

FOR FURTHER INFORMATION CONTACT:

Lillian Deitzer, Reports Management Officer, QDAM, Department of Housing and Urban Development, 451 Seventh Street, SW., Washington, DC 20410; e-mail Lillian Deitzer at Lillian_L_Deitzer@HUD.gov or telephone (202) 708-2374. This is not a toll-free number. Copies of available documents submitted to OMB may be obtained from Ms. Deitzer or from HUD's Web site at <http://www5.hud.gov:63001/po/i/icbts/collectionsearch.cfm>.

SUPPLEMENTARY INFORMATION: This notice informs the public that the Department of Housing and Urban Development has submitted to OMB a request for approval of the Information collection described below. This notice is soliciting comments from members of

the public and affecting agencies concerning the proposed collection of information to: (1) Evaluate whether the proposed collection of information is necessary for the proper performance of the functions of the agency, including whether the information will have practical utility; (2) Evaluate the accuracy of the agency's estimate of the burden of the proposed collection of information; (3) Enhance the quality, utility, and clarity of the information to be collected; and (4) Minimize the burden of the collection of information on those who are to respond; including through the use of appropriate automated collection techniques or other forms of information technology, e.g., permitting electronic submission of responses.

This Notice Also Lists the Following Information

Title of Proposal: Public Housing Operating Subsidy-Stop Loss and Appeals.

OMB Approval Number: 2577-Pending.

Form Numbers: None.

Description of the Need for the Information and Its Proposed Use: To stop the phase-in of the reduction in the amount of subsidy a PHA receives under the new operating fund formula, PHAs submit a "stop loss" package to HUD demonstrating conversion to asset management. To appeal the amount of subsidy on any one of the permitted bases of appeal, PHAs submit an appeal request to HUD.

Frequency of Submission: On occasion.

	Number of respondents	Annual responses	×	Hours per response	=	Burden hours
Reporting Burden:	2,060	1		17		35,025

Total Estimated Burden Hours: 35,025.

Status: New Collection.

Authority: Section 3507 of the Paperwork Reduction Act of 1995, 44 U.S.C. 35, as amended.

Dated: July 11, 2006.

Lillian L. Deitzer,
Departmental Paperwork Reduction Act Officer, Office of the Chief Information Officer.

[FR Doc. E6-11277 Filed 7-14-06; 8:45 am]

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DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

[Docket No. FR-5037-N-46]

Legal Instructions Concerning Applications for Full Insurance Benefits-Assignment of Multifamily Mortgages to the Secretary

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.

Mortgages of HUD-insured multi-family loans may receive mortgage insurance benefits upon assignment of mortgages to HUD. In connection with

the assignment, legal documents (e.g. mortgage, mortgage note, security agreement, title insurance policy) must be submitted to the Department.

DATES: *Comments Due Date:* August 16, 2006.

ADDRESSES: Interested persons are invited to submit comments regarding this proposal. Comments should refer to the proposal by name and/or OMB approval Number (2510-0006) and should be sent to: HUD Desk Officer, Office of Management and Budget, New Executive Office Building, Washington, DC 20503; fax: 202-395-6974.

FOR FURTHER INFORMATION CONTACT:

Lillian Deitzer, Reports Management Officer, QDAM, Department of Housing and Urban Development, 451 Seventh Street, SW., Washington, DC 20410; e-mail Lillian Deitzer at Lillian_L_Deitzer@HUD.gov or telephone (202) 708-2374. This is not a toll-free number. Copies of available documents submitted to OMB may be obtained from Ms. Deitzer or from HUD's Web site at <http://www5.hud.gov:63001/po/i/icbts/collectionsearch.cfm>.

SUPPLEMENTARY INFORMATION: This notice informs the public that the Department of Housing and Urban Development has submitted to OMB a request for approval of the Information collection described below. This notice is soliciting comments from members of the public and affecting agencies concerning the proposed collection of information to: (1) Evaluate whether the

proposed collection of information is necessary for the proper performance of the functions of the agency, including whether the information will have practical utility; (2) Evaluate the accuracy of the agency's estimate of the burden of the proposed collection of information; (3) Enhance the quality, utility, and clarity of the information to be collected; and (4) Minimize the burden of the collection of information on those who are to respond; including through the use of appropriate automated collection techniques or other forms of information technology, e.g., permitting electronic submission of responses.

This Notice Also Lists the Following Information

Title of Proposal: Legal Instructions Concerning Applications for Full Insurance Benefits-Assignment of Multifamily Mortgages to the Secretary.

OMB Approval Number: 2510-0006.

Form Numbers: None.

Description of the Need for the Information and Its Proposed Use: Mortgages of HUD-insured multi-family loans may receive mortgage insurance benefits upon assignment of mortgages to HUD. In connection with the assignment, legal documents (e.g. mortgage, mortgage note, security agreement, title insurance policy) must be submitted to the Department.

Frequency of Submission: On occasion.

	Number of respondents	Annual responses	x	Hours per response	=	Burden hours
Reporting Burden:	128	1		26		3,328

Total Estimated Burden Hours: 3,328.
Status: Extension of a currently approved collection.

