

1. A borrower that is a subsidiary of another entity shall prepare and submit to RUS separate financial statements even though this financial information is presented in the parent's consolidated statements.

2. In those cases in which a borrower has a majority-ownership in a subsidiary, the borrower shall prepare consolidated financial statements in accordance with the requirements of Statement No. 94. These consolidated statements must also include supplementary schedules presenting a Balance Sheet and Income Statement for each majority-owned subsidiary included in the consolidated statements.

B. Although Statement No. 94 requires the consolidation of majority-owned subsidiaries, the RUS Form 479, Financial and Statistical Report for Telecommunications Borrowers, shall be prepared on an unconsolidated basis by all borrowers.

Dated: July 17, 1996.

Jill Long Thompson,

*Under Secretary, Rural Development.*

[FR Doc. 96-18806 Filed 7-30-96; 8:45 am]

BILLING CODE 3410-15-P

## Rural Housing Service

## Rural Business-Cooperative Service

## Rural Utilities Service

## Farm Service Agency

## 7 CFR Parts 1940, 1944 and 1965

### Repeal of Certain Lobbyist Disclosure Provisions

**AGENCIES:** Rural Housing Service, Rural Business-Cooperative Service, Rural Utilities Service, and Farm Service Agency, USDA.

**ACTION:** Final rule.

**SUMMARY:** The Rural Housing Service (RHS) (formerly Rural Housing and Community Development Service (RHCD)) is removing its regulations on "Accountability Requirements of Persons Paid to Influence the Making of an RHCD Housing Loan and/or Grant," due to the repeal of the statutory reporting and registration requirements (§24 of Pub. L. 104-65). The intended outcome is to remove imposed registration and reporting requirements on any person engaged for pay or for any consideration for the purpose of attempting to influence the making of a RHS loan or grant, and removes the limitation of fees a person may charge for this service.

**EFFECTIVE DATE:** July 31, 1996.

**FOR FURTHER INFORMATION CONTACT:** Cynthia L. Reese-Foxworth, Loan Specialist, Rural Rental Housing

Branch, Multi-Family Housing Processing Division, Rural Housing Service, U.S. Department of Agriculture, AgBox 0781, Washington, DC 20250-0700; telephone (202) 720-1604 (this is not a toll free number).

### SUPPLEMENTARY INFORMATION:

#### Classification

This action is not subject to the provisions of Executive Order 12866 since it only involves internal agency management. Since this rule relates only to Public Law (Pub. L.) 104-65, which repeals the reporting and registration requirements of 7 CFR part 1940, subpart S, this action is not published for proposed rulemaking. Therefore, publication for advance notice and comment is unnecessary and contrary to the public interest.

#### Paperwork Reduction Act

The information collection requirements contained in this regulation have been previously approved by the Office of Management and Budget (OMB) under the provisions of 44 U.S.C. chapter 35 and has been assigned OMB control number 0575-0139 in accordance with the Paperwork Reduction Act of 1980 (44 U.S.C. 3507).

#### Environmental Impact Statement

This document has been reviewed in accordance with 7 CFR part 1940, subpart G, "Environmental Program." It is the determination of RHS 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, Pub. L. 91-190, an Environmental Impact Statement is not required.

#### National Performance Review

This regulatory action is being taken as part of the National Performance Review program to eliminate unnecessary regulations and improve those that remain in force.

#### Unfunded Mandate Reform Act of 1995

Title II of the Unfunded Mandate Reform Act of 1995 (UMRA), Pub. L. 104-4, establishes requirements for Federal agencies to assess the effects of their regulatory actions on State, local, and tribal governments and the private sector. Under section 202 of the UMRA, RHS generally must prepare a written statement, including a cost-benefit analysis, for proposed and final rules, with "Federal mandates" that may result in expenditures to State, local, or tribal governments, in the aggregate, or to the private sector, of \$100 million or more in any one year. When such a

statement is needed for a rule, section 205 of the UMRA generally requires RHS to identify and consider a reasonable number of regulatory alternatives and adopt the least costly, more cost-effective or least burdensome alternative that achieves the objectives of the rule.

This rule contains no Federal mandates (under the regulatory provisions of Title II of the UMRA) for State, local, and tribal governments or the private sector. Thus today's rule is not subject to the requirements of section 202 and 205 of the UMRA.

#### Intergovernmental Consultation

This activity is not subject to Executive Order (EO) 12372 which requires intergovernmental consultation with State and local officials and is not listed in the Catalog of Federal Domestic Assistance, however, affected programs 10.415, 10.420, and 10.433 are subject to the provisions of EO 12372.

