

September 10–11. These persons will be allocated time as time permits.

Anyone requiring information regarding the Commission should contact Ms. Palmer.

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*Name:* National Advisory Committee on Rural Health.

*Dates and Time:* September 15, 1996—3:00 p.m.

*Place:* The Historic Inns of Annapolis, 16 Church Circle, Annapolis, MD 21401, Phone: (410) 263-2641, FAX: (410) 268-3813.

The meeting is open to the public.

*Agenda:* The meeting will begin at 3 p.m. on Sunday, September 15, with an orientation. A reception is planned following the orientation.

The plenary session on Monday, September 16, will convene at 8:30 a.m. with a legislative update and an overview of the Office of Rural Health Policy activities. Committee members will review the American Public Health Association's resolution, "Rural Health Goals: Guaranteeing a Future." The remainder of the day and Tuesday, September 17, will be devoted to formulating Committee recommendations to the Secretary of Health and Human Services. Committee members will meet in their workgroups—Education and Health Services and Health Care Financing—to draft these recommendations. The meeting will convene at 8:30 a.m. on Wednesday, September 18. Adjournment is anticipated by 12:30 p.m.

Anyone requiring information regarding the subject Committee should contact Dena S. Puskin, Executive Secretary, National Advisory Committee on Rural Health, Health Resources and Services Administration, Room 9-05, Parklawn Building, 5600 Fishers Lane, Rockville, Maryland 20857, Telephone (301) 443-0835, FAX (301) 443-2803.

Persons interested in attending any portion of the meeting should contact Ms. Arlene Granderson or Lisa Shelton, Office of Rural Health Policy, Health Resources and Services Administration, Telephone (301) 443-0835.

Agenda Items are subject to change as priorities dictate.

Dated: August 5, 1996.

Jackie E. Baum,

*Advisory Committee Management Officer,  
HRSA.*

[FR Doc. 96-20269 Filed 8-8-96; 8:45 am]

BILLING CODE 4160-15-P

### Request for Comments on Legal Issues Related to Telemedicine

**AGENCY:** Health Resources and Services Administration (HRSA), Health and Human Services (HHS).

**ACTION:** Request for comments.

**SUMMARY:** In the Telecommunications Act of 1996 (Pub.L. 104-104), Congress directs the Secretary of Commerce, in

consultation with the Secretary of Health and Human Services, to submit a report highlighting the activities of the Joint Working Group on Telemedicine (JWGT) and other Federal activities to promote the cost-effective use of telemedicine (Section 709). The JWGT is a Federal interagency working group that examines issues and makes recommendations regarding national policy on telemedicine. The Office of Rural Health Policy, Health Resources and Services Administration, provides staff support to the JWGT. Telemedicine is defined as the use of modern telecommunications and information technologies for the provision of clinical care to individuals at a distance.

In this notice, we seek comments identifying the legal barriers to the cost-effective use of telemedicine and specific suggestions for overcoming these barriers. In particular, we seek suggestions for easing licensure barriers to physicians and other health professionals providing telemedicine services across state lines, and comments on specific alternatives, such as those recently proposed by the Federation of State Medical Boards and the Institute of Electrical and Electronics Engineers. Respondents are encouraged to explore the advantages and disadvantages of a wide range of options such as various types of limited state licensure, registration of out-of-state physicians as proposed in California, regional and national initiatives to expand reciprocity among states, national licensure in terms of their impact on access and quality of health care services, and feasibility and cost of implementation. In addition to addressing cross-state licensure issues, respondents are encouraged to provide comments and suggestions on other legal issues associated with telemedicine such as liability/malpractice. Finally, we are asking respondents to identify the particular challenges in assuring privacy, confidentiality, and security in the conduct of telemedicine and provide suggestions for addressing those challenges. Comments will be reviewed and considered for incorporation into the final report to Congress.

**DATES:** Comments should be filed on or before August 30, 1996.

**ADDRESSES:** Copies of comments should be sent to: Dena S. Puskin, Sc.D., Office of Rural Health Policy, Health Resources and Services Administration, Room 9-05, Parklawn Building, 5600 Fishers Lane, Rockville, Maryland 20857.

**FOR FURTHER INFORMATION CONTACT:** Dena S. Puskin, Sc.D., 301-443-0835, dpuskin@hrsa.ssw.dhhs.gov.

Dated: August 8, 1996.

