

## ANNUAL BURDEN ESTIMATES—Continued

Instrument	Number of respondents	Number of responses per respondent	Average burden hours per response	Total burden hours
Estimated Total Annual Burden Hours: .....	.....	.....	.....	178.5

*Additional Information:* Copies of the proposed collection may be obtained by writing to The Administration for Children and Families, Office of Information Services, 370 L'Enfant Promenade, SW., Washington, DC 20447, Attn: ACF Reports Clearance Officer.

*OMB Comment:* OMB is required to make a decision concerning the collection of information between 30 and 60 days after publication of this document in the **Federal Register**. Therefore, a comment is best assured of having its full effect if OMB receives it within 30 days of publication. Written comments and recommendations for the proposed information collection should be sent directly to the following: Office of Management and Budget, Paperwork Reduction Project, 725 17th Street, NW., Washington, DC 20503, Attn: Desk Officer for ACF.

Dated: June 18, 2001.

**Bob Sargis,**

*Reports Clearance Officer.*

[FR Doc. 01-15627 Filed 6-20-01; 8:45 am]

BILLING CODE 4184-01-M

## DEPARTMENT OF HEALTH AND HUMAN SERVICES

### Food and Drug Administration

#### Circulatory System Devices Panel of the Medical Devices Advisory Committee; Notice of Meeting

**AGENCY:** Food and Drug Administration, HHS.

**ACTION:** Notice.

This notice announces a forthcoming meeting of a public advisory committee of the Food and Drug Administration (FDA). The meeting will be open to the public.

*Name of Committee:* Circulatory System Devices Panel of the Medical Devices Advisory Committee.

*General Function of the Committee:* To provide advice and recommendations to the agency on FDA's regulatory issues.

*Date and Time:* The meeting will be held on July 9, 2001, 10 a.m. to 6 p.m., and July 10, 2001, 8 a.m. to 6 p.m.

*Location:* Marriott Washingtonian Center, Salons A, B, and C, 9751 Washingtonian Blvd., Gaithersburg, MD.

*Contact:* Megan Moynahan, Center for Devices and Radiological Health (HFZ-450), Food and Drug Administration, 9200 Corporate Blvd., Rockville, MD 20850, 301-443-8517, ext. 171, or FDA Advisory Committee Information Line, 1-800-741-8138 (301-443-0572 in the Washington, DC area), code 12625. Please call the Information Line for up-to-date information on this meeting.

*Agenda:* On July 9, 2001, the committee will hear brief presentations on issues related to endovascular grafting systems for the treatment of abdominal aortic aneurysms. The committee will then discuss, make recommendations, and vote on a premarket approval application (PMA) for a percutaneous myocardial revascularization system used in the treatment of angina. On July 10, 2001, the committee will discuss, make recommendations, and vote on two separate PMAs for implantable cardiac devices used in the treatment of congestive heart failure.

Background information for each day's topic, including the agenda and questions for the committee, will be available to the public 1 business day before the meeting on the Internet at <http://www.fda.gov/cdrh/panelmtg.html>. Material for the July 9 meeting will be posted on July 6, 2001; material for the July 10 meeting will be posted on July 9, 2001.

*Procedure:* Interested persons may present data, information, or views, orally or in writing, on issues pending before the committee. Written submissions may be made to the contact person by July 2, 2001. On July 9, 2001, oral presentations from the public will be scheduled between approximately 10:45 a.m. and 11:30 a.m., and near the end of the committee deliberations. On July 10, 2001, oral presentations from the public will be scheduled between approximately 8 a.m. and 8:30 a.m., and between approximately 1:30 p.m. and 2 p.m., and near the end of the committee deliberations on each submission. Time allotted for each presentation may be limited. Those desiring to make formal oral presentations should notify the contact person before July 2, 2001, and

submit a brief statement of the general nature of the evidence or arguments they wish to present, the names and addresses of proposed participants, and an indication of the approximate time requested to make their presentation.

Notice of this meeting is given under the Federal Advisory Committee Act (5 U.S.C. app. 2).

Dated: June 14, 2001.

**Linda A. Suydam,**

*Senior Associate Commissioner.*

[FR Doc. 01-15590 Filed 6-20-01; 8:45 am]

BILLING CODE 4160-01-S

## DEPARTMENT OF HEALTH AND HUMAN SERVICES

### Health Care Financing Administration

[HCFA-2124-N]

RIN 0938-AK52

#### State Children's Health Insurance Program (SCHIP); Redistribution and Continued Availability of Unexpended SCHIP Funds From the Appropriation for FY 1998

**AGENCY:** Health Care Financing Administration (HCFA), HHS.

**ACTION:** Notice.

**SUMMARY:** This notice announces the application of new statutory provisions concerning the redistribution and availability of unexpended funds appropriated for the fiscal year (FY) 1998 for the State Children's Health Insurance Program under title XXI of the Social Security Act. It sets forth the amounts available for each of the 50 States, the District of Columbia, and the Commonwealths and Territories from the FY 1998 appropriation for a second period of availability under the statutory formula. It specifies amounts of allotments that may remain available ("retained allotments") to the States to which those amounts were originally allotted during the initial period, and the amounts of allotments that are redistributed from the States to which they were allotted during the initial period to be available to other States ("redistributed allotments"). This notice implements section 801 of the Medicare, Medicaid and SCHIP Benefits

Improvement and Protection Act (BIPA) (enacted as part of Pub. L. 106-554 on December 21, 2000).

