The rule implements a program that encourages owners of federally assisted low-income housing to develop a plan for addressing the problem of drugrelated crime, and makes available grants to carry out this plan. As such, the program is intended to improve the quality of life of federally assisted low-income housing residents, including families, by reducing the incidence of drug-related crime. Accordingly, since any impact on the family from the rule will be positive, no further review is considered necessary.

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 rule will 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 rule is not subject to review under the Order. The program helps combat serious drug-related crime problems in federally assisted lowincome housing. The rule generally tracks the statute and involves little implementing discretion.

Regulatory Agenda

The rule was listed as Item No. 1765 in HUD's Semiannual Agenda of Regulations published on November 14, 1994 (59 FR 57632, 57634) in accordance with Executive Order 12866 and the Regulatory Flexibility Act.

Catalog of Federal Domestic Assistance

The program number for this Assisted Housing Drug Elimination Program is 14.854.

List of Subjects in 24 CFR Part 261

Drug abuse, Drug traffic control, Grant programs—housing and community development, Grant programs—low and moderate income housing, Reporting and recordkeeping requirements.

Accordingly, part 261, consisting of §§ 261.1 through 261.29, is added to 24 CFR chapter II, as follows:

PART 261—ASSISTED HOUSING DRUG ELIMINATION PROGRAM

Subpart A—General

Sec.

261.1 Purpose and scope.

261.5 Definitions.

Subpart B-Use of Grant Funds

261.10 Applicants and activities.

Subpart C-Application and Selection

261.15 Application selection and requirements.

261.18 Resident comments on grant application.

Subpart D-Grant Administration

261.26 Grant administration.

261.28 Grantee reports.

261.29 Other federal requirements.

Authority: 42 U.S.C. 3535(d) and 11901 *et seq.*

Subpart A—General

§ 261.1 Purpose and scope.

The purposes of the Assisted Housing Drug Elimination Program are to:

- (a) Eliminate drug-related crime and the problems associated with it in and around the premises of federally assisted low-income housing;
- (b) Encourage owners of federally assisted low-income housing to develop a plan that includes initiatives that can be sustained over a period of several years for addressing drug-related crime and the problems associated with it in and around the premises of assisted housing proposed for funding under this part; and
- (c) Make available federal grants to help owners of federally assisted lowincome housing carry out their plans.

§ 261.5 Definitions.

Act means The United States Housing Act of 1937 (42 U.S.C. 1437 et seq.).

Chief executive officer of a State or a unit of general local government means the elected official, or the legally designated official, who has the primary responsibility for the conduct of that entity's governmental affairs. Examples of the "chief executive officer" of a unit of general local government are: The elected mayor of a municipality; the elected county executive of a county; the chairperson of a county commission or board in a county that has no elected county executive; or the official designated pursuant to law by the governing body of the unit of general local government. The chief executive officer of an Indian tribe is the tribal governing official.

Controlled substance means a drug or other substance or immediate precursor included in schedule I, II, III, IV, or V of section 102 of the Controlled Substances Act (21 U.S.C. 802). The term does not include distilled spirits, wine, malt beverages, or tobacco as those terms are defined in Subtitle E of the Internal Revenue Code of 1954.

Drug intervention means a process to identify assisted housing resident drug

users and assist them in modifying their behavior and/or refer them to drug treatment to eliminate drug abuse.

Drug prevention means a process to provide goods and services designed to alter factors, including activities, environmental influences, risks, and expectations, that lead to drug abuse.

Drug-related crime means the illegal manufacture, sale, distribution, use, or possession with intent to manufacture, sell, distribute, or use, a controlled substance

Drug treatment means a program for the residents of an applicant's development that strives to end drug abuse and to eliminate its negative effects through rehabilitation and relapse prevention.

Federally assisted low-income housing (includes the term "assisted housing" as used in this rule) means housing assisted under:

- (1) Section 221(d)(3), section 221(d)(4) or 236 of the National Housing Act (12 U.S.C. 1701 et seq.) (Note: However, section 221(d)(4) and section 221(d)(3) market rate projects without project-based assistance contracts are not considered federally assisted low-income housing. Therefore, section 221(d)(4) and section 221(d)(3) market rate projects with tenant-based assistance contracts are not considered federally assisted low-income housing and are not eligible for funding.);
- (2) Section 101 of the Housing and Urban Development Act of 1965 (12 U.S.C. 1701s); or
- (3) Section 8 of the United States Housing Act of 1937 (42 U.S.C. 1437f note) (not including tenant-based assistance).

Governmental jurisdiction means the unit of general local government, State, or area of operation of an Indian tribe in which the housing development administered by the applicant is located.

HUD or Department means the United States Department of Housing and Urban Development.

In and around means within, or adjacent to, the physical boundaries of a housing development.

Local law enforcement agency means a police department, sheriff's office, or other entity of the governmental jurisdiction that has law enforcement responsibilities for the community at large, including the housing developments owned by the applicant.

Problems associated with drug-related crime means the negative physical, social, educational and economic impact of drug-related crime on assisted housing residents, and the deterioration of the assisted housing environment because of drug-related crime.