



# Federal Register

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**Tuesday,  
May 27, 2003**

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**Part X**

## **Department of Housing and Urban Development**

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**Semiannual Regulatory Agenda**

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**DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT (HUD)**


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**DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT**
**24 CFR Subtitles A and B**
**[Docket No. FR-4830-N-01]**
**Semiannual Regulatory Agenda**
**AGENCY:** Department of Housing and Urban Development.

**ACTION:** Semiannual regulatory agenda.

**SUMMARY:** In accordance with section 4(b) of Executive Order 12866, "Regulatory Planning and Review," as amended, HUD is publishing its agenda of regulations already issued or that are expected to be issued over the next several months. The agenda also includes rules currently in effect that are under review, and describes those regulations that may affect small entities as required by section 602 of the Regulatory Flexibility Act. The purpose of publication of the agenda is to encourage more effective public participation in the regulatory process by providing the public with early information about pending regulatory activities.

**FOR FURTHER INFORMATION CONTACT:** Aaron Santa Anna, Assistant General Counsel for Regulations, Office of General Counsel, Department of Housing and Urban Development, Room 10276, 451 Seventh Street SW., Washington, DC 20410, (202) 708-3055. (This is not a toll-free number.) A telecommunications device for hearing- and speech-impaired individuals (TTY) is available at 1-800-877-8339 (Federal Information Relay Service).

**SUPPLEMENTARY INFORMATION:** Executive Order 12866, "Regulatory Planning and Review" (58 FR 51735), as amended by Executive Order 13258 (67 FR 9385), requires each agency to publish semiannually an agenda of (1) regulations that the agency has issued or expects to issue, and (2) rules currently in effect that are under agency review. The Regulatory Flexibility Act (5 U.S.C. 601-612) requires each agency to publish semiannually a regulatory agenda of rules expected to be proposed or promulgated that are likely to have a significant economic impact on a substantial number of "small entities," meaning small businesses, small organizations, or small governmental jurisdictions.

Executive Order 12866, as amended, and the Regulatory Flexibility Act each permits incorporation of the agenda required by these two authorities with any other prescribed agenda. Therefore, the agenda set out below combines the information required by Executive Order 12866, as amended, and the Regulatory Flexibility Act. In addition, the agenda contains certain information not required by either the Executive Order or by the Regulatory Flexibility Act which the Department considers useful, both better to inform the public and to enhance the Department's own inventory control over its body of regulations.

Section 610(c) of the Regulatory Flexibility Act requires each agency to publish annually a list of the rules that have a significant economic impact on a substantial number of small entities, and that are to be reviewed in accordance with the requirements of section 610 during the succeeding 12 months. Existing regulations that HUD proposes to amend by rules described and published in this agenda are reviewed in accordance with the principles of section 610 of the Regulatory Flexibility Act. The purpose of the review is to determine whether the rule should be continued without change, amended, or rescinded. Proposed changes to existing regulations provide the opportunity for the Department to conduct a section 610 review.

The Department also is subject to certain rulemaking requirements set forth in the Department of Housing and Urban Development Act (42 U.S.C. 3531 *et seq.*). Section 7(o) of the Department of Housing and Urban Development Act (42 U.S.C. 3535(o)) requires that the Secretary transmit to the congressional committees having jurisdictional oversight of HUD (the Senate Committee on Banking, Housing and Urban Affairs and the House Committee on Banking and Financial Services) a semiannual agenda of all rules or regulations which are under development or review by the Department. A rule appearing on the agenda cannot be published for comment before or during the first 15 calendar days after transmittal of the agenda. Section 7(o) provides that if, within that period, either committee notifies the Secretary that it intends to review any rule or regulation which appears on the agenda, the Secretary must submit to both committees a copy

of the rule or regulation, in the form it is intended to be proposed, at least 15 calendar days before it is published for comment. The semiannual agenda published today is the agenda transmitted to the committees in compliance with this requirement.

HUD has attempted to list in this agenda all regulations and regulatory reviews pending at the time of publication, except for minor and routine or repetitive actions, but some may have been inadvertently omitted, or may have arisen too late to be included in the published agenda. There is no legal significance to the omission of an item from the agenda. Also, where dates are provided for the next rulemaking actions, the dates are estimates and are not commitments to act on or by the date shown.

In some cases, HUD has withdrawn rules that were placed on previous agendas and for which there has been no publication activity. Withdrawal of a rule does not necessarily mean that HUD will not proceed with the rulemaking. Withdrawal allows HUD to further assess the subject matter and determine whether rulemaking for this subject matter is appropriate. Following this review, the Department may determine that certain rules listed as withdrawn under this agenda are appropriate. If that determination is made, the rules will be included in a succeeding semiannual agenda.

In addition, for a few rules that have been published as proposed or interim rules, and therefore require further rulemaking, HUD has identified the timing of the next action stage as "undetermined." These are rules that are still under review by HUD for which a determination of the next action stage and timing of the next action stage has not yet been made.

The format of the agenda remains unchanged from previous years. HUD's agenda items are divided first by program office. Within each program office, the agenda items are divided into five groups: (i) pre-rulemaking actions; (ii) publication or other implementations of notices of proposed rulemaking; (iii) publications or other implementations of final rules; (iv) long-term rules; and (v) completed actions. Within each grouping, rules are listed in chronological order by the part number of the CFR affected. Where a rule affects

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multiple parts of the CFR, the rule is listed by the first affected part number.

Since the purpose of publication of the agenda is to encourage more effective public participation in the

regulatory process by providing the public with early information about the Department's future regulatory actions, HUD invites all interested members of

the public to comment on the rules listed in the agenda.

**Dated:** March 27, 2003.

**Alphonso Jackson,**

*Deputy Secretary.*

**Office of the Secretary—Proposed Rule Stage**

Sequence Number	Title	Regulation Identification Number
1252	24 CFR 5 Streamlining HUD Income Exclusions (FR-4844) .....	2501-AC96
1253	24 CFR 8 Nondiscrimination Based on Disability; Multifamily Homeownership Projects (FR-4776) .....	2501-AC87
1254	24 CFR 25 FHA Lenders and Mortgagees, Prohibiting Misleading Words in Names of Non-Federally Supervised Entities and Strengthening Enforcement of Mortgagee Review Board Sanctions (FR-4765) .....	2501-AC95
1255	24 CFR 203 Treble Damages for Failure To Engage in Loss Mitigation (FR-4553) .....	2501-AC66
1256	24 CFR 81 The Secretary of HUD's Regulation of Fannie Mae and Freddie Mac (FR-4790) .....	2501-AC92
1257	24 CFR 92 American Dream Downpayment Initiative (FR-4832) .....	2501-AC93
1258	24 CFR 92 Home Investment Partnerships Program (FR-4833) .....	2501-AC94

**Office of the Secretary—Final Rule Stage**

Sequence Number	Title	Regulation Identification Number
1259	24 CFR 1 Rule To Conform Regulatory Definitions; Civil Rights Restoration Act (FR-4587) .....	2501-AC70
1260	24 CFR 24 Governmentwide Debarment and Suspension (Nonprocurement) and Governmentwide Requirements for Drug-Free Workplace (FR-4692) .....	2501-AC81
1261	24 CFR 58 Environmental Review Procedures for Entities Assuming HUD's Environmental Responsibilities (FR-4523) .....	2501-AC83
1262	24 CFR 92 Participation in HUD Programs by Faith-Based Organizations; Providing for Equal Treatment for All HUD Program Participants (FR-4782) .....	2501-AC89
1263	24 CFR 888 Fair Market Rents Programs: Increased Fair Market Rents for Certain Areas and Higher Payment Standards (FR-4606) .....	2501-AC75

**Office of the Secretary—Long-Term Actions**

Sequence Number	Title	Regulation Identification Number
1264	24 CFR 5 Electronic Document Retention and Consumer Disclosure Requirements in HUD-Related Transactions (FR-4686) .....	2501-AC79
1265	24 CFR 40 Accessibility Standards for Design, Construction, and Alteration of Certain Facilities Financed With Public Funds (FR-4317) .....	2501-AC47
1266	24 CFR 81 The Secretary of HUD's Regulation of Fannie Mae and Freddie Mac; Prohibiting the Purchase of Certain Loans With High Costs and/or Predatory Features (FR-4614) .....	2501-AC76
1267	24 CFR 84 Adoption of Revisions to OMB Circular A-110 (FR-4573) .....	2501-AC68

**Office of the Secretary—Completed Actions**

Sequence Number	Title	Regulation Identification Number
1268	24 CFR 5 Temporary Assistance to Needy Families (TANF); Conforming Changes to Annual Income Requirements for HUD's Public Housing and Section 8 Assistance Programs (FR-4635) .....	2501-AC77
1269	24 CFR 25 Inflation Adjustment of Civil Money Penalty Amounts (FR-4787) .....	2501-AC91

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## Office of the Secretary—Discontinued Entries

Regulation Identification Number	Title	Date	Comments
2501-AC67	24 CFR 28 Adjustment of HUD's Civil Money Penalties Pursuant to the Federal Civil Penalties Inflation Adjustment Act of 1990 (FR-4555)	03/18/2003	Merged With RIN 2501-AC91
2501-AC86	24 CFR 5.603 Exclusion of Veterans' Disability Compensation for Service-Connected Disability From Income (FR-4746)	03/06/2003	Withdrawn
2501-AC88	24 CFR 42 Prohibition Against Lump-Sum Relocation Assistance Payments, and Exclusion of Aliens Not Legally Present From Eligibility for Relocation Payments (FR-4773)	02/21/2003	Withdrawn

## Office of Housing—Prerule Stage

Sequence Number	Title	Regulation Identification Number
1270	24 CFR 81 Non-Proprietary Data Submitted by the Federal National Mortgage Association (Fannie Mae) and the Federal Home Loan Mortgage Corporation (Freddie Mac) (FR-4796) .....	2502-AH96

## Office of Housing—Proposed Rule Stage

Sequence Number	Title	Regulation Identification Number
1271	24 CFR 25 Single Family Mortgage; Lender Compliance and Accountability (FR-4761) .....	2502-AH87
1272	24 CFR 203.18 Limitation of FHA-Insured Loans to Nonprofit Agencies (FR-4702) .....	2502-AH71
1273	24 CFR 202 Revisions to FHA Credit Watch/Termination Initiative (FR-4625) .....	2502-AH60
1274	24 CFR 202.5 Establishment of Loan Officer Registry and Establishment of Servicing Approval Agreements (FR-4764) .....	2502-AH88
1275	24 CFR 202.2 Duties and Responsibilities of Loan Correspondents and Sponsors (FR-4762) .....	2502-AH90
1276	24 CFR 203.50 Up-Front Mortgage Insurance Premiums for Loans Insured Under 24 CFR 203(k) and 234(c) of the National Housing Act (FR-4749) .....	2502-AH82
1277	24 CFR 203.49 Eligibility of Adjustable Rate Mortgages (ARMs) (FR-4745) .....	2502-AH84
1278	24 CFR 203.43 (b)(1) Home Equity Conversion Mortgages (HECM); Cooperative Housing Developments (FR-4777) .....	2502-AH89
1279	24 CFR 203 Eligibility of Mortgages on Hawaiian Homelands Insured Under Section 247 (FR-4779) .....	2502-AH92
1280	24 CFR 203 E-Endorsement of FHA-Insured Mortgages (FR-4789) .....	2502-AH95
1281	24 CFR 203 FHA Total Mortgage Scorecard (FR-4835) .....	2502-AI00
1282	24 CFR 203 Due Diligence/Quality Control Plans (FR-4846) .....	2502-AI02
1283	24 CFR 207 HUD Multifamily Accelerated Processing Quality Assurance Enforcement (FR-4836) .....	2502-AI01
1284	24 CFR 200.208 FHA Appraiser Watch Initiative (FR-4744) .....	2502-AH81
1285	24 CFR 212 Housing Counseling Program (FR-4798) .....	2502-AH99
1286	24 CFR 291 Disposition of HUD-Owned Single Family Assets in Asset Control Areas (FR-4471) .....	2502-AH40
1287	24 CFR 291, subpart F Disposition of HUD-Acquired Single Family Property; Officer/Teacher Next Door Sales Programs (FR-4712) .....	2502-AH72
1288	24 CFR 880 Distributions to Nonprofit Owners of Certain HUD-Assisted Multifamily Rental Projects (FR-4602) .....	2502-AH52
1289	24 CFR 3285 Manufactured Housing Installation Program (FR-4812) .....	2502-AH97
1290	24 CFR 3286 Manufactured Housing Dispute Resolution Program (FR-4813) .....	2502-AH98

## Office of Housing—Final Rule Stage

Sequence Number	Title	Regulation Identification Number
1291	24 CFR 200 Appraiser Qualifications for Placement on FHA Single Family Appraiser Roster (FR-4620) .....	2502-AH59
1292	24 CFR 200.54(b) Distribution of Tax Credit Proceeds (FR-4792) .....	2502-AH91
1293	24 CFR 200 Section 223f Supplemental Cost Certification (FR-4793) .....	2502-AH93
1294	24 CFR 203 Prohibition of Property Flipping in HUD's Single Family Mortgage Insurance Programs (FR-4615) .....	2502-AH57
1295	24 CFR 203 Upfront Mortgage Insurance Premiums: Remittance Requirements (FR-4690) .....	2502-AH67

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## Office of Housing—Final Rule Stage (Continued)

Sequence Number	Title	Regulation Identification Number
1296	24 CFR 203 Amendments to the Section 203(k) Rehabilitation Loan Insurance Program (FR-4701) .....	2502-AH73
1297	24 CFR 203.60 FHA Inspector Roster (FR-4720) .....	2502-AH76
1298	24 CFR 203 Lender Accountability for Appraisals (FR-4722) .....	2502-AH78
1299	24 CFR 206 Insurance for Mortgages To Refinance Existing HECEMs (FR-4667) .....	2502-AH63
1300	24 CFR 236 Section 236 Excess Rental Charges (FR-4689) .....	2502-AH68
1301	24 CFR 402 Renewal of Expiring Section 8 Project-Based Assistance Contract (FR-4551) .....	2502-AH47
1302	24 CFR 891 Mixed Finance Development for Supportive Housing for the Elderly or Persons With Disabilities and Other Changes to 24 CFR Part 891 (FR-4725) .....	2502-AH83
1303	24 CFR 3500 et seq RESPA—Improving the Process for Obtaining Mortgages (FR-4727) .....	2502-AH85

## Office of Housing—Long-Term Actions

Sequence Number	Title	Regulation Identification Number
1304	24 CFR 401 Release of Information to Tenants and Other Parties Pursuant to MAHRA (FR-4531) .....	2502-AH45
1305	24 CFR 401 Mark-to-Market Program Amendments (FR-4751) .....	2502-AH86

## Office of Housing—Completed Actions

Sequence Number	Title	Regulation Identification Number
1306	24 CFR 207 Mortgage Insurance Premiums in Multifamily Housing Programs (FR-4679) .....	2502-AH64
1307	24 CFR 234 FHA Approval of Condominium Developments Located in the Commonwealth of Puerto Rico for Mortgage Insurance Under the Section 234(c) Program (FR-4713) .....	2502-AH80
1308	24 CFR 245 Tenant Participation in State-Financed, HUD-Assisted Housing Developments (FR-4611) .....	2502-AH55
1309	24 CFR 401 Authority To Waive Regulations Under Part 401 (FR-4791) .....	2502-AH94

## Office of Housing—Discontinued Entries

Regulation Identification Number	Title	Date	Comments
2502-AH23	24 CFR 3280 Manufactured Home Construction and Safety Standards (FR-4376)	03/06/2003	Withdrawn
2502-AH58	24 CFR 242 Mortgage Insurance for the Refinancing of Existing Debt of Existing Hospitals (FR-4618)	03/18/2003	Withdrawn
2502-AH61	24 CFR ch II Sale of Unoccupied and Substandard HUD-Held Housing to Local Governments and Community Development Organizations (FR-4658)	03/13/2003	Withdrawn

## Office of Community Planning and Development—Proposed Rule Stage

Sequence Number	Title	Regulation Identification Number
1310	24 CFR 570 CDBG Brownfields/Slum/Blight (FR-4699) .....	2506-AC12
1311	24 CFR 574 Housing Opportunities for Persons With AIDS (HOPWA) (FR-4708) .....	2506-AC11
1312	24 CFR 583 Supportive Housing Program (FR-4616) .....	2506-AC07

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## Office of Community Planning and Development—Final Rule Stage

Sequence Number	Title	Regulation Identification Number
1313	24 CFR 570 CDBG Program for States; Community Revitalization Strategy Requirements and Miscellaneous Technical Amendments (FR-4081) .....	2506-AB83
1314	24 CFR 574 HOPWA Shallow Rental Assistance (FR-4822) .....	2506-AC14
1315	24 CFR 583 Supportive Housing Program — Increasing Operating Cost Percentage (FR-4576) .....	2506-AC05
1316	24 CFR 598 Designation of Renewal Communities and Third Round Empowerment Zones (FR-4663) .....	2506-AC09

## Office of Community Planning and Development—Long-Term Actions

Sequence Number	Title	Regulation Identification Number
1317	24 CFR 570 Prohibition on Use of CDBG Assistance for Job-Pirating Activities (FR-4556) .....	2506-AC04

## Office of Fair Housing and Equal Opportunity—Final Rule Stage

Sequence Number	Title	Regulation Identification Number
1318	24 CFR 100 Fair Housing Act Regulation; Conforming Amendment; Update To Reflect Current Edition of American National Standards Institute (ANSI) (FR-4554) .....	2529-AA88

## Office of Fair Housing and Equal Opportunity—Long-Term Actions

Sequence Number	Title	Regulation Identification Number
1319	24 CFR 100 Fair Housing Act Regulations Amendments: Standards Governing Sexual Harassment (FR-4597) .....	2529-AA89
1320	24 CFR 115 Certification and Funding of State and Local Fair Housing Enforcement Agencies (FR-4748) .....	2529-AA90
1321	24 CFR 135 Economic Opportunities for Low- and Very-Low-Income Persons (FR-2898) .....	2529-AA49

## Office of Administration—Final Rule Stage

Sequence Number	Title	Regulation Identification Number
1322	48 CFR 2401 HUD Acquisition Regulation (FR-4705) .....	2535-AA26

## Office of the Inspector General—Completed Actions

Sequence Number	Title	Regulation Identification Number
1323	24 CFR 2004 Office of Inspector General Subpoenas and Production in Response to Subpoenas or Demands of Courts or Other Authorities (FR-4742) .....	2508-AA13

