required forms for approval.

One commenter recommended that "all weather" streets, as referenced in section 1924.115(b), not be allowed except under exception authority of the state director.

RHCDS does not concur with this recommendation. The agency believes that property constructed and maintained all weather streets provide acceptable cost effective access to housing sites which are security for an RHCDS loan.

"All weather" streets are still required to be developed in full compliance with public body requirements, dedicated for public use, and be maintained by a public body or a Home Owners Association.

One commenter stated "site access" as referred to in section 1924.115(b) should be left to local governments.

RHCDS does not concur with this request. While some local governments have "site access" requirements, many do not. In order to ensure that RHCDS loans are adequately secured and that borrowers have reasonable access to their property RHCDS requires basic, minimum site access requirements.

Three commenters thought that site approval authority should come with the position of county supervisor and the state director should not approve each one individually as required in section 1924.120.

RHCDS does not concur with these commenters. With the United States Department of Agriculture's reorganization underway, the county supervisor title may be changed. The state directors will have the ability to manage the program in their state by deciding who has adequate experience and training to approve sites.

One commenter suggested that the public should be allowed to request an exception under section 1924.122.

RHCDS does not concur with the commenter. Section 1924.122 requires that the state director make the exception request to the administrator. There is no general exception authority in this rule. Exceptions are only granted if the Administrator determines that application of the requirement or provision would adversely affect the Government's interest.

Several commenters questioned the use of Form HUD-92541, "Builder's Certification of Plans, Specifications, and Site", when the site is new construction.

RHCDS has reviewed this form and although parts of it apply to the review process being used, it does not totally apply and would be a source of confusion. A large part of this form applies to the construction of the house and RHCDS has requirements in other instructions that govern the inspection and approval of construction. Requirement of the use of Form HUD-92541 has been deleted from the final rule.

#### Discussion

RHCDS stands alone as the only Federal agency that requires approval of a complete subdivision prior to insuring or guaranteeing a loan for a home within the subdivision. Developers, builders, realtors, and applicants for the programs have frequently complained that there is too much "red tape" before an eligible applicant can receive an RHCDS loan within a well-developed subdivision. Most counties and communities now have adequate subdivision reviews, and RHCDS's subdivision approval is not needed to assure quality sites, but is a duplication of efforts.

This action permits the better use of existing developments and decreases the environmental impact because not as many new developments will be needed to meet the demand for lots that will meet RHCDS's requirements. It fits into existing growth patterns and places

more authority with the local government.

RHCDS is committed to quality sites for its programs and therefore, requires scrutiny of the individual site. The new site criteria incorporate many of the prior requirements for all sites in a subdivision and make these requirements part of the underwriting criteria for the individual site which will be security for an RHCDS loan. This action provides for better sites, without requiring the cumbersome subdivision review and approval process. It provides the loan applicant with minimum standards for a quality water supply and waste disposal. It also requires that the property be served by publicly owned and maintained roads. The regulation provides for an orderly request for review and systematic process of reviewing the site.

This regulation omits the detailed internal RHCDS administrative guidance used by the field offices to administer the program. In the past, RHCDS program regulations and RHCDS Instructions have been identical. However, RHCDS has now adopted a policy of publishing regulations which set forth only those matters which confer a benefit or impose an obligation on the public or which are necessary for the public to understand their responsibilities.

#### List of Subjects in 7 CFR Part 1924

Housing standards, Low and moderate income housing, Rural areas.

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

#### PART 1924—CONSTRUCTION AND REPAIR

1. The authority citation for part 1924 is revised to read as follows:

**Authority:** 42 U.S.C. 1480, 5 U.S.C. 301.

#### Subpart C—Planning and Performing Site Development Work

2. Sections 1924.101 through 1924.150 of subpart C of part 1924 are revised to read as follows:

##### § 1924.101 Purpose.

This subpart establishes the basic Rural Housing and Community Development Service (RHCDS) policies for planning and performing site development work. It also provides the procedures and guidelines for preparing site development plans consistent with Federal laws, regulations, and Executive Orders.