**FOR FURTHER INFORMATION CONTACT:**  
Richard Strauss, (410) 786-2019.

**SUPPLEMENTARY INFORMATION:**

**I. Background**

Title XXI of the Social Security Act (the Act) sets forth the State Children's Health Insurance Program (SCHIP) to enable States, the District of Columbia, and specified Commonwealths and Territories to initiate and expand health insurance coverage to uninsured, low-income children. In this notice, unless otherwise indicated, the use of the terms "State" and "States," refers to any or all of the 50 States, the District of Columbia, and the Commonwealths and Territories. States may implement SCHIP through a separate State program under title XXI of the Act, an expanded program under title XIX of the Act, or a combination of both. Under section 2104 of the Act, the SCHIP allotments for a fiscal year (FY) are available to match expenditures under an approved State child health plan for a 3-fiscal year "period of availability," including the fiscal year for which the allotment was provided. After the initial period of availability, the amount of unspent allotments is subject to a second period of availability. With the exception described below for the allotments made in FYs 1998 and 1999, allotments unspent in the initial period of availability are to be redistributed from States that did not fully spend these allotments to States that fully spent their allotments for that fiscal year. The Medicare, Medicaid and SCHIP Benefits Improvement and Protection Act of 2000 (BIPA), enacted as part of Pub. L. 106-554 on December 21, 2000, amended title XXI of the Act, in part by establishing new requirements for the second period of availability of amounts of FYs 1998 and 1999 allotments unspent during the initial period of availability. These requirements limit the redistribution of unspent allotments to States that fully spent their FY 1998 or 1999 allotments (redistributed amounts). These requirements also provide that amounts of unspent allotments not redistributed as a result of these limits would remain available to States that did not fully expend their FY 1998 or 1999 allotments (retained allotments). These requirements prescribe a methodology and process for determining the FY 1998 and FY 1999 allotment redistribution and retention amounts.

**II. Provisions of This Notice**

This notice announces the application of the new statutory provisions concerning the redistribution and continued availability of unexpended funds appropriated for FY 1998 for the SCHIP under title XXI of the Act. It sets forth the FY 1998 unexpended amounts available for redistribution or continued availability for the States. Section 2104 of the Act provides an allotment for each fiscal year for Federal matching payments for an initial 3-year period for the States. Specifically, section 801 of BIPA added the new section 2104(g) to the Act to provide for a methodology to redistribute or continue availability of all unexpended amounts for FYs 1998 and 1999 at the end of the initial 3-year period.

Section 2104 of the Act requires the Secretary to calculate allotments for each State with an approved State child health plan based on available appropriated funds for each fiscal year. All States had approved plans in order to have access to their final FY 1998 SCHIP allotments, which were published on May 24, 2000 in the **Federal Register** (65 FR 33634). The final rule setting forth the methodologies and procedures to determine the allotment of Federal funds for each fiscal year and the grant award and payment process was also published on May 24, 2000 in the **Federal Register** (65 FR 33616).

BIPA amended the SCHIP statute to add a new section 2104(g) to the Act, which required the Secretary to redistribute limited amounts of the unexpended allotments for FYs 1998 and 1999 to States that had fully expended their allotments for those years, and extended the availability of remaining unexpended allotments for those years, in accordance with a specified formula. This notice sets forth the results of the statutory formula to the unexpended allotments for FY 1998, and describes the methodology for the redistribution and continued availability of unexpended SCHIP allotments. A later notice will be published to address the unexpended allotments for FY 1999.

**III. Application of the Provisions of Section 2104(g) of the Act to the Unexpended FY 1998 SCHIP Allotments To Determine the Redistribution and Continued Availability of Allotments for Each State**

Section 2104(e) of the Act requires that the amount of a State's allotment for a fiscal year be available to the State for matching allowable State

expenditures for a 3-year initial period of availability; the fiscal year for which the funds are allotted, and the two following fiscal years. For FY 1998, the 3-year initial period of availability is October 1, 1997 through September 30, 2000. With the exception of the methodology specified in BIPA for treating unspent FY 1998 and 1999 allotments, section 2104(f) requires redistribution of the entire amount of unspent allotments after the initial period of availability has expired. Section 2104(e) of the Act provides that redistributed funds are available for matching State expenditures through the end of the fiscal year in which they are reallocated. Before BIPA, the FY 1998 redistribution funds would have been available through the end of FY 2001; that is, through September 30, 2001. Any redistributed funds for the fiscal year that remained unexpended at the end of the fiscal year in which they were reallocated would have reverted to the Federal Treasury.

BIPA did not repeal or delete sections 2104(e) and (f) of the Act. However, BIPA added a new section 2104(g) of the Act that established a formula for redistributing and continuing the availability of unexpended allotments for FYs 1998 and 1999 and references the provisions of sections 2104(e) and (f) of the Act. This formula replaces the redistribution that otherwise would have been required under section 2104(f) of the Act.

Section 2104(g) of the Act requires the Secretary to redistribute and continue availability of the unexpended FYs 1998 and 1999 allotments under section 2104(f) of the Act. Section 2104(g) also provides that both FYs 1998 and 1999 redistribution amounts and FYs 1998 and 1999 retained amounts, under sections 2104(g)(1)(B)(ii) and 2104(g)(2)(A)(i) of the Act, respectively, shall remain available to the States through the end of FY 2002; that is, through September 30, 2002.

