

Proposed Rules

Federal Register

Vol. 72, No. 65

Thursday, April 5, 2007

This section of the FEDERAL REGISTER contains notices to the public of the proposed issuance of rules and regulations. The purpose of these notices is to give interested persons an opportunity to participate in the rule making prior to the adoption of the final rules.

DEPARTMENT OF AGRICULTURE

Rural Housing Service

7 CFR Part 3560

RIN 0575-AC66

Reserve Account

AGENCY: Rural Housing Service, USDA.

ACTION: Proposed rule.

SUMMARY: Through this action, the Rural Housing Service (RHS) is proposing to amend its regulation to change the requirements of the Reserve Account for the Sections 514/516 Farm Labor Housing program and the Section 515 Rural Rental Housing (RRH) program. The intended effect of this action is to address reserve account requirements of new construction rental housing funded under Sections 514/516 and Section 515 and does not affect reserve accounts for existing portfolios.

DATES: Written or e-mail comments must be received on or before June 4, 2007.

ADDRESSES: You may submit comments to this rule by any of the following methods:

- *Agency Web site:* <http://www.rurdev.usda.gov/regs>. Follow the instructions for submitting comments on the Web site.
- *e-mail:* comments@one.usda.gov. Include the RIN number (0575-AC66) and the word "MFH" in the subject line of the message.
- *Federal eRulemaking Portal:* <http://www.regulations.gov>. Follow the instructions for submitting comments.
- *Mail:* Submit written comments via the U.S. Postal Service to the Branch Chief, Regulations and Paperwork Management Branch, U.S. Department of Agriculture, STOP 0742, 1400 Independence Ave. SW., Washington, DC 20250-0742.
- *Hand Delivery/Courier:* Submit written comments via Federal Express Mail or another mail courier service requiring a street address to the Branch Chief, Regulations and Paperwork

Management Branch, U.S. Department of Agriculture, 300 7th Street, SW., 7th Floor, Suite 701, Washington DC 20024.

All written comments will be available for public inspection during regular hours at the 300 7th Street, SW., address listed above.

FOR FURTHER INFORMATION CONTACT:

Tammy S. Daniels, Senior Loan Specialist, Multi-Family Housing Processing Division, Rural Housing Service, U.S. Department of Agriculture, STOP 0781, 1400 Independence Ave., SW., Washington, DC 20250-0781. *Telephone:* 202-720-0021 (this is not a toll-free number); e-mail: tammy.daniels@wdc.usda.gov.

SUPPLEMENTARY INFORMATION:

Classification

This proposed rule has been determined to be not significant and was reviewed by the Office of Management and Budget (OMB) under Executive Order 12866.

Civil Justice Reform

This proposed rule has been reviewed under E. O. 12988, Civil Justice Reform. If this proposed rule is adopted: (1) Unless otherwise specifically provided, all state and local laws that are in conflict with this rule will be preempted; (2) no retroactive effect will be given to this rule except as specifically prescribed in the 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.

Regulatory Flexibility Act

The proposed rule has been reviewed with regard to the requirements of the Regulatory Flexibility Act (5 U.S.C. 601-612). The undersigned has determined and certified by signature on this document that this rule will not have a significant economic impact on a substantial number of small entities. This rulemaking action does not involve a new or expanded program nor does it require any more action on the part of a small business than required of a large entity.

Paperwork Reduction Act

There are no new reporting and recordkeeping requirements associated with this rule.

E-Government Act Compliance

RHS is committed to complying with the E-Government Act, by promoting the use of the Internet and other information technologies in order to provide increased opportunities for citizen access to Government information, services, and other purposes.

Unfunded Mandate Reform Act (UMRA)

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. Therefore, this rule is not subject to the requirements of Sections 202 and 205 of the UMRA.

Environmental Impact Statement

This document has been reviewed in accordance with 7 CFR part 1940, subpart G, "Environmental Program." RHS determined that the proposed action does not constitute a major Federal action significantly affecting the quality of the environment. Therefore in accordance with the National Environmental Policy Act of 1969, Pub. L. 91-190, an Environmental Impact Statement is not required.

Programs Affected

The programs affected by this regulation are listed in the Catalog of Federal Domestic Assistance under numbers 10.405—Farm Labor Housing Loans and Grants; 10.415—Rural Rental Housing Loans; and 10.427—Rural Rental Assistance Payments.

Federalism

For the reasons discussed above, this proposed rule does not have significant Federalism implications that warrant the preparation of a Federalism assessment under Executive Order 13132.

Intergovernmental Consultation

These loans are subject to the provisions of E.O. 12372 which require intergovernmental consultation with state and local officials. RHS conducts intergovernmental consultations for each loan in a manner delineated in 7 CFR part 1940, subpart J (available in any Rural Development office and on the Internet at <http://www.rurdev.usda.gov>).