##### § 1924.102 General policy.

(a) *Rural development.* This subpart provides for the development of building sites and related facilities in rural areas. It is designed to:

(1) Recognize community needs and desires in local planning, control, and development.

(2) Recognize standards for building-site design which encourage and lead to the development of economically stable communities, and the creation of attractive, healthy, and permanent living environments.

(3) Encourage improvements planned for the site to be the most cost-effective of the practicable alternatives. Encourage utilities and services utilized to be reliable, efficient, and available at reasonable costs.

(4) Provide for a planning process that will consider impacts on the environment and existing development in order to formulate actions that protect, enhance, and restore environmental quality.

(5) No site will be approved unless it meets the requirements of this part and all state and local permits and approvals in connection with the proposed development have been obtained.

(b) *Subdivisions.* RHCDS does not review or approve subdivisions. Each site approved by RHCDS must meet the requirements of § 1924.115, on a site by site basis.

(c) *Development related costs.* (1) *Applicant.* The applicant is responsible for all costs incurred before loan or grant closing associated with planning, technical services, and actual construction. These costs may be included in the loan or grant as authorized by RHCDS regulations.

(2) *Developer.* The developer is responsible for payment of all costs associated with development.

##### § 1924.103 Scope.

This subpart provides supplemental requirements for Rural Rental Housing (RRH) loans, Rural Cooperative Housing (RCH) loans, Farm Labor Housing (LH) loans and grants, and Rural Housing Site (RHS) loans. It also provides a site development standard, as indicated in exhibit B of FmHA Instruction 1924-C (available in any RHCDS field office), which supplements this subpart to provide the minimum for the acceptability of development. All of this subpart applies to Single Family Housing unless otherwise noted. All of this subpart also applies to Multiple Family Housing except §§ 1924.115 and 1924.120, and any paragraph specifically designated for Single Family Housing only. In addition, RHCDS will consult with appropriate

Federal, state, and local agencies, other organizations, and individuals to implement the provisions of this subpart.

#### § 1924.104 Definitions.

As used in this subpart:

**Applicant.** Any person, partnership, limited partnership, trust, consumer cooperative, corporation, public body, or association that has filed a preapplication, or in the case of RHCDS programs that do not require a preapplication, an official application, with RHCDS in anticipation of receiving or utilizing RHCDS financial assistance.

**Community.** A community includes cities, towns, boroughs, villages, and unincorporated places which have the characteristics of incorporated areas with support services such as shopping, post office, schools, central sewer and water facilities, police and fire protection, hospitals, medical and pharmaceutical facilities, etc., and are easily identifiable as established concentrations of inhabited dwellings and private and public buildings.

**Developer.** Any person, partnership, public body, or corporation who is involved with the development of a site which will be financed by RHCDS.

**Development.** The act of building structures and installing site improvements on an individual dwelling site, a subdivision, or a multiple family tract.

**Multiple Family Housing.** RHCDS RRH loans, RCH loans, LH loans and grants, and RHS loans.

**Single Family Housing.** RHCDS Rural Housing loans for individuals for construction of, repair of, or purchase of a dwelling to be occupied by one household.

**Site.** A parcel of land proposed as a dwelling site, with or without development.

**Site approval official.** The RHCDS making the determination that a site meets the requirements in this subpart to be acceptable for site loans. (See § 1924.120.)

**Street surfaces.** Streets may be hard or all-weather surfaced.

(1) **Hard surface**—a street with a portland cement concrete, asphaltic concrete, or bituminous wearing surface or other hard surfaces which are acceptable and suitable to the local public body for use with local climate, soil, gradient, and volume and character of traffic.

(2) **All-weather**—a street that can be used year-round with a minimum of maintenance, such as the use of a grader and minor application of surface material, and is acceptable and suitable to the local public body for use with

local climate, soil, gradient, and volume and character of traffic.

**Subdivision.** Five or more contiguous (developed or undeveloped) lots or building sites. Subdivisions may be new or existing.