Section 2104(g)(2)(C) of the Act provides an exception to otherwise applicable limits on outreach expenditures for States that did not fully expend their FY 1998 allotments during the initial period of availability. Section 2105(c)(2) of the Act provided for a "10-percent fiscal year limit" for certain expenditures, including outreach, administration, health services initiatives, and other child health assistance expenditures. This limit provides that Federal matching funds are not available for expenditures other than child health assistance for targeted low-income children in excess of 10-percent of the total expenditures during a fiscal year. Section 2104(g)(2)(C) of the

Act allows States that did not fully spend their FY 1998 allotment in the initial availability period to use up to 10-percent of the amount of the *retained* FY 1998 allotment for outreach activities approved by the Secretary without those expenditures being applied against the State's 10-percent fiscal year limit. In this notice we refer to this provision of section 2104(g)(2)(C) of the Act as the "BIPA outreach allowance" or "new outreach allowance." This BIPA outreach allowance is distinguished from the limit in section 2105(c)(2) of the Act, which we refer to in this notice as the "10-percent fiscal year limit."

There are some differences in the application of the 10-percent fiscal year limit under section 2105(c)(2) of the Act and the new outreach allowance under section 2104(g)(2) of the Act. Under section 2105(c)(2) of the Act, the 10-percent fiscal year limit is applied to a State's total expenditures for a fiscal year. In this regard, "total expenditures" refers to both the State and Federal share portions of the expenditures. The calculation of the 10-percent fiscal year limit is set forth in 42 CFR 457.618. However, the new outreach allowance under section 2104(g)(2) of the Act, as added by BIPA, is equal to 10-percent of the FY 1998 *retained* allotment amounts, which are only in Federal share amounts. Furthermore, the BIPA outreach allowance is available only if the State's FY 1998 retained allotment is available. That is, once a State's retained allotment is exhausted, the BIPA outreach allowance is no longer available, even if the amount of outreach expenditures claimed is less than the outreach allowance of 10-percent of the FY 1998 retained allotment.

We have established a process under which we will track, through the Medicaid and SCHIP budget and expenditure reporting system, the Federal share amounts of title XXI outreach expenditures against the new outreach allowance. If the Federal share amounts of a State's retained allotment outreach expenditure claims exceed this new outreach allowance, the total expenditures (State and Federal share) associated with the excess Federal share amounts will be applied against the 10-percent fiscal year limit. In addition, the total outreach expenditures associated with outreach claims made after a State's retained allotment amounts are exhausted will be applied against the 10-percent fiscal year limit (whether or not the new outreach allowance was met).

The availability of retained allotment funds and the BIPA outreach allowance

is determined in accordance with requirements related to the ordering of expenditures. Section 2105(a)(2) of the Act, as amended by BIPA, requires that expenditures be applied against a State's available fiscal year SCHIP allotment amounts in the following order:

(1) Title XIX SCHIP related expenditures for which payment is made at the enhanced Federal medical assistance percentage (FMAP) (section 2105(a)(1)(A) of the Act);

(2) Title XIX expenditures for medical assistance provided during a presumptive eligibility period under section 1920A of the Act (section 2105(a)(1)(B) of the Act);

(3) Child health assistance for targeted low-income children in the form of providing health benefits coverage that meets the requirements of section 2103 (section 2105(a)(1)(C) of the Act); (4)(a) SCHIP expenditures applicable to the 10-percent fiscal year limit (not including outreach and administrative expenditures) (section 2105(a)(1)(D)(i) and ii) of the Act); (4)(b) Outreach expenditures (section 2105(a)(1)(D)(iii) of the Act); and (4)(c) Administration expenditures (section 2105(a)(1)(D)(iv) of the Act).

To implement the BIPA outreach allowance, claims for Federal matching funds for outreach expenditures will be compared to the new outreach allowance. If, under this comparison, the Federal share of outreach expenditures is less than or equal to, but not greater than, the new outreach allowance, *none* of these outreach expenditures will be applied against the 10-percent fiscal year limit; they will only serve to reduce the new outreach allowance. The following example illustrates this:

*Example 1.* The State's FY 1998 retained allotment is \$20 million. Therefore, the State's outreach allowance would be \$2 million (10 percent of \$20 million). On the first quarterly expenditure report for FY 2001, the State claims \$2 million in outreach expenditures (Federal share). In this example, assume at least \$2 million of retained allotment funds, based on claims of expenditures other than outreach, remain available. Since the outreach claims are \$2 million, none of the outreach expenditures would apply against the 10-percent fiscal year limit; but instead would be applied to reduce the new outreach allowance. In this case, if the outreach claims were exactly \$2 million, there would be \$0 remaining of the BIPA outreach allowance (\$2 million outreach allowance minus \$2 million in outreach claims).

If the Federal share of claims for outreach expenditures is greater than the BIPA outreach allowance, the *total* (State and Federal share) expenditures in excess of the Federal share amount above the new outreach allowance will be applied against the 10-percent fiscal year limit. Example 2 illustrates this:

*Example 2.* The State's FY 1998 retained allotment is \$20 million. Therefore, the State's outreach allowance would be \$2 million (10 percent of \$20 million). In this example, assume there are at least \$2 million of available retained allotment funds, based on claims of expenditures other than outreach. On the first quarterly expenditure report for FY 2001, the State claims \$2,650,000 in outreach expenditures (Federal share). These claims exceed the outreach allowance by \$650,000 (\$2,650,000 in outreach claims minus the \$2 million outreach allowance). We will apply the outreach expenditure claims first to exhaust the outreach allowance. The total expenditures (State and Federal shares) associated with the remaining \$650,000 in outreach claims that are in excess of the new outreach allowance would then be subject to the 10-percent fiscal year limit, as long as the State has not exceeded the 10-percent fiscal year limit. Therefore, the amount of outreach claims up to the outreach allowance (\$2 million) would not be included in expenditures applied against the 10-percent fiscal year limit. Assuming an enhanced Federal matching rate of 65 percent, the claim for Federal matching in excess of the outreach allowance would represent \$1 million (\$650,000 divided by 65 percent, the State's enhanced FMAP). The \$1 million in total outreach expenditures would be applied against the 10-percent fiscal year limit.