#### Program Affected

These programs or activities are listed in the Catalog of Federal Domestic Assistance under the following numbers:

- 10.405 Farm Labor Housing Loans and Grants
- 10.410 Very Low to Moderate Income Housing Loans
- 10.415 Rural Rental Housing Loans
- 10.417 Very Low-Income Housing Repair Loans and Grants
- 10.420 Rural Self-Help Housing Technical Assistance
- 10.433 Rural Housing Preservation Grants
- 10.442 Housing Application Packaging Grants

#### Discussion of Final Rule

7 CFR part 1940, subpart S implemented § 401(A) of the Housing and Urban Development Reform Act of 1989, Pub. L. 101-235, (December 15, 1989) ("HUD Reform Act"), which added § 536(d) to the Housing Act of 1949. Pursuant to § 24 of Pub. L. 104-65 (December 19, 1995), § 536(d) of the Housing Act of 1949 was repealed effective January 1, 1996. Therefore, 7 CFR part 1940, subpart S, "Accountability Requirements of Persons Paid to Influence the Making of an RHCD Housing Loan and/or Grant", is being removed. However, all requirements found in FmHA Instruction 1940-Q, "Restrictions on Lobbying," will still apply even though subpart S is deleted because FmHA Instruction 1940-Q contains the Department's lobbying regulations published in 7 CFR part 3018. Copies of FmHA Instruction 1940-Q are available in all Rural Development offices. Some

outdated references are also being revised.

#### List of Subjects

##### 7 CFR Part 1940

Accountability, Low and moderate income housing—Rental, Reporting requirements.

##### 7 CFR Part 1944

Administrative practice and procedure, Aged, Farm labor housing, Grant programs—Housing and community development, Handicapped, Home improvement, Loan programs—Housing and community development, Low and moderate income housing—Rental, Migrant labor, Mobile homes, Mortgages, Nonprofit organizations, Public housing, Rent subsidies, Reporting requirements, Rural housing, subsidies.

##### 7 CFR Part 1965

Administrative practice and procedure, Low and moderate income housing—Rental, Mortgages.

Therefore, chapter XVIII, title 7, Code of Federal Regulations is amended as follows:

#### **PART 1940—GENERAL**

1. The authority citation for part 1940 is amended to read as follows:

Authority: 5 U.S.C. 301, 7 U.S.C. 1989 and 42 U.S.C. 1480.

##### **§§ 1940.901 through 1940.950 (Subpart S)—[Removed and Reserved]**

2. Subpart S, consisting of §§ 1940.901 through 1940.950 is removed and reserved.

#### **PART 1944—HOUSING**

3. The authority citation for part 1944 continues to read as follows:

Authority: 5 U.S.C. 301, 7 U.S.C. 1989, and 42 U.S.C. 1480.

##### **Subpart A—Section 502 Rural Housing Loans Policies, Procedures, and Authorizations**

###### **§ 1944.27 [Amended]**

4. Section 1944.27 is amended by removing paragraph (i).

###### **§ 1944.31 [Amended]**

5. Section 1944.31, paragraphs (a) and (e), is amended by revising the references to “RHCDs” to read “RHS.”

##### **Subpart B—Housing Application Packaging Grants**

###### **§ 1944.62 [Amended]**

6. Section 1944.62 is amended by revising the reference to “FmHA” to read “RHS.”

###### **§ 1944.66 [Amended]**

7. Section 1944.66 is amended by removing paragraph (b); by redesignating paragraphs (c) through (g) as (b) through (f) respectively; by amending newly redesignated paragraphs (b) and (c) to revise the phrase “FmHA or its successor agency under Public Law 103–354 Office” to read “Agency Office,” and by amending newly redesignated paragraph (d) to revise the reference to “FmHA or its successor agency under Public Law 103–354” to read “RHS.”

###### **§ 1944.67 [Amended]**

8. Section 1944.67 is amended to revise the references to “FmHA or its successor agency under Public Law 103–354” to read “Agency.”

###### **§ 1944.69 [Amended]**

9. Section 1944.69 is amended to revise the references to “FmHA or its successor agency under Public Law 103–354” to read “Agency.”

###### **§ 1944.70 [Amended]**

10. Section 1944.70(b) is amended to revise the reference to “FmHA or its successor agency under Public Law 103–354” to read “Agency.”

