DEPARTMENT OF AGRICULTURE

Rural Housing Service

7 CFR Part 3560

[Docket No. RHS–26–MFH–0265]

RIN 0575–AD50

Direct Multifamily Housing Subsequent Loans for Acquisition

AGENCY: Rural Housing Service, Department of Agriculture (USDA).

ACTION: Proposed rule.

SUMMARY: The Rural Housing Service (RHS or the Agency), a Rural Development agency of the United States Department of Agriculture (USDA), proposes to amend the current regulation for the Direct Multifamily Housing (MFH) Loan and Grant Programs. The intent of this proposed rule is to include acquisition as an applicable form of assistance for direct MFH subsequent loans. This regulatory change would allow owners of MFH initially financed by the Agency to apply for Agency funds to help finance acquisition in preservation transactions, thereby reducing administrative and regulatory burden for both industry partners and the Agency.

DATES: Comments on the proposed rule must be received on or before August 31, 2026.

ADDRESSES: Comments may be submitted electronically by the Federal eRulemaking Portal: Go to *regulations.gov* and, in the ''Search Field'' box, labeled ''Search for dockets and documents on agency actions,'' enter the following docket number: RHS–26–MFH–0265 or RIN# 0575–AD50, then click search. To submit or view public comments, select the following document title: (Direct Multifamily Housing Subsequent Loans for Acquisition-Proposed Rule) from the ''Search Results,'' and select the ''Comment'' button. Before inputting your comments, you may also review the ''Commenter's Checklist'' (optional). Insert your comments under the ''Comment'' title, click ''Browse'' to attach files (if available). Input your email address and select ''Submit Comment.'' Information on using *Regulations.gov*, including instructions for accessing documents, submitting comments, and viewing the docket after the close of the comment period, is available through the site's ''FAQ'' link.

Other Information: Additional information about Rural Development and its programs is available on the internet at *rd.usda.gov.*

All comments will be available for public inspection online at the Federal eRulemaking Portal (*regulations.gov*).

FOR FURTHER INFORMATION CONTACT: Jonathan Bell, Branch Director, Processing and Report Review Branch, Production and Division, Multifamily Housing Programs, Rural Development, United States Department of Agriculture, via email: *MFHprocessing1@usda.gov* or phone at: 202–205–9217.

SUPPLEMENTARY INFORMATION:

I. Statutory Authority

The RHS administers the Direct Multifamily Housing Loan and Grant programs under the authority of the Housing Act of 1949, as amended (42 U.S.C. 1484, 1485 and 1486)) and operates under 7 CFR part 3560. The RHS has authority to issue rules and regulations pursuant to 42 U.S.C. 1480.

II. Background

The USDA's RHS MFH program supports the expansion and revitalization of rural rental housing by providing loans, loan guarantees, and grants to property owners. The MFH program promotes rental housing affordability primarily serving low-income, elderly, domestic farm laborers, disabled individuals, and their families.

Title V of the Housing Act of 1949 (Act) authorized the USDA to make housing loans to farmers to enable them to provide habitable dwellings for themselves or their tenants, lessees, sharecroppers, and laborers. The USDA then expanded opportunities in rural areas, making housing loans and grants to rural residents through the Single-Family Housing (SFH) and Multifamily Housing (MFH) programs.

The purpose of the Direct MFH loan and grant programs is to provide economically designed and constructed rural rental, cooperative, and farm labor housing and related facilities operated and managed in an affordable, decent, safe, and sanitary manner for eligible very-low, low-and moderate-income households. RHS administers the direct MFH loan and grant programs. The direct loan program provides loans to eligible borrowers unable to get financing through traditional lenders. Direct loans financed by MFH feature terms and conditions that support the development or preservation of affordable rural rental housing for low-income, elderly, or disabled people. Loan funds may be used for all direct construction costs as well as land-related expenses, including buying and developing the property.

Currently, the Agency may make a MFH direct subsequent loan to a borrower to complete, improve, repair, or make modifications to MFH initially financed by the Agency or for equity for preservation purposes.

