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This section of the FEDERAL REGISTER contains regulatory documents having general applicability and legal effect, most of which are keyed to and codified in the Code of Federal Regulations, which is published under 50 titles pursuant to 44 U.S.C. 1510.

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DEPARTMENT OF AGRICULTURE

Rural Housing Service

7 CFR Part 1942

RIN 0575-AC53

Fire and Rescue and Other Community Facilities Projects

AGENCY: Rural Housing Service, USDA.

ACTION: Direct final rule.

SUMMARY: The Rural Housing Service (RHS) is amending its regulations to include all essential community facility projects \$300,000 and under to utilize the authority granted for fire and rescue loans. Fire and rescue loans are handled with a streamlined procedure for application handling. All other Community Facilities loans costing \$300,000 and under will be administered under this streamlined application process. The intended effect is to streamline and make available a cost-effective way to administer all Community Facilities loans \$300,000 and under.

DATES: This rule is effective February 9, 2004, unless we receive written adverse comments or written notices of intent to submit adverse comments on or before January 23, 2004. If we receive such comments or notices, we will publish a timely document in the **Federal Register** withdrawing the direct final rule.

ADDRESSES: Submit adverse comments, or notice of intent to submit adverse comments, to Tracy Givlekian, Regulations and Paperwork Management Branch, U.S. Department of Agriculture, Rural Housing Service, STOP 0742, 1400 Independence Avenue SW., Washington, DC 20250-0742. Comments may be submitted via the Internet by addressing them to comments@rus.usda.gov and must contain the word "Community" in the subject. All written comments will be available for public inspection at 300

7th Street SW., Washington, DC 20024, during normal business hours.

FOR FURTHER INFORMATION CONTACT:

Chad Parker, Community Programs, Rural Housing Service, Direct Loan and Grant Processing Division, U.S. Department of Agriculture, Rural Housing Service, STOP 0787, 1400 Independence Avenue SW., Washington, DC 20250-0787; Telephone: 202-720-1490; FAX: 202-690-0471; E-mail: Chad.Parker@usda.gov.

SUPPLEMENTARY INFORMATION:

Classification

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 (OMB).

Civil Justice Reform

In accordance with this rule: (1) All State and local laws and regulations that are in conflict with this rule will be preempted, (2) no retroactive effect will be given to this rule, and (3) administrative proceedings in accordance with 7 CFR part 11 must be exhausted before bringing suit in court challenging action taken under this rule, unless those regulations specifically allow bringing suit at an earlier time.

Regulatory Flexibility Act

The Administrator of the Rural Housing Service has determined that this rule will not have a significant economic impact on a substantial number of small entities as defined in the Regulatory Flexibility Act (5 U.S.C. 601 *et seq.*). New provisions included in this rule will not impact a substantial number of small entities to a greater extent than large entities. Therefore, a regulatory flexibility analysis was not performed.

Paperwork Reduction Act

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

Unfunded Mandates Reform Act

This rule contains no Federal mandates (under the regulatory provisions of Title II of the Unfunded Mandates Reform Act of 1995) for State, local, and tribal governments or the private sector. Thus, this rule is not subject to the requirements of sections

202 and 205 of the Unfunded Mandates Reform Act of 1995.

Environmental Impact Statement

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

Programs Affected

The program affected is listed in the Catalog of Federal Domestic Assistance under Number 10.766, Community Facilities Loans and Grants.

Intergovernmental Review

The Community Facilities loan and grant program is subject to the provisions of Executive Order 12372, which requires intergovernmental consultation with State and local officials. RHS will conduct intergovernmental consultation in the manner delineated in RD Instruction 1940-J, "Intergovernmental Review of Rural Development Programs and Activities," and in 7 CFR part 3015, subpart V.

Background

RHS administers the Community Facilities loan program pursuant to 7 CFR part 1942, subpart A, designed to develop essential community facilities for public use in rural areas. These facilities include schools, libraries, childcare, hospitals, medical clinics, assisted-living facilities, fire and rescue stations, police stations, community centers, public buildings, and transportation. Loans are available to public entities such as municipalities, counties, and special-purpose districts, as well as to nonprofit corporations and tribal governments. Loan funds may be used to construct, enlarge, or improve community facilities for health care, public safety, and public services.

Regulations pursuant to 7 CFR part 1942, subpart C, entitled Fire and Rescue Loans, administered by RHS have allowed a streamlined process for application development of essential community facility projects meeting the definition of fire and rescue projects. RHS is amending its regulations to

establish rules and regulations to include all essential community facility projects under \$300,000 currently defined under 7 CFR part 1942.17(d) to utilize the authority granted for Fire and Rescue loans pursuant to 7 CFR part 1942, subpart C. This will allow all essential community facility applicants to utilize the streamlined process for projects of \$300,000 and under.

List of Subjects in 7 CFR Part 1942

Community development, Community facilities, Loan programs—Housing and community development, Loan security, Waste treatment and disposal—Domestic, Watersupply—Domestic.