Authority: Section 3507 of the Paperwork Reduction Act of 1995, 44 U.S.C. 35, as amended.

Dated: July 10, 2006.

Lillian L. Deitzer,

Departmental Paperwork Reduction Act
Officer, Office of the Chief Information
Officer.

[FR Doc. E6-11279 Filed 7-14-06; 8:45 am]

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DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

[Docket No. FR-5066-N-02]

Public Housing Assessment System; Financial Condition Scoring Process

AGENCY: Office of the Assistant
Secretary for Public and Indian
Housing, HUD.

ACTION: Final notice.

SUMMARY: This final notice provides information to public housing agencies (PHAs) and members of the public about HUD's process for issuing scores under the Financial Condition Indicator of the Public Housing Assessment System (PHAS). This notice includes revised threshold values and associated points/scores for the expense management component of the Financial Condition Indicator based on available data for PHAs with fiscal years ending March 31, 2004, June 30, 2004, September 30, 2004, and December 31, 2004. The data analyzed is based on generally accepted accounting principles (GAAP) information submitted by PHAs as part of the financial data schedule submission.

FOR FURTHER INFORMATION CONTACT: Contact the Office of Public and Indian Housing, Real Estate Assessment Center (REAC), Attention: Wanda Funk, Department of Housing and Urban Development, Real Estate Assessment Center, 550 12th Street, SW., Suite 100, Washington, DC 20410; telephone the PIH-REAC Technical Assistance Center at (888) 245-4860 (this is a toll free number). Persons with hearing or speech impairments may access this number through TTY by calling the toll-free Federal Information Relay Service at (800) 877-8339. Additional information is available from the PIH-

REAC Internet site at <http://www.hud.gov/reac/>.

SUPPLEMENTARY INFORMATION:

I. Background

HUD published the first Public Housing Assessment System; Financial Condition Scoring Process notice in the **Federal Register** on May 13, 1999 (64 FR 26222). HUD republished the notice to coincide with the June 22, 1999, publication of the PHAS proposed rule. Subsequently, HUD revised the notice twice to reflect additional changes to the financial scoring process. The third notice was published on June 28, 2000 (65 FR 40008), and the fourth notice was published on December 21, 2000 (65 FR 80685). This notice is an update of the financial condition scoring process notice published on December 21, 2000. In the December 21, 2000, notice HUD stated that any changes to the scoring process and any modifications to the thresholds would be communicated through a subsequent **Federal Register** notice. Accordingly, this notice updates the December 21, 2000, notice and provides information on the revisions made to the financial condition scoring process. HUD revised the thresholds based on a full year's worth of unaudited and available audited financial information.

This change has been made in accordance with the threshold revaluation schedule set forth in the December 21, 2000, notice. The December 21, 2000, notice stated that the thresholds established in that notice would remain in effect for all unaudited and audited PHA financial submissions for PHAs for a three year period, unless REAC found a need for revisions. In October 2001, July 2003, November 2004, and May 2005, REAC conducted an analysis of the thresholds established in the December 21, 2000, notice and determined not to revise the established thresholds. In August 2005 another analysis was conducted of the threshold established in the December 21, 2000, notice and it was determined that a revision to the expense management component was warranted.

II. Discussion of Public Comments

There were three comments received on the May 2, 2006, notice, two from public housing industry groups and one from a PHA. Several of the issues addressed in the comments pertained to future Financial Condition Indicator

changes as a result of asset management and project based accounting and budgeting, as well as related changes to PHAS. Those comments that were not directly related to the revision of the expense management component as set forth in the May 2, 2006, notice are not addressed in this final notice.

Comment: One commenter suggested that the entire Financial Condition Indicator be suspended until a new, project-specific indicator is developed. Until that time, REAC may wish to continue providing scores on the indicator but these scores should be advisory only.

HUD Response: HUD disagrees that the Financial Condition Indicator should be suspended until a new indicator is developed that addresses project based accounting and budgeting, and asset management. With HUD's focus on asset management and project based accounting and budgeting, HUD realizes that there is a need for property based assessments and will develop a revised Public Housing Assessment System (PHAS) to accommodate asset management. Until that time, HUD will continue to score the Financial Condition Indicator, and the indicator score will be part of the overall PHAS score.

Comment: One commenter stated that the thresholds for the expense management component, published on May 2, 2006, demonstrates that these have not been revised frequently enough over the past several years, and felt that more frequent reevaluations will be even more critical when the new funding formula is put in place beginning in 2007. Another commenter stated that the revision to the expense management component is long overdue, and these thresholds should be analyzed and indexed on an annual basis.

HUD Response: The financial indicator scoring thresholds have been reevaluated in October 2001, July 2003, November 2004, May 2005 and August 2005. HUD determined that there was a need for revision as a result of the August 2005 analysis. HUD will continue to evaluate the thresholds and provide revisions as needed, at a maximum of every three years.

Comment: One commenter stated that the proposed rule calls for the use of total units available to determine the size category, but HUD's automated