## Policy Development and Research—Discontinued Entries

Regulation Identification Number	Title	Date	Comments
2528-AA09	24 CFR 570 Removal of Cap on Public Services Spending in the Historically Black College and University Program (FR-4785)	03/18/2003	Withdrawn

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## Office of Public and Indian Housing—Proposed Rule Stage

Sequence Number	Title	Regulation Identification Number
1324	24 CFR 905 Public Housing Capital Fund Program (FR-4507) .....	2577-AC16
1325	24 CFR 945 Designated Housing (FR-4755) .....	2577-AC36
1326	24 CFR 960 PHA Discretion in Treatment of Over-Income Families (FR-4824) .....	2577-AC42
1327	24 CFR 964 Resident Participation in Public Housing (FR-4657) .....	2577-AC26
1328	24 CFR 970 Public Housing Program — Demolition or Disposition of Public Housing Projects (FR-4598) .....	2577-AC20
1329	24 CFR 972 Conversion of Developments From Public Housing Stock; Methodology for Comparing Costs of Public Housing and Tenant-Based Assistance (FR-4718) .....	2577-AC33
1330	24 CFR 982 Tenant-Based Assistance: Housing Choice Voucher Program and Section 8 Management Assessment Program (FR-4838) .....	2577-AC44
1331	24 CFR 982 Procedures for HQS Inspections in the Housing Choice Voucher Program (FR-4839) .....	2577-AC45
1332	24 CFR 990 Phase-out of Operating Subsidy for Units Approved for Demolition/Disposition (FR-4840) .....	2577-AC46
1333	24 CFR 990 Operating Funds for Debt Service (FR-4843) .....	2577-AC49
1334	24 CFR 1000 Implementation of Statutory Revisions to NAHASDA (FR-4750) .....	2577-AC37
1335	24 CFR 1000 Minimum Funding Under the Indian Housing Block Grant Program (FR-4825) .....	2577-AC43
1336	24 CFR 1006 NAHASDA Housing Assistance for Native Hawaiians (FR-4668) .....	2577-AC27

## Office of Public and Indian Housing—Final Rule Stage

Sequence Number	Title	Regulation Identification Number
1337	24 CFR 902 Changes to the Public Housing Assessment System (PHAS)(FR-4707) .....	2577-AC32
1338	24 CFR 902 Deregulation for Small Public Housing Agencies (FR-4753) .....	2577-AC34
1339	24 CFR 882 Up-Front Income Verification for the Public Housing, Housing Choice Voucher, Project-Based Certificate, and Section 8 Moderate Rehabilitation Programs (FR-4804) .....	2577-AC41
1340	24 CFR 972 Required Conversion of Development From Public Housing Stock (FR-4475) .....	2577-AC01
1341	24 CFR 972 Voluntary Conversion of Developments From Public Housing Stock (FR-4476) .....	2577-AC02
1342	24 CFR 982 Housing Choice Voucher Program; Expansion of Payment Standards Protection (FR-4586) .....	2577-AC18
1343	24 CFR 982 Housing Choice Voucher Homeownership Program; Pilot Program for Homeownership Assistance for Disabled Families (FR-4661) .....	2577-AC24
1344	24 CFR 982 Housing Choice Voucher Program Homeownership Option: Eligibility of PHA Owned or Controlled Units (FR-4759) .....	2577-AC39
1345	24 CFR 983 Project-Based Voucher Program (FR-4636) .....	2577-AC25
1346	24 CFR 984 Self-Sufficiency Performance Indicators (FR-4841) .....	2577-AC47
1347	24 CFR 990 Calculation of Vacant Units—Operating Subsidy (FR-4842) .....	2577-AC48

## Office of Public and Indian Housing—Long-Term Actions

Sequence Number	Title	Regulation Identification Number
1348	24 CFR 990 Operating Fund Allocation Formula (FR-4425) .....	2577-AB88

## Office of Public and Indian Housing—Completed Actions

Sequence Number	Title	Regulation Identification Number
1349	24 CFR 906 Public Housing Homeownership Programs (FR-4504) .....	2577-AC15
1350	24 CFR 941 Public Housing Development Total Development Cost (TDC) (FR-4489) .....	2577-AC05
1351	24 CFR 982 Section 8 Homeownership Program: Downpayment Assistance Grants and Streamlining Amendments (FR-4670) .....	2577-AC28

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## Office of Public and Indian Housing—Discontinued Entries

Regulation Identification Number	Title	Date	Comments
2577-AC09	24 CFR 941 Mixed-Finance Public Housing Development (FR-4499)	03/06/2003	Withdrawn
2577-AC21	24 CFR 985 Revisions to SEMAP Lease-Up Indicator (FR-4604)	03/06/2003	Withdrawn
2577-AC38	24 CFR 960.204 Denial of Admission and Termination of Tenancy of Fugitive Felons (FR-4758)	03/06/2003	Withdrawn
2577-AC40	24 CFR 903 Streamlining and Deregulation of Public Housing Agency Plans (FR-4788)	03/21/2003	Merged With RIN 2577-AC34

## Department of Housing and Urban Development (HUD)

## Proposed Rule Stage

## Office of the Secretary (HUDSEC)

**1252. ● STREAMLINING HUD INCOME EXCLUSIONS (FR-4844)****Priority:** Other Significant**Legal Authority:** 42 USC 1437a; 42 USC 1437c; 42 USC 1437d; 42 USC 1437f; 42 USC 1437n; 42 USC 3535(d)**CFR Citation:** 24 CFR 5**Legal Deadline:** None**Abstract:** This rule amends the regulation for public housing and Section 8 programs to provide for a simplified treatment of HUD income exclusions. The rule would eliminate HUD income exclusions that do not have a statutory basis.**Timetable:**

Action	Date
NPRM	12/00/03

**Regulatory Flexibility Analysis****Required:** No**Small Entities Affected:** Governmental Jurisdictions**Government Levels Affected:** State, Local**Agency Contact:** Patricia Arnaudo, Senior Program Manager, Public Housing Occupancy and Management Division, Department of Housing and Urban Development, Office of Public and Indian Housing, 451 7th Street SW., Washington, DC 20410  
Phone: 202 708-0744**RIN:** 2501-AC96**1253. NONDISCRIMINATION BASED ON DISABILITY; MULTIFAMILY HOMEOWNERSHIP PROJECTS (FR-4776)****Priority:** Substantive, Nonsignificant**Legal Authority:** 29 USC 794; 42 USC 3535(d); 42 USC 5309**CFR Citation:** 24 CFR 8**Legal Deadline:** None**Abstract:** This rule clarifies the applicability of HUD's accessibility requirements (nondiscrimination based on disability) to multifamily homeownership projects receiving financial assistance from HUD. In addition, this rule conforms this part to statutory changes by replacing the term "handicap" with "disability" and by removing obsolete references.**Timetable:**

Action	Date
NPRM	08/00/03

**Regulatory Flexibility Analysis****Required:** No**Small Entities Affected:** No**Government Levels Affected:** None**Agency Contact:** Cheryl Kent, Special Advisor for Disability Policy, Department of Housing and Urban Development, Office of Fair Housing and Equal Opportunity  
Phone: 202 708-1734**RIN:** 2501-AC87**1254. ● FHA LENDERS AND MORTGAGEES, PROHIBITING MISLEADING WORDS IN NAMES OF NON-FEDERALLY SUPERVISED ENTITIES AND STRENGTHENING ENFORCEMENT OF MORTGAGEE REVIEW BOARD SANCTIONS (FR-4765)****Priority:** Substantive, Nonsignificant**Legal Authority:** 12 USC 1703; 12 USC 1708(c); 12 USC 1708(d); 12 USC 1709(s); 12 USC 1715b; 12 USC 1735(f)-14**CFR Citation:** 24 CFR 25; 24 CFR 202**Legal Deadline:** None**Abstract:** This rule would prohibit the use of certain misleading or restricted names used by non-Federally supervised lenders and mortgagee to increase compliance with existing criminal code (18 U.S.C. 709) and to avoid confusion by consumers by lenders and mortgagees who use misleading words in their name to falsely imply that they have some connection with or authorization from the Department of Housing and Urban Development and/or the Federal Housing Administration. In addition, this rule will limit the ability of lenders and mortgagees to evade Mortgagee Review Board sanctions by selling their addresses, names, and assets to another FHA-approved lender or mortgagee.**Timetable:**

Action	Date
NPRM	07/00/03

**Regulatory Flexibility Analysis****Required:** No**Small Entities Affected:** No**Government Levels Affected:** None**Agency Contact:** Phillip A. Murray, Director, Office of Lender Activities and Program Compliance, Department of Housing and Urban Development, Office of Housing, P3214, 451 7th Street SW., Washington, DC 20410  
Phone: 202 708-1515**RIN:** 2501-AC95**1255. TREBLE DAMAGES FOR FAILURE TO ENGAGE IN LOSS MITIGATION (FR-4553)****Priority:** Other Significant**Legal Authority:** 12 USC 1715u; 12 USC 1735f-14; 42 USC 3535(d)



## HUD—HUDSEC

## Proposed Rule Stage

**CFR Citation:** 24 CFR 203; 24 CFR 30

**Legal Deadline:** None

**Abstract:** This rule would implement sections 601(f), (g), and (h) of the fiscal year 1999 HUD Appropriations Act (Pub. L. 105-276, approved October 21, 1998). These sections amend the National Housing Act, which establishes the basic framework for HUD's single family mortgage insurance programs. Specifically, section 601(f) amends section 230 of the National Housing Act (42 U.S.C. 1715u) (entitled Authority to Assist Mortgagors in Default) to provide that, upon default of an insured single family mortgage, lenders must engage in loss mitigation activities for the purpose of providing an alternative to foreclosure. Further, sections 601(g) and (h) amend section 536 of the National Housing Act (12 U.S.C. 1735f-14) (entitled Civil Money Penalties Against Mortgagees, Lenders, and Other Participants in FHA Programs) to provide for the imposition of treble civil money penalties on lenders that fail to engage in loss mitigation activities, as required under amended section 230.

**Timetable:**

Action	Date
ANPRM	12/06/00 65 FR 76520
ANPRM Comment Period End	02/05/01
NPRM	06/00/03

**Regulatory Flexibility Analysis Required:** No

**Small Entities Affected:** No

**Government Levels Affected:** None

**Agency Contact:** Michael Reyes, Office of the Deputy Assistant Secretary for Single Family Housing, Department of Housing and Urban Development, Office of the Secretary  
Phone: 405 553-7576

**RIN:** 2501-AC66

**1256. THE SECRETARY OF HUD'S REGULATION OF FANNIE MAE AND FREDDIE MAC (FR-4790)**

**Priority:** Other Significant

**Legal Authority:** 12 USC 1451 et seq; 12 USC 1716 to 1723; 12 USC 4501 to 4641; 28 USC 2641 note; 42 USC 3535(d); 42 USC 3601 to 3619

**CFR Citation:** 24 CFR 81

**Legal Deadline:** None

**Abstract:** Through this rule, the Department will propose housing goals

for the purchase of mortgages by Fannie Mae and Freddie Mac (collectively, the Government Sponsored Enterprises, or GSEs) for calendar year 2004 forward and make any necessary revisions to HUD's GSE rules to ensure that the GSEs meet the laws' requirements and carry out their public missions. In accordance with the Federal Housing Enterprises Financial Safety and Soundness Act of 1992 (FHEFSSA), this rule would establish new goals for the GSEs' purchase of mortgages financing low- and moderate-income housing, special affordable housing, and housing in central cities, rural areas, and other underserved areas. This rule would clarify, as necessary, HUD's guidelines for counting different types of mortgage purchases toward those goals. The current housing goals apply through 2003. The Secretary of HUD has general regulatory power over each GSE and is required to make such rules and regulations as shall be necessary to ensure that the purposes of FHEFSSA and the GSEs' charters are accomplished. HUD's current GSE regulations implement FHEFSSA's provisions and include fair housing, new program approval, reporting and access to information requirements. This rule will propose any necessary revisions to HUD's rules to implement FHEFSSA and carry out the Secretary's regulatory responsibilities.

**Timetable:**

Action	Date
NPRM	08/00/03
NPRM Comment Period End	10/00/03

**Regulatory Flexibility Analysis Required:** No

**Small Entities Affected:** No

**Government Levels Affected:** None

**Agency Contact:** Sandra Fostek, Director, Office of Government Sponsored Enterprise Oversight, Department of Housing and Urban Development, Office of Housing  
Phone: 202 708-2224

**RIN:** 2501-AC92

**1257. ● AMERICAN DREAM DOWNPAYMENT INITIATIVE (FR-4832)**

**Priority:** Other Significant

**Legal Authority:** PL 108-7; 42 USC 12701 to 12839

**CFR Citation:** 24 CFR 92

**Legal Deadline:** None

**Abstract:** This rule would establish the policies and procedures for the American Dream Downpayment Initiative (ADDI) authorized by the Consolidated Appropriations Resolution, 2003. Through the ADDI, HUD will make formula grants to participating jurisdictions under the HOME Investment Partnerships Program for the purpose of assisting low-income families achieve homeownership. HUD must make the ADDI funds available in accordance with a formula, to be established by HUD, that considers a participating jurisdiction's need for, and prior commitment to, assistance to homebuyers. The rule would establish the formula for distribution of ADDI funding to HOME participating jurisdictions, identify eligible activities and costs under the ADDI, and establish other applicable requirements.

**Timetable:**

Action	Date
Interim Final Rule	08/00/03

**Regulatory Flexibility Analysis Required:** No

**Small Entities Affected:** No

**Government Levels Affected:** None

**Agency Contact:** Virginia Sardone, Director, Program Policy Division, Department of Housing and Urban Development, Office of Community Planning and Development  
Phone: 202 708-2470

**RIN:** 2501-AC93

**1258. ● HOME INVESTMENT PARTNERSHIPS PROGRAM (FR-4833)**

**Priority:** Other Significant

**Legal Authority:** 42 USC 12701 to 12839

**CFR Citation:** 24 CFR 92

**Legal Deadline:** None

**Abstract:** This rule will propose various policy changes and clarifications to the HOME Investment Partnerships Program. Program areas where changes will be proposed include: loan guarantees, community housing development organization performance standards, and long-term compliance responsibilities.

**Timetable:**

Action	Date
NPRM	07/00/03

**HUD—HUDSEC**

**Proposed Rule Stage**

**Regulatory Flexibility Analysis Required:** No

**Small Entities Affected:** No

**Government Levels Affected:** None

**Agency Contact:** Virginia Sardone, Director, Program Policy Division, Department of Housing and Urban

Development, Office of Community Planning and Development  
Phone: 202 708-2470

**RIN:** 2501-AC94

**Department of Housing and Urban Development (HUD)  
Office of the Secretary (HUDSEC)**

**Final Rule Stage**

**1259. RULE TO CONFORM REGULATORY DEFINITIONS; CIVIL RIGHTS RESTORATION ACT (FR-4587)**

**Priority:** Other Significant

**Legal Authority:** 42 USC 2000d-1; 42 USC 2000d-7; 42 USC 3535(d)

**CFR Citation:** 24 CFR 1; 24 CFR 8; 24 CFR 146

**Legal Deadline:** None

**Abstract:** Title VI of the Civil Rights Act of 1964 (title VI), section 504 of the Rehabilitation Act of 1972 (section 504), and the Age Discrimination Act of 1975 (Age Discrimination Act) prohibit discrimination on the basis of race, color, national origin, disability, and age in programs or activities that receive Federal financial assistance. In 1988, the Civil Rights Restoration Act (CRRRA) added definitions of “program or activity” and “program” to title VI, and it added a definition of “program or activity” to section 504 and the Age Discrimination Act. The promulgation of this rule incorporates the CRRRA’s definition of “program or activity” and “program” into title VI, section 504, and Age Discrimination Act regulations.

**Timetable:**

Action	Date
Final Action	09/00/03
Final Action Effective	10/00/03

**Regulatory Flexibility Analysis Required:** No

**Small Entities Affected:** No

**Government Levels Affected:** None

**Agency Contact:** Elizabeth Frank, Deputy Director, Office of Enforcement, Department of Housing and Urban Development, Office of the Secretary, Office of Fair Housing and Equal Opportunity  
Phone: 202 708-0836

**RIN:** 2501-AC70

**1260. GOVERNMENTWIDE DEBARMENT AND SUSPENSION (NONPROCUREMENT) AND GOVERNMENTWIDE REQUIREMENTS FOR DRUG-FREE WORKPLACE (FR-4692)**

**Priority:** Other Significant

**Legal Authority:** 42 USC 3535(d)

**CFR Citation:** 24 CFR 21; 24 CFR 24

**Legal Deadline:** None

**Abstract:** This rule will make substantive changes and amendments to the Governmentwide nonprocurement common rule for debarment and suspension and the Governmentwide rule implementing the Drug Free Workplace Act of 1988. This rule is part of a common rule on debarment and suspension that would limit the mandatory lower tier application of an exclusion to the first procurement level under a nonprocurement covered transaction. Also, the common rule on debarment and suspension would set the dollar threshold on prohibited lower-tier procurement transactions with excluded persons at \$25,000.

**Timetable:**

Action	Date
NPRM	07/22/02 67 FR 48006
NPRM Comment Period End	09/20/02
Final Action	07/00/03

**Regulatory Flexibility Analysis Required:** No

**Small Entities Affected:** No

**Government Levels Affected:** None

**Agency Contact:** Dane Narode, Deputy Chief Counsel for Administrative Proceedings, Department of Housing and Urban Development, Enforcement Center  
Phone: 202 708-2350

**RIN:** 2501-AC81

**1261. ENVIRONMENTAL REVIEW PROCEDURES FOR ENTITIES ASSUMING HUD’S ENVIRONMENTAL RESPONSIBILITIES (FR-4523)**

**Priority:** Other Significant

**Legal Authority:** 12 USC 1707 note; 25 USC 4115; 42 USC 1437o(i)(1); 42 USC 1437o(i)(2); 42 USC 1437x; 42 USC 3535(d); 42 USC 3547; 42 USC 4332; 42 USC 4852; 42 USC 5304 (g); 42 USC 11402; 42 USC 12588; ...

**CFR Citation:** 24 CFR 58; 24 CFR 574; 24 CFR 582; 24 CFR 583; 24 CFR 970; ...

**Legal Deadline:** None

**Abstract:** This rule would update the list of programs and statutory authorities for which other entities may assume HUD’s environmental responsibilities and make other changes to update the regulations on assumption of HUD’s environmental responsibilities.

