## DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

Office of Assistant Secretary for Housing—Federal Housing Commissioner

#### 24 CFR Part 890

[Docket No. R-95-1766; FR-3337-I-01] RIN 2502-AF87

# Supportive Housing for Persons With Disabilities; Management

**AGENCY:** Office of Assistant Secretary for Housing—Federal Housing Commissioner, HUD.

ACTION: Interim rule.

**SUMMARY:** This interim rule establishes the requirements related to management and operation of the Supportive Housing for Persons with Disabilities Program. The purpose of the Supportive Housing for Persons with Disabilities Program is to enable persons with disabilities to live with dignity and independence within their communities by expanding the supply of supportive housing that is designed to accommodate the special needs of such persons and provides supportive services that address the individual health, mental health, and other needs of such persons. Included in a companion interim rule in today's Federal Register for the management and operation of projects funded by the Supportive Housing for the Elderly Program are amendments which add both Supportive Housing programs to the list of projects covered by the pet ownership requirements, and which apply the wage and claim consent form requirements to both programs.

DATES: Effective Date: April 13, 1995. Sunset Provisions: Sections 890.600 through 890.650 shall expire and shall not be in effect after October 2, 1996, unless changes in this interim rule are published as a final rule, or the Department publishes a notice in the **Federal Register** to extend the effective date.

Comments due date: May 1, 1995. ADDRESSES: Interested persons are invited to submit comments regarding this interim rule to the Rules Docket Clerk, Office of the General Counsel, Room 10276, Department of Housing and Urban Development, 451 Seventh Street SW., Washington, DC 20410–0500. Communications should refer to the above docket number and title. A copy of each communication submitted will be available for public inspection during regular business hours (weekdays 7:30 a.m. to 5:30 p.m.) at the above address.

FOR FURTHER INFORMATION CONTACT: Margaret Milner, Acting Director, Office of Elderly and Assisted Housing, Department of Housing and Urban Development, 451 Seventh Street SW., Room 6130, Washington, DC 20410, telephone (202) 708–4542; (TDD) (202) 708–4594. (These are not toll-free numbers).

#### SUPPLEMENTARY INFORMATION:

#### I. Paperwork Burden

The information collection requirements contained in this interim rule have been approved by the Office of Management and Budget (OMB) under the Paperwork Reduction Act of 1980 (44 U.S.C. 3501–3520), and assigned OMB control number 2502–0470.

#### II. Justification for Interim Rulemaking

In general, the Department publishes a rule for public comment before issuing a rule for effect, in accordance with its own regulations on rulemaking, 24 CFR part 10. However, part 10 provides for exceptions from that general rule when the agency finds good cause to omit advance notice and public participation. The good cause requirement is satisfied when prior public procedure is "impracticable, unnecessary, or contrary to the public interest" (24 CFR 10.1). The Department finds that good cause exists to publish this interim rule for effect without first soliciting public comment, in that prior public procedure is unnecessary. These management rules vary only slightly from previous management requirements for the section 202/162 direct loan program for persons with disabilities. This interim rule furthers the legislative mandate of section 811 of the Cranston-Gonzalez National Affordable Housing Act, as amended, and it involves only minor interpretations of that statute. The section 811 capital advance program currently is operating under a series of interim rules. The Department intends to publish a final rule that will incorporate public comments for all aspects of the section 811 capital advance program.

Furthermore, the Department finds that prior public procedure would be impracticable. The Department has awarded capital advances since 1991, and many of these projects are approaching the management phase or have become operational. Management requirements are needed immediately to assure transition from the development phase to the management phase.

#### **III. Sunset of Interim Rule**

In accordance with the Department's policy on interim rules, the

amendments made by this interim rule shall expire 18 months after the effective date of this interim rule, unless extended by notice published in the **Federal Register**, or adopted by a final rule published on or before the 18-month anniversary date of the effective date of this interim rule.

### IV. Background

The Supportive Housing for Persons with Disabilities Program is authorized by section 811 of the Cranston-Gonzalez National Affordable Housing Act (the NAHA Act), as amended by the Housing and Community Development Act of 1992 (1992 Act). Under the program, which is implemented in 24 CFR part 890, assistance is provided to nonprofit organizations to expand the supply of supportive housing for persons with disabilities. Such assistance is provided as (1) capital advances and (2) project rental assistance contracts. Capital advances may be used to finance the acquisition with rehabilitation, acquisition without rehabilitation (group homes only), construction or rehabilitation of a structure, and acquisition of property from the Resolution Trust Corporation (group homes and independent living facilities) to be used as supportive housing for persons with disabilities. This assistance may also cover the cost of real property acquisition, site improvement, conversion, demolition, relocation, and other expenses that the Secretary determines are necessary to expand the supply of supportive housing for persons with disabilities.

On June 12, 1991, the Department published an interim rule (56 FR 27070) implementing section 811 of the NAHA to establish the Supportive Housing for Persons with Disabilities Program. That interim rule, which enabled the program to be funded for FY-1991, described application procedures and program requirements, selection of applications and duration of fund reservation requirements. A second interim rule was published on August 12, 1992 (57 FR 36330) to provide the developmentrelated requirements (closing of capital advances and requirements related to project rental assistance contracts) of the program. The program was the subject of further amendments by the 1992 Act, which were implemented by a third interim rule published on May 5, 1993 (58 FR 26816). All three interim rules are codified at 24 CFR part 890.

Today's interim rule (subpart F, part 890) completes the establishment of the program by providing the requirements for management and operation of projects funded under the program. After the period of public comment is