Example 3a, illustrates the case in which *program* expenditures are applied first to exhaust the State's available FY 1998 retained allotment amount, resulting in the new outreach allowance being unavailable. Example 3b, illustrates the case in which the BIPA outreach allowance is used by the application of *outreach* expenditures first to exhaust the new outreach allowance. The only difference between Examples 3a and 3b is the order of submission in the categories of expenditures; the amounts of the expenditures are the same. The result is that in Example 3a, all of the outreach expenditures must be applied against the 10-percent fiscal year limit; in Example 3b, none of the outreach expenditures are applied against the 10-percent fiscal year limit.

*Example 3a.* The State's retained FY 1998 allotment amount is \$20 million; therefore, the BIPA outreach allowance is \$2 million (10 percent of \$20 million). On the first quarter expenditure report for FY 2001, the State claims \$21 million in Federal matching for SCHIP program expenditures. On the second quarter expenditure report for FY 2001, the State claims \$2 million in Federal matching for outreach expenditures. The first quarter FY 2001 claims of \$21 million in program expenditures would be applied first against, and thereby exhaust, the State's FY 1998 retained allotment of \$20 million. Since the retained allotment amounts are no longer available, the BIPA outreach allowance would also no longer be available. Therefore, all \$2 million of the total second quarter FY 2001 outreach expenditures (State and Federal share) would be applied against the State's FY 2001 10-percent fiscal year limit. In this example, if the State's enhanced FMAP was 65 percent, approximately \$3.1 million (\$2 million divided by 65 percent), representing the State and Federal shares of the \$2 million Federal share claim, would be applied against the State's FY 2001 10-percent fiscal year limit.

*Example 3b.* Assume the same facts as in Example 3a, except that the order of submission of expenditures, by quarter, is reversed; that is, \$2 million in outreach expenditures are submitted on the first quarter expenditure report for FY 2001, and \$21 million in program expenditures are submitted on the second quarter expenditure report for FY 2001. In this example, the \$2 million in outreach expenditures would be applied first against the new outreach allowance, reducing it to \$0; these outreach expenditure claims would also be applied against the State's \$20 million FY 1998 retained allotment, thereby reducing it to \$18 million (\$20 million minus \$2 million). Since the outreach expenditures were not in excess of the BIPA outreach allowance, none of the outreach expenditures would be applied against the State's FY 2001 10-percent fiscal year limit. The \$21 million in program expenditure claims included in the second quarter expenditure report for FY 2001 would then be applied against the remaining retained allotment amounts (\$18 million), and the \$3 million excess would be applied against the next available SCHIP allotment.

In general, States' expenditures will be applied against the FY 1998 redistribution and retained amounts in accordance with existing SCHIP regulations on allotments (42 CFR parts 447 and 457). These regulations,

however, do not directly address the treatment of redistributed allotments because they do not make clear whether these expenditures will be applied to these allotments based on the fiscal year of the initial allotment, the fiscal year of the redistribution, or the fiscal year of the allotment whose expiration date matches the redistribution. This notice permits States the option to decide the order of application of expenditures against the redistribution amounts and other available fiscal year allotment amounts. Under this option, a redistribution State may have a maximum of four possible choices for the order of the application of FY 1998 redistribution funds in FY 2001, depending on what other fiscal year allotments are available in FY 2001: (1) Before FY 1999 allotments, (2) after FY 1999 and before FY 2000 allotments, (3) after FY 2000 and before FY 2001 allotments, and (4) after FY 2001 allotments.

We believe that States should be afforded the flexibility to decide whether redistributed funds would be used before or after other available allotment funds to allow them to optimize the use of such funds. Therefore, in implementing the BIPA legislation, we offered States that will receive an FY 1998 redistribution the option of choosing the order of when it would be expended during FY 2001 among the other available allotments during FY 2001. All of the redistribution States have responded to us with their decision regarding this option. Under this option, *once a State chooses the order of the FY 1998 redistribution amounts, it cannot change that order at a later date.*

Both the redistribution amounts and the retained amounts for FY 1998 will be available for allowable SCHIP expenditures reported for the 2-year extension period of October 1, 2000 through September 30, 2002. This will ensure that the redistribution and retained allotment amounts will be available for SCHIP expenditures for the entire period, October 1, 2000 through September 30, 2002, even though this notice is being published after October 1, 2000.

We have made provisions on the Form HCFA-21C, Allocation of Title XIX and Title XXI Expenditures to the SCHIP Fiscal Year Allotment, which is used for tracking States' expenditures against their allotments, to include the States' FY 1998 redistributed and retained amounts. The redistributed and retained amounts will be automatically entered on this form and the Medicaid and SCHIP expenditure system will automatically apply expenditures

reported on the quarterly expenditure reports for the period of October 1, 2000 through September 30, 2002 to the FY 1998 redistributed and retained amounts available through September 30, 2002. Except as provided above in terms of the States' options with respect to the redistribution amounts, expenditures reported by States during this period will be applied first against any available FY 1998 redistribution or retained amounts before they will be applied against any other available FY allotments or future FY redistribution and retained amounts, in accordance with the SCHIP regulations published on May 24, 2000 in the **Federal Register** (65 FR 33616).

#### **IV. Determination of Redistribution or Continued Availability of Unexpended FY 1998 Allotments**

In Table 1 of this notice, we set forth the amount of unexpended allotments as of December 15, 2000, as specified in section 2104(g) of the Act. We also set forth the retained amounts that, under the statutory formula, are subject to continued availability by States that did not fully expend their FY 1998 allotments, and the amounts that are redistributed for availability to States that fully expended their FY 1998 allotments. The formula for determining the redistributed and retained amounts of the FY 1998 SCHIP allotments is described below.

