# **Proposed Rules**

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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 3565

[Docket No. RHS-24-MFH-0016]

RIN 0575-AD34

Clarification on the Requirement To Record the Guaranteed Rural Rental Housing Program Deed Restriction

**AGENCY:** Rural Housing Service, Department of Agriculture (USDA).

**ACTION:** Proposed rule.

**SUMMARY:** The Rural Housing Service (RHS or the Agency), a Rural Development agency of the United States Department of Agriculture (USDA), proposes to amend the current regulation for the Multifamily Housing (MFH) Guaranteed Rural Rental Housing Program (GRRHP). The intent of this proposed rule is to codify the restrictive use language within the GRRHP regulation to clarify that a separate deed restriction must be recorded. This change will allow the Agency to maintain and preserve affordable housing for low- and moderate-income households.

**DATES:** Comments on the proposed rule must be received on or before January 6, 2025.

ADDRESSES: Comments may be submitted electronically by the Federal eRulemaking Portal: Go to regulations.gov and, in the "Search Field" box, labeled "Search for dockets and documents on agency actions," enter the following docket number: RHS-24-MFH-0016) or RIN# 0575-AD34, then click search. To submit or view public comments, select the following document title: (MFH Rural Rental Housing Deed Restriction Proposed Rule) from the "Search Results," and select the "Comment" button. Before inputting your comments, you may also review the "Commenter's Checklist" (optional). Insert your comments under the "Comment" title, click "Browse" to

attach files (if available). Input your email address and select "Submit Comment." Information on using *Regulations.gov*, including instructions for accessing documents, submitting comments, and viewing the docket after the close of the comment period, is available through the site's "FAQ" link.

Other Information: Additional information about Rural Development and its programs is available on the internet at rd.usda.gov.

All comments will be available for public inspection online at the Federal eRulemaking Portal (regulations.gov).

# FOR FURTHER INFORMATION CONTACT:

Tammy Daniels, Finance and Loan Analyst, Multi-Family Housing Production and Preservation Division, Rural Housing Service, United States Department of Agriculture, STOP 0781, 1400 Independence Avenue SW, Washington, DC 20250–0781, Telephone: (202) 720–0021 (this is not a toll-free number); email: tammy.daniels@usda.gov.

#### SUPPLEMENTARY INFORMATION:

# I. Background

The RHS offers a variety of programs to build or improve housing and essential community facilities in rural areas. RHS offers loans, grants, and loan guarantees for single- and multifamily housing, childcare centers, fire and police stations, hospitals, libraries, nursing homes, schools, first responder vehicles and equipment, and housing for farm laborers. RHS also provides technical assistance loans and grants in partnership with non-profit organizations, Indian tribes, state and Federal government agencies, and local communities.

RHS administers the Section 538 Guaranteed Rural Rental Housing Program (GRRHP) under the authority of the Housing Act of 1949, as amended (42 U.S.C. 1490p–2) and operates under 7 CFR part 3565. Under the GRRHP, RHS guarantees loans for the development of housing and related facilities in rural areas. To preserve affordable housing, the GRRHP regulation requires properties that are financed with a Section 538 GRRHP loan be used for occupancy by low- and moderate-income households and remain as affordable rental housing for the original term of the loan. The Agency is proposing to require a separate deed restriction containing

restrictive use language, stating that the housing must remain available for occupancy by low- and moderate-income households for the original term of the guaranteed loan, and be recorded along with other legally recorded documents. For the restriction to remain in place upon prepayment of the mortgage, the deed restriction must be recorded. The current regulation does not specify that the deed restriction be recorded.

# II. Purpose of the Proposed Rule

The purpose of this proposed rule is to clarify that the deed restriction must be recorded to ensure affordable rural rental housing is preserved after prepayment of the mortgage. The current regulation does not specify that a separate deed restriction is to be recorded. Restrictive use provisions contained in the mortgage or deed of trust may be released along with the mortgage or deed of trust upon prepayment of the loan. However, documents recorded separately from the mortgage or deed of trust will survive if the loan is prepaid. If the deed is not recorded, the Agency will be at risk of not being able to enforce the restrictive use requirement and fulfill the need for affordable housing in rural areas. The proposed rule will require that applicants record a separate deed restriction.

#### III. Summary of Changes

The proposed changes would amend 7 CFR 3565.352(b) by adding language requiring that a separate deed restriction (containing the restrictive use language) be recorded before other documentation related to the transaction. This change would allow the Agency to enforce the restrictive use requirement to maintain affordable housing if the loan guaranteed by the Section 538 GRRHP is prepaid.

# **IV. Regulatory Information**

Statutory Authority

The RHS administers the Section 538 Guaranteed Rural Rental Housing Program (GRRHP) loans under the authority of the Housing Act of 1949, as amended (42 U.S.C. 1490p–2) and operates under 7 CFR part 3565.

Executive Order 12372, Intergovernmental Review of Federal Programs

These loans are subject to the provisions of Executive Order 12372, which require intergovernmental consultation with State and local officials. RHS conducts intergovernmental consultations for each loan in accordance with 2 CFR part 415, subpart C.