#### § 1924.105 Planning/performing development.

(a) **General.** Planning is an evaluation of specific development for a specific site. Planning must take into consideration topography, soils, climate, adjacent land use, environmental impacts, energy efficiency, local economy, aesthetic and cultural values, public and private services, housing and social conditions, and a degree of flexibility to accommodate changing demands. All planning and performing development work is the responsibility of the applicant or developer. All development will be arranged and completed according to applicable local, state, or Federal regulations including applicable health and safety standards, environmental requirements, and requirements of this subpart. When a public authority requires inspections prior to final acceptance, written assurance by the responsible public authority of compliance with local, city, county, state or other public codes, regulations, and ordinances is required prior to final acceptance by RHCDS.

(1) [Reserved]

(2) **Technical Services.** [Reserved]

(i) [Reserved]

(ii) An applicant or developer for a Multiple Family Housing project or a Single Family Housing site which requires technical services under § 1924.13(a), must contract for the technical services of an architect, engineer, land surveyor, landscape architect, or site planner, as appropriate, to provide complete planning, drawings, and specifications. Such services may be provided by the applicant's or developer's "in house" staff subject to RHCDS concurrence. Technical services must be performed by professionals who are qualified and authorized to provide such services in the state in which the project would be developed. All technical services must be provided in accordance with the requirements of professional registration or licensing boards. At completion of all construction or completion of a phase or phases of the total project, the persons providing technical services under this section must notify the RHCDS field office in writing that all work has been completed in substantial conformance with the approved plans and specifications.

(iii) For developments not specifically required to have technical services

under paragraph (a)(2)(ii) of this section, such services may be required by the state director when construction of streets or installation of utilities is involved.

(3) **Drawings, specifications, contract documents, and other documentations.** Adequate drawings and specifications must be provided by the applicant or developer to RHCDS in sufficient detail to fully and accurately describe the proposed development. Contract documents must be prepared in accordance with § 1924.6 or, in the case of more complex construction, § 1924.13.

(b) **Single Family Housing.** Proposals for development of individual dwelling sites must meet the following requirements:

(1) **Site development design requirements.** Exhibit B (available in any RHCDS field office) will be used as a minimum by applicants or developers in preparing proposals and supporting documents for Single Family Housing loans, in addition to specific requirements made in this subpart.

(2) [Reserved]

(c) **Multiple Family Housing.** Exhibit C (available in any RHCDS office) should be used as a guide by the applicant or developer in preparing a proposal and supporting documents for multiple family housing projects.

#### § 1924.106 Location.

(a) **General.** It is RHCDS's policy to promote compact community development and not to approve sites located in floodplains, on wetlands, or on important farmlands, unless there is no practical alternative. Furthermore, RHCDS will not finance development on locations that adversely affect properties which are listed or are eligible for listing on the National Register of Historic Places, located within the Coastal Barrier Resource System, or on a barrier island. (Environmental requirements are found in 7 CFR part 1940, subpart G.) In order to be eligible for RHCDS participation:

(1) The site must be located in an eligible area as defined in the program regulations under which the development is being funded or approved.

(2) The site must comply with the applicable environmental laws, regulations, Executive Orders, and subpart G of part 1940.

(b) **Single Family Housing.** In addition to the general requirements in paragraph (a) of this section, sites must provide a desirable, safe, functional, convenient, and attractive living environment for the residents.

(c) *Multiple Family Housing.* Multiple family housing projects shall be located in accordance with the requirements in paragraph (r) of § 1944.215. Locating sites in less than desirable locations of the community because they are in close proximity to undesirable influences such as high activity railroad tracks; adjacent to or behind industrial sites; bordering sites or structures which are not decent, safe, or sanitary; or bordering sites which have potential environmental concerns such as processing plants, etc., is not acceptable. Screening such sites does not make them acceptable. Sites which are not an integral part of a residential community and do not have a reasonable access, either by location or terrain, to essential community facilities such as water, sewerage, schools, shopping, employment opportunities, medical facilities, etc., are not acceptable.

#### § 1924.107 Utilities.

All development under this subpart must have adequate, economic, safe, energy efficient, dependable utilities with sufficient easements for installation and maintenance.

