veteran under 38 U.S.C. 101 and 3701 for the purpose of housing loans). This document amends VA's loan guaranty regulations concerning points allowed to be included in VA-guaranteed Interest Rate Reduction Refinancing Loans (IRRRLs) by limiting to two the amount of points that may be included in the loan.

The provisions of 38 U.S.C. 3703(c)(3) and 3710(e)(1)(C) allow for IRRRLs to include ''reasonable'' points as may be authorized by the Secretary by regulation. One point equals one percent of the amount of the loan. Lenders allow a borrower to pay points and thereby reduce the interest rate.

The regulations in effect prior to the effective date of this document allowed IRRRLs to include any amount of points negotiated between the veteran and the lender. This was based on the assumption that market forces would act to assure that veterans were not charged excessive points. While this generally has been true, recently a few lenders have not been constrained by market rates and have been able to convince veterans to agree to IRRRLs with excessive points. There have been cases in which IRRRLs include 5 or more points with the lender representing the loan as having ''at market'' terms even though a true ''at market'' interest rate for such a loan generally would have called for no more than two points (because of excessive points there have even been some IRRRLs where the monthly payment increased even though the interest rate decreased).

In addition to overcharging the veteran, excessive points often cause other negative impacts. IRRRLs sometime result in loans in excess of the value of the property. Accordingly, any additional increase in the amount by which the loan balance exceeds the market value of the property would further increase VA's loss in the event of default and payment of a claim under the guaranty. Also, an excessive increase in the loan amount may cause a veteran to be unable to sell the home for an amount sufficient to pay off the loan balance.

We believe that limiting to two the amount of points that may be included in an IRRRL is appropriate. We believe that this will reasonably protect the veteran and the Government against overinflated IRRRLs and at the same time avoid unduly hampering veterans' ability to obtain IRRRLs at favorable terms. The inclusion of two points in refinanced loans has gained general market acceptance as the typical number of points included in loans obtained ''at market.'' In our view, limiting to two the amount of points that may be included in an IRRRL would not have much of an effect on IRRRLs other than to protect against the few lenders who are overcharging veterans and increasing VA's risk with above-market combinations of rates and points.

This change in the regulations only concerns the amount of points that may be included in an IRRRL. A veteran could pay in excess of two points if the excess points were paid in cash.

We considered amending the regulations to include a formula designed to restrict the amount of the loan in comparison with the value of the property and to ensure that veterans would not get overcharged. However, we believe such a formula would be too complex and difficult to enforce. Instead, we believe that we can best help to ensure that excessive points are not included in IRRRLs by limiting to two points the amount of points that may be included in the loan.

Administrative Procedure Act

Pursuant to 5 U.S.C. 553, we have found good cause to dispense with notice and comment on this interim final rule and to dispense with a 30-day delay of its effective date. These findings are based on the critical need to help ensure that veterans are not overcharged with excessive points and to protect the interests of the Government against overinflated loans. Comments are being solicited for 60 days after publication of this document. VA may modify this rule in response to comments, if appropriate.

Regulatory Flexibility Act

Because no notice of proposed rulemaking was required in connection with the adoption of this interim final rule, no regulatory flexibility analysis is required under the Regulatory Flexibility Act (5 U.S.C. 601 *et seq.*).

The Catalog of Federal Domestic Assistance Program numbers are 64.114 and 64.119.

List of Subjects in 38 CFR Part 36

Condominiums, Housing, Individuals with disabilities, Loan programs—housing and community development, Manufactured homes, Veterans.

Approved: February 13, 1996.

Jesse Brown,

Secretary of Veterans Affairs.

For the reasons set out in the preamble, 38 CFR part 36 is amended as set forth below.

PART 36—LOAN GUARANTY

1. The authority citation for part 36, §§ 36.4201 through 36.4287 continues to read as follows:

Authority: Sections 36.4201 through 36.4287 issued under 38 U.S.C. 501, 3701–3704, 3707, 3710–3714, 3719, 3720, 3729, unless otherwise noted.

2. Section 36.4223 is amended by revising paragraph (a)(3) to read as follows:

§ 36.4223 Interest rate reduction refinancing loan.

(a) * * *

(3) The amount of the refinancing loan may not exceed an amount equal to the sum of the balance of the loan being refinanced and such closing costs as authorized in § 36.4232 or § 36.4254, as appropriate, and a discount not to exceed 2 percent of the loan amount;

(Authority: 38 U.S.C. 3703, 3712)

* * * * *

3. The authority citation for part 36, §§ 36.4300 through 36.4375 continues to read as follows:

Authority: Sections 36.4300 through 36.4375 issued under 38 U.S.C. 101, 501, 3701–3704, 3710, 3712–3714, 3720, 3279, 3732, unless otherwise noted.

