

committed to the modernization program, often for the development of architectural and engineering (A & E) specifications. The A & E work may cover a number of units, buildings, or projects that will not actually go to construction for some period of time; furthermore, the construction work might not require the unit to be vacant.

(3) *Recognition of Circumstances Beyond an HA's/RMC's Control That Cause Vacancies.* The proposed rule would permit an HA or RMC to be eligible for full operating subsidies for its vacant units if it can show that the circumstances or actions causing the vacancies are beyond the HA's/RMC's control and are prohibiting it from occupying, selling, demolishing, rehabilitating, reconstructing,

consolidating, or modernizing the vacant units. A listing of eligible circumstances is provided in the section of this preamble titled *Components of the Proposed Rule*. The existing regulation gives special recognition only to vacant units in projects with funded, on-schedule modernization programs.

(4) *Elimination of Comprehensive Occupancy Plans (COPs).* Under the proposed rule, no new COPs would be approved. An HA that has a HUD-approved COP at the time the new vacancy rule becomes effective will have the option of choosing to determine its PFS eligibility under the existing rule or to terminate its COP and be subject to the new rule. HAs are still encouraged to undertake the structured, analytical approach encompassed in the

COP concept, i.e., to identify the causes of their vacancy problems and develop vacancy reduction strategies and actions that are responsive to the problems and appropriate to the management and resources of the HA.

Other Matters

Public Reporting Burden

The information collection requirements contained in this proposed rule have been submitted to the Office of Management and Budget under the Paperwork Reduction Act of 1980 (44 U.S.C. 3501–3520). The Department has determined that the following provisions contain information collection requirements.

TABULATION OF ANNUAL REPORTING BURDEN—CONTRIBUTIONS FOR OPERATING SUBSIDIES—PERFORMANCE FUNDING SYSTEM; LOW-INCOME PUBLIC HOUSING—VACANCY; PROPOSED RULE

Description of information collection	Section of 24 CFR affected	No. of respondents	No. of responses per respondent	Total annual responses	Hours per responses	Total hours
Determining operating income level	950.725; 990.109	3,100	1	3,100	1	3,100
Total reporting burden	3,100	1	3,100	1	3,100

Environmental Impact

In accordance with 40 CFR 1508.4 of the regulations of the Council on Environmental Quality and 24 CFR 50.20(o) of the HUD regulations, the policies and procedures contained in this proposed rule relate only to operating costs that do not affect a physical structure or property and, therefore, are categorically excluded from the requirements of the National Environmental Policy Act.

Regulatory Flexibility Act

The Secretary, in accordance with the Regulatory Flexibility Act (5 U.S.C. 605(b)), has reviewed this proposed rule before publication and by approving it certifies that this proposed rule will not have a significant economic impact on a substantial number of small entities. The proposed rule would result in eligibility criteria for low-income public and Indian housing operating subsidies that may impact those HAs with large numbers of long-term vacant units. However, HUD's data incident to establishing the Vacancy Reduction Program indicates that high-vacancy PHAs are relatively few in number (and high-vacancy IHAs virtually nonexistent), and that a preponderance of the program's vacancies are in a very

limited number of the larger PHAs. Most HAs will be unaffected by this proposed rule.

Executive Order 12612, Federalism

The General Counsel, as the Designated Official under section 6(a) of Executive Order 12612, *Federalism*, has determined that the policies contained in this proposed rule would not have substantial direct effects on States or their political subdivisions, or the relationship between the Federal government and the States, or on the distribution of power and responsibilities among the various levels of government. As a result, the proposed rule is not subject to review under the Order. The rule will refine the criteria under which operating subsidies are paid on HUD-assisted housing owned and operated by HAs, but will not interfere with State or local government functions.

Executive Order 12606, the Family

The General Counsel, as the Designated Official under Executive Order 12606, *The Family*, has determined that this proposed rule would not have potential for significant impact on family formation, maintenance, and general well-being, and, thus, is not subject to review under

the Order. No significant change in existing HUD policies or programs will result from promulgation of this proposed rule, as those policies and programs relate to family concerns. The proposed rule merely involves the amount of funding that an HA should receive under a refinement of an existing procedure.

Regulatory Agenda

This proposed rule was listed as Item No. 1526 in the Department's Semiannual Agenda of Regulations published on May 8, 1995 (60 FR 23368, 23402), in accordance with Executive Order 12866 and the Regulatory Flexibility Act.

The Catalog of Federal Domestic Assistance Program numbers for this proposed rule are 14.145, 14.146, and 14.147.

List of Subjects

24 CFR Part 950

Aged, Grant programs—housing and community development, Grant programs—Indians, Disability, Homeownership, Indians, Low and moderate income housing, Public housing, Reporting and recordkeeping requirements.