The Agency is proposing to include acquisition as an applicable use of MFH direct subsequent loan funds. By adding acquisition to the applicable forms of available assistance for direct subsequent loan funds, MFH owners could apply for Agency funds to help finance acquisition in preservation transactions, thereby reducing administrative and regulatory burden for both industry partners and the agency.

III. Discussion of the Proposed Rule

RHS is issuing a proposed rule to improve and streamline the transfer process when Agency funds are needed to help finance acquisition in preservation transactions.

Purchasing or acquiring a property is currently an eligible use of initial Section 515 funds pursuant to 7 CFR 3560.53(b). For transfer transactions, the option for a potential new owner to obtain subsequent loan funds to purchase or acquire a property, in addition to assuming the initial Section 515 loan, is currently not allowed under 7 CFR 3560.73(a) Given that new owners generally need additional financing during an acquisition, this change in regulation would make transfers more marketable to potential buyers.

Additionally, amending the subsequent loan section to explicitly include ''acquisition'' as an eligible use will establish a more efficient mechanism for preserving MFH properties. Potential transferees will have access to all the needed MFH direct acquisition financing in order to successfully transfer properties to new ownership, thereby reducing delays and supporting timely preservation efforts.

IV. Summary of Changes

The proposed rule will amend 7 CFR 3560.73(a) to include acquisition as an applicable use of MFH direct subsequent loan funds.

V. Executive Orders/Acts

Executive Order 12372, Intergovernmental Review of Federal Programs

These loans are subject to the provisions of Executive Order 12372, which require intergovernmental consultation with State and local officials. RHS conducts intergovernmental consultations for each loan in accordance with 2 CFR part 415, subpart C.

Executive Orders 12866

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

Executive Order 12988, Civil Justice Reform

This proposed rule has been reviewed under Executive Order 12988. In accordance with this proposed rule: (1) unless otherwise specifically provided, all State and local laws that conflict with this proposed rule will be preempted; (2) no retroactive effect will be given to this proposed rule except as specifically prescribed in the proposed rule; and (3) administrative proceedings of the National Appeals Division of the Department of Agriculture (7 CFR part 11) must be exhausted before bringing suit in court that challenges action taken under this proposed rule.

Executive Order 13132, Federalism

The policies contained in this proposed rule do not have any substantial direct effect on states, on the relationship between the national government and states, or on the distribution of power and responsibilities among the various levels of government. This proposed rule does not impose substantial direct compliance costs on state and local governments. Therefore, consultation with the states is not required and a federal summary impact statement is not required.

Executive Order 13175, Consultation and Coordination With Indian Tribal Governments

This proposed rule has been reviewed in accordance with the requirements of Executive Order 13175, Consultation and Coordination with Indian Tribal Governments. Executive Order 13175 requires Federal agencies to consult and coordinate with Tribes on a government-to-government basis on policies that have Tribal implications, including regulations, legislative comments or proposed legislation, and other policy statements or actions that have substantial direct effects on one or more Indian Tribes, on the relationship between the Federal government and Indian Tribes or on the distribution of power and responsibilities between the Federal government and Indian Tribes. Consultation is also required for any regulation that preempts Tribal law or that imposes substantial direct compliance costs on Indian Tribal governments and that is not required by statute.

The Agency has determined that this proposed rule does not, to our knowledge, have Tribal implications that require formal Tribal consultation under Executive Order 13175. If a Tribe requests consultation, RHS will work with the Office of Tribal Relations to ensure meaningful consultation is provided where changes, additions and modifications identified herein are not expressly mandated by Congress.

Assistance Listing

The program affected by this regulation is listed in the Catalog of Federal Domestic Assistance under numbers 10.415, Rural Rental Housing Loans.

Civil Rights Impact Analysis

Rural Development has reviewed this rule in accordance with USDA Regulation 4300–4, Civil Rights Impact Analysis, to identify any major civil rights impacts the rule might have on program participants on the basis of age, race, color, national origin, sex, disability, marital or familial status. Based on the review and analysis of the rule and all available data, issuance of this proposed rule is not likely to negatively impact low and moderate-income populations, minority populations, women, Indian tribes or persons with disability, by virtue of their age, race, color, national origin, sex, disability, or marital or familial status. No major civil rights impact is likely to result from this proposed rule.