4. Section 36.4306a is amended by revising paragraph (a)(3)(i) to read as follows:

§ 36.4306a Interest rate reduction refinancing loan.

(a) * * *

(3) * * *

(i) An amount equal to the balance of the loan being refinanced and such closing costs as authorized by § 36.4312(d) and a discount not to exceed 2 percent of the loan amount; or

* * * * *

(Authority: 38 U.S.C. 3703, 3710)

[FR Doc. 96–4498 Filed 2–27–96; 8:45 am]

BILLING CODE 8320–01–P

ENVIRONMENTAL PROTECTION AGENCY

40 CFR Part 52

[DE013–5915a; FRL–5424–9]

Approval and Promulgation of Air Quality Implementation Plans; Delaware—Emission Statement Program

AGENCY: Environmental Protection Agency (EPA).

ACTION: Direct final rule.

SUMMARY: EPA is approving a State Implementation Plan (SIP) revision

submitted by the State of Delaware. This revision consists of an emission statement program for stationary sources that emit volatile organic compounds (VOCs) and/or nitrogen oxides (NO_X) at or above specified actual emission threshold levels within the state of Delaware (Kent, New Castle, and Sussex Counties). The intended effect of this action is to approve a regulation for annual reporting of actual emissions by sources that emit VOC and/or NO_X within the state in accordance with the 1990 Clean Air Act (CAA). This action is being taken under section 110 of the CAA.

DATES: This action is effective April 29, 1996, unless notice is received on or before March 29, 1996, that adverse or critical comments will be submitted. If the effective date is delayed, timely notice will be published in the Federal Register.

ADDRESSES: Comments must be mailed to Marcia L. Spink, Associate Director, Air Programs, Mailcode 3AT00, U.S. Environmental Protection Agency, Region III, 841 Chestnut Building, Philadelphia, Pennsylvania 19107. Copies of the documents relevant to this action are available for public inspection during normal business hours at the EPA office listed above; the Air and Radiation Docket and Information Center, U.S. Environmental Protection Agency, 401 M Street, SW., Washington, DC 20460; and the Delaware Department of Natural Resources & Environmental Control, 89 Kings Highway, P.O. Box 1401, Dover, Delaware 19903.

FOR FURTHER INFORMATION CONTACT: Rose Quinto (215) 597–3164, at the EPA Region III address.

SUPPLEMENTARY INFORMATION: On January 11, 1993, the Delaware Department of Natural Resources and Environmental Control (DNREC) submitted a SIP revision to EPA on Emission Statements. This revision would amend Delaware's Regulations Governing the Control of Air Pollution: section 2 of Regulation 1 (Definitions and Administrative Principles), and section 1 of Regulation 17 (Source Monitoring, Recordkeeping and Reporting), and also add a new section 7 of Regulation 17.

I. Background

The air quality planning and SIP requirements for ozone nonattainment and transport areas are set out in subparts I and II of part D of title I of the CAA, as amended by the Clean Air Act Amendments of 1990. EPA published a ''General Preamble'' describing EPA's preliminary views on how it intends to review SIPs and SIP revisions submitted under Title I of the CAA, including those state submittals for ozone transport areas within the states (see 57 FR 13498 (April 16, 1992) (''SIP: General Preamble for the Implementation of Title I of the Clean Air Act Amendments of 1990''), 57 FR 18070 (April 28, 1992) (''Appendices to the General Preamble''), and 57 FR 55620 (November 25, 1992) (''SIP: NO_X Supplement to the General Preamble'')).

EPA also issued a draft guidance document describing the requirements for the emission statement programs discussed in this action, entitled ''Guidance on the Implementation of an Emission Statement Program'' (July, 1992). EPA is also conducting a rulemaking process to modify Title 40, Part 51 of the CFR to reflect the requirements of the emission statement program.

Section 182 of the CAA sets out a graduated control program for ozone nonattainment areas. Section 182(a) sets out requirements applicable in marginal ozone nonattainment areas, which are also applicable by sections 182 (b), (c), (d), and (e) to all other ozone nonattainment areas. Among the requirements in section 182(a) is a program for stationary sources to prepare and submit to the state each year emission statements certifying their actual emissions of VOCs and NO_X. This section of the CAA provides that the states are to submit a revision to their SIPs by November 15, 1992 establishing this emission statement program.

If a source emits either VOC or NO_X at or above the designated minimum reporting level, the other pollutant should be included in the emission statement, even if it is emitted at levels below the specified cutoffs.