###### **§ 1944.72 [Amended]**

11. Section 1944.72 is amended to revise the references to “FmHA or its successor agency under Public Law 103–354” to read “Agency.”

##### **Subpart D—Farm Labor Housing Loan and Grant Policies, Procedures and Authorizations**

###### **§ 1944.170 [Amended]**

12. Section 1944.170 is amended by removing paragraph (d) and revising the reference “(c)(3)(ii)(B)” in paragraph (c)(5)(ii)(C) to read “(c)(5)(ii)(A).”

##### **Subpart E—Rural Rental and Rural Cooperative Housing Loan Policies, Procedures, and Authorizations**

###### **§ 1944.215 [Amended]**

13. Section 1944.215 is amended by removing paragraph (x) and by revising the references “FmHA or its successor agency under Public Law 103–354” to read “RHS in paragraphs (v) and (w).”

##### **Subpart I—Self-Help Technical Assistance Grants**

###### **§ 1944.408 [Removed and Reserved]**

14. Section 1944.408 is removed and reserved.

###### **§ 1944.409 [Amended]**

15. Section 1944.409 is amended to revise the first two references to “FmHA or its successor agency under Public

Law 103–354” to read “Agency” and to remove the last reference to “FmHA or its successor agency under Public Law 103–354.”

###### **§ 1944.410 [Amended]**

16. Section 1944.410 is amended to revise the reference to “FmHA or its successor agency under Public Law 103–354” in the second sentence of the introductory text of paragraph (a) to read “RHS.”

##### **Subpart J—Section 504 Rural Housing Loans and Grants**

###### **§ 1944.463 [Amended]**

17. Section 1944.463(c) introductory text is amended to revise the reference to “FmHA or its successor agency under Public Law 103–354” to read “RHS.”

###### **§ 1944.464 [Amended]**

18. Section 1944.464 is amended to revise the references to “FmHA or its successor agency under Public Law 103–354” in the introductory paragraph to read “RHS.”

###### **§ 1944.466 [Removed and Reserved]**

19. Section 1944.466 is removed and reserved.

##### **Subpart N—Housing Preservation Grants**

###### **§ 1944.654 [Amended]**

20. Section 1944.654 is amended to revise the phrase “any FmHA or its successor agency under Public Law 103–354 Office” to read “any Agency office” in paragraphs (a) and (b); to revise in the first sentence of paragraph (a) the phrase “all FmHA or its successor agency under Public law 103–354 applicants” to read “all Rural Development applicants;” and to revise in the second sentence of paragraph (b) the reference to “FmHA or its successor agency under Public Law 103–354” to read “Rural Development.”

###### **§ 1944.655 [Removed and Reserved]**

21. Section 1944.655 is removed and reserved.

###### **§ 1944.656 [Amended]**

22. Section 1944.656 is amended to revise the references to “FmHA or its successor agency under Public Law 103–354” in the introductory paragraph to read “Rural Development,” and in the definitions of “Grant agreement” and “Housing preservation” to revise the references to “FmHA or its successor agency under Public Law 103–354” to read “Agency.”

**PART 1965—REAL PROPERTY**

23. The authority citation for part 1965 continues to read as follows:

Authority: 5 U.S.C. 301, 7 U.S.C. 1989, and 42 U.S.C. 1480.

**Subpart E—Prepayment and Displacement Prevention of Multi-Family Housing Loans****§1965.217 [Amended]**

24. Section 1965.217 is amended by revising the reference in paragraph (d)(2)(i)(B) to "FmHA or its successor agency under Public Law 103-354" to read "The Agency"; by removing paragraph (d)(2)(ii)(A), by redesignating paragraphs (d)(2)(ii)(B) through (D) as (d)(2)(ii)(A) through (C) respectively; by revising the reference in newly designated paragraph (d)(2)(ii)(B) to "FmHA or its successor agency under Public Law 103-354" to read "Agency;" by revising the reference in newly designated paragraph (d)(2)(C)(1) to "7 CFR parts 3015 and 3016" to read "7 CFR parts 3015, 3016 and 3019;" and by removing the reference in paragraph (d)(2)(iii)(A) to "FmHA or its successor agency under Public Law 103-354."

Dated: June 13, 1996.