(a) *Water and wastewater disposal systems—(1) Single Family Housing.* If sites are served by central water or sewer systems, the systems must meet the requirements of paragraphs (a)(2) (i) and (ii) of this section. If sites have individual water or sewer systems, they must meet the requirements of the state department of health or other comparable reviewing and regulatory authority and the minimum requirements of exhibit B (available in any RHCDS field office), paragraphs V and VI. Sites in subdivisions of more than 25 dwelling units on individual systems, or sites that do not meet the requirements of exhibit B, paragraphs V and VI, must have state director concurrence.

(2) *Multiple Family Housing.* Proposals processed under this paragraph shall be served by centrally owned and operated water and wastewater disposal systems unless this is determined by RHCDS to be economically or environmentally not feasible. All central systems, whether they are public, community, or private, shall meet the design requirements of the state department of health or other comparable reviewing and regulatory authority. The regulatory authority will verify in writing that the water and wastewater systems are in compliance with the current provisions of the Safe Drinking Water Act and the Clean Water Act, respectively.

(i) Sites which are not presently served by a central system, but are

scheduled for tie-in to the central system within 2 years, should have all lines installed during the initial construction. Such sites must have an approved interim water supply or wastewater disposal system installed capable of satisfactory service until the scheduled tie-in occurs.

(ii) In addition to written assurance of compliance with state and local requirements, there must be assurance of continuous service at reasonable rates for central water and wastewater disposal systems. Public ownership is preferred whenever possible. In cases where interim facilities are installed pending extension or construction of permanent public services, the developer must assume responsibility for the operation and maintenance of the interim facility or establish an entity for its operation and maintenance which is acceptable to the local governing body. If a system is not or will not be publicly owned and operated, it must comply with one of the following:

(A) Be an organization that meets the ownership and operating requirements for a water or wastewater disposal system that RHCDS could finance under 7 CFR part 1942, subpart A or be dedicated to and accepted by such an organization.

(B) Be an organization or individual that meets other acceptable methods of ownership and operation as outlined in HUD Handbook 4075.12, "Ownership and Organization of Central Water and Sewerage Systems." RHCDS should be assured that the organization has the right, in its sole discretion, to enforce the obligation of the operator of the water and sewerage systems to provide satisfactory continuous service at reasonable rates.

(C) Be adequately controlled as to rates and services by a public body (unit of Government or public services commission).

(iii) Multiple family developments of more than 25 units with individual system must have national office concurrence.

(A) [Reserved]

(B) Supporting information for the proposed individual water systems, covering the following points:

(1) In areas where difficulty is anticipated in developing an acceptable water supply, the availability of a water supply will be determined before closing the loan.

(2) Documentation must be provided that the quality of the supply meets the chemical, physical, and bacteriological standards of the regulatory authority having jurisdiction. The maximum contaminant levels of U.S. EPA shall apply. Individual water systems must be

tested for quantity and bacteriological quality. Where problems are anticipated with chemical quality, chemical tests may be required. Chemical tests would be limited to analysis for the defects common to the area such as iron and manganese, hardness, nitrates, pH, turbidity, color, or other undesirable elements. Polluted or contaminated water supplies are unacceptable. In all cases, assurance of a potable water supply before loan closing is required.

(C) Supporting information for individual wastewater disposal systems with subsurface discharge provided by a soil scientist, geologist, soils engineer, or other person recognized by the local regulatory authority. This data must include the following:

(1) Assurance of nonpollution of ground water. The local regulatory authority having jurisdiction must be consulted to ensure that installation of individual wastewater systems will not pollute ground water sources or create other health hazards or otherwise violate State water quality standards.

(2) Records of percolation tests. Guidance for performing these tests is included in the EPA design manual, "Onsite Wastewater Treatment and Disposal Systems" and the minimum RHCDS requirements are in exhibit B, paragraph VI. (These may be waived by the state director when the state has established other acceptable means for allowing onsite disposal.)

(3) Determination of soil types and description. The assistance of the SCS or other qualified persons should be obtained for soil type determination and a copy of its recommendations included in the documentation.