States may waive, with EPA approval, the requirement for an emission statement for classes or categories of sources with less than 25 tons per year of actual plant-wide NO_X or VOC emissions in nonattainment areas if the class or category is included in the base year and periodic inventories and emissions are calculated using emissions factors established by EPA (such as those found in EPA publication AP–42) or other methods acceptable to EPA.

At minimum, the emission statement data should include:

—Certification of data accuracy;
—Source identification information;
—Operating schedule;
—Emissions information (to include annual and typical ozone season day emissions);
—Control equipment information; and
—Process data.

EPA developed emission statements data elements to be consistent with other source and state reporting requirements. This consistency is essential to assist states with quality assurance for emission estimates and to facilitate consolidation of all EPA reporting requirements.

II. EPA's Evaluation of Delaware's Submittal

A. Procedural Background

In accordance with the requirements of 40 CFR 51.102, the State of Delaware held a public hearing on September 29, 1993 in Dover, Delaware to solicit public comments on the implementation plan for the state. The plan was submitted to EPA by the Governor's designee on January 11, 1993.

B. Components of Delaware's Emission Statement Program

There are several key and specific components of an acceptable emission statement program. Specifically, Delaware must submit a revision to its SIP consisting of an emission statement program that meets the minimum requirements for reporting by the sources and the state. For the emission statement program to be approvable, Delaware's SIP revision must include, at a minimum, definitions and provisions for applicability, compliance, and specific source reporting requirements and reporting forms.

Regulation 1 (Definitions and Administrative Principles), section 2; and Regulation 17 (Source Monitoring, Recordkeeping and Reporting), section 1, has been revised by amending and adding the definitions of the following terms: actual emissions, annual fuel process rate, certifying individual, control efficiency, control equipment identification code, emission factor, emission statement, estimated emission method code, estimated emission units, measured emission method code, measured emission units, peak ozone season, percentage annual throughput, periodic ozone SIP inventory, point, potential to emit, process rate, segment, source classification code, and volatile organic compounds.

Regulation 17, section 7 (Emission Statement) requires a person who owns and operates any installation, source, or premises located in areas designated by the CAA as an ozone nonattainment area to report the levels of emissions from all stationary sources of VOCs and NO_X. The state may, with EPA approval, waive the emission statement requirements for classes or categories of

stationary sources with facility-wide actual emissions of less than 25 tons/year of VOC or NO_X if the class or category is included in the base year and periodic ozone inventories, and the actual emissions are calculated using EPA approved emission factors or other methods acceptable to EPA. Regulation 17, section 7, also requires emission statements for all stationary sources located in ozone attainment areas that emit or have the potential to emit 50 tons/year of VOC and/or NO_X. This section also requires that a certifying official for each facility provide Delaware with a statement reporting emissions by April 30 of each year beginning with April 30, 1993 for the emissions discharged during the previous calendar year. This section also delineates specific requirements for the content of these annual emission statements.

C. Enforceability

The State of Delaware has provisions in its SIP which ensure that the emission statement requirements of section 182(a)(3)(B) and sections 184(b)(2) and 182(f) of the CAA, as required by section 2 of Delaware Regulation Number 1 (Definitions and Administrative Principles) and sections 1 and 7 of Regulation 17 (Source Monitoring, Recordkeeping and Reporting), are adequately enforced.

EPA has determined that the submittal made by the State of Delaware satisfies the relevant requirements of the CAA and EPA's guidance document, ''Guidance on the Implementation of an Emission Statement Program'' (July 1992). EPA's detailed review of Delaware's Emission Statement Program is contained in a Technical Support Document (TSD) which is available, upon request, from the EPA Regional Office listed in the **ADDRESSES** section of this document.

III. Final Action

EPA is approving a revision to the Delaware SIP to include an Emission Statement Program consisting of revisions to section 2, Regulation 1; and section 1, and a new section 7 of Regulation 17. This revision was submitted to EPA by the State of Delaware on January 11, 1993.

EPA is approving this SIP revision without prior proposal because the Agency views this as a noncontroversial amendment and anticipates no adverse comments. However, in a separate document in this Federal Register publication, EPA is proposing to approve the SIP revision should adverse or critical comments be filed. This action will become effective April 29, 1996 unless, by March 29, 1996, adverse or critical comments are received.

If EPA receives such comments, this action will be withdrawn before the effective date by publishing a subsequent document that will withdraw the final action. All public comments received will then be addressed in a subsequent final rule based on this action serving as a proposed rule. EPA will not institute a second comment period on this action. Any parties interested in commenting on this action should do so at this time. If no such comments are received, the public is advised that this action will be effective on April 29, 1996.