*Establishing the Amount of Unexpended FY 1998 Allotments.* The amount of unexpended FY 1998 allotments is established by comparing the total reported by each State for the 3-year period of availability on its 12 quarterly expenditure reports for the period, as submitted and certified to HCFA as of December 15, 2000, to the amounts of the State's final FY 1998 allotment, as published on May 24, 2000 in the **Federal Register** (65 FR 33634).

Based on States' expenditure reports submitted and certified through December 15, 2000, the total amount of unexpended FY 1998 SCHIP allotments is \$2,033,508,296.

*Time Frames for Expenditure Reports.* To determine unexpended allotments during the initial period of availability, or to identify States that have fully expended their allotments, section 2104(g)(3) of the Act provides that the Secretary use expenditures reported as of December 15, 2000 on the Form HCFA-64 or HCFA-21, as approved by the Secretary. By December 15, 2000, all States did report and certify their FY 2000 fourth quarter expenditure reports (representing the last of the 12 quarterly expenditure reports for the 3-year period of availability for FY 1998).

Expenditures reflected in Table 1 below were taken from our Medicaid and State Children's Health Insurance Program Budget and Expenditure System (MBES/CBES) "masterfile," which represent the State's official certified SCHIP and Medicaid expenditure reporting system records.

*Redistribution for the States and the District of Columbia.* Section 2104(g)(1)(i)(I) of the Act specifies the FY 1998 redistribution for the 50 States and the District of Columbia that have fully expended their FY 1998 allotments. Specifically, the redistribution amounts are equal to these States' "excess" expenditures during the FY 1998 period of availability; this amount is the difference between the States' total reported applicable expenditures for the period FYs 1998 through 2000, and the States' FY 1998 SCHIP allotments.

*Redistribution for the Commonwealths and Territories.* Section 2104(g)(1)(ii) of the Act specifies the FY 1998 redistribution for the Commonwealths and Territories that have fully expended their FY 1998 allotments. Under this provision, first the total Commonwealths and Territories redistribution amount is calculated by multiplying the total amount of the allotments available for redistribution and continued availability by 1.05 percent; for the FY 1998 redistribution calculation, this amount is \$21,351,837 (1.05 percent of \$2,033,508,296). Second, only those Commonwealths and Territories that have fully expended their FY 1998 allotments will receive an amount equal to a specified percentage of the 1.05 percent amount; that percentage is determined by dividing the Commonwealth or Territory's FY 1998 SCHIP allotment by the total of all the jurisdictions' FY 1998 allotments.

*Continued Availability of Unexpended FY 1998 Allotments.* Section 2104(g)(2)(B) of the Act specifies the formula for determining the amount of the unexpended FY 1998 allotments for continued availability to States. Under section 2104(g)(2)(B) of the Act, first the total amount for continued availability for all States is determined. The total amount for continued availability is calculated by subtracting the redistribution amounts from the total amount available for redistribution or continued availability described above. Next, a percentage is calculated by dividing the total retained amounts by the total amount available for redistribution or continued availability. Finally, each State's retained amount is calculated by multiplying this percentage by the

amount of the State's unexpended FY 1998 SCHIP allotment.

#### **V. Table of SCHIP FY 1998 Redistribution and Continued Availability of Unexpended FY 1998 Allotments**

A description of the formula used to determine the amount of the unexpended FY 1998 SCHIP allotments for redistribution or continued availability is described below. Following the description is Table 1, which presents each State's FY 1998 SCHIP allotment redistribution or retained amount.

*Redistribution.* A total of \$4,235,000,000 was allotted nationally for FY 1998, representing \$4,224,262,500 in allotments to the 50 States and the District of Columbia, and \$10,737,500 in allotments to the Commonwealths and Territories. Based on the 12 quarterly expenditure reports for the FY 1998 3-year period of availability, which were submitted and certified by December 15, 2000, 12 States and all of the Commonwealths and Territories fully expended their FY 1998 allotments.

Thirty-nine States including the District of Columbia did not fully expend their FY 1998 allotments. For the 39 States, including the District of Columbia, that did not fully expend their FY 1998 allotments, their total FY 1998 allotments were \$3,401,470,924, and their total expenditures through the end of the FY 1998 3-year period of availability were \$1,367,962,628. Therefore, the amount available for redistribution for FY 1998 is \$2,033,508,296 (\$3,401,470,924 minus \$1,367,962,628).

In accordance with the redistribution calculation for FY 1998 described above, of the total \$2,033,508,296 available from the FY 1998 allotments, \$698,855,508 is needed for redistribution for 12 States, and \$21,351,837 is needed for redistribution to the Commonwealths and Territories. Therefore, a total of \$720,207,345 is needed for redistribution. As a result, \$1,313,300,951 (\$2,033,508,296 minus \$720,207,345) is the total amount for continued availability to the 39 States, including the District of Columbia. Both the \$720,207,345 redistribution amount and the \$1,313,300,951 retained amounts will remain available through the end of FY 2002.

#### *Key to Table 1—Calculation of the SCHIP FY 1998 Redistribution and Continued Availability of the Unexpended FY 1998 Allotments*

##### Column/Description

Column A = *State.* Name of State, District of Columbia, the Commonwealth or Territory.

Column B = *FYs 98-00 Expenditures, as Reported and Certified by States, and Approved by HCFA, By December 15, 2000.* This column contains the cumulative expenditures for the 3-year period of availability for FY 1998 (October 1, 1997 through September 30, 2000), as reported and certified by all States by December 15, 2000.