Executive Order 12866, Regulatory Planning and Review

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

Executive Order 12988, Civil Justice Reform

This rule has been reviewed under Executive Order 12988. In accordance with this rule: (1) unless otherwise specifically provided, all State and local laws that 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 in court that challenges action taken under this rule.

# Executive Order 13132, Federalism

The policies contained in this rule do not have any substantial direct effect on States, on the relationship between the National Government and the States, or on the distribution of power and responsibilities among the various levels of government. Nor does this rule impose substantial direct compliance costs on state and local governments. Therefore, consultation with the States is not required.

Executive Order 13175, Consultation and Coordination With Indian Tribal Governments

This proposed rule has been reviewed in accordance with the requirements of Executive Order 13175, Consultation and Coordination with Indian Tribal Governments. Executive Order 13175 requires Federal agencies to consult and coordinate with tribes on a governmentto-government basis on policies that have tribal implications, including regulations, legislative comments or proposed legislation, and other policy statements or actions that have substantial direct effects on one or more Indian tribes, on the relationship between the Federal government and Indian tribes or on the distribution of

power and responsibilities between the Federal government and Indian tribes. Consultation is also required for any regulation that preempts tribal law or that imposes substantial direct compliance costs on Indian tribal governments and that is not required by statute.

The Agency has determined that this proposed rule does not, to our knowledge, have tribal implications that require formal tribal consultation under Executive Order 13175. If a Tribe requests consultation, the RHS will work with the Office of Tribal Relations and USDA Rural Development's Tribal Relations Team to ensure meaningful consultation is provided where changes, additions and modifications identified herein are not expressly mandated by Congress.

## Regulatory Flexibility Act

The 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 since 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.

Administrative Pay-As-You-Go-Act of 2023

Section 270 of the Administrative Pay-As-You-Go-Act of 2023 (Pub. L. 118–5, div. B, title III, 137 Stat 31) amended 5 U.S.C. 801(a)(2)(A) to require U.S. Government Accountability Office (GAO) to assess agency compliance with the Act, which establishes requirements for administrative actions that affect direct spending, in GAO's major rule reports. The Act does not apply to this rule because it does not increase direct spending.

Unfunded Mandate Reform Act (UMRA)

Title II of the UMRA, Public Law 104–4, establishes requirements for Federal Agencies to assess the effects of their regulatory actions on State, local, and tribal Governments and on the private sector. Under section 202 of the UMRA, Federal Agencies generally must prepare a written statement, including cost-benefit analysis, for proposed and final Rules with "Federal mandates" that may result in expenditures to State, local, or tribal Governments, in the aggregate, or to the private sector, of \$100 million or more in any one year. When such a statement is needed for a

rule, section 205 of the UMRA generally requires a Federal Agency to identify and consider a reasonable number of regulatory alternatives and adopt the least costly, more cost-effective, or least burdensome alternative that achieves the objectives of the rule.

This rule contains no Federal mandates (under the regulatory provisions of title II of the UMRA) for State, local, and tribal Governments or for the private sector. Therefore, this rule is not subject to the requirements of sections 202 and 205 of the UMRA.

National Environmental Policy Act

In accordance with the National Environmental Policy Act of 1969, Public Law 91-190, this proposed rule has been reviewed in accordance with 7 CFR part 1970 ("Environmental Policies and Procedures"). The Agency has determined that (i) this action meets the criteria established in 7 CFR 1970.53(f); (ii) no extraordinary circumstances exist; and (iii) the action is not "connected" to other actions with potentially significant impacts, is not considered a "cumulative action" and is not precluded by 40 CFR 1506.1. Therefore, the Agency has determined that the action does not have a significant effect on the human environment, and therefore neither an Environmental Assessment nor an **Environmental Impact Statement is** required.

### Civil Rights Impact Analysis

Rural Development has reviewed this rule in accordance with USDA Regulation 4300–4, Civil Rights Impact Analysis, to identify any major civil rights impacts the rule might have on program participants on the basis of age, race, color, national origin, sex, disability, marital or familial status. Based on the review and analysis of the rule and all available data, issuance of this proposed rule is not likely to negatively impact low and moderateincome populations, minority populations, women, Indian tribes or persons with disability, by virtue of their age, race, color, national origin, sex, disability, or marital or familial status. No major civil rights impact is likely to result from this proposed rule.

# Assistance Listing

The program affected by this regulation is listed in the Catalog of Federal Domestic Assistance under numbers 10.438—Rural Rental Housing Guaranteed Loans (Section 538).

#### Paperwork Reduction Act

The information collection requirements contained in this

regulation have been approved by OMB and have been assigned OMB control number 0575–0189. This proposed rule contains no new reporting and recordkeeping requirements that would require approval under the Paperwork Reduction Act of 1995 (44 U.S.C. Chapter 35).

# E-Government Act Compliance

Rural Development is committed to the E-Government Act, which requires Government agencies in general to provide the public the option of submitting information or transacting business electronically to the maximum extent possible and to promote the use of the internet and other information technologies to provide increased opportunities for citizen access to Government information and services, and for other purposes.