Nothing in this action should be construed as permitting or allowing or establishing a precedent for any future request for revision of any SIP. Each request for revision to the SIP shall be considered separately in light of specific technical, economic, and environmental factors and in relation to relevant statutory and regulatory requirements.

Under the Regulatory Flexibility Act, 5 U.S.C. 600 *et seq.,* EPA must prepare a regulatory flexibility analysis assessing the impact of any proposed or final rule on small entities. 5 U.S.C. 603 and 604. Alternatively, EPA may certify that the rule will not have a significant impact on a substantial number of small entities. Small entities include small businesses, small not-for-profit enterprises, and government entities with jurisdiction over populations of less than 50,000.

SIP approvals under section 110 and subchapter I, part D of the CAA do not create any new requirements but simply approve requirements that the state is already imposing. Therefore, because the Federal SIP approval does not impose any new requirements, the Administrator certifies that it does not have a significant impact on any small entities affected. Moreover, due to the nature of the Federal-State relationship under the CAA, preparation of a regulatory flexibility analysis would constitute Federal inquiry into the economic reasonableness of state action. The CAA forbids EPA to base its actions concerning SIPs on such grounds. *Union Electric Co.* v. *U.S. EPA,* 427 U.S. 246, 255–66 (1976); 42 U.S.C. 7410(a)(2).

Under section 202 of the Unfunded Mandates Reform Act of 1995 (''Unfunded Mandates Act''), signed into law on March 22, 1995, EPA must prepare a budgetary impact statement to accompany any proposed or final rule that includes a Federal mandate that may result in estimated costs to state, local, or tribal governments in the aggregate; or to the private sector, of $100 million or more. Under section 205, EPA must select the most cost-effective and least burdensome alternative that achieves the objectives of the rule and is consistent with statutory requirements. Section 203 requires EPA to establish a plan for informing and advising any small governments that may be significantly or uniquely impacted by the rule.

EPA has determined that the approval action promulgated does not include a Federal mandate that may result in estimated costs of $100 million or more to either state, local, or tribal governments in the aggregate, or to the private sector. This Federal action approves pre-existing requirements under state or local law, and imposes no new Federal requirements. Accordingly, no additional costs to state, local, or tribal governments, or to the private sector, result from this action.

This action has been classified as Table 3 action for signature by the Regional Administrator under the procedures published in the Federal Register on January 19, 1989 (54 FR 2214–2225), as revised by a July 10, 1995 memorandum from Mary Nichols, Assistant Administrator for Air and Radiation. The Office of Management and Budget (OMB) has exempted this regulatory action from E.O. 12866 review.

Under section 307(b)(1) of the CAA, petitions for judicial review of this action must be filed in the United States Court of Appeals for the appropriate circuit by April 29, 1996. Filing a petition for reconsideration by the Administrator of this final rule does not affect the finality of this rule for the purposes of judicial review nor does it extend the time within which a petition for judicial review may be filed, and shall not postpone the effectiveness of such rule or action. This action approving Delaware's Emission Statement Program may not be challenged later in proceedings to enforce its requirements. (See section 307(b)(2).)

List of Subjects in 40 CFR Part 52

Environmental protection, Air pollution control, Hydrocarbons, Incorporation by reference, Intergovernmental relations, Volatile organic compounds, Oxides of nitrogen, Ozone, Reporting and recordkeeping requirements.

Dated: February 2, 1996.

W.T. Wisniewski,

Acting Regional Administrator, Region III.

40 CFR part 52 is amended as follows:

PART 52—[AMENDED]

1. The authority citation for part 52 continues to read as follows:

Authority: 42 U.S.C. 7401–7671q.

Subpart I—Delaware

2. Section 52.420 is amended by adding paragraph (c)(52) to read as follows:

§ 52.420 Identification of plan.

* * * * *

(c) * * *

(52) Revisions to the Delaware State Implementation Plan submitted by the Secretary, Delaware Department of Natural Resources and Environmental Control, on January 11, 1993.

(i) Incorporation by reference.

(A) Letter dated January 11, 1993 from the Secretary, Delaware Department of Natural Resources and Environmental Control, submitting a revision to the Delaware State Implementation Plan.

(B) Amended section 2, Regulation 1 (Definitions and Administrative Principles). Amended section 1, and added new section 7 of Regulation 17 (Source Monitoring, Recordkeeping and Reporting). The amendments to Regulations 1 and 17, and the addition of section 7 of Regulation 17, were effective on January 11, 1993. This revision consists of an emission statement program for stationary sources which emit volatile organic compounds (VOC) and/or nitrogen oxides (NO_X) at or above specified actual emission threshold levels. This program is applicable state-wide.