**Timetable:**

Action	Date
NPRM	06/26/02 67 FR 43207
NPRM Comment Period End	08/26/02
Final Action	06/00/03

**Regulatory Flexibility Analysis Required:** No

**Small Entities Affected:** No

**Government Levels Affected:** None

**Agency Contact:** Walter Prybyla, Deputy Director for Policy, Environmental Review Division, Department of Housing and Urban Development, Office of Community Planning and Development  
Phone: 202 708-1201

**RIN:** 2501-AC83

## HUD—HUDSEC

## Final Rule Stage

**1262. PARTICIPATION IN HUD PROGRAMS BY FAITH-BASED ORGANIZATIONS; PROVIDING FOR EQUAL TREATMENT FOR ALL HUD PROGRAM PARTICIPANTS (FR-4782)****Priority:** Other Significant**Legal Authority:** 42 USC 3535(d), 42 USC 12701 to 12839; 42 USC 5301 to 5320; 42 USC 12891, 42 USC 12901 to 12912; 42 USC 11376; 42 USC 11403 to 114706, 42 USC 11389; 42 USC 8011**CFR Citation:** 24 CFR 92; 24 CFR 570; 24 CFR 572; 24 CFR 574; 24 CFR 576; 24 CFR 582; 24 CFR 583; 24 CFR 585**Legal Deadline:** None

**Abstract:** This rule will revise those HUD regulations that appear to deter or preclude the participation of faith-based organizations in HUD programs. Faith-based organizations are welcome participants in HUD programs. They are eligible to participate in HUD programs and are subject to the same HUD and other Federal requirements to which all other program participants are subject. The rule therefore will clarify that the prohibitions against discriminating on the basis of religion and engaging in efforts to advance religion in the provision of HUD-funded activities are applicable to all HUD program participants and not just one category of participants. The rule will also clarify that faith-based organizations participating in HUD programs may consider religion as a factor in hiring, consistent with title VII of the Civil Rights Act of 1964. The rule will amend the regulations for the following HUD programs: (1) HOME Investment Partnerships; (2) Community

Development Block Grants (CDBG); (3) Hope for Homeownership of Single Family Homes (HOPE 3); (4) Housing Opportunities for Persons with AIDS (HOPWA); (5) Emergency Shelter Grants (ESG); (6) Shelter Plus Care; (7) Supportive Housing; and (8) Youthbuild.

**Timetable:**

Action	Date
NPRM	01/06/03 68 FR 648
NPRM Comment Period End	03/07/03
Final Action	08/00/03

**Regulatory Flexibility Analysis Required:** No**Small Entities Affected:** Governmental Jurisdictions, Organizations**Government Levels Affected:** None

**Agency Contact:** Ryan Streeter, Director, Center for Faith-Based and Community Initiatives, Department of Housing and Urban Development, Office of the Secretary  
Phone: 202 708-2404

**RIN:** 2501-AC89**1263. FAIR MARKET RENTS PROGRAMS: INCREASED FAIR MARKET RENTS FOR CERTAIN AREAS AND HIGHER PAYMENT STANDARDS (FR-4606)****Priority:** Economically Significant**Legal Authority:** 42 USC 1437a; 42 USC 1437c; 42 USC 1437f; 42 USC 3535(d)**CFR Citation:** 24 CFR 888; 24 CFR 982; 24 CFR 985**Legal Deadline:** None

**Abstract:** This rule follows the interim final rule that implemented HUD's new fair market rent (FMR) policy. The new FMR policy targets relief to areas where higher FMRs are needed to help families, assisted under HUD's Housing Choice Voucher Program as well as other HUD programs, find and lease decent and affordable housing. The new FMR policy increases FMRs needed to promote residential choice, help families move closer to areas of job growth, and deconcentrate poverty. The increased FMR applies to all the HUD programs that use FMRs in that metropolitan area.

**Timetable:**

Action	Date
Interim Final Rule	10/02/00 65 FR 58870
Interim Final Rule Comment Period End	11/16/00
Interim Final Rule Effective	12/01/00
Final Action	06/00/03

**Regulatory Flexibility Analysis Required:** No**Small Entities Affected:** No**Government Levels Affected:** State, Local

**Agency Contact:** Gerald J. Benoit, Director, Housing Voucher Management and Operations, Department of Housing and Urban Development, Office of Public and Indian Housing  
Phone: 202 708-0477

**RIN:** 2501-AC75**Department of Housing and Urban Development (HUD)  
Office of the Secretary (HUDSEC)****Long-Term Actions****1264. ELECTRONIC DOCUMENT RETENTION AND CONSUMER DISCLOSURE REQUIREMENTS IN HUD-RELATED TRANSACTIONS (FR-4686)****Priority:** Other Significant**Legal Authority:** 12 USC 1701 et seq; 12 USC 1715Z-13a; 12 USC 2601 to 2617; 15 USC 1701 to 1706; 15 USC 7001 to 7006; ...**CFR Citation:** 24 CFR 5**Legal Deadline:** None

**Abstract:** This rule will implement the Electronic Signature Act which allows agencies to issue regulations, pursuant to their existing regulatory authority, interpreting section 101 of E-SIGN (15 U.S.C. 7001) and setting performance standards for the accuracy, integrity, and accessibility of electronically retained documents. The rule will set performance standards for the accessibility, integrity and accuracy of electronically retained documents.

**Timetable:** Next Action Undetermined**Regulatory Flexibility Analysis Required:** No**Small Entities Affected:** No**Government Levels Affected:** None

**Agency Contact:** Koren McKenzie-John, Attorney-Advisor, Multifamily Mortgage Division, Department of Housing and Urban Development, Office of the General Counsel  
Phone: 202 708-4090

**RIN:** 2501-AC79

## HUD—HUDSEC

## Long-Term Actions

**1265. ACCESSIBILITY STANDARDS FOR DESIGN, CONSTRUCTION, AND ALTERATION OF CERTAIN FACILITIES FINANCED WITH PUBLIC FUNDS (FR-4317)****Priority:** Other Significant**Legal Authority:** 42 USC 3535(d); 42 USC 4151 et seq**CFR Citation:** 24 CFR 40; 24 CFR 41**Legal Deadline:** None

**Abstract:** The U.S. Architectural and Transportation Barriers Compliance Board (Access Board), of which HUD is a voting member, is revising and updating its accessibility guidelines for buildings and facilities covered by the Americans with Disabilities Act and the Architectural Barriers Act (ABA). The guidelines cover new construction and alterations and serve as the basis for enforceable standards issued by other Federal agencies, including HUD. HUD, as one of the four standard setting agencies, must adopt standards that are equivalent to or stricter than those guidelines issued by the Access Board. Thus, HUD must both update its regulations for the ABA at 24 CFR 40 and 41, and must also update/replace its Uniform Federal Accessibility Standards (UFAS) with standards equivalent to or stricter than the Access Board's guidelines.

**Timetable:** Next Action Undetermined**Regulatory Flexibility Analysis Required:** No**Government Levels Affected:** None

**Agency Contact:** Milton Turner, Director, Program Compliance and Disability Rights Support Division, Department of Housing and Urban Development, Office of Fair Housing and Equal Opportunity  
Phone: 202 708-2333

**RIN:** 2501-AC47**1266. THE SECRETARY OF HUD'S REGULATION OF FANNIE MAE AND FREDDIE MAC; PROHIBITING THE PURCHASE OF CERTAIN LOANS WITH HIGH COSTS AND/OR PREDATORY FEATURES (FR-4614)****Priority:** Other Significant. Major under 5 USC 801.**Legal Authority:** 12 USC 1451 et seq; 12 USC 1716 et seq; 12 USC 4501 et seq; 42 USC 3535(d)**CFR Citation:** 24 CFR 81**Legal Deadline:** None

**Abstract:** A report issued in June 2000 by HUD and the Department of Treasury entitled "Curbing Predatory Home Mortgage Lending" noted that by providing a source of funding, entities that purchase or securitize loans with high cost and/or predatory features are, knowingly or unknowingly, supporting the activities of predatory loan originators. The report recommended regulatory restrictions that would prohibit the two Government-Sponsored Enterprises (GSEs), Fannie Mae and Freddie Mac, from purchasing certain types of loans with high costs and/or predatory features altogether. Through this rulemaking, HUD will establish regulatory restrictions, consistent with the GSEs' voluntary restrictions, that will prohibit the GSEs from purchasing certain loans with high costs and/or predatory features.

**Timetable:** Next Action Undetermined**Regulatory Flexibility Analysis Required:** No**Small Entities Affected:** No**Government Levels Affected:** None

**Agency Contact:** Sandra Fostek, Director, Office of Government Sponsored Enterprise Oversight, Department of Housing and Urban Development, Office of Housing  
Phone: 202 708-2224

**RIN:** 2501-AC76**1267. ADOPTION OF REVISIONS TO OMB CIRCULAR A-110 (FR-4573)****Priority:** Other Significant**Legal Authority:** 42 USC 3535(d)**CFR Citation:** 24 CFR 5; 24 CFR 44; 24 CFR 45; 24 CFR 84; 24 CFR 85**Legal Deadline:** None

**Abstract:** This document presents the final revision to the codification, at 24 CFR part 84, of Office of Management and Budget (OMB) Circular A-110, "Uniform Administrative Requirements for Grants and Agreements with Institutions of Higher Education, Hospitals, and Other Nonprofit Organizations." OMB issued a final revision to Circular A-110 on September 30, 1999, as required by Public Law 105-227. This rule provides uniform administrative requirements for all grants and cooperative agreements to institutions of higher education, hospitals, and other nonprofit organizations. FR-4258 (RIN 2501-AC39), which makes final an interim rule that adopted revised OMB Circular A-133 to obtain consistency and uniformity among Federal agencies for the audit of States, local governments, and nonprofit organizations expending Federal awards, is also merged with this rule.

**Timetable:**

Action	Date
Interim Final Rule	05/11/00 65 FR 30498
Interim Final Rule Effective	06/12/00
Interim Final Rule Comment Period End	07/10/00
Next Action Undetermined	

**Regulatory Flexibility Analysis Required:** No**Small Entities Affected:** No**Government Levels Affected:** None

**Agency Contact:** Barbara Dorf, Director, Office of Departmental Grants Management and Oversight, Department of Housing and Urban Development, Office of Administration  
Phone: 202 708-0667

**RIN:** 2501-AC68

**Department of Housing and Urban Development (HUD)**  
**Office of the Secretary (HUDSEC)**
**Completed Actions**
**1268. TEMPORARY ASSISTANCE TO NEEDY FAMILIES (TANF); CONFORMING CHANGES TO ANNUAL INCOME REQUIREMENTS FOR HUD'S PUBLIC HOUSING AND SECTION 8 ASSISTANCE PROGRAMS (FR-4635)**

**Priority:** Other Significant

**CFR Citation:** 24 CFR 5

**Completed:**

Reason	Date
Final Action	07/18/02 67 FR 47430
Final Action Effective	08/19/02

**Regulatory Flexibility Analysis Required:** No

**Government Levels Affected:** None

**Agency Contact:** Patricia Arnaudo  
Phone: 202 708-0744

**RIN:** 2501-AC77

**1269. INFLATION ADJUSTMENT OF CIVIL MONEY PENALTY AMOUNTS (FR-4787)**

**Priority:** Other Significant

**CFR Citation:** 24 CFR 25; 24 CFR 28; 24 CFR 30

**Completed:**

Reason	Date
Final Action	03/17/03 68 FR 12786
Final Action Effective	04/16/03

**Regulatory Flexibility Analysis Required:** No

**Government Levels Affected:** None

**Agency Contact:** Phillip A. Murray  
Phone: 202 708-1515

**RIN:** 2501-AC91

**Department of Housing and Urban Development (HUD)**  
**Office of Housing (OH)**
**Prerule Stage**
**1270. • NON-PROPRIETARY DATA SUBMITTED BY THE FEDERAL NATIONAL MORTGAGE ASSOCIATION (FANNIE MAE) AND THE FEDERAL HOME LOAN MORTGAGE CORPORATION (FREDDIE MAC) (FR-4796)**

**Priority:** Other Significant

**Legal Authority:** 12 USC 1451 et seq.; 12 USC 1716 to 1723; 12 USC 4501 to 4641; 28 USC 2461 note; 42 USC 3535(d); 42 USC 3601 to 3619

**CFR Citation:** 24 CFR 81

**Legal Deadline:** None

**Abstract:** This Notice sets forth a Final Order of the Department of Housing and Urban Development which provides that certain loan-level mortgage data submitted by the Federal National Mortgage Association (Fannie Mae, Government-Sponsored Enterprise, or GSE) and the Federal Home Loan Mortgage Corporation (Freddie Mac, Government-Sponsored Enterprise, or GSE) to HUD will be reclassified from proprietary to non-proprietary and made available to the public.

**Timetable:**

Action	Date
Notice	06/00/03

**Regulatory Flexibility Analysis Required:** No

**Small Entities Affected:** No

**Government Levels Affected:** None

**Agency Contact:** Sandra Fostek, Director, Office of Government Sponsored Enterprise Oversight, Department of Housing and Urban Development, Office of Housing  
Phone: 202 708-2224

**RIN:** 2502-AH96

**Department of Housing and Urban Development (HUD)**  
**Office of Housing (OH)**
**Proposed Rule Stage**
**1271. SINGLE FAMILY MORTGAGE; LENDER COMPLIANCE AND ACCOUNTABILITY (FR-4761)**

**Priority:** Other Significant

**Legal Authority:** 12 USC 1703; 12 USC 1708(c); 12 USC 1708 (d); 12 USC 1709; 12 USC 1709(s); 12 USC 1715(b); 12 USC 1735; 12 UDC 1735(f)-14; 42 USC 3535(d)

**CFR Citation:** 24 CFR 25; 24 CFR 202

**Legal Deadline:** None

**Abstract:** The rule would allow the Department to be more restrictive as to who can be an owner or officer of an FHA-approved lending entity, better hold the owners and principal officers and loan officers accountable for noncompliance, clarify duties and responsibilities of all parties involved

in the loan origination process, and update FHA's lender requirements to reflect current operating practices in the mortgage industry.

**Timetable:**

Action	Date
NPRM	10/00/03

**Regulatory Flexibility Analysis Required:** No

**Small Entities Affected:** No

**Government Levels Affected:** None

**Agency Contact:** Phillip A. Murray, Director, Office of Lender Activities and Program Compliance, Department of Housing and Urban Development, Office of Housing, P3214, 451 7th Street SW., Washington, DC 20410

Phone: 202 708-1515

**RIN:** 2502-AH87

**1272. LIMITATION OF FHA-INSURED LOANS TO NONPROFIT AGENCIES (FR-4702)**

**Priority:** Other Significant

**Legal Authority:** 12 USC 1709; 42 USC 3535(d)

**CFR Citation:** 24 CFR 200; 24 CFR 291

**Legal Deadline:** None

**Abstract:** This rule limits the number of Single Family properties with FHA insured mortgages that a nonprofit may have in its portfolio at any time to 10; prohibits nonprofits from obtaining FHA insurance for Single Family properties with more than one living

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unit and requires participating nonprofits to provide evidence of two years of IRS 501(c) status and two consecutive years of housing development experience within the previous five years.

**Timetable:**

Action	Date
NPRM	06/00/03

**Regulatory Flexibility Analysis Required:** No**Small Entities Affected:** Organizations**Government Levels Affected:** None

**Agency Contact:** Margaret Burns, Director, Program Support Division, Department of Housing and Urban Development, Office of Housing  
Phone: 202 708-0317

**RIN:** 2502-AH71**1273. REVISIONS TO FHA CREDIT WATCH/TERMINATION INITIATIVE (FR-4625)****Priority:** Other Significant**Legal Authority:** 12 USC 1703; 12 USC 1709; 12 USC 1715b; 42 USC 3535(d)**CFR Citation:** 24 CFR 202**Legal Deadline:** None

**Abstract:** This rule would make several amendments to HUD's regulations for the Federal Housing Administration (FHA) Credit Watch/Termination Initiative. Under the Credit Watch/Termination Initiative, HUD identifies mortgagees with unsatisfactory performance levels and takes ameliorative action at an early stage. The proposed rule will state that mortgagees will be responsible for using HUD's Electronic Neighborhood Watch Early Warning System to monitor their performance. Among other changes, the rule would also prohibit a mortgagee that has received a notice of proposed termination of its origination approval agreement from establishing a new branch for the origination of FHA-insured mortgages in the lending area covered by the proposed termination. The rule also would establish that the default and claim thresholds underlying the Credit Watch/Termination Initiative apply to both underwriting and originating mortgagees.

**Timetable:**

Action	Date
NPRM	04/01/03 68 FR 15906

Action	Date
NPRM Comment Period End	06/02/03
Final Action	12/00/03

**Regulatory Flexibility Analysis Required:** No**Small Entities Affected:** No**Government Levels Affected:** None

**Agency Contact:** Phillip A. Murray, Director, Office of Lender Activities and Program Compliance, Department of Housing and Urban Development, Office of Housing, P3214, 451 7th Street SW., Washington, DC 20410  
Phone: 202 708-1515

**RIN:** 2502-AH60**1274. ESTABLISHMENT OF LOAN OFFICER REGISTRY AND ESTABLISHMENT OF SERVICING APPROVAL AGREEMENTS (FR-4764)****Priority:** Other Significant**Legal Authority:** 12 USC 1703; 12 USC 1709; 12 USC 1715b; 42 USC 3535(d)**CFR Citation:** 24 CFR 202.5**Legal Deadline:** None

**Abstract:** This rule would authorize the Department to establish a loan officer registry and a servicing approval agreement for FHA-approved lenders. The loan officer registry would limit registration of a loan officer to one FHA-approved lender at a time and give the Department the ability to monitor a loan officer. The rule would provide for sanctions against loan officers for poor performance. Also, the rule would clarify that a loan officer must be an employee of a lender. This rule also would create a servicing approval agreement that would require FHA approval. The Department believes that the servicing agreement would enhance its authority to supervise the servicing of FHA-insured mortgages and to take action against mortgagees that fail to perform required servicing functions.