Ciro V. Sumaya,

*Administrator.*

[FR Doc. 96-20270 Filed 8-8-96; 8:45 am]

BILLING CODE 4160-15-U

### DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

[Docket No. FR-3778-N-97]

#### Office of the Assistant Secretary for Community Planning and Development; Federal Property Suitable as Facilities to Assist the Homeless

**AGENCY:** Office of the Assistant Secretary for Community Planning and Development, HUD.

**ACTION:** Notice.

**SUMMARY:** This Notice identifies unutilized, underutilized, excess, and surplus Federal property reviewed by HUD for suitability for possible use to assist the homeless.

**EFFECTIVE DATE:** August 9, 1996.

**FOR FURTHER INFORMATION CONTACT:** Mark Johnston, Department of Housing and Urban Development, Room 7256, 451 Seventh Street SW., Washington, DC 20410; telephone (202) 708-1226; TDD number for the hearing- and speech-impaired (202) 708-2565, (these telephone numbers are not toll-free), or call the toll-free Title V information line at 1-800-927-7588.

**SUPPLEMENTARY INFORMATION:** In accordance with the December 12, 1988 court order in *National Coalition for the Homeless v. Veterans Administration*, No. 88-2503-OG (D.D.C.), HUD publishes a Notice, on a weekly basis, identifying unutilized, underutilized, excess and surplus Federal buildings and real property that HUD has reviewed for suitability for use to assist the homeless. Today's Notice is for the purpose of announcing that no additional properties have been determined suitable or unsuitable this week.

Dated: August 2, 1996.

Jacque M. Lawing,

*Deputy Assistant Secretary for Economic Development.*

[FR Doc. 96-20170 Filed 8-8-96; 8:45 am]

BILLING CODE 4210-29-M

[Docket No. FR-4103-N-01]

**Office of the Assistant Secretary for Public and Indian Housing; Notice of Implementation of the Omnibus Consolidated Rescissions and Appropriations Act of 1996**

**AGENCY:** Office of the Assistant Secretary for Public and Indian Housing, HUD.

**ACTION:** Notice of Implementation of the Omnibus Consolidated Rescissions and Appropriations Act of 1996 (Pub.L. 104-134, approved April 26, 1996) ("OCRA") relating to the Public and Indian Housing Program and the Section 8 Certificate, Voucher, and Moderate Rehabilitation Programs.

**SUMMARY:** The OCRA affects the public and Indian housing and Section 8 programs by providing certain funds and by amending the U.S. Housing Act of 1937 (the "USHA"). This Notice advises the public of the Department's intentions regarding funding processes for affected programs. This Notice also advises the public of various changes to regulatory requirements and program policies, implementing the administrative provisions of the OCRA that amend the USHA for Federal Fiscal Year 1996 ("FY 1996").

The Department will issue instructions concerning Section 202 of the OCRA, Conversion of Certain Public Housing to Tenant-based Section 8 Vouchers and Certificates, by separate notice.

This Notice does not modify or negate the policies contained in Notices PIH 96-6 and 7 (HA) dated February 13, 1996, which were issued to implement provisions of the January 26, 1996 Continuing Resolution. Those Notices concerned minimum tenant rents, public and Indian housing ceiling rents, the definition of "adjusted income" for public and Indian housing residents, suspension of Federal tenant selection preferences, repeal of provisions regarding income disregards, delay in reissuance of turnover certificates and vouchers, and FY 1996 Section 8 administrative fees.

This Notice also does not modify or negate the guidance issued in Notice PIH 96-12 (HA) on March 21, 1996, which concerned management of the minimum rent requirements.

In addition, this Notice does not modify or negate the guidance issued in Notice PIH 96-24 (HA) on May 3, 1996, which concerned Performance Funding System policy revisions to encourage public and Indian housing authorities to facilitate resident employment and undertake entrepreneurial initiatives.

Further, this Notice is not intended to supersede the Public/Private Partnership for Mixed-Finance Public Housing Development rule in 24 CFR part 941, subpart F (published May 2, 1996, 61 FR 19708). That rule remains in effect. This Notice is intended to provide implementation guidance on that subject in those limited areas where the language in the OCRA differs from that in the rule.

The provisions of this Notice apply both to Public Housing Agencies ("PHAs") and to Indian Housing Authorities ("IHAs"), which are collectively referred to in this Notice as "HAs" unless otherwise noted.