#### USDA Non-Discrimination Statement

In accordance with Federal civil rights laws and USDA civil rights regulations and policies, the USDA, its Mission Areas, agencies, staff offices, employees, and institutions participating in or administering USDA programs are prohibited from discriminating based on race, color, national origin, religion, sex, gender identity (including gender expression), sexual orientation, disability, age, marital status, family/parental status, income derived from a public assistance program, political beliefs, or reprisal or retaliation for prior civil rights activity, in any program or activity conducted or funded by USDA (not all bases apply to all programs). Remedies and complaint filing deadlines vary by program or incident.

Program information may be made available in languages other than English. Persons with disabilities who require alternative means of communication to obtain program information (e.g., Braille, large print, audiotape, American Sign Language) should contact the responsible Mission Area, agency, or staff office; or the 711 Relay Service.

To file a program discrimination complaint, a complainant should complete a Form AD–3027, USDA Program Discrimination Complaint Form, which can be obtained online at usda.gov/sites/default/files/documents/ad-3027.pdf from any USDA office, by calling (866) 632–9992, or by writing a letter addressed to USDA. The letter must contain the complainant's name, address, telephone number, and a written description of the alleged discriminatory action in sufficient detail to inform the Assistant Secretary for Civil Rights (ASCR) about the nature

and date of an alleged civil rights violation. The completed AD–3027 form or letter must be submitted to USDA by:

- a. *Mail:* U.S. Department of Agriculture, Office of the Assistant Secretary for Civil Rights, 1400 Independence Avenue SW, Washington, DC 20250–9410; or
- b. *Fax:* (833) 256–1665 or (202) 690–7442: or
- c. Email: program.intake@usda.gov. Severability

It is USDA's intention that the provisions of this rule shall operate independently of each other. If this rule or any portion of this rule is ultimately declared invalid or stayed as to a particular provision, it is USDA's intent that the rule nonetheless be severable and remain valid with respect to those provisions not affected by a declaration of invalidity or stayed. USDA concludes it would separately adopt all the provisions contained in this rule.

# List of Subjects in 7 CFR Part 3565

Conflict of interest, Credit, Fair housing, Loan programs—housing and community development, Low and moderate-income housing, Manufactured homes, Mortgages, Rent subsidies, Reporting and recordkeeping requirements, Rural areas.

For the reasons discussed in the preamble, the Agency proposes to amend 7 CFR part 3565 as follows:

# PART 3565—GUARANTEED RURAL RENTAL HOUSING PROGRAM

■ 1. The authority citation for part 3565 continues to read as follows:

**Authority:** 5 U.S.C. 301; 7 U.S.C. 1989; 42 U.S.C. 1480.

#### Subpart H—Project Management

■ 2. Amend § 3565.352 by revising paragraph (b) to read as follows:

# § 3565.352 Preservation of affordable housing.

\* \* \* \* \*

(b) Use restriction. For the original term of the guaranteed loan, the housing must remain available for occupancy by low- and moderate-income households, in accordance with subpart E of this part. This requirement must be included in a deed restriction in a form acceptable to the Agency. The deed restriction must be recorded separately, before and with priority over other documents related to the transaction. The restriction will apply unless the housing is acquired by foreclosure or an instrument in lieu of foreclosure, or the Agency waives the applicability of this requirement after determining that each

- of the following three circumstances exist:
- (1) There is no longer a need for lowand moderate-income housing in the market area in which the housing is located;
- (2) Housing opportunities for lowincome households and minorities will not be reduced as a result of the waiver; and
- (3) Additional federal assistance will not be necessary as a result of the waiver.

# Joaquin Altoro,

Administrator, Rural Housing Service. [FR Doc. 2024–25713 Filed 11–4–24; 8:45 am]

BILLING CODE 3410-XV-P

#### **DEPARTMENT OF ENERGY**

#### 10 CFR Part 430

[EERE-2024-BT-TP-0009]

RIN 1904-AF68

# Energy Conservation Program: Test Procedures for Residential and Commercial Clothes Washers and Consumer Clothes Dryers

**AGENCY:** Office of Energy Efficiency and Renewable Energy, Department of Energy.

**ACTION:** Notice of proposed rulemaking and request for comment.

**SUMMARY:** The U.S. Department of Energy ("DOE") proposes to amend the test procedures for residential and commercial clothes washers and consumer clothes dryers to update the test cloth specifications. DOE also proposes to reorganize the test procedures for improved readability. DOE is conducting this rulemaking to address specific issues and to make minor corrections to the current test procedures. However, this rulemaking does not satisfy the statutory requirement that, at least once every 7 years, DOE review the test procedures for clothes washers and consumer clothes dryers. DOE is seeking comment from interested parties on the proposal.

## DATES:

Comments: DOE will accept comments, data, and information regarding this proposal no later than December 5, 2024.

Meeting: DOE will hold a public meeting on this NOPR if one is requested by November 12, 2024. If a public meeting is requested, DOE will announce its date and participation information on the DOE website and via email.