**Timetable:**

Action	Date
NPRM	10/00/03

**Regulatory Flexibility Analysis Required:** No**Government Levels Affected:** None

**Agency Contact:** Phillip A. Murray, Director, Office of Lender Activities and Program Compliance, Department of Housing and Urban Development,

Office of Housing, P3214, 451 7th Street SW., Washington, DC 20410  
Phone: 202 708-1515

**RIN:** 2502-AH88**1275. DUTIES AND RESPONSIBILITIES OF LOAN CORRESPONDENTS AND SPONSORS (FR-4762)****Priority:** Other Significant**Legal Authority:** 12 USC 1703, 1709, 1710; 12 USC 1715b; 12 USC 1715y; 42 USC 3535(d)**CFR Citation:** 24 CFR 202.2; 24 CFR 202.8(b)(7); 24 CFR 207.255(b) (11)**Legal Deadline:** None

**Abstract:** This rule would describe the duties and responsibilities of FHA-approved loan correspondents and sponsors. The Department believes it necessary to delineate clearly the different responsibilities and duties of loan correspondents and sponsors to ensure compliance with FHA program requirements. The rule also would define the terms "origination" and "underwriting."

**Timetable:**

Action	Date
NPRM	10/00/03

**Regulatory Flexibility Analysis Required:** No**Small Entities Affected:** No**Government Levels Affected:** None

**Agency Contact:** Phillip A. Murray, Director, Office of Lender Activities and Program Compliance, Department of Housing and Urban Development, Office of Housing, P3214, 451 7th Street SW., Washington, DC 20410  
Phone: 202 708-1515

**RIN:** 2502-AH90**1276. UP-FRONT MORTGAGE INSURANCE PREMIUMS FOR LOANS INSURED UNDER 24 CFR 203(K) AND 234(C) OF THE NATIONAL HOUSING ACT (FR-4749)****Priority:** Economically Significant**Legal Authority:** 12 USC 1709(c); 42 USC 3535(d)**CFR Citation:** 24 CFR 203.50; 24 CFR 203.284; 24 CFR 203.285**Legal Deadline:** None

**Abstract:** This rule amends 24 CFR part 203 to require an up-front payment at the beginning of the loan of the

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insurance premium for loans insured under sections 203(k) and 234(c) of the National Housing Act. Formerly, these loans required only monthly premium payments.

**Timetable:**

Action	Date
NPRM	05/00/03

**Regulatory Flexibility Analysis Required:** No

**Small Entities Affected:** No

**Government Levels Affected:** None

**Agency Contact:** James Beavers, Deputy Director, Office of Single Family Program Development, Department of Housing and Urban Development, Office of Housing  
Phone: 202 708-2121

**RIN:** 2502-AH82

**1277. ELIGIBILITY OF ADJUSTABLE RATE MORTGAGES (ARMS) (FR-4745)**

**Priority:** Other Significant

**Legal Authority:** 12 USC 1715z-16; 42 USC 3535(d)

**CFR Citation:** 24 CFR 203.49

**Legal Deadline:** None

**Abstract:** This rule will implement section 206 of HUD's FY 2002 Appropriations Act and enhance home buying opportunities through additional product offerings, "hybrid ARMs," tailored to the financial conditions of lenders including 7- and 10-year ARMS.

**Timetable:**

Action	Date
NPRM	03/11/03 68 FR 11730
NPRM Comment Period End	05/12/03
Final Action	12/00/03

**Regulatory Flexibility Analysis Required:** No

**Small Entities Affected:** No

**Government Levels Affected:** None

**Agency Contact:** Vance Morris, Director, Office of Single Family Program Development, Department of Housing and Urban Development, Office of Housing  
Phone: 202 708-2121

**RIN:** 2502-AH84

**1278. HOME EQUITY CONVERSION MORTGAGES (HECM); COOPERATIVE HOUSING DEVELOPMENTS (FR-4777)**

**Priority:** Substantive, Nonsignificant

**Legal Authority:** 12 USC 1715b; 12 USC 1715z to 1720;; 42 USC 3535(d)

**CFR Citation:** 24 CFR 203.43 (b)(1); 24 CFR 206.45 (b)

**Legal Deadline:** None

**Abstract:** This rule would expand the Home Equity Conversion Mortgage (HECM) program to cover approved cooperative housing developments. The rule would implement an amendment to the National Housing Act that authorizes HUD to insure HECM mortgages in cooperative housing developments. The expansion of the HECM program, in the Department's view, would contribute to the effort to broaden reverse mortgage financing opportunities for elderly homeowners.

**Timetable:**

Action	Date
NPRM	10/00/03

**Regulatory Flexibility Analysis Required:** No

**Small Entities Affected:** No

**Government Levels Affected:** None

**Agency Contact:** Vance Morris, Director, Office of Single Family Program Development, Department of Housing and Urban Development, Office of Housing  
Phone: 202 708-2121

**RIN:** 2502-AH89

**1279. ELIGIBILITY OF MORTGAGES ON HAWAIIAN HOMELANDS INSURED UNDER SECTION 247 (FR-4779)**

**Priority:** Other Significant

**Legal Authority:** 12 USC 1709; 12 USC 1710; 12 USC 1715b; 12 USC 1715u; 42 USC 3535(d)

**CFR Citation:** 24 CFR 203

**Legal Deadline:** None

**Abstract:** This rule would amend the regulations that define the terms "native Hawaiian" and "eligibility of mortgagor" to conform them to the revised definitions enacted by a recent statutory change to the National Housing Act.

**Timetable:**

Action	Date
Interim Final Rule	07/00/03

**Regulatory Flexibility Analysis**

**Required:** No

**Small Entities Affected:** No

**Government Levels Affected:** None

**Agency Contact:** Vance Morris, Director, Office of Single Family Program Development, Department of Housing and Urban Development, Office of Housing  
Phone: 202 708-2121

**RIN:** 2502-AH92

**1280. • E-ENDORSEMENT OF FHA-INSURED MORTGAGES (FR-4789)**

**Priority:** Other Significant

**Legal Authority:** 12 USC 1709; 12 USC 1710; 12 USC 1715b; 12 USC 1715z-1

**CFR Citation:** 24 CFR 203

**Legal Deadline:** None

**Abstract:** This rule would implement the Federal Housing Administration (FHA) electronic endorsement program for all mortgages eligible for insurance endorsement under the Direct Endorsement program. The program will reduce FHA's insurance risk by collecting additional information at the loan-level to target loans and lenders for post-endorsement technical reviews, and by employing fraud prevention tools. The program will also reduce government costs derived from storing case binders.

**Timetable:**

Action	Date
NPRM	09/00/03

**Regulatory Flexibility Analysis Required:** No

**Small Entities Affected:** No

**Government Levels Affected:** None

**Agency Contact:** James Beavers, Deputy Director, Office of Single Family Program Development, Department of Housing and Urban Development, Office of Housing  
Phone: 202 708-2121

**RIN:** 2502-AH95

**1281. • FHA TOTAL MORTGAGE SCORECARD (FR-4835)**

**Priority:** Other Significant

**Legal Authority:** 12 USC 1709; 12 USC 1710; 12 USC 1715b; 12 USC 1715u; 42 USC 3535(d)

**CFR Citation:** 24 CFR 203

## HUD—OH

## Proposed Rule Stage

**Legal Deadline:** None

**Abstract:** This rule will codify policies and procedures that lenders and automated underwriting system vendors must observe to use the FHA "Technology Open To All Lenders" (TOTAL) mortgage scorecard. The TOTAL scorecard assesses the creditworthiness of prospective borrowers by evaluating certain mortgage application and credit variables that have been statistically proven to accurately predict the likelihood of default on an FHA-insured mortgage. Lenders using the TOTAL scorecard, in accordance with instructions described in the rule, will be afforded certain relief from existing documentation and credit policy requirements.

**Timetable:**

Action	Date
Interim Final Rule	09/00/03

**Regulatory Flexibility Analysis Required:** No

**Small Entities Affected:** No

**Government Levels Affected:** None

**Agency Contact:** Vance Morris, Director, Office of Single Family Program Development, Department of Housing and Urban Development, Office of Housing  
Phone: 202 708-2121

**RIN:** 2502-AI00

**1282. • DUE DILIGENCE/QUALITY CONTROL PLANS (FR-4846)**

**Priority:** Other Significant

**Legal Authority:** 12 USC 1709(b); 12 USC 1715b; 42 USC 3535(d)

**CFR Citation:** 24 CFR 203

**Legal Deadline:** None

**Abstract:** This regulation would require all FHA approved mortgagees and Loan Correspondents to have in place and implement a Quality Control Plan for the origination and/or servicing of FHA insured mortgages. The Quality Control Plan would have to contain a due diligence procedure to evaluate whole loans or servicing rights purchases. The due diligence would also include specific procedures for reviewing the source of the loans and require an analysis of portfolio risk through a loan level review and sampling methodology. Appropriate actions if a loan or a percentage of loans is not in

compliance with FHA requirements would also be required.

**Timetable:**

Action	Date
NPRM	06/00/03

**Regulatory Flexibility Analysis Required:** No

**Small Entities Affected:** No

**Government Levels Affected:** None

**Agency Contact:** Eliot Horowitz, Senior Advisor/Office of the Assistant Secretary for Housing, Department of Housing and Urban Development, Office of Housing  
Phone: 202 708-1490

**RIN:** 2502-AI02

**1283. • HUD MULTIFAMILY ACCELERATED PROCESSING QUALITY ASSURANCE ENFORCEMENT (FR-4836)**

**Priority:** Other Significant

**Legal Authority:** 12 USC 1701 et seq; 42 USC 3535(d)

**CFR Citation:** 24 CFR 207; 24 CFR 220; 24 CFR 221; 24 CFR 232

**Legal Deadline:** None

**Abstract:** This rule outlines the process for implementing quality control on FHA-insured multifamily housing loans processed using multifamily accelerated processing (MAP). It includes the various controls available for HUD when corrective action is necessary, including warning letters, limited denial of participation, MAP probation, MAP suspension, termination of MAP privileges, and the role of the MAP lender review board.

**Timetable:**

Action	Date
NPRM	07/00/03

**Regulatory Flexibility Analysis Required:** No

**Small Entities Affected:** No

**Government Levels Affected:** None

**Agency Contact:** Michael McCullough, Director, Office of Multifamily Development, Department of Housing and Urban Development, Office of Housing  
Phone: 202 708-1142

**RIN:** 2502-AI01

**1284. FHA APPRAISER WATCH INITIATIVE (FR-4744)**

**Priority:** Other Significant

**Legal Authority:** 12 USC 1701 to 1715z-18; 42 USC 3535(d)

**CFR Citation:** 24 CFR 200

**Legal Deadline:** None

**Abstract:** This rule would establish HUD's regulations for the Federal Housing Administration (FHA) Appraiser Watch Initiative. Modeled on FHA's Credit Watch Termination Initiative, the proposed rule would provide for an electronic, fully computerized Appraiser Watch monitoring system. The Appraiser Watch Initiative establishes and monitors a performance standard that appraisers must meet to maintain their status on the Appraiser Roster. An appraiser may be removed from the Roster for not meeting the performance standard.

**Timetable:**

Action	Date
ANPRM	07/23/02 67 FR 48344
NPRM	07/00/03

**Regulatory Flexibility Analysis Required:** No

**Small Entities Affected:** Businesses, Organizations

**Government Levels Affected:** None

**Agency Contact:** Vance Morris, Director, Office of Single Family Program Development, Department of Housing and Urban Development, Office of Housing  
Phone: 202 708-2121

**RIN:** 2502-AH81

**1285. • HOUSING COUNSELING PROGRAM (FR-4798)**

**Priority:** Other Significant

**Legal Authority:** 12 USC 1701; 42 USC 3535(d)

**CFR Citation:** 24 CFR 212

**Legal Deadline:** None

**Abstract:** This rule would establish regulations for the Department's housing counseling program, as authorized by the Housing and Urban Development Act of 1968, and for which, the past several years, notices of funding availability are issued on an annual basis. Establishment of regulations would assist homeowners and tenants in improving their housing



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conditions and in meeting the responsibilities of homeownership and tenancy. This rule would adopt, without substantive change, the housing counseling program requirements with which grantees and housing counseling agencies are already familiar.

**Timetable:**

Action	Date
NPRM	06/00/03

**Regulatory Flexibility Analysis**

**Required:** No

**Small Entities Affected:** No

**Government Levels Affected:** None

**Agency Contact:** Joanne Edwards, Housing Program Policy Specialist, Office of Insured Single Family Housing, Department of Housing and Urban Development, Office of Housing  
Phone: 202 708-0317

**RIN:** 2502-AH99

**1286. DISPOSITION OF HUD-OWNED SINGLE FAMILY ASSETS IN ASSET CONTROL AREAS (FR-4471)**

**Priority:** Other Significant

**Legal Authority:** 12 USC 1710(h); 42 USC 3535(d)

**CFR Citation:** 24 CFR 291

**Legal Deadline:** NPRM, Statutory, September 15, 2002.

**Abstract:** This rule would implement a new program to make available HUD-held single family assets for sale to governmental organizations and nonprofits for use in homeownership programs to revitalize certain areas. Under the new program, HUD would identify revitalization areas by applying specified economic and housing criteria. Eligible purchasers, that is, units of general local government and nonprofit organizations, may establish an Asset Control Area within a revitalization area and commit by contract to purchase all HUD-owned single family homes or mortgages that become available in that area for a time frame specified by the contract. By statute, these purchasers are to be given preference. The entities would then make available the assets pursuant to a HUD-approved plan to encourage homeownership and revitalize the area.

**Timetable:**

Action	Date
NPRM	06/00/03

**Regulatory Flexibility Analysis**

**Required:** No

**Small Entities Affected:** No

**Government Levels Affected:** None

**Agency Contact:** Ivery Himes, Asset Control Program Manager, Office of Asset Management, Single Family Housing, Department of Housing and Urban Development, Office of Housing  
Phone: 202 708-1672

**RIN:** 2502-AH40

**1287. DISPOSITION OF HUD-ACQUIRED SINGLE FAMILY PROPERTY; OFFICER/TEACHER NEXT DOOR SALES PROGRAMS (FR-4712)**

**Priority:** Other Significant

**Legal Authority:** 12 USC 1701 et seq; 42 USC 1441; 42 USC 1441a; 42 USC 1551a; 42 USC 3535(d)

**CFR Citation:** 24 CFR 291 subpart F

**Legal Deadline:** None

**Abstract:** This rule codifies the policies and procedures concerning the Teacher Next Door (TND) Sales Program. The TND Sales Program has been operating since December 7, 1999, as a temporary program. This rule establishes the TND Sales Program as a permanent part of HUD's single family property disposition program. Through the TND Sales Program, HUD makes HUD-acquired single family properties available to eligible teachers for purchase at a discount from the list price. The TND Sales Program is closely modeled after HUD's Officer Next Door (OND) Sales Program, which provides the same benefits to eligible law enforcement officers. In addition to codifying the TND Sales Program, the rule would also clarify and revise certain requirements applicable to both the OND and TND Sales Programs. Among other such changes, the proposed rule would: (1) Expand eligibility for the OND Sales Program to include Native American tribal police officers; (2) cap the total number of HUD-acquired homes that will be sold in a fiscal year under the OND/TND Sales Program; and (3) establish new requirements regarding refinancing.

**Timetable:**

Action	Date
NPRM	12/00/03

**Regulatory Flexibility Analysis**

**Required:** No

**Small Entities Affected:** Governmental Jurisdictions, Organizations

**Government Levels Affected:** State, Local, Tribal

**Agency Contact:** Joseph McCloskey, Director, Office of Single Family Asset Management, Department of Housing and Urban Development, Office of Housing, Room 9172  
Phone: 202 708-1672

**RIN:** 2502-AH72

**1288. DISTRIBUTIONS TO NONPROFIT OWNERS OF CERTAIN HUD-ASSISTED MULTIFAMILY RENTAL PROJECTS (FR-4602)**

**Priority:** Other Significant

**Legal Authority:** 12 USC 1710 to 1715

**CFR Citation:** 24 CFR 880; 24 CFR 881; 24 CFR 883

**Legal Deadline:** None

**Abstract:** This rule adds an exception to HUD's current Section 8 regulations that prohibit any distributions to nonprofit owners of projects receiving project-based assistance. HUD may now permit distributions of surplus cash to owners of projects with expiring Section 8 project-based assistance contracts who agree to renew their contracts, if distributions are necessary to ensure continued participation of the owners in the Section 8 program.

**Timetable:**

Action	Date
NPRM	06/00/03

**Regulatory Flexibility Analysis**

**Required:** No

**Small Entities Affected:** No

**Government Levels Affected:** None

**Agency Contact:** Willie Spearmon, Director, Office of Housing Assistance and Grant Administration, Department of Housing and Urban Development, Office of Housing  
Phone: 202 708-3000

**RIN:** 2502-AH52

**1289. • MANUFACTURED HOUSING INSTALLATION PROGRAM (FR-4812)**

**Priority:** Economically Significant. Major status under 5 USC 801 is undetermined.

**Unfunded Mandates:** Undetermined

**Legal Authority:** 42 USC 3535(d); 42 USC 5401 et seq

## HUD—OH

## Proposed Rule Stage

**CFR Citation:** 24 CFR 3285

**Legal Deadline:** Final, Statutory, December 27, 2005, Program to be established not later than 5 years after enactment of P.L. 106-569.

**Abstract:** By December 2005, HUD is required under the Manufactured Housing Improvement Act to establish and implement an installation program that includes: (1) Installation standards; (2) the training and licensing of manufactured home installers; and (3) inspection of the installation of manufactured homes. HUD's program will be implemented in States that do not have their own qualifying installation program.

**Timetable:**

Action	Date
ANPRM	03/10/03 68 FR 11448
ANPRM Comment Period End	04/24/03
NPRM	09/00/03

**Regulatory Flexibility Analysis**

**Required:** Undetermined

**Small Entities Affected:** Businesses, Governmental Jurisdictions

**Government Levels Affected:** Undetermined

**Federalism:** Undetermined

**Agency Contact:** William W. Matchneer III, Administrator, Office of Manufactured Housing Programs, Department of Housing and Urban Development, Office of Housing  
Phone: 202 708-6401

**RIN:** 2502-AH97

**1290. • MANUFACTURED HOUSING DISPUTE RESOLUTION PROGRAM (FR-4813)**

**Priority:** Other Significant

**Legal Authority:** 42 USC 3535(d); 42 USC 5401 et seq

**CFR Citation:** 24 CFR 3286

**Legal Deadline:** Final, Statutory, December 27, 2005, Program to be established not later than 5 years after enactment of P.L. 106-569.

