

residential electric prices per Kilowatt-hour.

*Natural Gas*—Energy Information Agency, 2000 to 2001 annual average natural gas prices.

*Water and Sewer*—3/02 to 3/03 BLS Consumer Price Index Detailed Report.

The sum of the nine cost components equals 100 percent of operating costs for purposes of OCAF calculations. To calculate the OCAFs, the selected inflation factors are multiplied by the relevant state-level operating cost percentages derived from the previously referenced analysis of FHA insured projects. For instance, if wages in Virginia comprised 50 percent of total operating cost expenses and wages increased by 4 percent from June 2002 to June 2003, the wage increase component of the Virginia OCAF for 2004 would be 2.0 percent (4% X 50%). This 2.0 percent would then be added to the increases for the other eight expense categories to calculate the 2004 OCAF for Virginia. These types of calculations were made for each state for each of the nine cost components, and are included as the Appendix to this notice.

## II. MAHRA and LIHPHA OCAF Procedures

MAHRA (Title V of Pub. L. 105-65, approved October 7, 1997; 42 U.S.C. 1437f note) as amended by the Preserving Affordable Housing for Senior Citizens and Families into the 21st Century Act of 1999, created the Mark-to-Market Program to reduce the cost of federal housing assistance, enhance HUD's administration of such assistance, and ensure the continued affordability of units in certain multifamily housing projects. Section 524 of MAHRA authorizes renewal of Section 8 project-based assistance contracts for projects without Restructuring Plans under the Mark-to-Market Program, including renewals that are not eligible for Plans and those for which the owner does not request Plans. Renewals must be at rents not exceeding comparable market rents except for certain projects. For Section 8 Moderate Rehabilitation projects, other than single room occupancy projects (SROs) under the Stewart B. McKinney Homeless Assistance Act (McKinney Act, 42 U.S.C. 11301 *et seq.*), that are eligible for renewal under section 524(b)(3) of MAHRA, the renewal rents are required to be set at the lesser of: (1) The existing rents under the expiring contract, as adjusted by the OCAF; (2) fair market rents (less any amounts allowed for tenant-purchased utilities); or (3) comparable market rents for the market area.

LIHPHA (see, in particular, section 222(a)(2)(G)(i) of LIHPHA, 12 U.S.C. 4112 (a)(2)(G)(i) and the regulations at 24 CFR 248.145(a)(9)(i)) requires that future rent adjustments for LIHPHA projects be made by applying an annual factor to be determined by the Secretary to the portion of project rent attributable to operating expenses for the project and, where the owner is a priority purchaser, to the portion of project rent attributable to project oversight costs.

## III. Findings and Certifications

### *Environmental Impact*

This issuance sets forth rate determinations and related external administrative requirements and procedures that do not constitute a development decision affecting the physical condition of specific project areas or building sites. Accordingly, under 24 CFR 50.19(c)(6), this notice is categorically excluded from environmental review under the National Environmental Policy Act of 1969 (42 U.S.C. 4321).

### *Catalog of Federal Domestic Assistance Number*

The Catalog of Federal Domestic Assistance Number for this program is 14.187.

Dated: September 9, 2003.

Mel Martinez,  
Secretary.

## OPERATING COST ADJUSTMENT FACTORS FOR 2004

	Percent
ALABAMA .....	4.9
ALASKA .....	3.6
ARIZONA .....	5.6
ARKANSAS .....	3.7
CALIFORNIA .....	3.8
COLORADO .....	4.8
CONNECTICUT .....	3.0
DELAWARE .....	4.0
DIST. OF COLUMBIA .....	5.3
FLORIDA .....	4.5
GEORGIA .....	4.0
HAWAII .....	4.3
IDAHO .....	5.6
ILLINOIS .....	2.7
INDIANA .....	3.9
IOWA .....	2.9
KANSAS .....	3.9
KENTUCKY .....	3.9
LOUISIANA .....	4.0
MAINE .....	3.4
MARYLAND .....	4.1
MASSACHUSETTS .....	2.0
MICHIGAN .....	5.3
MINNESOTA .....	3.1
MISSISSIPPI .....	4.4
MISSOURI .....	4.1
MONTANA .....	3.4
NEBRASKA .....	3.4
NEVADA .....	5.8