Background Information

A life-cycle cost analysis that meets Rural Development approval will be prepared by the project architect. The life cycle cost analysis will be used to determine the expected usable life of a building component and furnishing and to determine which building components or furnishings are the most cost efficient over the life to the building. The reserve account deposit level will be maintained through steady deposits to meet the needs of the project as they become due. Adjustments may be made at five or ten year intervals, either through an updated Comprehensive Needs Assessment or a part of the original plan. The requirement for a life cycle cost analysis will be used for new construction rental housing funded under Sections 514/516 and Section 515 of the Housing Act of 1949. The new requirement is intended to assure quality construction as well as long term viability of complexes. Reserve levels will be based on life cycle costs in order to ensure necessary resources are available when needed to replace essential building components. Existing loan agreement forms will have an addendum that is properly executed by the borrower establishing the terms of the life cycle analysis and reserve requirement. The current interim final rule requires an annual minimum deposit of 1 percent of the total development cost be put in a reserve account. This regulatory change is proposed to assure that we have the reserve accounts properly sized to meet the capital needs anticipated at the time of construction. This change will only affect reserve account requirements of new construction rental housing funded under Sections 515 RRH or Sections 514/516 Farm Labor Housing. Due to the recent increase in the use of third party money to leverage Rural Development funding, the Agency has found that the arbitrary nature of the existing reserve account funding formula sometimes causes the reserve account to be set artificially high. While the objective of the proposed change is to primarily produce an accurately measured reserve account funding requirement, the change may actually lead to reduced funding levels in MFH new construction projects that utilize leveraged financing.

List of Subjects in 7 CFR 3560

Accounting, Accounting servicing, Administrative practice and procedure, Aged, Farm labor housing, Foreclosure, Grant programs—Housing and community development, Government acquired property, Government property management, Handicapped, Insurance,

Loan programs—Agriculture, Loan programs—Housing and community development, Low and moderate income housing, Low and moderate income housing—Rental, Migrant labor, Mortgages, Nonprofit organizations, Public housing, Rent subsidies, Reporting and recordkeeping requirements, Rural areas, Rural housing, Sale of government acquired property, Surplus government property.

Therefore, chapter XXXV, Title 7 of the Code of Federal Regulations, is proposed to be amended 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. Section 3560.65 is revised to read as follows:

§ 3560.65 Reserve account.

To meet major capital expenses of a housing project, applicants must establish and fund a reserve account that meets requirements of § 3560.306. The applicant must agree to make monthly contributions to the reserve account pursuant to a reserve account analysis developed by Rural Development which sets forth how the reserve account funds will meet the capital needs of the property over a 20-year period. The reserve account analysis is based on either a capital needs assessment or life cycle cost analysis, provided to Rural Development by the applicant.

Dated: March 27, 2007.

Russell T. Davis,

Administrator, Rural Housing Service.

[FR Doc. E7-6287 Filed 4-4-07; 8:45 am]

BILLING CODE 3410-XV-P

NUCLEAR REGULATORY COMMISSION

10 CFR Part 50

RIN 3150-AH76

Industry Codes and Standards; Amended Requirements

AGENCY: Nuclear Regulatory Commission.

ACTION: Proposed rule.

SUMMARY: The U.S. Nuclear Regulatory Commission (NRC) is proposing to amend its regulations to incorporate by reference the 2004 Edition of Section III,

Division 1 and Section XI, Division 1 of the American Society of Mechanical Engineers (ASME) Boiler and Pressure Vessel Code (BPV Code) and the 2004 Edition of the ASME Code for Operation and Maintenance of Nuclear Power Plants (OM Code) to provide updated rules for constructing and inspecting components and testing pumps, valves, and dynamic restraints (snubbers) in light-water nuclear power plants. NRC also proposes to require the use of ASME Code Cases N-722 and N-729-1, both with conditions, and to remove certain obsolete requirements specified in § 50.55a. This action is in accordance with the NRC's policy to periodically update the regulations to incorporate new editions and addenda of the ASME Codes by reference and is intended to maintain the safety of nuclear reactors and make NRC activities more effective and efficient.

DATES: Comments regarding the proposed amendment must be submitted by June 19, 2007. Comments received after this date will be considered if it is practical to do so, but the Commission is only able to ensure consideration of comments received on or before this date.

ADDRESSES: You may submit comments by any one of the following methods. Please include RIN 3150-AH76 in the subject line of your comments. Comments on rulemakings submitted in writing or in electronic form will be made available to the public in their entirety on the NRC rulemaking Web site. Personal information will not be removed from your comments.

Mail comments to: Secretary, U.S. Nuclear Regulatory Commission, Washington, DC 20555-0001, **ATTN:** Rulemakings and Adjudications Staff.

E-mail comments to: SECY@nrc.gov. If you do not receive a reply e-mail confirming that we have received your comments, contact us directly at (301) 415-1966. You may also submit comments via the NRC's rulemaking Web site at <http://ruleforum.llnl.gov>. Address questions about our rulemaking Web site to Carol Gallagher (301) 415-5905; e-mail cag@nrc.gov.

Hand deliver comments to: 11555 Rockville Pike, Rockville, Maryland 20852, between 7:30 am and 4:15 pm Federal workdays. (Telephone (301) 415-1966).

Fax comments to: Secretary, U.S. Nuclear Regulatory Commission at (301) 415-1101.

Publicly available documents related to this rulemaking may be viewed electronically on the public computers located at the NRC's Public Document Room (PDR), O1-F21, One White Flint