**Abstract:** Under the Manufactured Housing Improvement Act, HUD is required to establish a program for the timely resolution of disputes among

manufacturers, retailers, and installers of manufactured homes regarding responsibility for defects in manufactured homes; and the issuance of appropriate orders for the correction or repair of defects in manufactured homes.

**Timetable:**

Action	Date
ANPRM	03/10/03 68 FR 11452
ANPRM Comment Period End	04/24/03
NPRM	09/00/03

**Regulatory Flexibility Analysis**

**Required:** No

**Small Entities Affected:** No

**Government Levels Affected:** None

**Agency Contact:** William W. Matchneer III, Administrator, Office of Manufactured Housing Programs, Department of Housing and Urban Development, Office of Housing  
Phone: 202 708-6401

**RIN:** 2502-AH98

**Department of Housing and Urban Development (HUD)  
Office of Housing (OH)**

**Final Rule Stage**

**1291. APPRAISER QUALIFICATIONS FOR PLACEMENT ON FHA SINGLE FAMILY APPRAISER ROSTER (FR-4620)**

**Priority:** Other Significant

**Legal Authority:** 12 USC 1701 to 1715z-18; 42 USC 3535(d)

**CFR Citation:** 24 CFR 200

**Legal Deadline:** None

**Abstract:** This rule makes several regulatory changes designed to strengthen the licensing and certification requirements for placement on the Federal Housing Administration (FHA) Appraiser Roster. First, the rule requires that appraisers on the Appraiser Roster must have credentials that are based on the minimum licensing/certification standards issued by the Appraiser Qualifications Board of the Appraisal Foundation. The rule also clarifies that an appraiser may be removed from the Appraiser Roster if the appraiser loses his or her license or certification in any State due to disciplinary action, even if the appraiser continues to be licensed or certified in another State. Finally, the rule provides that an appraiser whose

license or certification in any State has expired, or has been revoked, suspended or surrendered as a result of a State disciplinary action, will be automatically suspended from the Appraiser Roster until HUD receives evidence demonstrating renewal or that the State-imposed sanction has been lifted. The final rule follows publication of a November 30, 2001, proposed rule and takes into consideration the public comments received on the proposed rule.

**Timetable:**

Action	Date
NPRM	11/30/01 66 FR 60128
NPRM Comment Period End	01/29/02
Final Action	05/16/03 68 FR 26946
Final Action Effective	06/16/03

**Regulatory Flexibility Analysis**

**Required:** No

**Small Entities Affected:** Businesses

**Government Levels Affected:** None

**Agency Contact:** Vance Morris, Director, Office of Single Family Program Development, Department of

Housing and Urban Development, Office of Housing  
Phone: 202 708-2121

**RIN:** 2502-AH59

**1292. DISTRIBUTION OF TAX CREDIT PROCEEDS (FR-4792)**

**Priority:** Other Significant

**Legal Authority:** 12 USC 1702 to 1715z-21; 42 USC 3535(d)

**CFR Citation:** 24 CFR 200.54(b)

**Legal Deadline:** None

**Abstract:** This rule amends 24 CFR 200.54(b) to provide that low-income housing tax credit syndication proceeds and historic tax credit syndication proceeds will be treated in the same manner as funds provided by a grant or loan from a Federal, State, or local government agency or instrumentality to the extent that these proceeds do not have to be fully disbursed before the disbursement of mortgage proceeds.

**Timetable:**

Action	Date
Interim Final Rule	06/00/03

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**Regulatory Flexibility Analysis****Required:** No**Small Entities Affected:** No**Government Levels Affected:** None

**Agency Contact:** Michael McCullough, Director, Office of Multifamily Development, Department of Housing and Urban Development, Office of Housing  
Phone: 202 708-1142

**RIN:** 2502-AH91**1293. SECTION 223F SUPPLEMENTAL COST CERTIFICATION (FR-4793)****Priority:** Other Significant**Legal Authority:** 12 USC 1701 to 1715z-20**CFR Citation:** 24 CFR 200**Legal Deadline:** None

**Abstract:** This regulation will eliminate the supplemental cost certification requirement for FHA loans insured pursuant to section 223f where repairs are required after endorsement of the loan. This change will eliminate an unnecessary burden to the public. At closing/endorsement, an escrow is established sufficient to complete all repairs, and inspection of repairs is required. Once repairs are completed, the balance of escrow is returned to the owner by the mortgagee. If repairs are not completed, the mortgagee uses the balance of escrow.

**Timetable:**

Action	Date
Interim Final Rule	06/00/03

**Regulatory Flexibility Analysis****Required:** No**Small Entities Affected:** No**Government Levels Affected:** None

**Agency Contact:** Michael McCullough, Director, Office of Multifamily Development, Department of Housing and Urban Development, Office of Housing  
Phone: 202 708-1142

**RIN:** 2502-AH93**1294. PROHIBITION OF PROPERTY FLIPPING IN HUD'S SINGLE FAMILY MORTGAGE INSURANCE PROGRAMS (FR-4615)****Priority:** Other Significant**Legal Authority:** 12 USC 1709; 12 USC 1710; 12 USC 1715b; 12 USC 1715u; 42 USC 3535(d)**CFR Citation:** 24 CFR 203**Legal Deadline:** None

**Abstract:** This rule addresses property "flipping," the practice whereby a property recently acquired is resold for a considerable profit with an artificially inflated value, often abetted by a lender's collusion with the appraiser. Specifically, the final rule will establish certain new requirements regarding the eligibility of properties for FHA mortgage insurance. The regulatory amendments made by this rule will comply with congressional mandates to maintain the FHA Insurance Fund in a sound actuarial manner. The new requirements will make flipped properties ineligible for FHA financing, thus precluding FHA home purchasers from becoming victims of property flipping. The rule follows publication of a September 5, 2001, proposed rule, and takes into consideration the public comments received on the proposed rule.

**Timetable:**

Action	Date
NPRM	09/05/01 66 FR 46502
NPRM Comment Period End	11/05/01
Final Action	05/01/03 68 FR 23370
Final Action Effective	06/02/03

**Regulatory Flexibility Analysis****Required:** No**Small Entities Affected:** Businesses, Organizations**Government Levels Affected:** None

**Agency Contact:** Vance Morris, Director, Office of Single Family Program Development, Department of Housing and Urban Development, Office of Housing  
Phone: 202 708-2121

**RIN:** 2502-AH57**1295. UPFRONT MORTGAGE INSURANCE PREMIUMS: REMITTANCE REQUIREMENTS (FR-4690)****Priority:** Other Significant**Legal Authority:** 42 USC 3535(d); 12 USC 1709**CFR Citation:** 24 CFR 203**Legal Deadline:** None

**Abstract:** This rule will change the remittance period of mortgage insurance premiums. The rule will also implement a more precise definition of when the remittance period begins.

**Timetable:**

Action	Date
NPRM	08/21/02 67 FR 54312
NPRM Comment Period End	10/21/02
Final Rule	06/00/03

**Regulatory Flexibility Analysis****Required:** No**Small Entities Affected:** No**Government Levels Affected:** None

**Agency Contact:** Vance Morris, Director, Office of Single Family Program Development, Department of Housing and Urban Development, Office of Housing  
Phone: 202 708-2121

**RIN:** 2502-AH67**1296. AMENDMENTS TO THE SECTION 203(K) REHABILITATION LOAN INSURANCE PROGRAM (FR-4701)****Priority:** Other Significant**Legal Authority:** 12 USC 1709; 12 USC 1710; 12 USC 1715b; 12 USC 1715u; 42 USC 3535 (d)**CFR Citation:** 24 CFR 203**Legal Deadline:** None

**Abstract:** This rule will make two amendments to HUD's regulations for the section 203(k) Rehabilitation Loan Insurance Program. The 203(k) Program is the Federal Housing Administration's (FHA's) primary program for the rehabilitation and repair of single family properties. The rule will limit 203(k) rehabilitation loan insurance to one-unit properties. This rule will also cap the total cost of rehabilitation to twenty percent of the single family mortgage limit established by HUD for a one-unit home in a "high cost area." These changes would simplify the 203(k) Program for both lenders and homebuyers, and strengthen HUD's capacity to safeguard the FHA mortgage insurance fund. This rule follows publication of an August 21, 2002, proposed rule, and takes into consideration the public comments received on the proposed rule.

**Timetable:**

Action	Date
NPRM	08/21/02 67 FR 54308
NPRM Comment Period End	10/21/02
Final Action	08/00/03

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## Final Rule Stage

**Regulatory Flexibility Analysis****Required:** No**Small Entities Affected:** Businesses, Organizations**Government Levels Affected:** None**Agency Contact:** Vance Morris, Director, Office of Single Family Program Development, Department of Housing and Urban Development, Office of Housing  
Phone: 202 708-2121**RIN:** 2502-AH73**1297. FHA INSPECTOR ROSTER (FR-4720)****Priority:** Other Significant**Legal Authority:** 12 USC 1709; 42 USC 3535(d)**CFR Citation:** 24 CFR 200.170; 24 CFR 200.171; 24 CFR 200.172**Legal Deadline:** None**Abstract:** This rule establishes the criteria for inclusion on, and removal from, the FHA Inspector Roster. FHA officials will review the credentials of individuals desiring placement on this Roster or recertification to the Roster. The rule also identifies when a mortgagee must use the services of those individuals appearing on the Roster.**Timetable:**

Action	Date
NPRM	10/12/02 67 FR 63198
NPRM Comment Period End	12/09/02
Final Action	07/00/03

**Regulatory Flexibility Analysis****Required:** No**Small Entities Affected:** No**Government Levels Affected:** None**Agency Contact:** Vance Morris, Director, Office of Single Family Program Development, Department of Housing and Urban Development, Office of Housing  
Phone: 202 708-2121**RIN:** 2502-AH76**1298. LENDER ACCOUNTABILITY FOR APPRAISALS (FR-4722)****Priority:** Other Significant**Legal Authority:** 12 USC 1708 to 1710; 12 USC 1715b; 12 USC 1715u; 12 USC 1735f-14; 42 USC 3535(d)**CFR Citation:** 24 CFR 25; 24 CFR 203**Legal Deadline:** None**Abstract:** This rule clarifies and strengthens HUD's regulations concerning the responsibilities of lenders approved by the Federal Housing Administration (FHA) in the selection of appraisers to perform appraisals on properties that will be the security for FHA-insured mortgages. First, the rule provides that lenders are to be held strictly accountable for the quality of appraisals on properties securing FHA-insured mortgages. Further, the rule specifically provides that lenders that submit appraisals to HUD that do not meet FHA requirements are subject to the imposition of sanctions by the HUD Mortgagee Review. The rule would apply to both sponsor lenders, who underwrite loans, and loan correspondent lenders, who originate loans on behalf of their sponsors. HUD believes these proposed changes will help protect the FHA Insurance Fund, ensure better compliance with appraisal standards, and help to ensure that homebuyers receive an accurate statement of appraised value.**Timetable:**

Action	Date
NPRM	01/13/03 68 FR 1766
NPRM Comment Period End	03/14/03
Final Action	12/00/03

**Regulatory Flexibility Analysis****Required:** No**Small Entities Affected:** Businesses**Government Levels Affected:** None**Agency Contact:** Vance Morris, Director, Office of Single Family Program Development, Department of Housing and Urban Development, Office of Housing  
Phone: 202 708-2121**RIN:** 2502-AH78**1299. INSURANCE FOR MORTGAGES TO REFINANCE EXISTING HECMS (FR-4667)****Priority:** Other Significant**Legal Authority:** 12 USC 1715b; 12 USC 1715z to 1720; 42 USC 3535(d)**CFR Citation:** 24 CFR 206**Legal Deadline:** Final, Statutory, June 27, 2001, Section 201 of the American Homeownership and Economic Opportunity Act of 2000 requires that

HUD issue final regulations within 180 days of enactment.

**Abstract:** On June 5, 2001, HUD published a proposed rule to implement certain statutory changes to the Home Equity Conversion Mortgage (HECM) Program made by section 201 of the American Homeownership and Economic Opportunity Act of 2000. The HECM Program enables older homeowners to withdraw some of the equity in their home in the form of payments for life, a fixed term, or at intervals through a line of credit. The statutory changes include authorization to offer mortgage insurance for refinancing of existing HECMs, and providing consumers with safeguards for such refinancing. This rule follows publication of the June 5, 2001, proposed rule, and takes into consideration the public comments received on the proposed rule. In addition, this rule implements another statutory change to the HECM Program. This rule limits the initial mortgage insurance premium (MIP) that may be charged on a HECM refinancing.**Timetable:**

Action	Date
NPRM	06/05/01 66 FR 30278
NPRM Comment Period End	07/05/01
Final Action	09/00/03

**Regulatory Flexibility Analysis****Required:** No**Small Entities Affected:** No**Government Levels Affected:** None**Agency Contact:** Vance Morris, Director, Office of Single Family Program Development, Department of Housing and Urban Development, Office of Housing  
Phone: 202 708-2121**RIN:** 2502-AH63**1300. SECTION 236 EXCESS RENTAL CHARGES (FR-4689)****Priority:** Other Significant**Legal Authority:** 12 USC 1715z-1; 42 USC 3535(d)**CFR Citation:** 24 CFR 236**Legal Deadline:** None**Abstract:** This rule would establish the terms and conditions to permit owners of projects receiving section 236 rental

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assistance to participate in retaining some or all of their excess charges for project use. In addition, it would permit owners to retain excess charges for non-project use after a determination by HUD that the project is well maintained housing in good condition and that the owner has not engaged in material adverse financial or managerial actions or omissions.

**Timetable:**

Action	Date
NPRM	08/12/02 67 FR 52526
NPRM Comment Period End	10/11/02
Final Action	07/00/03

**Regulatory Flexibility Analysis****Required:** No**Small Entities Affected:** No**Government Levels Affected:** None

**Agency Contact:** Janice Nimmer, Housing Project Manager, Department of Housing and Urban Development, Office of Housing  
Phone: 202 708-3944

**RIN:** 2502-AH68**1301. RENEWAL OF EXPIRING SECTION 8 PROJECT-BASED ASSISTANCE CONTRACT (FR-4551)****Priority:** Other Significant

**Legal Authority:** 12 USC 1715z-1; 12 USC 1735f-19(b); 42 USC 1437(c)(8); 42 USC 1437f(t) note; 42 USC 3535(d)

**CFR Citation:** 24 CFR 401; 24 CFR 402**Legal Deadline:** None

**Abstract:** This rule will replace interim part 402, which was published on September 11, 1998, together with interim part 401, which established the Mark-to-Market program. Subsequently HUD decided to separate the two parts and publish final part 401 separately, although the current rule makes minor conforming amendments to part 401 as well. Final part 402 will set forth the regulations governing the renewal of expiring Section 8 project-based assistance contracts, whether the project's rents are above or below market, except for renewals made as part of a mark-to-market restructuring plan under part 401.

**Timetable:**

Action	Date
Final Action	07/00/03

**Regulatory Flexibility Analysis****Required:** No**Small Entities Affected:** No**Government Levels Affected:** Undetermined

**Agency Contact:** Willie Spearmon, Director, Office of Housing Assistance and Grant Administration, Department of Housing and Urban Development, Office of Housing  
Phone: 202 708-3000

**RIN:** 2502-AH47**1302. MIXED FINANCE DEVELOPMENT FOR SUPPORTIVE HOUSING FOR THE ELDERLY OR PERSONS WITH DISABILITIES AND OTHER CHANGES TO 24 CFR PART 891 (FR-4725)****Priority:** Other Significant

**Legal Authority:** PL 106-569, sec 831 to 834 (Am. Homeownership & Economic Opportunity Act of 2000)

**CFR Citation:** 24 CFR 891**Legal Deadline:** None

**Abstract:** This rule permits for-profit limited partners to partner with a non-profit general partner in developing assisted housing for elderly and disabled using a mixed finance model, where HUD funding and non-Federal funding sources are combined in a single project. This rule would implement this program, providing for rules for the use of different funding sources, application procedures, procedures for the dispersal of funds, and other matters involved in program implementation.

**Timetable:**

Action	Date
Interim Final Rule	06/00/03

**Regulatory Flexibility Analysis****Required:** No**Small Entities Affected:** No**Government Levels Affected:** None

**Agency Contact:** Aretha Williams, Housing Project Manager, Department of Housing and Urban Development, Office of Housing, Room 6142, Washington, DC 20410

Phone: 202 708-2866

**RIN:** 2502-AH83**1303. RESPA—IMPROVING THE PROCESS FOR OBTAINING MORTGAGES (FR-4727)****Priority:** Economically Significant. Major under 5 USC 801.**Legal Authority:** 12 USC 2601; 42 USC 3535(d)**CFR Citation:** 24 CFR 3500 et seq**Legal Deadline:** None

**Abstract:** This rule will establish a new framework for borrower disclosures under RESPA that will: (1) Address the issue of mortgage broker compensation, specifically the problem of lender payments to mortgage brokers, by fundamentally changing the way in which such lender payments in brokered mortgage transactions are recorded and reported to borrowers; (2) significantly improve HUD's Good Faith Estimate (GFE) settlement cost disclosure, and amend HUD's related RESPA regulations, to make the GFE firmer and more usable, to facilitate shopping for mortgages, and to avoid unexpected charges to borrowers at settlement; and (3) remove regulatory barriers to allow guaranteed packages of settlement services and mortgages to be made available to borrowers, to make borrower shopping for mortgages easier and further reduce settlement costs.

**Timetable:**

Action	Date
NPRM	07/29/02 67 FR 49134
NPRM Comment Period End	10/28/02
Next Action	Undetermined

**Regulatory Flexibility Analysis****Required:** Yes**Small Entities Affected:** Businesses**Government Levels Affected:** None

**Agency Contact:** Ivy Jackson, Acting Director, Interstate Land Sales and RESPA Division, Department of Housing and Urban Development, Office of Housing  
Phone: 202 708-0502

**RIN:** 2502-AH85

**Department of Housing and Urban Development (HUD)**  
**Office of Housing (OH)**
**Long-Term Actions**
**1304. RELEASE OF INFORMATION TO TENANTS AND OTHER PARTIES PURSUANT TO MAHRA (FR-4531)**
**Priority:** Other Significant**Legal Authority:** 42 USC 1437f note**CFR Citation:** 24 CFR 401**Legal Deadline:** None

**Abstract:** The rule is designed to provide tenants and other interested parties with access to the information needed for meaningful participation in the development of a restructuring plan, while ensuring appropriate protection of legitimate interest of project owners in confidential and proprietary business information.