Column C = *FY 1998 Allotment.* This column contains the FY 1998 SCHIP allotments for all States, which were published on May 24, 2000 in the **Federal Register** (65 FR 33634).

Column D = *Unexpended FY 1998 Allotment Amounts.* This column contains the amounts of unexpended FY 1998 SCHIP allotments for States that did not fully expend the allotments during the 3-year period of availability for FY 1998 (FYs 1998 through 2000), and is equal to the difference between the amounts in Column C and Column B. For States that did fully expend their FY 1998 allotments during the period of availability, the entry in this column is "NA." The total of the amounts in this column indicated at the bottom of Column D (\$2,033,508,296) represents the total amount available for redistribution and continued availability for FY 1998.

Column E = *Redistributed Amounts.* This column contains the amounts of States' unexpended FY 1998 SCHIP allotments that are being redistributed to those States that have fully expended their FY 1998 allotments. For the States that have fully expended their FY 1998 SCHIP allotments, the amount in Column E is the difference between Column B and Column C. This represents, as applicable, the amount that each State's cumulative expenditures for FYs 1998 through 2000 exceeded its FY 1998 allotment. For the 12 States that have fully expended their FY 1998 allotments, the FY 1998 redistribution amounts total \$698,855,508. For the Commonwealths and Territories that have fully expended their FY 1998 allotments, the amounts in Column E represents their respective proportionate shares of \$21,351,837 based on their FY 1998 allotments (1.05 percent of the total amount for redistribution and continued availability of \$2,033,508,296). For those States, Commonwealths and Territories that did not fully expend

their FY 1998 allotments during the period of availability, the entry in Column E is "NA."

Column F = *Continued Allotment Availability*. For the States that did not fully expend their FY 1998 allotments, this column contains the amounts of the States' FY 1998 unexpended allotments after the application of the proportionate reduction to account for the total redistribution amounts needed for the States that did fully expend their FY 1998 allotments. As indicated at the

top of Column F, the proportionate reduction is approximately 64.6 percent. This percentage is multiplied by the unexpended amounts of the States' FY 1998 allotments in Column D; the result is the amount that remains available of the States' unexpended FY 1998 allotments. As indicated at the bottom of Column F, the total amount that remains available of the unexpended FY 1998 allotments is \$1,313,300,951.

Column G = *Unexpended Amounts Used in Redistribution*. For the States

that did not fully expend their FY 1998 allotments, this column contains the amounts of the States' FY 1998 unexpended allotments that were used in the redistribution in Column E; these amounts are no longer available to these States. The amount in Column G is equal to the difference between Columns D and F. For States that did fully expend their FY 1998 allotments, the entry in Column G is "NA."