Inga Smulkstys,

*Deputy Under Secretary, Operations and Management.*

[FR Doc. 96-19401 Filed 7-30-96; 8:45 am]

BILLING CODE 3410-07-U

**Animal and Plant Health Inspection Service****9 CFR Part 92**

[Docket No. 96-052-1]

**Horses From Mexico; Quarantine Requirements**

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

**ACTION:** Interim rule and request for comments.

**SUMMARY:** We are amending the regulations regarding the importation of horses from Mexico to require that such horses be quarantined for not less than 7 days. We are also amending the regulations to provide that quarantine and inspection of all horses imported into the United States from Mexico through land border ports must be carried out in Mexico at facilities approved by the Administrator and constructed so as to prevent the entry of mosquitoes and other hematophagous insects. These requirements would help ensure that horses imported into the United States from Mexico are not

infected with Venezuelan equine encephalomyelitis and are necessary on an emergency basis to protect horses in the United States from the disease.

**DATES:** Interim rule effective July 26, 1996. Consideration will be given only to comments received on or before September 30, 1996.

**ADDRESSES:** Please send an original and three copies of your comments to Docket No. 96-052-1, Regulatory Analysis and Development, PPD, APHIS, suite 3C03, 4700 River Road Unit 118, Riverdale, MD 20737-1238. Please state that your comments refer to Docket No. 96-052-1. Comments received may be inspected at USDA, room 1141, South Building, 14th Street and Independence Avenue SW., Washington, DC, between 8 a.m. and 4:30 p.m., Monday through Friday, except holidays. Persons wishing to inspect comments are requested to call ahead on (202) 690-2817 to facilitate entry into the comment reading room.

**FOR FURTHER INFORMATION CONTACT:** Dr. Gary Colgrove, Chief Staff Veterinarian, National Center for Import and Export, VS, APHIS, 4700 River Road Unit 38, Riverdale, MD 20737-1231, (301) 734-3276.

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

The regulations in 9 CFR part 92 (referred to below as "the regulations") govern the importation into the United States of specified animals and animal products, including horses from Mexico, to prevent the introduction into the United States of various animal diseases.

Under the regulations prior to the effective date of this interim rule, horses from Mexico, except those imported for immediate slaughter, were required to be quarantined at a designated port until they (1) Tested negative to an official test for dourine, glanders, equine piroplasmiasis, and equine infectious anemia; (2) tested negative to such other tests that may have been required by the Administrator of the Animal and Plant Health Inspection Service, U.S. Department of Agriculture; and (3) were found free from any communicable disease and fever-tick infestation upon inspection.

Recently, the government of Mexico reported that Venezuelan equine encephalomyelitis (VEE) has been detected in horses in that country. VEE is an equine viral disease, transmitted primarily by mosquitoes and other hematophagous (blood-feeding) insects, particularly flying insects, and results in a high mortality rate in animals infected with the disease. Its introduction into

the United States would pose a significant health risk to horses in this country.

Although tests exist for the presence of VEE in horses, the tests currently available may yield positive results for horses that have been vaccinated for VEE but are not otherwise affected with the disease. The most efficient method for initial identification of horses that may be infected with VEE is observation of the horses for clinical signs of the disease.

The clinical signs most commonly exhibited by horses affected by VEE are marked fever, depression, and incoordination, followed by death. A horse will usually exhibit signs of VEE within 2-5 days after contracting the disease.

Prior to the effective date of this interim rule, horses intended for importation into the United States from Mexico were not required to be held in quarantine for any specified number of days. This was in contrast to the 7-day quarantine period required for all other horses intended for importation into the United States from other places in the Western Hemisphere, except horses from Argentina, Bermuda, the British Virgin Islands, and Canada. The 7-day quarantine period for these other horses is necessary because VEE exists in the countries in question, and 7 days is the length of time necessary to ensure that any clinical signs of VEE manifest themselves. In order to ensure that horses imported from Mexico are likewise quarantined for a sufficient period of time, we are amending the regulations in § 92.308(a)(1) to provide that horses from Mexico must undergo the 7-day quarantine period required of certain other horses from the Western Hemisphere.

**Horses Imported for Immediate Slaughter**

Prior to the effective date of this interim rule, horses could be imported from Mexico for immediate slaughter without quarantine if they (1) were accompanied by a health certificate and were inspected and treated for cattle fever ticks at the port of entry; (2) were consigned from the port of entry to a recognized slaughtering establishment where they were slaughtered within 2 weeks from the date of entry; and (3) were moved from the port of entry in conveyances sealed with seals of the United States Government. These provisions were adequate to ensure that the horses were not infected with, and did not transmit, exotic equine diseases existing in Mexico, none of which were transmitted through flying insects.