**Timetable:** Next Action Undetermined
**Regulatory Flexibility Analysis Required:** No
**Small Entities Affected:** No**Government Levels Affected:** None
**Agency Contact:** Paige Warren, Acting Director for Production, Department of Housing and Urban Development, Office of Multifamily Assistance Restructuring  
 Phone: 202 708-0001
**RIN:** 2502-AH45

market regulations as necessary to fully implement the Mark-to-Market Program Extension Act of 2001, enacted as title VI of Pub. L. 107-116.

**Timetable:** Next Action Undetermined
**Regulatory Flexibility Analysis Required:** No
**Small Entities Affected:** No**Government Levels Affected:** None
**Agency Contact:** Willie Spearmon, Director, Office of Housing Assistance and Grant Administration, Department of Housing and Urban Development, Office of Housing  
 Phone: 202 708-3000
**RIN:** 2502-AH86
**1305. MARK-TO-MARKET PROGRAM AMENDMENTS (FR-4751)**
**Priority:** Other Significant**Legal Authority:** PL 107-116, title VI**CFR Citation:** 24 CFR 401**Legal Deadline:** None
**Abstract:** This rule would make conforming changes to the mark-to-

**Department of Housing and Urban Development (HUD)**  
**Office of Housing (OH)**
**Completed Actions**
**1306. MORTGAGE INSURANCE PREMIUMS IN MULTIFAMILY HOUSING PROGRAMS (FR-4679)**
**Priority:** Other Significant**CFR Citation:** 24 CFR 207**Completed:**

Reason	Date
Final Action	03/17/03 68 FR 12792
Final Action Effective	04/16/03

**Regulatory Flexibility Analysis Required:** No

**Government Levels Affected:** Local, Federal, State

**Agency Contact:** Michael McCullough  
 Phone: 202 708-1142
**RIN:** 2502-AH64**Completed:**

Reason	Date
Final Action	02/07/03 68 FR 6596
Final Action Effective	03/10/03

**Regulatory Flexibility Analysis Required:** No
**Government Levels Affected:** None
**Agency Contact:** Vance Morris  
 Phone: 202 708-2121
**RIN:** 2502-AH80
**Agency Contact:** Willie Spearmon  
 Phone: 202 708-3000
**RIN:** 2502-AH55
**1309. AUTHORITY TO WAIVE REGULATIONS UNDER PART 401 (FR-4791)**
**Priority:** Substantive, Nonsignificant**CFR Citation:** 24 CFR 401**Completed:**

Reason	Date
Final Action	01/23/03 68 FR 3362
Final Action Effective	02/24/03

**Regulatory Flexibility Analysis Required:** No
**Government Levels Affected:** None
**Agency Contact:** Eliot Horowitz  
 Phone: 202 708-1490
**RIN:** 2502-AH94
**1307. FHA APPROVAL OF CONDOMINIUM DEVELOPMENTS LOCATED IN THE COMMONWEALTH OF PUERTO RICO FOR MORTGAGE INSURANCE UNDER THE SECTION 234(C) PROGRAM (FR-4713)**
**Priority:** Substantive, Nonsignificant**CFR Citation:** 24 CFR 234**Completed:**

Reason	Date
Final Action	04/24/03 68 FR 20324
Final Action Effective	05/27/03

**Regulatory Flexibility Analysis Required:** No
**Government Levels Affected:** None

Department of Housing and Urban Development (HUD)  
Office of Community Planning and Development (CPD)

Proposed Rule Stage

**1310. CDBG****BROWNFIELDS/SLUM/BLIGHT (FR-4699)****Priority:** Other Significant**Legal Authority:** 42 USC 3535(d); 42 USC 5301 et seq**CFR Citation:** 24 CFR 570**Legal Deadline:** None

**Abstract:** This rule will improve the ability of entitlement communities and States' grant recipients to use Community Development Block Grant (CDBG) funds for brownfields activities. The rule will clarify the eligibility of activities involving the cleanup and development of environmentally contaminated properties under section 105(a) of the Housing and Community Development Act of 1974, as amended. The rule also will increase CDBG recipients' flexibility to undertake activities meeting the national objective of preventing or eliminating slums or blighting conditions. The criteria for meeting the slum/blight national objective will be revised to specifically recognize economic obsolescence of buildings and the presence of environmental contaminants as blighting influences on an area or property. This rule will further clarify the list of activities that may be undertaken to address the slum/blight national objective criteria on a spot basis. Finally, this rule makes corresponding changes in the eligibility regulations governing the Section 108 Loan Guarantee component of the CDBG program.

**Timetable:**

Action	Date
NPRM	07/00/03

**Regulatory Flexibility Analysis****Required:** No**Small Entities Affected:** No**Government Levels Affected:** State, Local**Agency Contact:** Steve Johnson, Director, State and Small Cities Division, Department of Housing and Urban Development, Office of Community Planning and Development  
Phone: 202 708-1322**RIN:** 2506-AC12**1311. HOUSING OPPORTUNITIES FOR PERSONS WITH AIDS (HOPWA) (FR-4708)****Priority:** Other Significant**Legal Authority:** 42 USC 12901 et seq**CFR Citation:** 24 CFR 574**Legal Deadline:** None

**Abstract:** The Housing Opportunities for Persons With AIDS (HOPWA) program was authorized in 1992 by title VIII, subtitle D, of the Cranston-Gonzalez National Affordable Housing Act/the AIDS Housing Opportunity Act. The program is designed to provide States and localities with resources and incentives to provide long-term comprehensive strategies for meeting the housing needs of persons with HIV/AIDS. This update to the regulation is intended to respond to the increased program knowledge in administering housing programs for persons living with HIV/AIDS.

**Timetable:**

Action	Date
NPRM	12/00/03

**Regulatory Flexibility Analysis****Required:** No**Small Entities Affected:** No**Government Levels Affected:** None**Agency Contact:** David Vos, Director, Office of HIV/AIDS Housing, Department of Housing and UrbanDevelopment, Office of Community Planning and Development  
Phone: 202 708-1934**RIN:** 2506-AC11**1312. SUPPORTIVE HOUSING PROGRAM (FR-4616)****Priority:** Substantive, Nonsignificant**Legal Authority:** 42 USC 11381; 42 USC 11389; 42 USC 3535(d)**CFR Citation:** 24 CFR 583**Legal Deadline:** None

**Abstract:** The Department of Housing and Urban Development is proposing to amend the Supportive Housing Program regulations. The regulations will be updated to clarify existing program requirements and to add new program requirements in accordance with recent statutory changes including requirements for some local matching funds and for permanent housing. Additionally, this rule will make the Supportive Housing Program regulations clearer and allow for the full flexibility of the McKinney Act.

**Timetable:**

Action	Date
NPRM	06/00/03

**Regulatory Flexibility Analysis****Required:** No**Small Entities Affected:** No**Government Levels Affected:** Local**Agency Contact:** John D. Garrity, Director, Office of Special Needs Assistance Programs, Department of Housing and Urban Development, Office of Community Planning and Development  
Phone: 202 708-4300**RIN:** 2506-AC07

Department of Housing and Urban Development (HUD)  
Office of Community Planning and Development (CPD)

Final Rule Stage

**1313. CDBG PROGRAM FOR STATES; COMMUNITY REVITALIZATION STRATEGY REQUIREMENTS AND MISCELLANEOUS TECHNICAL AMENDMENTS (FR-4081)****Priority:** Substantive, Nonsignificant**Legal Authority:** 42 USC 11331 to 11388; 42 USC 12701 to 12711; 42 USC 12741 to 12756; 42 USC 12901 to

12912; 42 USC 3535(d); 42 USC 3601 to 3619; 42 USC 5300 to 5320

**CFR Citation:** 24 CFR 570; 24 CFR 91**Legal Deadline:** None

**Abstract:** This rule integrates the Community Revitalization Strategies concept with the State CDBG program. This concept will provide States additional flexibility in meeting certain

requirements regarding the program's national objectives and public benefit. This rule also makes several technical amendments to correct errors from previous rulemaking and to enhance and clarify the regulation.

**Timetable:**

Action	Date
Interim Final Rule	10/22/96 61 FR 54914

## HUD—CPD

## Final Rule Stage

Action	Date
Interim Final Rule Effective	11/21/96
Interim Final Rule Comment Period End	02/16/97
Final Action	06/00/03

**Regulatory Flexibility Analysis Required:** No

**Government Levels Affected:** None

**Agency Contact:** Steve Johnson, Director, State and Small Cities Division, Department of Housing and Urban Development, Office of Community Planning and Development  
Phone: 202 708-1322

**RIN:** 2506-AB83

**1314. • HOPWA SHALLOW RENTAL ASSISTANCE (FR-4822)**

**Priority:** Other Significant

**Legal Authority:** 42 USC 3535(d); 42 USC 12901 to 12912

**CFR Citation:** 24 CFR 574

**Legal Deadline:** None

**Abstract:** This rule defines shallow rental assistance and establishes standards and limitations for undertaking this activity under the Housing Opportunities for Persons with AIDS (HOPWA) program. The rule updates and clarifies, as necessary, the current regulations regarding rental assistance under the HOPWA program.

**Timetable:**

Action	Date
Interim Final Rule	09/00/03

**Regulatory Flexibility Analysis Required:** No

**Small Entities Affected:** No

**Government Levels Affected:** None

**Agency Contact:** David Vos, Director, Office of HIV/AIDS Housing, Department of Housing and Urban Development, Office of Community Planning and Development  
Phone: 202 708-1934

**RIN:** 2506-AC14

**1315. SUPPORTIVE HOUSING PROGRAM — INCREASING OPERATING COST PERCENTAGE (FR-4576)**

**Priority:** Substantive, Nonsignificant

**Legal Authority:** 42 USC 11389; 42 USC 3535(d)

**CFR Citation:** 24 CFR 583

**Legal Deadline:** None

**Abstract:** This rule amended the Supportive Housing Program regulations by changing the number of years for which the grant can cover 75 percent of operating costs from the first two years to all years of the grant term. This rule will be made final as part of FR-4616, revising the Supportive Housing Program generally.

**Timetable:**

Action	Date
Interim Final Rule	05/12/00 65 FR 30822
Interim Final Rule Effective	06/12/00
Interim Final Rule Comment Period End	07/11/00
Final Action	08/00/03

**Regulatory Flexibility Analysis Required:** No

**Small Entities Affected:** No

**Government Levels Affected:** Local

**Agency Contact:** John D. Garrity, Director, Office of Special Needs Assistance Programs, Department of Housing and Urban Development, Office of Community Planning and Development  
Phone: 202 708-4300

**RIN:** 2506-AC05

**1316. DESIGNATION OF RENEWAL COMMUNITIES AND THIRD ROUND EMPOWERMENT ZONES (FR-4663)**

**Priority:** Other Significant

**Legal Authority:** PL 106-554; 26 USC subchapter U; 26 USC subchapter X; 42 USC 3535(d)

**CFR Citation:** 24 CFR 598; 24 CFR 599

**Legal Deadline:** Final, Statutory, April 23, 2001, Community Renewal Tax Relief Act of 2000 requires Renewal Communities regulations no later than 4 months after the date of enactment, December 21, 2000.

**Abstract:** Renewal Communities: This part of the rule will implement section 101 of the Community Renewal and Tax Relief Act of 2000 by setting forth policies and procedures applicable to the designation of Renewal Communities, authorized under subchapter X of the Internal Revenue Code of 1986.

**Empowerment Zones: Third Round -** This part of the rule will implement section 111 of the Community Renewal and Tax Relief Act of 2000 by setting forth policies and procedures applicable to the third round of designations of urban empowerment zones, authorized under subchapter U of the Internal Revenue Code 1986.

**Timetable:**

Action	Date
Interim Final Rule	07/09/01 66 FR 35850
Interim Final Rule Effective	08/08/01
Interim Final Rule Comment Period End	09/07/01
Final Action	06/00/03

**Regulatory Flexibility Analysis Required:** No

**Small Entities Affected:** No

**Government Levels Affected:** None

**Agency Contact:** Pamela Glekas, Director, Empowerment Zones/Empowerment Communities Initiative, Department of Housing and Urban Development, Office of Community Planning and Development  
Phone: 202 708-6339

**RIN:** 2506-AC09



**Department of Housing and Urban Development (HUD)**  
**Office of Community Planning and Development (CPD)**

**Long-Term Actions**

**1317. PROHIBITION ON USE OF CDBG ASSISTANCE FOR JOB-PIRATING ACTIVITIES (FR-4556)**

**Priority:** Other Significant

**Legal Authority:** 42 USC 3535(d); 42 USC 5301 to 5320

**CFR Citation:** 24 CFR 570

**Legal Deadline:** None

**Abstract:** This rule will implement section 588 of the Quality Housing and Work Responsibility Act of 1998 by revising HUD's regulations for the Community Development Block Grant (CDBG) program. Section 588 prohibits State and local governments from using CDBG funds for "job pirating" activities

that are likely to result in significant job loss. Job pirating, in this context, refers to the use of CDBG funds to lure or attract a business and its jobs from one community to another community. The rule follows publication of an October 24, 2000, proposed rule, and takes into consideration the public comments received on the proposed rule.

**Timetable:**

Action	Date
NPRM	10/24/00 65 FR 63756
NPRM Comment	12/26/00
Period End	
Next Action	Undetermined

**Regulatory Flexibility Analysis Required:** No

**Government Levels Affected:** State, Local

**Agency Contact:** Richard J. Kennedy, Office of Block Grant Assistance, Department of Housing and Urban Development, Office of Community Planning and Development  
 Phone: 202 708-3587

**RIN:** 2506-AC04

**Department of Housing and Urban Development (HUD)**  
**Office of Fair Housing and Equal Opportunity (FHEO)**

**Final Rule Stage**

**1318. FAIR HOUSING ACT REGULATION; CONFORMING AMENDMENT; UPDATE TO REFLECT CURRENT EDITION OF AMERICAN NATIONAL STANDARDS INSTITUTE (ANSI) (FR-4554)**

**Priority:** Substantive, Nonsignificant

**Legal Authority:** 42 USC 3535(d); 42 USC 3600 to 3620

**CFR Citation:** 24 CFR 100

**Legal Deadline:** None

**Abstract:** Subpart D of HUD's Fair Housing Act regulations (24 CFR part 100), which address the accessibility requirements of the Fair Housing Act, has not been updated since 1991. These regulations reference compliance with

the building standards of the American National Standards Institute (ANSI), but the reference to the ANSI edition of 1986 has long been superseded by two more recent editions of 1992 and 1998. Although parties subject to the Fair Housing Act regulations may continue to refer to the 1986 edition of ANSI, the regulations need to be updated to also offer compliance with the 1992 and 1998 editions as a safe harbor for compliance. This rule will update the regulations to provide that compliance with the appropriate requirements of the 1986, 1992 or 1998 editions of ANSI A117.1 suffices to satisfy the accessibility requirements of the Fair Housing Act.

**Timetable:**

Action	Date
Notice	03/23/00 65 FR 15740
Interim Final Rule	08/00/03

**Regulatory Flexibility Analysis Required:** No

**Government Levels Affected:** Undetermined

**Agency Contact:** Cheryl Kent, Special Advisor for Disability Policy, Office of Enforcement, Department of Housing and Urban Development, Office of Fair Housing and Equal Opportunity  
 Phone: 202 708-2333

**RIN:** 2529-AA88

**Department of Housing and Urban Development (HUD)**  
**Office of Fair Housing and Equal Opportunity (FHEO)**

**Long-Term Actions**

**1319. FAIR HOUSING ACT REGULATIONS AMENDMENTS: STANDARDS GOVERNING SEXUAL HARASSMENT (FR-4597)**

**Priority:** Other Significant

**Legal Authority:** 42 USC 3535(d); 42 USC 3600 to 3620

**CFR Citation:** 24 CFR 100

**Legal Deadline:** None

**Abstract:** This final rule would amend HUD's Fair Housing regulations to clarify the standards the Department will use in sexual harassment cases.

**Timetable:**

Action	Date
NPRM	11/13/00 65 FR 67666
NPRM Comment	01/12/01
Period End	
Next Action	Undetermined

**Regulatory Flexibility Analysis Required:** No

**Small Entities Affected:** No

**Government Levels Affected:** None

**Agency Contact:** David Enzel, Deputy Assistant Secretary for Enforcement and Programs, Department of Housing and Urban Development, Office of Fair Housing and Equal Opportunity

Phone: 202 619-8046

**RIN:** 2529-AA89

**1320. CERTIFICATION AND FUNDING OF STATE AND LOCAL FAIR HOUSING ENFORCEMENT AGENCIES (FR-4748)**

**Priority:** Other Significant

**Legal Authority:** 42 USC 3601 to 3619; 42 USC 3535(d)

**CFR Citation:** 24 CFR 115

**Legal Deadline:** None

**Abstract:** The Fair Housing Assistance Program (FHAP) provides assistance to

## HUD—FHEO

## Long-Term Actions

State and local fair housing enforcement agencies to build an intergovernmental enforcement structure to further fair housing. HUD provides assistance to State and local fair housing enforcement agencies that administer fair housing laws that are substantially equivalent to the Fair Housing Act (title VIII of the Civil Rights Act of 1968; 42 USC 3601-3619). The FHAP program provides support for complaint processing, training, technical assistance, education and outreach, data and information systems, and other activities that will further fair housing within the State or local agency's jurisdiction. HUD intends to update its part 115 regulations with respect to both the certification of substantially equivalent agencies and the overall administration of the FHAP program.

**Timetable:** Next Action Undetermined

**Regulatory Flexibility Analysis**

**Required:** No

**Small Entities Affected:** No

**Government Levels Affected:** State, Local

**Agency Contact:** Myron Newry, Director, FHIP/FHAP Support Division,

Department of Housing and Urban Development, Office of Fair Housing and Equal Opportunity  
Phone: 202 708-0800

**RIN:** 2529-AA90

**1321. ECONOMIC OPPORTUNITIES FOR LOW- AND VERY-LOW-INCOME PERSONS (FR-2898)**

**Priority:** Other Significant

**Legal Authority:** 12 USC 1701u; 42 USC 1450; 42 USC 3301; 42 USC 3535(d)

**CFR Citation:** 24 CFR 135

**Legal Deadline:** None

**Abstract:** The regulations at 24 CFR part 135 were revised substantially to incorporate the statutory amendments in the Housing and Community Development Act of 1992, to reflect certain changes in the design of the Department's programs that are subject to the section 3 regulations, to clarify the obligations of individuals and entities subject to the requirements of section 3, and to simplify the Department's administration of section 3 requirements. The final rule may make further revisions in response to public comment.

