

# DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

## 24 CFR Part 0

[Docket No. FR-3331-F-05]

RIN 2501-AB55

## Standards of Conduct; Conforming Changes

**AGENCY:** Office of the Secretary.

**ACTION:** Final rule.

**SUMMARY:** This final rule removes §§ 0.2 and 0.3 of 24 CFR, leaving only § 0.1, which provides cross-references to the executive branch-wide requirements at 5 CFR parts 2634 and 2635, and to the Department's supplemental regulation at 5 CFR part 7501. Sections 0.2 and 0.3 are redundant and unnecessary because they repeat requirements contained in 5 CFR 7501.

**DATES:** *Effective Date:* April 29, 1998.

### FOR FURTHER INFORMATION CONTACT:

Aaron Santa Anna, Assistant General Counsel, Ethics Law Division, at (202) 708-3815, or Sam E. Hutchinson, Associate General Counsel, Office of Human Resources Law, (202) 708-0888; 451 Seventh Street, SW, Washington, DC 20410. Hearing or speech-impaired individuals may call HUD's TTY number (202) 708-3259. (Telephone numbers are not toll-free.)

### SUPPLEMENTARY INFORMATION:

#### I. Background

On April 5, 1996 (61 FR 15350), the Department published a final rule that provided for removal of all of the then-existing provisions in the Department's old Standards of Conduct regulation at 24 CFR part 0, and their replacement with a single section that provides a cross-reference to 5 CFR parts 2634 and 2635, effective May 6, 1996. To prevent an untimely lapse in enforcement authority for the two sections of 24 CFR part 0 that had temporarily remained in effect pursuant to an extended grace period in the Standards—§ 0.735-203 regarding outside employment and other activities, and § 0.735-204 regarding financial interests—the Department published a correction to the final rule on May 1, 1996 (61 FR 19187), effective May 6, 1996,

preserving those two sections at 24 CFR 0.2 and 0.3.

On July 9, 1996 (61 FR 36246), HUD issued a final rule establishing uniform standards of ethical conduct at 5 CFR part 7501 for employees of the Department to supplement the Standards of Ethical Conduct for Employees of the Executive Branch issued by the Office of Government Ethics (OGE). The preamble to the July 9, 1996 rule stated that upon its effective date, the Department would amend 24 CFR part 0 to remove the temporarily preserved sections regarding outside employment (§ 0.2) and financial interests (§ 0.3). Accordingly, HUD is here removing its superseded Standards of Conduct at 24 CFR 0.2 and 0.3.

#### II. Findings and Certifications

##### *Justification for Final Rulemaking*

In general, the Department publishes a rule for public comment before issuing a rule for effect, in accordance with its own regulations on rulemaking at 24 CFR part 10. However, part 10 does provide for exceptions from that general rule where the agency finds good cause to omit advance notice and public participation. The good cause requirement is satisfied when prior public procedure is "impracticable, unnecessary, or contrary to the public interest." (24 CFR 10.1) The Department finds that good cause exists to publish this rule for effect without first soliciting public comment. Prior public procedure is unnecessary because this rule only makes a conforming change to 24 CFR part 0 to remove provisions that have been superseded by revised requirements at 5 CFR part 7501.

##### *Regulatory Flexibility Act*

The Secretary in accordance with the Regulatory Flexibility Act (5 U.S.C. 605(b)), has reviewed and approved this rule, and in so doing certifies that this rule would not have a significant economic impact on a substantial number of small entities because it would affect only Federal employees.

##### *Environmental Impact*

In accordance with 40 CFR 1508.4 of the regulations of the Council on Environmental Quality and 24 CFR

50.19(c)(1) of the HUD regulations, the policies and procedures contained in this rule do not direct, provide for assistance or loan and mortgage insurance for, or otherwise govern or regulate property acquisition, disposition, lease, rehabilitation, alteration, demolition, or new construction, or set out or provide for standards for construction, or construction materials, manufactured housing or occupancy, and therefore, are categorically excluded from the requirements of the National Environmental Policy Act.

##### *Executive Order 12612, Federalism*

The General Counsel, as the Designated Official under section 6(a) of Executive Order 12612, *Federalism*, has determined that the policies contained in this rule will not have substantial direct effects on States or their political subdivisions, or the relationship between the Federal Government and the states, or on the distribution of power and responsibilities among the various levels of government. Specifically, this rule is only directed toward Federal employees and would not alter the established roles of HUD and the States and local governments. As a result, the rule is not subject to review under the order.

##### **List of Subjects in 24 CFR Part 0**

Administrative practice and procedure, Conflict of interests.

Accordingly, for the reasons set forth in the preamble, the Department of Housing and Urban Development is amending title 24 of the Code of Federal Regulations by revising part 0, to read as follows:

#### **PART 0—STANDARDS OF CONDUCT**

1. The authority citation for part 0 continues to read as follows:

**Authority:** 5 U.S.C. 7301; 42 U.S.C. 3535(d).

##### **§§ 0.2 and 0.3 [Removed]**

2. Sections 0.2 and 0.3 are removed.

Dated: March 23, 1998.

**Andrew M. Cuomo,**  
*Secretary.*

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