(4) Description of ground water elevations, showing seasonal variations.

(5) Confirmation of space allowances. An accurate drawing to indicate that there is adequate space available to satisfactorily locate the individual water and wastewater disposal systems; likewise, documented assurance of compliance with all local requirements. Structures served by wastewater disposal systems with subsurface discharge require larger sites than those structures served by another type system.

(6) Description of exploratory pit observations, if available.

(D) Supporting information for individual wastewater disposal systems with surface discharge covering the following points:

(1) Effluent standards issued by the appropriate regulatory agency that controls the discharge of the proposed individual systems. Assurance from this regulatory agency that the effluent standards will not be exceeded by the

individual systems being proposed must be included.

(2) Program of maintenance, parts, and service available to the system-owner for upkeep of the system.

(3) A plan for local inspection of the system by a responsible agency with the authority to ensure compliance with health and safety standards.

(b) *Electric service.* The power supplier will be consulted by the applicant to assure that there is adequate service available to meet the needs of the proposed site.

Underground service is preferred.

(c) *Gas service.* Gas distribution facilities, if provided, will be installed according to local requirements where adequate and dependable gas service is available.

(d) *Other utilities.* Other utilities, if available, will be installed according to local requirements.

#### § 1924.108 Grading and drainage.

(a) *General.* Soil and geologic conditions must be suitable for the type of construction proposed. In questionable or unsurveyed areas, the applicant or developer will provide an engineering report with supporting data sufficient to identify all pertinent subsurface conditions which could adversely affect the structure and show proposed solutions. Grading will promote drainage of surface water away from buildings and foundations, minimize earth settlement and erosion, and assure that drainage from adjacent properties onto the development or from the development to adjacent properties does not create a health hazard or other undesirable conditions. Grading and drainage will comply with exhibit B, paragraphs III and IV, of this subpart.

(b) *Cuts and fills.* Development requiring extensive earthwork, cuts and fills of 4 feet or more shall be designed by a professional engineer. Where topography requires fills or extensive earthwork that must support structures and building foundations, these must be controlled fills designed, supervised, and tested by a qualified soils engineer.

(c) *Slope protection.* All slopes must be protected from erosion by planting or other means. Slopes may require temporary cover if exposed for long periods during construction.

(d) *Storm water systems.* The design of storm water systems must consider convenience and property protection both at the individual site level and the drainage basin level. Storm water systems should be compatible with the natural features of the site. In areas with inadequate drainage systems, permanent or temporary storm water storage shall be an integral part of the overall

development plan. Design of these facilities shall consider safety, appearance, and economical maintenance operations.

#### §§ 1924.109–1924.114 [Reserved]

#### § 1924.115 Single Family Housing site evaluation.

(a) *Site review.* The site approval official will evaluate each site (developed or undeveloped) to determine acceptance for the program. Information on the site will be provided by the appraiser or site approval official on a form provided by RHCDS and available in any RHCDS field office.

(b) *Site access.* Each site must be contiguous to and have direct access from:

(1) A hard surfaced or all weather road which is developed in full compliance with public body requirements, is dedicated for public use, and is being maintained by a public body or a home owners association that has demonstrated its ability or can clearly demonstrate its ability to maintain the street; or

(2) An all weather extended driveway which can serve no more than two sites connecting to a hard surface or all weather street or road that meets the requirements of paragraph(b)(1); or

(3) A hard surfaced street in a condominium or townhouse complex which:

(i) Is owned in common by the members or a member association and is maintained by a member association that has demonstrated its ability or can clearly demonstrate its ability to maintain the street; and

(ii) Connects to a publicly owned and dedicated street or road.

(c) *Exceptions to street requirements.* A site not meeting the conditions in paragraph (b) of this section will be acceptable if:

(1) The applicant is a builder for a conditional commitment (a loan will not be approved until the site meets the conditions in paragraph (b) of this section), or the builder posts an irrevocable performance and payment bond (or similar acceptable assurance) that assures the site approval official that the site will be developed to meet the conditions in paragraph (b) of this section; or

(2) The site is recommended by the site approval official and approved by the state director. A request for state director approval must justify that it is in the best interest of both the government and the applicant to approve the site.