■ For the reasons set forth in the preamble, Chapter XVIII, Title 7, of the Code of Federal Regulations is amended as follows:

PART 1942—ASSOCIATIONS

■ 1. The authority citation for part 1942 is revised to read as follows:

Authority: 5 U.S.C. 301; 7 U.S.C. 1989.

Subpart A—Community Facilities Loans

■ 2. Section 1942.1 is amended by revising the first two sentences of paragraph (a) to read as follows:

§ 1942.1 General.

(a) This subpart outlines the policies and procedures for making and processing insured loans for Community Facilities except fire and rescue and other small essential community facility loans and water and waste disposal facilities. This subpart applies to Community Facilities loans for fire and rescue and other small essential community facility loans only as specifically provided for in subpart C of this part. * * *

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■ 3. Subpart C is amended by revising the heading to read as follows:

Subpart C—Fire and Rescue and Other Small Community Facilities Projects

■ 4. Section 1942.101 is revised to read as follows:

§ 1942.101 General.

This subpart provides the policies and procedures for making and processing insured Community Facilities (CF) loans for facilities that will primarily provide fire or rescue services and other small essential community facility projects and applies to fire and rescue and other Community Facilities loans for projects costing \$300,000 and under. Any processing or servicing activity

conducted pursuant to this subpart involving authorized assistance to Rural Development employees, members of their families, known close relatives, or business or close personal associates, is subject to the provisions of subpart D of part 1900 of this chapter. Applicants for this assistance are required to identify any known relationship or association with a Rural Development employee. Community Facilities loans for other types of facilities, and those costing in excess of \$300,000, are defined in subpart A of this part.

■ 5. Section 1942.103 is revised to read as follows:

§ 1942.103 Definitions.

Agency. The Rural Housing Service (RHS), an agency of the U.S. Department of Agriculture.

Approval official. An official who has been delegated loan or grant approval authorities within applicable programs, subject to certain dollar limitations.

Construction. The act of building or putting together a facility that is a part of, or physically attached to, real estate. This does not include procurement of major equipment even though the equipment may be custom built to meet the owner's requirements.

Owner. An applicant or borrower.

Processing office. The office designated by the State program official to accept and process applications for Community Facilities projects.

Regional Attorney or OGC. The head of a Regional Office of the General Counsel (OGC).

Small Community Facilities projects. Community Facilities loans costing \$300,000 and under.

■ 6. In § 1942.104, paragraph (a) is revised, paragraphs (b) and (c) are removed, and paragraph (d) is redesignated as paragraph (b). (The undesignated text following newly designated paragraph (b) remains unchanged).

§ 1942.104 Application processing.

(a) *General.* Prospective applicants should request assistance by filing SF 424.2, "Application for Federal Assistance (For Construction)," with the Local or Area Rural Development Office. When practical, approval officials should meet with prospective applicants before an application is filed to discuss eligibility and Rural Development requirements and processing procedures. Throughout loan processing, Rural Development should confer with applicant officials as needed to ensure that applicant officials understand the current status of the processing of their application, what steps and determinations are necessary,

and what is required from them. Rural Development should assist the applicant as needed and generally try to develop and maintain a cooperative working relationship with the applicant.

(b) *Unfavorable decision.* If, at any time prior to loan approval, it is decided that favorable action will not be taken on an application, the approval official will notify the applicant, in writing, of the reasons why the request was not favorably considered. The notification to the applicant will state that a review of this decision by Rural Development may be requested by the applicant in accordance with subpart B of part 1900 of this chapter. The following statement will also be made on all notifications of adverse action:

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■ 7. Section 1942.108 is amended by revising paragraphs (e) and (g) to read as follows:

§ 1942.108 Application docket preparation and review.

* * * * *

(e) *Organizational review.* As early in the application process as practical, the approval official should obtain copies of organization documents from each applicant and forward them through the State Office to the Regional Attorney for review and comments. The Regional Attorney's comments should be received and considered before obligation of funds.

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(g) *State Office review.* The State Office must monitor fire and rescue and other small community facility project loanmaking and servicing and provide guidance, assistance, and training as necessary to ensure the activities are accomplished in an orderly manner consistent with the Agency's regulations. The processing office should request advice and assistance from the State Office as needed. The State Director may require all or part of a specific application docket to be submitted to the State Office for review at any time. The State Director may determine that one or more of the processing office staffs do not have adequate training and expertise to routinely complete application dockets without State Office review. In such cases, the State Director should establish guidelines by memorandum or by State supplement to the subpart for the necessary State Office reviews.

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■ 8. Section 1942.111 is amended by revising paragraph (b) to read as follows:

§ 1942.111 Applicant eligibility.

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(b) *Credit elsewhere determinations.* The approval official must determine whether financing from commercial sources at reasonable rates and terms is available. If credit elsewhere is indicated, the approval official should inform the applicant and recommend the applicant apply to commercial sources for financing. To provide a basis for referral of only those applicants who may be able to finance projects through commercial sources, approval officials should maintain liaison with representatives of lenders in the area. The State Director should keep approval officials informed regarding lenders outside the area who might make loans in the area. Approval officials should maintain criteria for determining applications that should be referred to commercial lenders and maintain a list of lender representatives interested in receiving such referrals.