**Timetable:**

Action	Date
NPRM	10/08/93 58 FR 52534
Notice	11/09/93 58 FR 59423
Notice Comment Period End	12/08/93
Interim Final Rule	06/30/94 59 FR 33886
Interim Final Rule Effective	08/01/94
Interim Final Rule Comment Period End	08/29/94
Extension of Effective Period of Interim Rule	05/31/95 60 FR 28325
Extension Effective	06/30/96
Next Action	Undetermined

**Regulatory Flexibility Analysis Required:** No

**Government Levels Affected:** Local

**Agency Contact:** Valerie Hayes, Director, Office of Management & Policy, Department of Housing and Urban Development, Office of Fair Housing and Equal Opportunity  
Phone: 202 708-3685

**RIN:** 2529-AA49

## Department of Housing and Urban Development (HUD)

## Final Rule Stage

## Office of Administration (OA)

**1322. HUD ACQUISITION REGULATION (FR-4705)**

**Priority:** Other Significant

**Legal Authority:** 40 USC 486(c); 41 USC 251; 42 USC 3535(d)

**CFR Citation:** 48 CFR 2401

**Legal Deadline:** None

**Abstract:** This rule will implement miscellaneous changes to the HUD Acquisition Regulation (HUDAR) including but not limited to corrections of regulatory citations due to revisions made to the Federal Acquisition

Regulation (FAR) since the last publication of the HUDAR; revisions reflecting changes in the Department's requirements regarding organizational conflict of interest, ratification of unauthorized commitments; and disclosure of information provided to contractors.

**Timetable:**

Action	Date
NRPM	06/00/03

**Regulatory Flexibility Analysis Required:** No

**Small Entities Affected:** No

**Government Levels Affected:** None

**Agency Contact:** Edward L. Girovasi Jr., Director, Policy & Field Operations Division, Office of the Chief Procurement Officer, Department of Housing and Urban Development, Office of Administration  
Phone: 202 708-0294

**RIN:** 2535-AA26

**Department of Housing and Urban Development (HUD)**  
**Office of the Inspector General (HUDIG)**

**Completed Actions**

**1323. OFFICE OF INSPECTOR GENERAL SUBPOENAS AND PRODUCTION IN RESPONSE TO SUBPOENAS OR DEMANDS OF COURTS OR OTHER AUTHORITIES (FR-4742)**

**Priority:** Routine and Frequent

**CFR Citation:** 24 CFR 2004

**Completed:**

Reason	Date
Final Action	01/23/03 68 FR 3366
Final Action Effective	02/24/03

**Regulatory Flexibility Analysis Required:** No

**Government Levels Affected:** None

**Agency Contact:** Bryan Saddler  
Phone: 202 708-1613

**RIN:** 2508-AA13

**Department of Housing and Urban Development (HUD)**  
**Office of Public and Indian Housing (PIH)**

**Proposed Rule Stage**

**1324. PUBLIC HOUSING CAPITAL FUND PROGRAM (FR-4507)**

**Priority:** Other Significant

**Legal Authority:** 42 USC 1437g; 42 USC 3535(d)

**CFR Citation:** 24 CFR 905

**Legal Deadline:** None

**Abstract:** This rule will provide the regulatory framework for the Capital Fund Program that will govern the use of the assistance made available through the Capital Fund formula. The new rule at part 905 will replace and remove several other rules that currently govern a PHA's use of HUD assistance including part 941 - Public Housing Development and part 968 - Public Housing Modernization. This rule will continue and expand the streamlining of procedures and requirements initiated under the Comprehensive Grant and Comprehensive Improvement programs at part 968.

**Timetable:**

Action	Date
NPRM	06/00/03

**Regulatory Flexibility Analysis Required:** No

**Small Entities Affected:** No

**Government Levels Affected:** None

**Agency Contact:** William Thorson, Director, Office of Capital Improvements, Department of Housing and Urban Development, Office of Public and Indian Housing  
Phone: 202 708-1640

**RIN:** 2577-AC16

**Legal Deadline:** None

**Abstract:** This rule provides streamlined requirements for Public Housing Agencies (PHAs) that plan to designate projects for elderly families only, disabled families only, or elderly and disabled families.

**Timetable:**

Action	Date
NPRM	06/00/03

**Regulatory Flexibility Analysis Required:** No

**Small Entities Affected:** No

**Government Levels Affected:** None

**Agency Contact:** Patricia Arnaudo, Senior Program Manager, Public Housing Occupancy and Management Division, Department of Housing and Urban Development, Office of Public and Indian Housing, 451 7th Street SW., Washington, DC 20410  
Phone: 202 708-0744

**RIN:** 2577-AC36

**1326. ● PHA DISCRETION IN TREATMENT OF OVER-INCOME FAMILIES (FR-4824)**

**Priority:** Other Significant

**Legal Authority:** 42 USC 3535(d)

**CFR Citation:** 24 CFR 960

**Legal Deadline:** None

**Abstract:** This rule permits PHAs to evict over-income tenants, subject to certain statutory exemptions permitting in-place tenants to increase their income without penalty.

**Timetable:**

Action	Date
NPRM	06/00/03

**Regulatory Flexibility Analysis Required:** No

**Small Entities Affected:** No

**Government Levels Affected:** None

**Agency Contact:** Patricia Arnaudo, Senior Program Manager, Public Housing Occupancy and Management Division, Department of Housing and Urban Development, Office of Public and Indian Housing, 451 7th Street SW., Washington, DC 20410  
Phone: 202 708-0744

**RIN:** 2577-AC42

**1327. RESIDENT PARTICIPATION IN PUBLIC HOUSING (FR-4657)**

**Priority:** Other Significant

**Legal Authority:** 42 USC 1437c-1; 42 USC 1437r; 42 USC 1437t; 42 USC 1437z-6; 42 USC 3535(d); 42 USC 1437d; 42 USC 1437g; 42 USC 1437l; 42 USC 1437; 12 USC 1715z-1b(a)

**CFR Citation:** 24 CFR 964

**Legal Deadline:** None

**Abstract:** This rule would update existing provisions of 24 CFR 964 and incorporate new provisions of the Quality Housing and Work Responsibility Act of 1998 related to resident/tenant participation. In particular, the rule would establish policies, procedures, and requirements for participating in the Resident Opportunities and Self-Sufficiency (ROSS) Program. Additionally, the proposed rule contains expanded definitions and other general information sections as part of HUD's long-standing efforts to support resident organizations and resident self-sufficiency.

**Timetable:**

Action	Date
NPRM	10/00/03

**Regulatory Flexibility Analysis Required:** No

**Small Entities Affected:** Organizations

**Government Levels Affected:** None

**1325. DESIGNATED HOUSING (FR-4755)**

**Priority:** Other Significant

**Legal Authority:** 42 USC 1437c

**CFR Citation:** 24 CFR 945

## HUD—PIH

## Proposed Rule Stage

**Agency Contact:** Stephanie Avery, Acting Director, Supportive Services and Grant Programs, Department of Housing and Urban Development, Office of Public and Indian Housing  
Phone: 202 708-1380

**RIN:** 2577-AC26

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**1328. PUBLIC HOUSING PROGRAM — DEMOLITION OR DISPOSITION OF PUBLIC HOUSING PROJECTS (FR-4598)**

**Priority:** Other Significant

**Legal Authority:** 42 USC 1437p; 42 USC 3535(d)

**CFR Citation:** 24 CFR 970

**Legal Deadline:** None

**Abstract:** This rule will revise HUD's regulations regarding demolition and disposition of public housing projects, in accordance with section 531 of the Quality Housing and Work Responsibility Act of 1998 (Pub. L. 105-276). This rule will establish the general and specific requirements for HUD approval of demolition and disposition applications, relocation of residents, resident participation in the form of consultation and opportunity to purchase, new requirements regarding resident relocation, the PHA Plan and local government consultation and a new authority for a PHA to demolish a small number of their units without a formal application under certain circumstances, referred to as "de minimis" demolition.

**Timetable:**

Action	Date
NPRM	06/00/03

**Regulatory Flexibility Analysis Required:** No

**Government Levels Affected:** None

**Agency Contact:** Ainars Rodins, Director, Special Applications Center, Department of Housing and Urban Development, Office of Public and Indian Housing  
Phone: 312 353-6236

**RIN:** 2577-AC20

**1329. CONVERSION OF DEVELOPMENTS FROM PUBLIC HOUSING STOCK; METHODOLOGY FOR COMPARING COSTS OF PUBLIC HOUSING AND TENANT-BASED ASSISTANCE (FR-4718)**

**Priority:** Other Significant

**Legal Authority:** 42 USC 1437t; 1437z-5; 3535(d)

**CFR Citation:** 24 CFR 972

**Legal Deadline:** None

**Abstract:** This rule would establish the cost methodology that Public Housing Agencies (PHAs) must use under HUD's programs for the required and voluntary conversion of public housing developments to tenant-based assistance. Both programs require that PHAs, before undertaking any conversion activity, compare the cost of providing tenant-based assistance with the cost of continuing to operate the development as public housing. The cost methodology would be codified as an appendix to HUD's regulations for the required and voluntary conversion programs at 24 CFR part 972. The cost methodology was originally contained in HUD's July 23, 1999, proposed rule on voluntary conversions (although the methodology also applies to required conversions). HUD has decided to significantly revise the proposed cost methodology, based both on the public comments received on the proposed rule and upon further consideration of the cost factors that should be assessed by PHAs in making conversion determinations. Accordingly, HUD has decided to issue this new rule, which will provide the public with an additional opportunity to comment on the methodology that will be used for the required cost comparisons.

**Timetable:**

Action	Date
NPRM	06/00/03

**Regulatory Flexibility Analysis Required:** No

**Small Entities Affected:** No

**Government Levels Affected:** None

**Agency Contact:** Bessy Kong, Acting Deputy Assistant Secretary for Policy, Program and Legislative Initiative, Department of Housing and Urban Development, Office of Public and Indian Housing  
Phone: 202 708-0713

**RIN:** 2577-AC33

**1330. • TENANT-BASED ASSISTANCE: HOUSING CHOICE VOUCHER PROGRAM AND SECTION 8 MANAGEMENT ASSESSMENT PROGRAM (FR-4838)**

**Priority:** Other Significant

**Legal Authority:** 42 USC 1437f; 42 USC 3535(d)

**CFR Citation:** 24 CFR 982; 24 CFR 985

**Legal Deadline:** None

**Abstract:** This rule will revise the housing choice voucher program to reflect recent legislation covering the use of vouchers in assisted living facilities, use of enhanced vouchers, and other updating of the regulations to clarify or expand the policy in the regulation based on recent experience in program administration.

**Timetable:**

Action	Date
NPRM	06/00/03

**Regulatory Flexibility Analysis Required:** No

**Small Entities Affected:** No

**Government Levels Affected:** State, Local

**Agency Contact:** Gerald J. Benoit, Director, Housing Voucher Management and Operations, Department of Housing and Urban Development, Office of Public and Indian Housing  
Phone: 202 708-0477

**RIN:** 2577-AC44

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**1331. • PROCEDURES FOR HQS INSPECTIONS IN THE HOUSING CHOICE VOUCHER PROGRAM (FR-4839)**

**Priority:** Other Significant

**Legal Authority:** 42 USC 1437f; 42 USC 3535(d)

**CFR Citation:** 24 CFR 982

**Legal Deadline:** None

**Abstract:** This rule will change current program regulations at 24 CFR 982 on procedures for reinspections of assisted units by public housing agencies for the housing choice voucher program.

**Timetable:**

Action	Date
NPRM	06/00/03

**Regulatory Flexibility Analysis Required:** No

**Small Entities Affected:** No

## HUD—PIH

## Proposed Rule Stage

**Government Levels Affected:** State, Local

**Agency Contact:** Gerald J. Benoit, Director, Housing Voucher Management and Operations, Department of Housing and Urban Development, Office of Public and Indian Housing  
Phone: 202 708-0477

**RIN:** 2577-AC45

**1332. • PHASE-OUT OF OPERATING SUBSIDY FOR UNITS APPROVED FOR DEMOLITION/DISPOSITION (FR-4840)**

**Priority:** Other Significant

**Legal Authority:** 42 USC 1437g(e); 42 USC 1437g(f); 42 USC 3535(d)

**CFR Citation:** 24 CFR 990

**Legal Deadline:** None

**Abstract:** This rule would re-examine the treatment of units approved for demolition/disposition in the calculation of the operating subsidy for public housing.

**Timetable:**

Action	Date
NPRM	06/00/03

**Regulatory Flexibility Analysis Required:** No

**Small Entities Affected:** No

**Government Levels Affected:** Local

**Agency Contact:** William Russell, Deputy Assistant Secretary for Public Housing and Voucher Programs, Department of Housing and Urban Development, Office of Public and Indian Housing  
Phone: 202 708-1380

**RIN:** 2577-AC46

**1333. • OPERATING FUNDS FOR DEBT SERVICE (FR-4843)**

**Priority:** Other Significant

**Legal Authority:** 42 USC 1437g; 42 USC 3535(d)

**CFR Citation:** 24 CFR 990

**Legal Deadline:** None

**Abstract:** The Quality Housing and Work Responsibility Act of 1998 authorized Public Housing Agencies to use public housing operating funds to repay debt service on private loans. This regulation would implement that provision.

**Timetable:**

Action	Date
NPRM	06/00/03

**Regulatory Flexibility Analysis Required:** No

**Small Entities Affected:** No

**Government Levels Affected:** Local

**Agency Contact:** Bessy Kong, Acting Deputy Assistant Secretary for Policy, Program and Legislative Initiative, Department of Housing and Urban Development, Office of Public and Indian Housing  
Phone: 202 708-0713

**RIN:** 2577-AC49

**1334. IMPLEMENTATION OF STATUTORY REVISIONS TO NAHASDA (FR-4750)**

**Priority:** Other Significant

**Legal Authority:** 25 USC 4101 et seq; 42 USC 3535(d)

**CFR Citation:** 24 CFR 1000

**Legal Deadline:** None

**Abstract:** This rule would implement statutory amendments made to the Native American Housing Assistance and Self-Determination Act of 1996 (25 USC 4101 et seq.) (NAHASDA) by the American Homeownership and Economic Opportunity Act (Pub.L. 106-569, approved December 27, 2000) and the Omnibus Indian Advancement Act (Pub.L. 106-568, approved December 27, 2000). (With minor exceptions, these two laws made identical amendments to NAHASDA). The rule will update the NAHASDA regulations to conform to self-implementing statutory amendments not reflected in the regulations.

**Timetable:**

Action	Date
Interim Final Rule	12/00/03

**Regulatory Flexibility Analysis Required:** No

**Small Entities Affected:** Governmental Jurisdictions

**Government Levels Affected:** Tribal

**Agency Contact:** Ted Key, Acting Deputy Assistant Secretary for Native American Programs, Department of Housing and Urban Development, Office of Public and Indian Housing, Washington, DC 20741  
Phone: 202 401-7914

**RIN:** 2577-AC37

**1335. • MINIMUM FUNDING UNDER THE INDIAN HOUSING BLOCK GRANT PROGRAM (FR-4825)**

**Priority:** Other Significant

**Legal Authority:** 25 USC 4101 et seq; 42 USC 3535(d)

**CFR Citation:** 24 CFR 1000

**Legal Deadline:** None

**Abstract:** This rule revises the current regulation to extend the period for which an Indian tribe may receive a minimum grant amount under the need component of the Indian Housing Block Grant formula. The minimum funding provision in the regulation expired on September 30, 2002. This rule authorizes the extension of the minimum funding provision under the need component through Fiscal Year 2003 to avoid hardship to the affected tribes.

**Timetable:**

Action	Date
Interim Final Rule	06/00/03

**Regulatory Flexibility Analysis Required:** No

**Small Entities Affected:** No

**Government Levels Affected:** None

**Agency Contact:** Rodger Boyd, Deputy Assistant Secretary for Native American Programs, Department of Housing and Urban Development, Office of Public and Indian Housing  
Phone: 202 401-7914

**RIN:** 2577-AC43

**1336. NAHASDA HOUSING ASSISTANCE FOR NATIVE HAWAIIANS (FR-4668)**

**Priority:** Other Significant

**Legal Authority:** 12 USC 1715z-13a; 25 USC 4101 et seq; 42 USC 3535(d)

**CFR Citation:** 24 CFR 1006; 24 CFR 1007

**Legal Deadline:** Final, Statutory, October 1, 2001.

Section 807 of the American Homeownership and Economic Opportunity Act of 2001 requires that HUD issue final regulations by October 1, 2001.

**Abstract:** This rule implements the provisions contained in title V, subtitle B of the American Homeownership and Economic Opportunity Act of 2000. These provisions add a new title VIII to the Native American Housing

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Assistance and Self-Determination Act (NAHASDA) of 1996. Under NAHASDA, HUD provides grants, loan guarantees, and technical assistance to Indian tribes and Alaska Native villages for the development and operation of low-income housing in Indian areas. New title VIII expands the scope of NAHASDA to include housing assistance to Native Hawaiians, and establishes statutory requirements specific to Native Hawaiian assistance. Part 1006 of this rule will implement the Native Hawaiian Housing Block Grant Program. Part 1007 will implement the Native Hawaiian

Housing Loan Guarantee Program. HUD will publish both a final rule of the interim rule, and a separate proposed rule with additional program administration requirements.

**Timetable:**

Action	Date
Interim Final Rule	06/13/02 67 FR 40774
Interim Final Rule Effective	07/15/02
Interim Final Rule Comment Period End	08/12/02
NPRM	07/00/03
Final Action	07/00/03

**Regulatory Flexibility Analysis Required:** No

**Small Entities Affected:** No

**Government Levels Affected:** None

**Agency Contact:** Rodger Boyd, Deputy Assistant Secretary for Native American Programs, Department of Housing and Urban Development, Office of Public and Indian Housing  
Phone: 202 401-7914

**RIN:** 2577-AC27

**Department of Housing and Urban Development (HUD)  
Office of Public and Indian Housing (PIH)**

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**1337. CHANGES TO THE PUBLIC HOUSING ASSESSMENT SYSTEM (PHAS)(FR-4707)**

**Priority:** Other Significant

**Legal Authority:** 42 USC 1437d(j); 42 USC 3535(d)

**CFR Citation:** 24 CFR 902

**Legal Deadline:** None

**Abstract:** Through this rule, the Department will be revising the regulations that govern the Public Housing Assessment System (PHAS). This rule will incorporate the input of public housing stakeholder groups in the public housing assessment process, and solicit additional input from the public.