(d) *Site layout.* (1) Sites shall be surveyed and platted. Permanent markers shall be placed at all corners.

(2) Sites shall meet all requirements of state and local entities and RHCDS.

(e) *Covenants, conditions and restrictions.* Sites in subdivisions shall be protected by covenants, conditions, and restrictions (CC&Rs) to preserve the character, value, and amenities of the residential community and to avoid or mitigate potential environmental impacts unless, an exception is granted by RHCDS after considering the suitability of local ordinances, zoning, and other land use controls.

(1) CC&Rs shall be recorded in the public land records and specifically referenced in each deed.

(2) The intent of the CC&Rs is to assure the developers that the purchasers will use the land in conformance with the planned objectives for the community. In addition, the CC&Rs should assure the purchasers that the land covered by the CC&Rs will be used as planned and that other purchasers will use and maintain the land as planned to prevent changes in the character of the neighborhood that would adversely impact values or create a nuisance.

#### §§ 1924.116–1924.118 [Reserved]

#### § 1924.119 Site Loans.

Subdivisions approved under subpart G of part 1822 (FmHA Instruction 444.8) or exhibit F of subpart I of part 1944 (available in any RHCDS field office), will meet the general requirements of this subpart to insure lots in the subdivision will meet the requirements of § 1924.115.

#### §§ 1924.120–1924.121 [Reserved]

#### § 1924.122 Exception authority.

The Administrator of RHCDS may in individual cases, make an exception to any requirement or provision of this subpart or address any omission of this subpart which is not inconsistent with the authorizing statute or other applicable law if the Administrator determines that application of the requirement or provision would adversely affect the Government's interest. The Administrator will exercise this authority upon the written request of the state director or the appropriate program assistant administrator. Requests for exceptions must be supported with documentation to explain the adverse effect on the Government, proposed alternative courses of action, and show how the adverse effect will be eliminated or minimized if the exception is granted.

**§§ 1924.123–1924.149 [Reserved]****§ 1924.150 OMB Control Number.**

The reporting requirements contained in this subpart have been approved by the Office of Management and Budget (OMB) and have been assigned OMB control number 0575–0164. Public reporting burden for this collection of information is estimated to vary from 5 minutes to 10 minutes per response, with an average of .13 hours per response, including time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. Send comments regarding this burden estimate or any other aspect of this collection of information, including suggestions for reducing this burden to the Department of Agriculture, Clearance Officer, OIRM, Ag Box 7630, Washington, D.C. 20250; and to the Office of Management and Budget, Paperwork Reduction Project (OMB #0575–0164), Washington, D.C. 20503.

*Exhibit A of Subpart C [Removed and Reserved]*

3. Exhibit A of subpart C is removed and reserved.

Dated: April 14, 1995.

**Michael V. Dunn,**

*Acting Under Secretary for Rural Economic and Community Development.*

[FR Doc. 95–11309 Filed 5–8–95; 8:45 am]

BILLING CODE 3410–07–U

**Animal and Plant Health Inspection Service****9 CFR Part 78**

[Docket No. 94–134–2]

**Brucellosis in Cattle; State and Area Classifications; Colorado**

**AGENCY:** Animal and Plant Health Inspection Service, USDA.

**ACTION:** Affirmation of interim rule as final rule.

**SUMMARY:** We are adopting as a final rule, without change, an interim rule that amended the brucellosis regulations concerning the interstate movement of cattle by changing the classification of Colorado from Class A to Class Free. We have determined that Colorado meets the standards for Class Free status. The interim rule was necessary to relieve certain restrictions on the interstate movement of cattle from Colorado.

**EFFECTIVE DATE:** June 8, 1995.

**FOR FURTHER INFORMATION CONTACT:** Dr. Michael J. Gilsdorf, Senior Staff Veterinarian, Cattle Diseases and

Surveillance Staff, VS, APHIS, USDA, Suite 3B08, 4700 River Road Unit 36, Riverdale, MD 20737–1236; (301) 734–4918.