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■ 9. Section 1942.112 is amended by adding paragraph (a)(1)(iii) to read as follows:

§ 1942.112 Eligible loan purposes.

- (a) * * *
- (1) * * *

(iii) The construction or development of an essential community facility requisite to the beneficial and orderly development of a community operated on a nonprofit basis in accordance with § 1942.17(d) of this subpart. This subpart includes those projects meeting the definition of a small community facility project.

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Dated: November 14, 2003.

Arthur A. Garcia,

Administrator, Rural Housing Service.

[FR Doc. 03-29212 Filed 11-21-03; 8:45 am]

BILLING CODE 3410-XV-P

DEPARTMENT OF AGRICULTURE

Animal and Plant Health Inspection Service

9 CFR Part 77

[Docket No. 03-044-2]

Tuberculosis in Cattle and Bison; State Designations; New Mexico

AGENCY: Animal and Plant Health Inspection Service, USDA.

ACTION: Affirmation of interim rule as final rule.

SUMMARY: We are adopting as a final rule, without change, an interim rule that amended the regulations regarding State and zone classifications by

removing New Mexico from the list of accredited-free States and adding it to the list of modified accredited advanced States. The interim rule was necessary to help prevent the spread of tuberculosis because New Mexico no longer meets the requirements for accredited-free State status.

EFFECTIVE DATE: The interim rule became effective on July 24, 2003.

FOR FURTHER INFORMATION CONTACT: Dr. Terry Beals, Senior Staff Veterinarian, Eradication and Surveillance Team, National Center for Animal Health Programs, VS, APHIS, 4700 River Road Unit 43, Riverdale, MD 20737-1231; (301) 734-5467.

SUPPLEMENTARY INFORMATION:

Background

In an interim rule effective and published in the **Federal Register** on July 24, 2003 (68 FR 43618-43621, Docket No. 03-044-1), we amended the tuberculosis regulations in 9 CFR part 77 by removing New Mexico from the list of accredited-free States in § 77.7 and adding it to the list of modified accredited advanced States in § 77.9.

Comments on the interim rule were required to be received on or before September 22, 2003. We received one comment by that date, from a supplier of roping animals.

The commenter suggested that, given the size of the State of New Mexico and the variety of the cattle industries contained therein, a more beneficial course of action would be to split the State and designate each portion separately.

While the regulations do provide for the establishment of zones of classification within a State, such split State status must be requested by a State animal health official in accordance with § 77.4 and approved by the Administrator in accordance with § 77.3. We have not thus far received such a request from the State of New Mexico.

Therefore, for the reasons given in the interim rule and in this document, we are adopting the interim rule as a final rule without change.

This action also affirms the information contained in the interim rule concerning Executive Order 12866 and the Regulatory Flexibility Act, Executive Orders 12372 and 12988, and the Paperwork Reduction Act.

Further, for this action, the Office of Management and Budget has waived its review under Executive Order 12866.

List of Subjects in 9 CFR Part 77

Animal diseases, Bison, Cattle, Reporting and recordkeeping

requirements, Transportation, Tuberculosis.

PART 77—TUBERCULOSIS

■ Accordingly, we are adopting as a final rule, without change, the interim rule that amended 9 CFR part 77 and that was published at 68 FR 43618-43621 on July 24, 2003.

Authority: 7 U.S.C. 8301-8317; 7 CFR 2.22, 2.80, and 371.4.

Done in Washington, DC, this 18th day of November, 2003.

Kevin Shea,

Acting Administrator, Animal and Plant Health Inspection Service.

[FR Doc. 03-29233 Filed 11-21-03; 8:45 am]

BILLING CODE 3410-34-P

DEPARTMENT OF AGRICULTURE

Animal and Plant Health Inspection Service

9 CFR Part 77

[Docket No. 03-005-2]

Tuberculosis in Cattle and Bison; State Designations; California

AGENCY: Animal and Plant Health Inspection Service, USDA.

ACTION: Affirmation of interim rule as final rule.

SUMMARY: We are adopting as a final rule, without change, an interim rule that amended the regulations regarding State and zone classifications by removing California from the list of accredited-free States and adding it to the list of modified accredited advanced States. The interim rule was necessary to help prevent the spread of tuberculosis because California no longer meets the requirements for accredited-free State status.

EFFECTIVE DATE: The interim rule became effective on April 25, 2003.

FOR FURTHER INFORMATION CONTACT: Dr. Terry Beals, Senior Staff Veterinarian, Eradication and Surveillance Team, National Center for Animal Health Programs, VS, APHIS, 4700 River Road Unit 43, Riverdale, MD 20737-1231; (301) 734-5467.

SUPPLEMENTARY INFORMATION:

Background

In an interim rule effective and published in the **Federal Register** on April 25, 2003 (68 FR 20333-20336, Docket No. 03-005-1), we amended the tuberculosis regulations in 9 CFR part 77 (referred to below as the regulations) by removing California from the list of