Congressional Review Act

Pursuant to the Congressional Review Act (5 U.S.C. 801 *et seq.*), the Office of Information and Regulatory Affairs designated this final rule as not a major rule, as defined by 5 U.S.C. 804(2).

E-Government Act Compliance

Rural Development is committed to the E-Government Act, which requires Government agencies in general to provide the public the option of submitting information or transacting business electronically to the maximum extent possible and to promote the use of the internet and other information technologies to provide increased opportunities for citizen access to Government information and services, and for other purposes.

National Environmental Policy Act

In accordance with the National Environmental Policy Act of 1969 (NEPA), 42 U.S.C. 4321–4347, as amended, this proposed rule has been reviewed in accordance with 7 CFR part 1b, the Agency has determined that (i) this action meets the criteria established in 7 CFR 1b.4(c)(31) and (ii) no extraordinary circumstances exist. These findings require no documentation; therefore, the Agency has determined that the action does not have a significant effect on the human environment, and therefore neither an Environmental Assessment nor an Environmental Impact Statement is required.

Paperwork Reduction Act

The information collection requirements contained in this regulation have been approved by OMB and have been assigned OMB control number 0575–0189. This proposed rule contains no new reporting and recordkeeping requirements that would require approval under the Paperwork Reduction Act of 1995 (44 U.S.C. Chapter 35).

Regulatory Flexibility Act

The Regulatory Flexibility Act (5 U.S.C. 601–602) (RFA) generally requires an agency to prepare a regulatory flexibility analysis of any rule subject to notice and comment rulemaking requirements under the Administrative Procedure Act (''APA'') or any other statute. The Administrative Procedures Act exempts from notice and comment requirements rules ''relating to agency management or personnel or to public property, loans, grants, benefits, or contracts'' (5 U.S.C. 553(a)(2)); therefore, an analysis has not been prepared for this proposed rule.

Severability

It is USDA's intention that the provisions of this rule shall operate independently of each other. In the event that this rule or any portion of this rule is ultimately declared invalid or stayed as to a particular provision, it is USDA's intent that the rule nonetheless be severable and remain valid with respect to those provisions not affected by a declaration of invalidity or stayed. USDA concludes it would separately adopt all of the provisions contained in this rule.

Unfunded Mandate Reform Act (UMRA)

Title II of the UMRA, Public Law 104–4, establishes requirements for Federal Agencies to assess the effects of their regulatory actions on State, local, and tribal Governments and on the private sector. Under section 202 of the UMRA, Federal Agencies generally must prepare a written statement, including 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 a Federal Agency 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 for the private sector. Therefore, this rule is not subject to the requirements of sections 202 and 205 of the UMRA.

USDA Non-Discrimination Statement

In accordance with Federal civil rights law and U.S. Department of Agriculture (USDA) civil rights regulations and policies, the USDA, its Agencies, offices, and employees, and institutions participating in or administering USDA programs are prohibited from discriminating based on race, color, national origin, religion, sex, disability, age, marital status, family/parental status, income derived from a public assistance program, political beliefs, or reprisal or retaliation for prior civil rights activity, in any program or activity conducted or funded by USDA (not all bases apply to all programs). Remedies and complaint filing deadlines vary by program or incident.

Persons with disabilities who require alternative means of communication for program information (*e.g.,* Braille, large print, audiotape, American Sign Language, etc.) should contact the State or local Agency that administers the program or contact USDA through the Telecommunications Relay Service at 711 (voice and TTY). Additionally, program information may be made available in languages other than English.