## OPERATING COST ADJUSTMENT FACTORS FOR 2004—Continued

	Percent
NEW HAMPSHIRE .....	1.2
NEW JERSEY .....	3.9
NEW MEXICO .....	4.0
NEW YORK .....	2.6
N. CAROLINA .....	5.0
N. DAKOTA .....	2.9
OHIO .....	3.1
OKLAHOMA .....	3.0
OREGON .....	6.2
PENNSYLVANIA .....	3.6
RHODE ISLAND .....	1.7
S. CAROLINA .....	5.2
S. DAKOTA .....	2.7
TENNESSEE .....	4.7
TEXAS .....	3.2
UTAH .....	4.0
VERMONT .....	4.2
VIRGINIA .....	4.1
WASHINGTON .....	5.5
W. VIRGINIA .....	4.5
WISCONSIN .....	4.0
WYOMING .....	3.2
PACIFIC ISLANDS .....	4.2
PUERTO RICO .....	5.1
VIRGIN ISLANDS .....	5.3
U.S. AVERAGE .....	3.7

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## DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

[Docket No. FR-4513-N-13]

### Credit Watch Termination Initiative

**AGENCY:** Office of Assistant Secretary for Housing-Federal Housing Commissioner, HUD.

**ACTION:** Notice.

**SUMMARY:** This notice advises of the cause and effect of termination of Origination Approval Agreements taken by the Department of Housing and Urban Development's (HUD) Federal Housing Administration against HUD-approved mortgagees through its Credit Watch Termination Initiative. This notice includes a list of mortgagees which have had their Origination Approval Agreements (Agreements) terminated.

**FOR FURTHER INFORMATION CONTACT:** The Quality Assurance Division, Office of Housing, Department of Housing and Urban Development, 451 Seventh St., SW., Room B133-P3214, Washington, DC 20410; telephone (202) 708-2830 (this is not a toll free number). Persons with hearing or speech impairments may access that number via TTY by calling the Federal Information Relay Service at (800) 877-8339.

**SUPPLEMENTARY INFORMATION:** HUD has the authority to address deficiencies in the performance of lenders' loans as provided in the HUD mortgagee approval regulations at 24 CFR 202.3. On May 17, 1999 (64 FR 26769), HUD published a notice on its procedures for terminating origination approval agreements with FHA lenders and placement of FHA lenders on Credit Watch status (an evaluation period). In the May 17, 1999 notice, HUD advised that it would publish in the **Federal Register** a list of mortgagees which have had their Origination Approval Agreements terminated.

**Termination of Origination Approval Agreement:** Approval of a mortgagee by HUD/FHA to participate in FHA mortgage insurance programs includes an Agreement between HUD and the mortgagee. Under the Agreement, the mortgagee is authorized to originate single-family mortgage loans and submit them to FHA for insurance endorsement. The Agreement may be terminated on the basis of poor performance of FHA-insured mortgage loans originated by the mortgagee. The Termination of a mortgagee's Agreement is separate and apart from any action taken by HUD's Mortgage Review Board under HUD's regulations at 24 CFR part 25.

**Cause:** HUD's regulations permit HUD to terminate the Agreement with any mortgagee having a default and claim rate for loans endorsed within the preceding 24 months that exceeds 200 percent of the default and claim rate within the geographic area served by a HUD field office, and also exceeds the

national default and claim rate. For the fifteenth review period, HUD is only terminating the Agreement of mortgagees whose default and claim rate exceeds both the national rate and 250 percent of the field office rate.

**Effect:** Termination of the Agreement precludes that branch(s) of the mortgagee from originating FHA-insured single family mortgages within the area of the HUD field office(s) listed in this notice. Mortgagees authorized to purchase, hold, or service FHA insured mortgages may continue to do so.

Loans that closed or were approved before the Termination became effective may be submitted for insurance endorsement. Approved loans are (1) those already underwritten and approved by a Direct Endorsement (DE) underwriter employed by an unconditionally approved DE lender and (2) cases covered by a firm commitment issued by HUD. Cases at earlier stages of processing cannot be submitted for insurance by the terminated branch; however, they may be transferred for completion of processing and underwriting to another mortgagee or branch authorized to originate FHA insured mortgages in that area. Mortgagees are obligated to continue to pay existing insurance premiums and meet all other obligations associated with insured mortgages.