**BILLING CODE 4120-01-P**

TABLE 1 - CALCULATION OF THE SCHIP FFY 1998 REDISTRIBUTION AND CONTINUED AVAILABILITY OF THE UNEXPENDED FFY 1998 ALLOTMENTS						
		TOTAL AMOUNT OF FFY 1998 ALLOTMENT FOR REDISTRIBUTION AND CONTINUED AVAILABILITY:		\$2,033,508,296		
		TOTAL AMOUNT NEEDED FOR FFY 1998 REDISTRIBUTION:		\$720,207,345		
		TOTAL FFY 1998 RETAINED AMOUNTS:		\$1,313,300,951		
		FFY 1998 RETAINED AMOUNTS AS A PERCENTAGE OF TOTAL POOL:		64.6%		
STATE	FFY 98-00 EXPENDITURES, AS REPORTED & CERTIFIED BY STATES, AND APPROVED BY HCFA, THROUGH 12/15/00	FFY 1998 ALLOTMENT	UNEXPENDED FFY 1998 ALLOTMENT AMOUNTS	REDISTRIBUTION AMOUNTS	CONTINUED ALLOTMENT AVAILABILITY	AMOUNTS CONTRIBUTED TO REDISTRIBUTION
A	B	C	D	E	F	G
Alabama	\$57,311,038	\$85,975,213	\$28,664,175	NA	\$18,512,188	\$10,151,987
Alaska	\$21,894,847	\$6,889,296	NA	\$15,005,551	NA	NA
Arizona	\$38,242,389	\$116,797,799	\$78,555,410	NA	\$50,733,452	\$27,821,958
Arkansas	\$2,202,763	\$47,907,958	\$45,705,195	NA	\$29,517,793	\$16,187,402
California	\$257,011,950	\$854,644,807	\$597,632,857	NA	\$385,969,313	\$211,663,544
Colorado	\$23,942,735	\$41,790,546	\$17,847,811	NA	\$11,526,654	\$6,321,157
Connecticut	\$25,062,575	\$34,959,075	\$9,896,500	NA	\$6,391,458	\$3,505,042
Delaware	\$2,289,855	\$8,053,463	\$5,763,608	NA	\$3,722,312	\$2,041,296
District of Columbia	\$6,262,215	\$12,076,002	\$5,813,787	NA	\$3,754,719	\$2,059,068
Florida	\$183,046,365	\$270,214,724	\$87,168,359	NA	\$56,295,954	\$30,872,405
Georgia	\$56,178,012	\$124,660,136	\$68,482,124	NA	\$44,227,820	\$24,254,304
Hawaii	\$420,296	\$8,945,304	\$8,525,008	NA	\$5,505,707	\$3,019,301
Idaho	\$12,775,632	\$15,879,707	\$3,104,075	NA	\$2,004,705	\$1,099,370
Illinois	\$53,472,202	\$122,528,573	\$69,056,371	NA	\$44,598,686	\$24,457,685
Indiana	\$115,420,868	\$70,512,432	NA	\$44,908,436	NA	NA
Iowa	\$26,332,129	\$32,460,463	\$6,128,334	NA	\$3,957,863	\$2,170,471
Kansas	\$21,561,892	\$30,656,520	\$9,094,628	NA	\$5,873,585	\$3,221,043
Kentucky	\$77,851,894	\$49,932,527	NA	\$27,919,367	NA	NA
Louisiana	\$35,655,148	\$101,736,840	\$66,081,692	NA	\$42,677,549	\$23,404,143
Maine	\$17,018,705	\$12,486,977	NA	\$4,531,728	NA	NA
Maryland	\$106,284,158	\$61,627,358	NA	\$44,656,800	NA	NA
Massachusetts	\$79,551,043	\$42,836,231	NA	\$36,714,812	NA	NA
Michigan	\$51,726,748	\$91,585,508	\$39,858,760	NA	\$25,741,989	\$14,116,771
Minnesota	\$15,221	\$28,395,980	\$28,380,759	NA	\$18,329,150	\$10,051,609
Mississippi	\$29,178,423	\$56,017,103	\$26,838,680	NA	\$17,333,229	\$9,505,451
Missouri	\$60,909,264	\$51,673,123	NA	\$9,236,141	NA	NA
Montana	\$4,887,358	\$11,740,395	\$6,853,037	NA	\$4,425,898	\$2,427,139
Nebraska	\$9,881,246	\$14,862,926	\$4,981,680	NA	\$3,217,319	\$1,764,361
Nevada	\$13,063,864	\$30,407,067	\$17,343,203	NA	\$11,200,763	\$6,142,440
New Hampshire	\$2,539,250	\$11,458,404	\$8,919,154	NA	\$5,760,258	\$3,158,896
New Jersey	\$70,008,328	\$88,417,899	\$18,409,571	NA	\$11,889,456	\$6,520,115
New Mexico	\$4,210,228	\$62,972,705	\$58,762,477	NA	\$37,950,579	\$20,811,898
New York	\$690,516,665	\$255,626,409	NA	\$434,890,256	NA	NA
North Carolina	\$100,410,653	\$79,508,462	NA	\$20,902,191	NA	NA
North Dakota	\$1,859,325	\$5,040,741	\$3,181,416	NA	\$2,054,654	\$1,126,762
Ohio	\$97,579,565	\$115,734,364	\$18,154,799	NA	\$11,724,916	\$6,429,883
Oklahoma	\$51,257,243	\$85,699,060	\$34,441,817	NA	\$22,243,564	\$12,198,253
Oregon	\$20,147,896	\$39,121,663	\$18,973,767	NA	\$12,253,831	\$6,719,936
Pennsylvania	\$123,046,184	\$117,456,520	NA	\$5,589,664	NA	NA
Rhode Island	\$12,671,272	\$10,684,422	NA	\$1,986,850	NA	NA
South Carolina	\$116,071,531	\$63,557,819	NA	\$52,513,712	NA	NA
South Dakota	\$4,655,275	\$8,541,224	\$3,885,949	NA	\$2,509,663	\$1,376,286
Tennessee	\$41,705,133	\$66,153,082	\$24,447,949	NA	\$15,789,222	\$8,658,727
Texas	\$81,261,672	\$561,331,521	\$480,069,849	NA	\$310,043,579	\$170,026,270
Utah	\$20,835,906	\$24,241,159	\$3,405,253	NA	\$2,199,215	\$1,206,038
Vermont	\$1,955,112	\$3,535,445	\$1,580,333	NA	\$1,020,627	\$559,706
Virginia	\$23,549,911	\$68,314,914	\$44,765,003	NA	\$28,910,588	\$15,854,415
Washington	\$604,279	\$46,661,213	\$46,056,934	NA	\$29,744,956	\$16,311,978
West Virginia	\$10,771,106	\$23,606,744	\$12,835,638	NA	\$8,289,642	\$4,545,996
Wisconsin	\$23,461,361	\$40,633,039	\$17,171,678	NA	\$11,089,987	\$6,081,691
Wyoming	\$1,040,982	\$7,711,638	\$6,670,656	NA	\$4,308,111	\$2,362,545
<b>TOTAL STATES ONLY</b>	<b>\$2,889,609,712</b>	<b>\$4,224,262,500</b>	<b>\$2,033,508,296</b>	<b>\$698,855,508</b>	<b>\$1,313,300,951</b>	<b>\$720,207,345</b>
<b>COMMONWEALTHS AND TERRITORIES</b>						
Puerto Rico	\$75,076,505	\$9,835,550	NA	\$19,558,283	NA	NA
Guam	\$1,536,662	\$375,812	NA	\$747,314	NA	NA
Virgin Islands	\$898,004	\$279,175	NA	\$555,148	NA	NA
American Samoa	\$2,500,616	\$128,850	NA	\$256,222	NA	NA
N. Mariana Islands	\$2,795,386	\$118,113	NA	\$234,870	NA	NA
<b>TOTAL</b>	<b>\$82,807,173</b>	<b>\$10,737,500</b>	<b>\$0</b>	<b>\$21,351,837</b>	<b>\$0</b>	<b>\$0</b>
<b>1.05% OF FFY 1998 REDIST. POOL</b>						
<b>NATIONAL TOTAL</b>	<b>\$2,972,416,885</b>	<b>\$4,235,000,000</b>	<b>\$2,033,508,296</b>	<b>\$720,207,345</b>	<b>\$1,313,300,951</b>	<b>\$720,207,345</b>
			<b>TOTAL FY 1998 REDISTRIBUTION AND RETAINED AMOUNTS</b>	<b>TOTAL FFY 1998 REDISTRIBUTION AMOUNTS</b>	<b>RETAINED AMOUNTS</b>	<b>TOTAL AMOUNTS CONTRIBUTED TO REDISTRIBUTION</b>

