

the consolidated plan; for example, the HOPE Program and Section 811. This section has been revised to cover competitive programs only. In addition, because the CHAS statute requires this statement of consistency for the formula grant programs as well, the certifications have been changed to require consistency with the strategic plan.

Section 91.520 Performance Reports

One commenter objected to reporting on the results of on-site inspections of affordable rental housing assisted with HOME funds, citing it as a new requirement. This is a statutory requirement at section 226(b) of the NAHA (42 U.S.C. 12756) and is contained at § 92.504(e)(1) of the HOME regulation. That rule requires annual on-site inspections of projects of 25 units or more, requiring every other year inspections of projects of fewer than 25 units.

Two commenters stated that the 90-day period provided after the program year for submission of the performance report is inadequate time, especially for large cities, given the lack of information about the format of the report and the computer software that HUD says it will make available for this purpose. The 30-day comment period on the performance report increases the difficulty of making the 90-day deadline.

As discussed above in the citizen participation section, the comment period on reports has been shortened to 15 days. Therefore, the final rule retains the 90 day deadline for performance reports. HUD will facilitate the provision of information needed by the jurisdictions to submit the reports.

Several local governments complained about the requirement to report on the degree to which the CDBG program was used to benefit extremely low-income persons. The reasons stated for eliminating the requirement are that it is not required by statute, the program is not targeted to that specific group, and it is burdensome. A low-income community advocate found the language of the provision inadequate in that it was not strong enough in emphasizing the requirement of the CDBG statute that the program benefit low-income and moderate-income persons.

In fact, both the CDBG and HOME programs have specific requirements with regard to income targeting. Previous reporting instructions (if not regulations) have required information about benefits to extremely low-income persons for activities where income information and family data are required to justify the activity. In these cases, the information is readily

available, and therefore this reporting is not considered to be a burdensome requirement.

Sections 570.487, 570.601 and 570.904 Fair Housing Certifications

One commenter stated that there was no justification for imposing new CDBG fair housing requirements. The commenter argued that the changes to these sections provide minimal requirements for compliance with the certification that a jurisdiction will affirmatively further fair housing. The rule now states requirements rather than performance standards for affirmatively furthering fair housing. The requirements include conducting an analysis of impediments, taking actions to address the impediments, and maintaining records reflecting both. A jurisdiction need not do an analysis of impediments every year, but is expected to have conducted its first analysis of impediments no later than 12 months following February 6, 1995.

Subpart G Insular Areas

In the proposed rule, there was a heading reserved for a separate subpart to specify the consolidated plan requirements for insular areas. There were no public comments received on this topic. The Department has decided to handle the few jurisdictions that are insular areas individually, through administrative guidance. Therefore, this rule contains no subpart G.

Findings and Certifications

Regulatory Review

This rule was reviewed by the Office of Management and Budget under Executive Order 12866, Regulatory Planning and Review. Any changes made to the rule as a result of that review are clearly identified in the docket file, which is available for public inspection in the office of the Department's Rules Docket Clerk, room 10276, 451 Seventh St., SW., Washington, DC.

Impact on the Environment

A Finding of No Significant Impact with respect to the environment has been made in accordance with HUD regulations at 24 CFR part 50 that implement section 102(2)(C) of the National Environmental Policy Act of 1969, 42 U.S.C. 4332. The Finding of No Significant Impact is available for public inspection and copying during regular business hours (7:30 a.m. to 5:30 p.m.) in the Office of the Rules Docket Clerk, room 10276, 451 Seventh Street, SW., Washington, DC 20410-0500.

Federalism Impact

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 do not have significant impact on States or their political subdivisions since the requirements of the rule are limited to requirements imposed by the statutes being implemented. The final rule reflects revisions to decrease the impact on States, in particular. Duplication of effort by State and local governments is being avoided by focusing the efforts of the States on the CDBG nonentitlement areas within their borders.

Impact on the Family

The General Counsel, as the Designated Official under Executive Order 12606, The Family, has determined that this rule does not have potential for significant impact on family formation, maintenance, and general well-being, and, thus is not subject to review under the Order. The rule merely carries out the mandate of federal statutes with respect to planning documents for housing and community development programs.

Impact on Small Entities

The Secretary, in accordance with the Regulatory Flexibility Act (5 U.S.C. 605(b)), has reviewed this rule before publication and by approving it certifies that this rule will not have a significant impact on a substantial number of small entities, because it does not place major burdens on jurisdictions.

Regulatory Agenda

This rule was listed as sequence number 1723 under the Office of the Secretary in the Department's Semiannual Regulatory Agenda published on November 14, 1994 (59 FR 57632, 57641), under Executive Order 12866 and the Regulatory Flexibility Act.

Catalog

The Catalog of Federal Domestic Assistance numbers for the programs affected by this rule are 14.218, 14.231, 14.239, and 14.241.

List of Subjects

24 CFR Part 91

Grant programs—Indians, Homeownership, Low and moderate income housing, Public housing.

24 CFR Part 92

Grant programs—housing and community development, Manufactured homes, Rent subsidies, Reporting and record keeping requirements.