A terminated mortgagee may apply for a new Origination Approval Agreement if the mortgagee continues to be an approved mortgagee meeting the requirements of 24 CFR 202.5, 202.6, 202.7, 202.8 or 202.10 and 202.12, if there has been no Origination Approval

Agreement for at least six months, and if the Secretary determines that the underlying causes for termination have been remedied. To enable the Secretary to ascertain whether the underlying causes for termination have been remedied, a mortgagee applying for a new Origination Approval Agreement must obtain an independent review of the terminated office's operations as well as its mortgage production, specifically including the FHA-insured mortgages cited in its termination notice. This independent analysis shall identify the underlying cause for the mortgagee's high default and claim rate. The review must be conducted and issued by an independent Certified Public Accountant (CPA) qualified to perform audits under Government Auditing Standards as set forth by the General Accounting Office. The mortgagee must also submit a written corrective action plan to address each of the issues identified in the CPA's report, along with evidence that the plan has been implemented. The application for a new Agreement should be in the form of a letter, accompanied by the CPA's report and corrective action plan. The request should be sent to the Director, Office of Lender Activities and Program Compliance, 451 Seventh Street, SW., Room B133-P3214, Washington, DC 20410 or by courier to 490 L'Enfant Plaza, East, SW., Suite 3214, Washington, DC 20024.

**Action:** The following mortgagees have had their Agreements terminated by HUD:

Mortgagee name	Mortgagee branch address	HUD office jurisdictions	Termination effective date	Home ownership centers
American Home Mortgage Company.	951 Eastgate Loop Ste. 1300 Chattanooga, TN 37411.	Knoxville, TN .....	06/23/2003	Atlanta
American Mortgage Service, Inc ....	8086 Highway 51 North Millington, TN 38053.	Memphis, TN .....	06/23/2003	Atlanta
Approved Mortgage Corp .....	107 N. State Rd. 135, Ste. 301 Greenwood, IN 46142.	Indianapolis, IN .....	06/23/2003	Atlanta
Capital Mortgage Finance Corp .....	2200 Defense Highway Ste. 100 Crofton, MD 21114.	Washington, DC .....	05/19/2003	Philadelphia
Citizens First Mortgage Solutions, Inc.	3145 Tucker Norcross Rd Tucker, GA 30084.	Atlanta, GA .....	06/23/2003	Atlanta
Countrywide Home Loans, Inc .....	4700 Hardy St., Ste. #H Hattiesburg, MS 39402.	Jackson, MS .....	06/23/2003	Atlanta
Crest Mortgage Company .....	14850 Montfort Dr Ste. 100 Dallas, TX 75254.	Dallas, TX .....	06/23/2003	Denver
Crest Mortgage Company .....	14850 Montfort Dr Ste. 100 Dallas, TX 75254.	Fort Worth, TX .....	06/23/2003	Denver
Decatur Mortgage Company LLC ..	6350 Westhaven Dr Ste. H Indianapolis, IN 46254.	Indianapolis, IN .....	06/23/2003	Atlanta
Encore Mortgage Service .....	1010 Laurel Oak Corp Ctr 301 Voorhees, NJ 08043.	Philadelphia, PA .....	05/19/2003	Philadelphia
First Community Mortgage, Inc .....	3049 Cleveland Ave Ste. 200 Fort Myers, FL 33901.	Coral Gables, FL .....	06/23/2003	Atlanta
First Security Mortgage Service .....	13915 Carrollwood Village Run Tampa, FL 33624.	Tampa, FL .....	06/23/2003	Atlanta
Golden Empire Mortgage, Inc .....	10535 Foothill Blvd., Ste. #460 Rancho Cucamonga, CA 91730.	Santa Ana, CA .....	06/23/2003	Santa Ana

Mortgagee name	Mortgagee branch address	HUD office jurisdictions	Termination effective date	Home ownership centers
Gulf Atlantic Funding Group .....	5400 S University Dr Ste. 603 Davie, FL 33328.	Coral Gables, FL .....	06/23/2003	Atlanta
K&B Capital Corporation .....	1950 Spectrum Cr #400 Marietta, GA 30067.	Atlanta, GA .....	06/23/2003	Atlanta
Key Bank & Trust .....	7F Gwynns Mill Court Owings Mills, MD 21117.	Baltimore, MD .....	06/23/2003	Philadelphia
Nally & Company .....	2100 Gardiner Lane Ste. 216 Louisville, KY 40205.	Louisville, KY .....	06/23/2003	Atlanta
New Heights Capital, LLC .....	2900 Chamblee Tucker Rd, NE Atlanta, GA 30341.	Atlanta, GA .....	06/23/2003	Atlanta
New York Mortgage Bankers .....	189-10 Hillside Ave. Hollis, NY 11423.	New York, NY .....	06/23/2003	Philadelphia
Northland Funding Group, DBA Capital Mortgage Services.	3305 Northland Dr Ste. 208 Austin, TX 78731.	San Antonio, TX .....	06/23/2003	Denver
Pinnacle Financial Corp .....	12600 World Plaza Ln Fort Myers, FL 33907.	Coral Gables, FL .....	05/19/2003	Atlanta
Pryme Investment & Mtg. Brokers, Inc.	491 West 5300 South Murray, UT 84123.	Salt Lake City, UT .....	05/19/2003	Denver
Radius Capital Corp .....	4871 West Avenue M Quartz Hill, CA 93536.	Los Angeles, CA .....	06/23/2003	Santa Ana
Saxon Equities Corp .....	300 Motor Parkway Hauppauge, NY 11788.	New York, NY .....	06/23/2003	Philadelphia
US Mortgage Finance Corp .....	901 Dulaney Valley Rd Ste. 801 Towson, MD 21204.	Baltimore, MD .....	06/23/2003	Philadelphia