(ii) Additional material.

(A) Remainder of January 11, 1993 state submittal pertaining to Delaware Emission Statement Program.

* * * * *

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BILLING CODE 6560–50–P

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40 CFR Part 52

[MD6–1–5626; FRL–5328–5]

Approval and Promulgation of Air Quality Implementation Plans; Maryland; Continuous Emission Monitoring

AGENCY: Environmental Protection Agency (EPA).

ACTION: Direct final rule.

SUMMARY: EPA is approving a State Implementation Plan (SIP) revision submitted by the State of Maryland. This revision establishes and requires continuous emission monitoring requirements for certain sources of air pollution. The regulation applies to operators of fossil fuel-fired steam generating equipment with a rated heat input capacity of 250 million BTU per hour or greater. The intended effect of this action is to approve an amended regulation submitted by the State of Maryland Department of the Environment as a SIP revision rendering its monitoring requirements as federally enforceable. This action is being taken in accordance with section 110 of the Clean Air Act.

DATES: This action is effective April 29, 1996 unless notice is received on or before March 29, 1996 that adverse or critical comments will be submitted. If the effective date is delayed, timely notice will be published in the Federal Register.

ADDRESSES: Comments may be mailed to Marcia Spink, Associate Director, Air, Radiation, and Toxics Division, U.S. Environmental Protection Agency, Region III, 841 Chestnut Building, Philadelphia, PA 19107. Copies of the documents relevant to this action are available for public inspection during normal business hours at the Air, Radiation, and Toxics Division, U.S. Environmental Protection Agency, Region III, 841 Chestnut Building, Philadelphia, PA 19107; the Air and Radiation Docket and Information Center, U.S. Environmental Protection Agency, 401 M Street SW., Washington, D.C. 20460; and State of Maryland Department of the Environment, Air Management Association, 2500 Broening Highway, Baltimore, Maryland, 21224.

FOR FURTHER INFORMATION CONTACT: Linda Miller, (215) 597–7547.

SUPPLEMENTARY INFORMATION: On September 23, 1991, the State of Maryland submitted a formal revision to its State Implementation Plan (SIP). The SIP revision consists of the following regulatory modifications: (1) Definition amendments to Code of Maryland Administrative Regulations (COMAR) 26.11.01.01, (2) the addition of regulation COMAR 26.11.01.10 which contains continuous emissions monitoring (CEM) requirements for opacity and (3) amendments to COMAR 26.11.08.07 which would delete redundant language in requirements for CEMs for municipal solid waste incinerators.

Summary of SIP Revision

The revision includes the addition of definitions regarding the continuous emission monitoring regulations, the continuous emission monitoring program requirements for opacity.

The new regulations, found at COMAR 26.11.01.10, require continuous emission monitoring for large fuel burning sources. These new monitoring requirements will mandate the installation of continuous emission monitoring for opacity that will provide Maryland direct access to data for enforcement purposes. Opacity is an indicator of combustion efficiency and an indirect measure of particulate emissions. Data collected from the opacity monitoring will be used by Maryland as an indicator of whether proper operation and maintenance procedures are being used.

Specifically, the revision adds a new regulation which provides that fossil fuel-fired steam generating units with a rated heat input of 250 million Btu per hour or greater shall install and operate a CEM to measure and record opacity. The new regulation also clearly stipulates monitoring and installation requirements, certification schedules, and recordkeeping and reporting requirements.

EPA is approving this SIP revision without prior proposal because the Agency views this as a noncontroversial amendment and anticipates no adverse comments. However, in a separate document in this Federal Register publication, EPA is proposing to approve the SIP revision should adverse or critical comments be filed. This action will be effective on April 29, 1996, unless, by March 29, 1996, adverse or critical comments are received.

If EPA receives such comments, this action will be withdrawn before the effective date by publishing a subsequent document that will withdraw the final action. All public comments received will then be addressed in a subsequent final rule based on this action serving as a proposed rule. EPA will not institute a second comment period on this action. Any parties interested in commenting on this action should do so at this time. If no such comments are received, the public is advised that this action will be effective on April 29, 1996.

Final Action

EPA is approving the amended regulations, COMAR 26.11.01.01 Definitions and COMAR 26.11.01.10 Continuous Emissions Monitoring Requirements submitted by the State of Maryland Department of the Environment as a revision to the Maryland SIP. The regulation requires that the operators of fossil fuel-fired steam generating units, continuously monitor opacity and report the findings on a specified, regular basis to the