1/10/01

**VI. Impact Statement**

We have examined the impact of this notice as required by Executive Order (EO) 12866. Executive Order 12866 directs agencies to assess all costs and benefits of available regulatory alternatives and, when rules are necessary, to select regulatory approaches that maximize net benefits (including potential economic, environmental, public health and safety, other advantages, distributive impacts, and equity). The Regulatory Flexibility Act (RFA) requires agencies to analyze options for regulatory relief of small businesses. For purposes of the RFA, small entities include small businesses, nonprofit organizations and government agencies. This announcement is the result of a statutory formula that does not involve any agency discretion or policy.

The Unfunded Mandates Reform Act of 1995 requires that agencies prepare an assessment of anticipated costs and benefits before publishing any notice that may result in an annual expenditure by State, local, and tribal governments, in the aggregate, or by the private sector, of \$100 million or more (adjusted each year for inflation) in any one year. Because participation in the SCHIP program on the part of States is voluntary, any payments and expenditures States make or incur on behalf of the program that are not reimbursed by the Federal Government are made voluntarily. This notice will not create an unfunded mandate on States, tribal, or local governments. Therefore, we are not required to perform an assessment of the costs and benefits of these regulations.

Under Executive Order 13132, Federalism, we have reviewed this notice and determined that it does not significantly affect States' rights, roles, and responsibilities.

Low-income children will benefit from payments under this program through increased opportunities for health insurance coverage.

We believe this notice will have an overall positive impact by informing States, the District of Columbia, and Commonwealths and Territories of the extent to which they are permitted to expend funds under their child health plans using the FY 1998 allotment redistribution and retained amounts.

In accordance with the provisions of Executive Order 12866, this notice was

not reviewed by the Office of Management and Budget.

(Section 1102 of the Social Security Act (42 U.S.C. 1302))  
(Catalog of Federal Domestic Assistance Program No. 00.000, State Children's Health Insurance Program)

Dated: March 19, 2001.

**Michael McMullan,**

*Acting Deputy Administrator, Health Care Financing Administration.*

Dated: May 27, 2001.

**Tommy G. Thompson,**

*Secretary.*

[FR Doc. 01-15577 Filed 6-20-01; 8:45 am]

**BILLING CODE 4120-01-P**

**DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT**

**[Docket No. FR-4650-N-42]**

**Notice of Submission of Proposed Information Collection to OMB; Application for Multifamily Housing Project**

**AGENCY:** Office of the Chief Information Officer, HUD.

**ACTION:** Notice.

**SUMMARY:** The proposed information collection requirement described below has been submitted to the Office of Management and Budget (OMB) for review, as required by the Paperwork Reduction Act. The Department is soliciting public comments on the subject proposal.

**DATES:** *Comments Due Date:* July 23, 2001.

**ADDRESSES:** Interested persons are invited to submit comments regarding this proposal. Comments should refer to the proposal by name and/or OMB approval number (2502-0029) and should be sent to: Joseph F. Lackey, Jr., OMB Desk Officer, Office of Management and Budget, Room 10235, New Executive Office Building, Washington, DC 20503.

**FOR FURTHER INFORMATION CONTACT:** Wayne Eddins, Reports Management Officer, Q, Department of Housing and Urban Development, 451 Seventh Street, Southwest, Washington, DC 20410; e-mail Wayne.Eddins@HUD.gov; telephone (202) 708-2374. This is not a toll-free number. Copies of the proposed forms and other available documents

submitted to OMB may be obtained from Mr. Eddins.

**SUPPLEMENTARY INFORMATION:** The Department has submitted the proposal for the collection of information, as described below, to OMB for review, as required by the Paperwork Reduction Act (44 U.S.C. Chapter 35). The Notice lists the following information. (1) The title of the information collection proposal; (2) the office of the agency to collect the information; (3) the OMB approval number, if applicable; (4) the description of the need for the information and its proposed use; (5) the agency form number, if applicable; (6) what members of the public will be affected by the proposal; (7) how frequently information submissions will be required; (8) an estimate of the total number of hours needed to prepare the information submission including number of respondents, frequency of response, and hours of response; (9) whether the proposal is new, an extension, reinstatement, or revision of an information collection requirement; and (10) the name and telephone number of an agency official familiar with the proposal and of the OMB Desk Officer for the Department.

This Notice also lists the following information:

*Title of Proposal:* Application for Multifamily Housing Project.

*OMB Approval Number:* 2502-0029.

*Form Numbers:* HUD-92013, HUD-92013-Supp, HUD-92013-NHICF.

*Description of the Need for the Information and its Proposed Use:* Authority for this report is Section 207(b) of the National Housing Act (P.L. 479, 48 Stat. 12 U.S.C. 1701 et seq.). Completed by sponsors and general contractors of proposed multifamily projects and submitted by a HUD-approved mortgages for application of FHA mortgage insurance. Forms are used to determine project feasibility, principal's acceptability, and creditworthiness. Required by HUD to analyze specific information including financial data, sponsors qualifications, credit standing, and project feasibility for mortgage insurance and other benefits.

*Respondents:* Business or other for-profit, Not-for-profit institutions.

*Frequency of Submission:* One time only during initial application period.

Reporting burden:	Number of respondents	x	Frequency of respondents	x	Hours per response	=	Burden hours
	6,300		1		26.7		168,280