Dated: September 5, 2003.

**John C. Weicher,**

*Assistant Secretary for Housing—Federal Housing Commissioner.*

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## DEPARTMENT OF THE INTERIOR

### Fish and Wildlife Service

#### Information Collection Submitted to the Office of Management and Budget (OMB) for Approval Under the Paperwork Reduction Act; Annual Certification of Hunting and Sport Fishing Licenses Issued, 50 CFR 80.10

**AGENCY:** Fish and Wildlife Service, Interior.

**ACTION:** Notice; request for comments.

**SUMMARY:** The U.S. Fish and Wildlife Service (We) has submitted the collection of information listed below to OMB for approval under the provisions of the Paperwork Reduction Act. A copy of the information collection requirement is included in this notice. If you wish to obtain copies of the proposed information collection requirement, related forms, or explanatory material, contact the Service Information Collection Clearance Officer at the address listed below.

**DATES:** You must submit comments by October 15, 2003.

**ADDRESSES:** Submit your comments on this information collection renewal to the Desk Officer for the Department of the Interior at OMB-OIRA via facsimile or e-mail using the following fax number or e-mail address: (202) 395-6566 (fax); *OIRA\_DOCKET@omb.eop.gov* (e-mail). Please provide a copy of your comments to the Fish and Wildlife Service's Information Collection Clearance Officer, 4401 N. Fairfax Dr., MS 222 ARLSQ, Arlington, VA 22207; (703) 358-2269 (fax); or *anissa\_craghead@fws.gov* (e-mail).

**FOR FURTHER INFORMATION CONTACT:** To request a copy of the information collection request, explanatory information, or related forms, contact Anissa Craghead at (703) 358-2445, or electronically to *anissa\_craghead@fws.gov*.

**SUPPLEMENTARY INFORMATION:** The Office of Management and Budget (OMB) regulations at 5 CFR 1320, which implement provisions of the Paperwork Reduction Act of 1995 (44 U.S.C. 3501 *et seq.*), require that interested members of the public and affected agencies have an opportunity to comment on information collection and recordkeeping activities (see 5 CFR 1320.8(d)). We have submitted a request to OMB to renew its approval of the collection of information for the annual certification of hunting and sport fishing licenses issued by States and Territories. We are requesting a 3-year term of approval for this information collection activity.

Federal agencies may not conduct or sponsor, and a person is not required to respond to, a collection of information unless it displays a currently valid OMB control number. The OMB control number for this collection of information is 1018-0007.

The Service administers grant programs authorized by the Federal Aid in Wildlife Restoration Act (16 U.S.C. 669-669b, 669-669k) and the Federal Aid in Sport Fish Restoration Act (16 U.S.C. 777-777m). These Acts, and our regulations at 50 CFR 80.10, require that States annually certify their hunting and fishing license sales. The Service uses the information collected to determine apportionment and distribution of funds under these Acts. We are proposing minimal changes to the forms we use to collect this information.

**Title:** Annual Certification of Hunting and Sport Fishing Licenses Issued, 50 CFR 80.10.

**Note:** This collection consists of two parts: Part 1, Certification, and Part 2, Summary.

**OMB Control Number:** 1018-0007.

**Service Form Numbers:** 3-154a (Part 1) and 3-154b (Part 2).

**Frequency of Collection:** Annually.

**Description of Respondents:** States and Territories (the Commonwealth of Puerto Rico, the District of Columbia, the Commonwealth of the Northern Mariana Islands, Guam, the Virgin Islands, and American Samoa).

**Total Annual Burden Hours:**