To file a program discrimination complaint, complete the USDA Program Discrimination Complaint Form, AD–3027, found online at *https://www.usda.gov/sites/default/files/documents/ad-3027.pdf* and at any USDA office or write a letter addressed to USDA and provide in the letter all of the information requested in the form. To request a copy of the complaint form, call (866) 632–9992. Submit your completed form or letter to USDA by: (1) mail: U.S. Department of Agriculture, Office of the Assistant Secretary for Civil Rights, 1400 Independence Avenue SW, Mail Stop 9410, Washington, DC 20250–9410; (2) fax: (202) 690–7442; or (3) email: *program.intake@usda.gov.*

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List of Subjects in 7 CFR Part 3560

Accounting, Administrative practice and procedure, Conflicts of interest, Government property management, Grant programs—housing and community development, Insurance, Loan programs—agriculture, Loan programs—housing and community development, Low and moderate—income housing, Migrant labor, Mortgages, Nonprofit organizations, Public housing, Rent-subsidies, Reporting and recordkeeping requirements, Rural areas.

For the reasons discussed in the preamble, the Agency is proposing to amend 7 CFR part 3560 as follows:

PART 3560—DIRECT MULTI-FAMILY HOUSING LOANS AND GRANTS

■ 1. The authority citation for part 3560 continues to read as follows:

Authority: 42 U.S.C. 1480.

Subpart B—Direct Loan and Grant Origination

■ 2. Amend 7 CFR 3560.73 by revising paragraph (a) to read as follows:

§ 3560.73 Subsequent loans.

(a) *Applicability.* The Agency may make a subsequent loan to a borrower to acquire, complete, improve, repair, or make modifications to MFH initially financed by the Agency or for equity for preservation purposes. Loan requests to add units to comply with accessibility requirements may be processed as a subsequent loan; however, loan requests to add units to meet market demand will be processed as an initial loan request and must compete under the NOFO.

* * * * *

George Kelly,

Administrator, Rural Housing Service.

[FR Doc. 2026–13455 Filed 7–1–26; 8:45 am]

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DEPARTMENT OF TRANSPORTATION

Federal Aviation Administration

14 CFR Parts 1 and 91

[Docket No.: FAA–2026–6935; Notice No. 26–07]

RIN 2120–AM15

Enabling Supersonic Overland Flight

AGENCY: Federal Aviation Administration (FAA), Department of Transportation (DOT).

ACTION: Notice of proposed rulemaking (NPRM).

SUMMARY: This proposal would advance the United States' leadership in next-generation aviation by replacing the longstanding prohibition on civil supersonic flight over land with a modern, performance-based regulatory framework. Consistent with national policy set forth by the Executive Order of June 6, 2025, *Leading the World in Supersonic Flight,* this action would enable the safe, efficient, and commercially viable operation of civil supersonic aircraft in the United States. Current regulations prohibit flight operations of civil aircraft at a true flight Mach number greater than 1 in the U.S., except under the conditions and limitations of an operation-specific authorization from the Administrator, to protect the public from sonic boom. FAA has determined the general ban on civil supersonic flight is outdated and no longer appropriate due to advancements in technology, flight techniques that prevent sonic booms from reaching the surface, and increased interest in civil supersonic flight. FAA proposes to repeal this outdated and unnecessary prohibition and establish a corresponding interim noise-based certification standard to allow supersonic flights without an operation-specific special authorization clearing the way for next-generation supersonic flight. This rule removes regulatory barriers, provides clear pathways for testing and early commercial operations, and positions the United States to serve as the leader in setting global standards for supersonic flight. These actions will ensure that the United States leads the world in the safe, lawful, and rapid development and deployment of next-generation supersonic aviation.

DATES: Send comments on or before August 17, 2026.

ADDRESSES: Send comments identified by docket number FAA–2026–6935 using any of the following methods:

- *Federal eRulemaking Portal:* Go to *www.regulations.gov* and follow the online instructions for sending your comments electronically. As required by 5 U.S.C. 553(b)(4), a plain language summary of the rule is also available on the Federal eRulemaking Portal.
- *Mail:* Send comments to Docket Operations, M–30; U.S. Department of Transportation (DOT), 1200 New Jersey Avenue SE, Room W12–140, West Building Ground Floor, Washington, DC 20590–0001.
- *Hand Delivery or Courier:* Take comments to Docket Operations in Room W12–140 of the West Building Ground Floor at 1200 New Jersey