**SUPPLEMENTARY INFORMATION:****Background**

In an interim rule effective and published in the **Federal Register** on January 23, 1995 (60 FR 4371–4372, Docket No. 94–134–1), we amended the brucellosis regulations in 9 CFR part 78 by removing Colorado from the list of Class A States in § 78.41(b) and adding it to the list of Class Free States in § 78.1(a).

Comments on the interim rule were required to be received on or before March 24, 1995. We did not receive any comments. The facts presented in the interim rule still provide a basis for the rule.

This action also affirms the information contained in the interim rule concerning Executive Order 12866 and the Regulatory Flexibility Act, Executive Orders 12372 and 12778, and the Paperwork Reduction Act.

Further, for this action, the Office of Management and Budget has waived the review process required by Executive Order 12866.

**List of Subjects in 9 CFR Part 78**

Animal diseases, Bison, Cattle, Hogs, Quarantine, Reporting and recordkeeping requirements, Transportation.

**PART 78—BRUCELLOSIS**

Accordingly, we are adopting as a final rule, without change, the interim rule that amended 9 CFR 78.41 and that was published at 60 FR 4371–4372 on January 23, 1995.

**Authority:** 21 U.S.C. 111–114a–1, 114g, 115, 117, 120, 121, 123–126, 134b, and 134f; 7 CFR 2.17, 2.51, and 371.2(d).

Done in Washington, DC, this 28th day of April 1995.

**Lonnie J. King,**

*Acting Administrator, Animal and Plant Health Inspection Service.*

[FR Doc. 95–11373 Filed 5–8–95; 8:45 am]

BILLING CODE 3410–34–P

**9 CFR Part 113**

[Docket No. 93–071–2]

**Viruses, Serums, Toxins, and Analogous Products; Detection of Extraneous Agents by the Fluorescent Antibody Technique**

**AGENCY:** Animal and Plant Health Inspection Service, USDA.

**ACTION:** Final rule.

**SUMMARY:** We are amending the regulations concerning testing by the fluorescent antibody technique for extraneous agents (viruses) in cells of animal origin that are used in the manufacture of veterinary biologics. The amendment allows the use of alternative fluorochromes that may be conjugated to an antibody, revises the list of extraneous agents to be tested for, and includes extraneous agents for which equine cells are to be tested. In addition, the word “agent” is replaced with the word “virus” since this is the agent being tested for. The amendment is necessary to update the requirements related to the testing for extraneous viruses.

**EFFECTIVE DATE:** June 8, 1995.

**FOR FURTHER INFORMATION CONTACT:** Dr. David A. Espeseth, Deputy Director, Veterinary Biologics, BBEP, APHIS, 4700 River Road Unit 148, Riverdale, MD 20737–1237, (301) 734–8245.

**SUPPLEMENTARY INFORMATION:****Background**

In accordance with the regulations contained in 9 CFR part 113, standard requirements are prescribed for the preparation of veterinary biological products. A standard requirement consists of specifications, procedures, and test methods which define the standards of purity, safety, potency, and efficacy for a given type of veterinary biological product. Microorganisms, animal cells, and ingredients of animal origin used in production are required to be tested for extraneous viruses. In part, this involves testing for the presence of extraneous viruses by the fluorescent antibody technique described in § 113.47. When the current standard requirement was established, fluorescent antibodies were constructed by conjugating antibodies to one of the fluorochromes, fluorescein. Fluorochromes are any of a variety of chemicals used in cytochemistry to produce a secondary fluorescence in the specimen. In the intervening years, additional fluorochromes have been developed for use as cytochemical markers or stains.

Standard requirements included in the regulations specify that cells, master seed virus, and most ingredients of animal origin used in the production of biological products be tested for contaminating bacteria, fungi, mycoplasma, cytopathogenic organisms, viruses, hemadsorbing agents, and extraneous agents (viruses) detectable by the fluorescent antibody technique. The presence of specific fluorescence associated with the use of certain antibodies, in comparison with the