**Timetable:**

Action	Date
NPRM	02/06/03 68 FR 6262
NPRM Comment Period End	04/07/03
Final Action	12/00/03

**Regulatory Flexibility Analysis Required:** No

**Small Entities Affected:** No

**Government Levels Affected:** None

**Agency Contact:** Wanda Funk, Real Estate Assessment Center, Department of Housing and Urban Development, Office of Housing  
Phone: 202 708-4932

**RIN:** 2577-AC32

**1338. DEREGULATION FOR SMALL PUBLIC HOUSING AGENCIES (FR-4753)**

**Priority:** Other Significant

**Legal Authority:** 42 USC 1437a; 42 USC 1437c; 42 USC 1437d(j); 42 USC 1437f; 42 USC 3535(d)

**CFR Citation:** 24 CFR 902; 24 CFR 903; 24 CFR 985

**Legal Deadline:** None

**Abstract:** This rule simplifies and streamlines HUD's regulatory requirements for small public housing agencies (PHAs) that administer the public housing and voucher assistance programs under the United States Act of 1937 (1937 Act). Specifically, the rule will further streamline the PHA Annual Plan requirements for certain small PHAs. HUD also proposes to deregulate the assessment and scoring of small PHAs under the Public Housing Assessment System (PHAS) and the Section 8 Management Assessment Program (SEMAP), consistent with its basic regulatory responsibilities. In addition to the changes that solely concern small PHAs, this rule will also streamline HUD's review of the Annual Plans submitted by all PHAs (large and small). This final rule follows publication of an August 14, 2002, proposed rule and takes into consideration the public comments received on the proposed rule.

**Timetable:**

Action	Date
NPRM	08/14/02 67 FR 53276

Action	Date
NPRM Comment Period End	09/13/02
Final Action	05/00/03

**Regulatory Flexibility Analysis Required:** No

**Small Entities Affected:** Governmental Jurisdictions

**Government Levels Affected:** Local

**Agency Contact:** Bessy Kong, Acting Deputy Assistant Secretary for Policy, Program and Legislative Initiative, Department of Housing and Urban Development, Office of Public and Indian Housing  
Phone: 202 708-0713

**RIN:** 2577-AC34

**1339. • UP-FRONT INCOME VERIFICATION FOR THE PUBLIC HOUSING, HOUSING CHOICE VOUCHER, PROJECT-BASED CERTIFICATE, AND SECTION 8 MODERATE REHABILITATION PROGRAMS (FR-4804)**

**Priority:** Other Significant

**Legal Authority:** 42 USC 1437a; 42 USC 1437c; 42 USC 1437d; 42 USC 1437f; 42 USC 1437n; 42 USC 1437z-3; 42 USC 3535(d)

**CFR Citation:** 24 CFR 882; 24 CFR 960; 24 CFR 982; 24 CFR 983

**Legal Deadline:** None

**Abstract:** This rule requires that Public Housing Agencies (PHAs) use "up-front" income verification techniques during mandatory reexaminations of family income and composition under HUD's Public Housing and Housing

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Choice Voucher programs. Up-front income verification is the verification of income through an independent source making use of income information databases, such as those maintained by State Wage Information Collection Agencies, the Social Security Administration, and private vendors, before or during a family reexamination. This rule allows PHAs to obtain up-front income verification either through electronic means, or through manual means such as fax or e-mail exchanges with the data source. Use of up-front income verification methods would replace, to the maximum extent possible, the more time-consuming and less accurate third-party verification process of contacting individual employers supplied by the family to verify family reported income.

**Timetable:**

Action	Date
Interim Final Rule	09/00/03

**Regulatory Flexibility Analysis Required:** No

**Small Entities Affected:** Governmental Jurisdictions

**Government Levels Affected:** State, Local

**Agency Contact:** Patricia Arnaudo, Senior Program Manager, Public Housing Occupancy and Management Division, Department of Housing and Urban Development, Office of Public and Indian Housing, 451 7th Street SW., Washington, DC 20410  
Phone: 202 708-0744

**RIN:** 2577-AC41

**1340. REQUIRED CONVERSION OF DEVELOPMENT FROM PUBLIC HOUSING STOCK (FR-4475)**

**Priority:** Other Significant

**Legal Authority:** 42 USC 1437z-5; 42 USC 3535(d)

**CFR Citation:** 24 CFR 972

**Legal Deadline:** None

**Abstract:** This rule implements a revision to the statute that authorizes HUD's public housing and Section 8 housing assistance programs. The revision requires Public Housing Agencies (PHAs) to identify distressed public housing developments that must be converted to tenant-based assistance. If it would be more expensive to modernize and operate a distressed development for its remaining useful

life than to provide tenant-based assistance to all residents, or the PHA cannot assure the long-term viability of a distressed development, then the PHA must develop and carry out a five-year plan to remove the development from its public housing inventory, and convert it to tenant-based assistance. This rule follows publication of a July 23, 1999, proposed rule, and takes into consideration the public comments received on the proposed rule.

**Timetable:**

Action	Date
NPRM	07/23/99 64 FR 40232
NPRM Comment Period End	09/21/99
Final Action	06/00/03

**Regulatory Flexibility Analysis Required:** No

**Small Entities Affected:** No

**Government Levels Affected:** None

**Agency Contact:** Bessy Kong, Acting Deputy Assistant Secretary for Policy, Program and Legislative Initiative, Department of Housing and Urban Development, Office of Public and Indian Housing  
Phone: 202 708-0713

**RIN:** 2577-AC01

**1341. VOLUNTARY CONVERSION OF DEVELOPMENTS FROM PUBLIC HOUSING STOCK (FR-4476)**

**Priority:** Other Significant

**Legal Authority:** 42 USC 1437t; 42 USC 3535(d)

**CFR Citation:** 24 CFR 972

**Legal Deadline:** None

**Abstract:** This rule implements a revision to the statute authorizing HUD's public housing and Section 8 housing assistance programs. The revision authorizes Public Housing Agencies (PHAs) to convert a development to tenant-based assistance by removing the development (or a portion of a development) from its public housing inventory and providing for relocation of the residents or provision of tenant-based assistance to them. This action is permitted only when that change would be cost effective, be beneficial to residents of the development and the surrounding area, and not have an adverse impact on the availability of affordable housing. This rule follows publication of a July 23, 1999, proposed rule, and

takes into consideration the public comments received on the proposed rule.

**Timetable:**

Action	Date
NPRM	07/23/99 64 FR 40240
NPRM Comment Period End	09/21/99
Final Rule	06/22/01 66 FR 33616
Final Rule Effective	07/23/01
Final Action	06/00/03

**Regulatory Flexibility Analysis Required:** No

**Small Entities Affected:** No

**Government Levels Affected:** None

**Agency Contact:** Bessy Kong, Acting Deputy Assistant Secretary for Policy, Program and Legislative Initiative, Department of Housing and Urban Development, Office of Public and Indian Housing  
Phone: 202 708-0713

**RIN:** 2577-AC02

**1342. HOUSING CHOICE VOUCHER PROGRAM; EXPANSION OF PAYMENT STANDARDS PROTECTION (FR-4586)**

**Priority:** Other Significant

**Legal Authority:** 42 USC 1437f; 42 USC 3535(d)

**CFR Citation:** 24 CFR 982

**Legal Deadline:** None

**Abstract:** This rule amends HUD's regulations for the Housing Choice Voucher Program to expand the regulatory payment standard protection against subsidy reduction. The previous regulations limited payment standard protection to the first 24 months of the lease term. This rule provides that a family is not subject to a subsidy reduction until the second regular reexamination of family income and composition following the payment standard reduction. This protection extends for the duration of the lease term. This rule follows publication of a July 10, 2000, interim rule, and takes into consideration the public comments received on the interim rule.

**Timetable:**

Action	Date
Interim Final Rule	07/10/00 65 FR 42508
Interim Final Rule Effective	08/09/00

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## Final Rule Stage

Action	Date
Interim Final Rule Comment Period End	09/08/00
Final Action	12/00/03

**Regulatory Flexibility Analysis**

Required: No

Small Entities Affected: No

Government Levels Affected: None

**Agency Contact:** Gerald J. Benoit, Director, Housing Voucher Management and Operations, Department of Housing and Urban Development, Office of Public and Indian Housing  
Phone: 202 708-0477

RIN: 2577-AC18

### 1343. HOUSING CHOICE VOUCHER HOMEOWNERSHIP PROGRAM; PILOT PROGRAM FOR HOMEOWNERSHIP ASSISTANCE FOR DISABLED FAMILIES (FR-4661)

Priority: Other Significant

Legal Authority: 42 USC 1437f; 42 USC 3535(d)

CFR Citation: 24 CFR 982

Legal Deadline: None

**Abstract:** This rule implements the three-year pilot program authorized by section 302 of the American Homeownership and Economic Opportunity Act of 2000 (Pub.L. 106-569, approved December 27, 2000). A public housing agency (PHA) may elect to provide homeownership assistance to a disabled family under the pilot program, rather than under the Housing Choice Voucher Program homeownership option. Under the pilot program, a PHA provides homeownership assistance to a disabled family residing in a home purchased and owned by one or more members of the family. The final rule incorporates the requirements for the pilot program in HUD's regulations for the homeownership option. In addition to the amendments implementing section 302, HUD has taken the opportunity afforded by this rule to make several clarifying and technical amendments to its September 12, 2000, final rule establishing the homeownership option. This final rule follows publication of a June 22, 2001, interim rule, and takes into consideration the public comments received on the interim rule.

**Timetable:**

Action	Date
Interim Final Rule	06/22/01 66 FR 33610
Interim Final Rule Effective	07/23/01
Interim Final Rule Comment Period End	08/21/01
Final Action	12/00/03

**Regulatory Flexibility Analysis Required: No**

Small Entities Affected: No

Government Levels Affected: None

**Agency Contact:** Gerald J. Benoit, Director, Housing Voucher Management and Operations, Department of Housing and Urban Development, Office of Public and Indian Housing  
Phone: 202 708-0477

RIN: 2577-AC24

### 1344. HOUSING CHOICE VOUCHER PROGRAM HOMEOWNERSHIP OPTION: ELIGIBILITY OF PHA OWNED OR CONTROLLED UNITS (FR-4759)

Priority: Other Significant

Legal Authority: 42 USC 1437f; 42 USC 3535(d)

CFR Citation: 24 CFR 982

Legal Deadline: None

**Abstract:** This rule provides that units owned or substantially controlled by a public housing agency (PHA) are eligible for purchase under the Housing Choice Voucher Program homeownership option. The inclusion of PHA owned or controlled properties among properties eligible for purchase under the homeownership option will expand the availability of housing and affordable homeownership opportunities for voucher families participating in the homeownership option. The rule also establishes procedures to remove potential conflicts of interest where the PHA is the seller. Specifically, the rule provides that an independent entity must perform certain administrative duties for which the PHA would normally be responsible. These provisions are modeled on the requirements for PHA-owned units in the voucher rental program.

**Timetable:**

Action	Date
Interim Final Rule	10/28/02 67 FR 65864
Interim Final Rule Effective	11/27/02

Action	Date
Interim Final Rule Comment Period End	12/27/02
Final Rule	12/00/03

**Regulatory Flexibility Analysis Required: No**

Small Entities Affected: No

Government Levels Affected: State, Local

**Agency Contact:** Gerald J. Benoit, Director, Housing Voucher Management and Operations, Department of Housing and Urban Development, Office of Public and Indian Housing  
Phone: 202 708-0477

RIN: 2577-AC39

### 1345. PROJECT-BASED VOUCHER PROGRAM (FR-4636)

Priority: Other Significant

Legal Authority: 42 USC 1437f(o); 42 USC 3535(d)

CFR Citation: 24 CFR 983

Legal Deadline: None

**Abstract:** The Project-Based Voucher Program replaces the Project-Based Certificate Program that was in existence for many years. Under the Project-Based Voucher Program, HUD pays rental assistance for eligible families to live in specific housing developments or units. A public housing agency (PHA) that administers a tenant-based housing choice voucher program may "project-base" up to 20 percent of voucher units funded by HUD. The Project-Based Program was authorized by law in 1998, as part of the statutory merger of the certificate and voucher tenant-based programs. In 2000, the Congress substantially revised the project-based voucher law. The law made a number of changes including permitting a PHA to pay project-based assistance for a term of up to 10 years, permitting a PHA to provide project-based assistance for existing housing that does not need rehabilitation, as well as for newly constructed or rehabilitated housing, and allowing a family to move from a project-based voucher unit after one year and transfer to the PHA's tenant-based voucher program.

**Timetable:**

Action	Date
Notice	01/16/01 66 FR 3605
Interim Final Rule	06/00/03



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## Final Rule Stage

**Regulatory Flexibility Analysis****Required:** No**Small Entities Affected:** No**Government Levels Affected:** State, Local**Agency Contact:** Gerald J. Benoit, Director, Housing Voucher Management and Operations, Department of Housing and Urban Development, Office of Public and Indian Housing  
Phone: 202 708-0477**RIN:** 2577-AC25**1346. • SELF-SUFFICIENCY PERFORMANCE INDICATORS (FR-4841)****Priority:** Other Significant**Legal Authority:** 42 USC 1437u; 42 USC 3535(d)**CFR Citation:** 24 CFR 984**Legal Deadline:** None**Abstract:** This rule would establish performance indicators measuring self-sufficiency efforts and success for families in the public housing and voucher programs.**Timetable:**

Action	Date
Final Action	12/00/03

**Regulatory Flexibility Analysis****Required:** No**Small Entities Affected:** No**Government Levels Affected:** Local**Agency Contact:** William Russell, Deputy Assistant Secretary for Public Housing and Voucher Programs, Department of Housing and Urban Development, Office of Public and Indian Housing  
Phone: 202 708-1380**RIN:** 2577-AC47**1347. • CALCULATION OF VACANT UNITS—OPERATING SUBSIDY (FR-4842)****Priority:** Other Significant**Legal Authority:** 42 USC 1437g; 42 USC 3535(d)**CFR Citation:** 24 CFR 990**Legal Deadline:** None**Abstract:** This rule would examine the counting and treatment of vacant units in the calculation of public housing operating subsidy.**Timetable:**

Action	Date
Final Action	12/00/03

**Regulatory Flexibility Analysis****Required:** No**Small Entities Affected:** No**Government Levels Affected:** Local**Federalism:** This action may have federalism implications as defined in EO 13132.**Energy Effects:** Statement of Energy Effects planned as required by Executive Order 13211.**Agency Contact:** William Russell, Deputy Assistant Secretary for Public Housing and Voucher Programs, Department of Housing and Urban Development, Office of Public and Indian Housing  
Phone: 202 708-1380**RIN:** 2577-AC48

## Department of Housing and Urban Development (HUD)

## Long-Term Actions

## Office of Public and Indian Housing (PIH)

**1348. OPERATING FUND ALLOCATION FORMULA (FR-4425)****Priority:** Other Significant**Legal Authority:** 42 USC 1437g; 42 USC 3535(d)**CFR Citation:** 24 CFR 990**Legal Deadline:** None**Abstract:** This final rule will follow publication of a March 29, 2001, interim rule that governs the determination of funding distribution to public housing agencies under the Operating Fund. The Conference Report to HUD's FY 2000 Appropriations Act (Pub. L. 106-74, approved October 20, 1999) directs HUD to contract with the Harvard University Graduate School of Design to conduct a study of the cost incurred in operating well-run public housing and provides the results to the

negotiated rulemaking committee and the appropriate congressional committees. As portions of the study are completed, HUD is meeting with representatives of the negotiated rulemaking committee that helped HUD develop the Operating Fund proposed rule, as well as other interested parties. These meetings have also been open to the public. HUD will develop the final rule once the cost study is completed, taking into account the input from interested members of the public.

**Timetable:**

Action	Date
Notice	02/03/99 64 FR 5570
Notice Comment Period End	03/05/99
NPRM	07/10/00 65 FR 42488
NPRM Comment Period End	08/09/00

Action	Date
Interim Final Rule	03/29/01 66 FR 17276
Interim Final Rule Effective	04/30/01
Interim Final Rule Comment Period End	05/29/01
Next Action	Undetermined

**Regulatory Flexibility Analysis****Required:** No**Small Entities Affected:** No**Government Levels Affected:** None**Agency Contact:** Chris Kubacki, Funding and Financial Management Division, Department of Housing and Urban Development, Office of Public and Indian Housing  
Phone: 202 708-4932**RIN:** 2577-AB88

**Department of Housing and Urban Development (HUD)  
Office of Public and Indian Housing (PIH)**
**Completed Actions**
**1349. PUBLIC HOUSING  
HOMEOWNERSHIP PROGRAMS (FR-  
4504)**

**Priority:** Other Significant

**CFR Citation:** 24 CFR 906

**Completed:**

Reason	Date
Final Action	03/11/03 68 FR 11714
Final Action Effective	04/10/03

**Regulatory Flexibility Analysis**

**Required:** No

**Government Levels Affected:** None

**Agency Contact:** Milan Ozdinec  
Phone: 202 401-8881

**RIN:** 2577-AC15

**1350. PUBLIC HOUSING  
DEVELOPMENT TOTAL  
DEVELOPMENT COST (TDC) (FR-4489)**

**Priority:** Other Significant

**CFR Citation:** 24 CFR 941

**Completed:**

Reason	Date
Final Action	12/10/02 67 FR 76096
Final Action Effective	01/09/03

**Regulatory Flexibility Analysis**

**Required:** No

**Government Levels Affected:** None

**Agency Contact:** William Thorson  
Phone: 202 708-1640

**RIN:** 2577-AC05

**1351. SECTION 8 HOMEOWNERSHIP  
PROGRAM: DOWNPAYMENT  
ASSISTANCE GRANTS AND  
STREAMLINING AMENDMENTS (FR-  
4670)**

**Priority:** Other Significant

**CFR Citation:** 24 CFR 982

**Completed:**

Reason	Date
Final Action	10/18/02 67 FR 64484

**Regulatory Flexibility Analysis**

**Required:** No

**Government Levels Affected:** State,  
Local

**Agency Contact:** Gerald J. Benoit  
Phone: 202 708-0477

**RIN:** 2577-AC28

[FR Doc. 03-9001 Filed 05/16/03; 8:45 am]

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