Contents of this Notice

- I. Annual Contributions Contracts and Commitment of Funds
- II. Extension of Administrative Provisions from the Rescissions Act
- III. Streamlining Section 8 Tenant-Based Assistance
- IV. Public Housing/Section 8 Moving to Work Demonstration
- V. Extension Period for Sharing Utility Cost Savings with HAs
- VI. Repeal of Frost-Leland
- VII. Minimum Rent Waiver Authority

**FOR FURTHER INFORMATION CONTACT:** Rod Solomon, Director, Special Actions, Public and Indian Housing, Room 4116, Department of Housing and Urban Development, 451 Seventh Street, SW, Washington, DC 20410, telephone (202) 708-0713.

For IHAs, contact Dom Nessi, Deputy Assistant Secretary for Native American Programs, Room B-133, 451 Seventh Street, SW, Washington, DC 20410, telephone (202) 755-0032.

For hearing or speech impaired persons, these numbers may be accessed via TTY by contacting the Federal Information Relay Service at 1-800-877-8339. (Except for the "800" number, the telephone numbers are not toll-free.)

**SUPPLEMENTARY INFORMATION:**

- I. Annual Contributions Contracts and Commitment of Funds

*A. Indian Housing*

**1. Indian Housing Development Funding**

A Notice of Funding Availability ("NOFA") was published in the Federal Register on March 29, 1996 (61 FR 14218), which announced approximately \$160 million in FY 1996 funding for the development of new Indian Housing units and provided the applicable criteria, processing requirements and action timetable.

**2. Indian HOME Funding, Indian Community Development Block Grant Funding, and Indian Emergency Shelter Grant Funding**

A NOFA was published in the Federal Register on March 27, 1996 (61 FR 13574) announcing the availability of up to \$14 million in funding for FY 1996 for the HOME Program for Indian Tribes and providing selection criteria, information on how to apply, and an explanation of how selections would be made.

A NOFA was published in the Federal Register on May 9, 1996 (61 FR 21338), which announced the availability of \$50,000,000 in funds for the Community Development Block Grant Program for Indian Tribes and Alaska Native Villages for Fiscal Year 1996.

A NOFA was published in the Federal Register on March 5, 1996 (61 FR 8824), which announced the availability of approximately \$1,150,000 in funds for emergency shelter grants to be allocated to Indian tribes and Alaskan Native villages by competition for Fiscal Year 1996.

*B. Section 8 Certificate, Voucher and Moderate Rehabilitation Funding*

In a Federal Register notice published July 19, 1996 (61 FR 37758), HUD issued instructions concerning Section 8 certificate, voucher, and moderate rehabilitation funding.

*C. Comprehensive Improvement Assistance Program ("CIAP")*

A NOFA was published in the Federal Register on April 18, 1996 (61 FR 17218), which announced the availability of up to \$257 million for FY 1996 CIAP funding. The NOFA informed HAs that own or operate fewer than 250 public and Indian housing units (and, therefore, are eligible to apply and compete for CIAP funds) of the requirements and application deadline. The NOFA application deadline was June 17, 1996 and the Department is now processing applications.

*D. Public Housing Demolition, Site Revitalization, and Replacement Housing (HOPE VI) Grants*

Title II of the OCRA appropriates \$480 million for public housing demolition, site revitalization, and replacement housing grants (referred to as the HOPE VI program). A NOFA was published on July 22, 1996 (61 FR 38024), which announced the availability of HOPE VI funding. The funds will be used for grants to PHAs to enable them to demolish obsolete projects or portions of them, or

revitalize, where appropriate, the sites (including remaining public housing units) on which the projects are located. Also, grants may be used for replacement housing that will avoid or lessen concentrations of very low-income families and for tenant-based Section 8 assistance to provide replacement housing or to assist tenants who will be displaced by demolition.

*E. Public and Indian Housing Drug Elimination Program ("PHDEP") and Technical Assistance ("TA") Program*

A NOFA was published in the Federal Register on April 8, 1996 (61 FR 15674) announcing approximately \$250 million for PHDEP. A notice was published in the Federal Register on July 10, 1996 (61 FR 36472), which makes two amendments to the April 8, 1996 NOFA, and reopens the application period for a period of 30 days. The application deadline under the July 10, 1996 NOFA is August 9, 1996.

A NOFA was published in the Federal Register on June 25, 1996 (61 FR 32902) announcing the availability of \$1.5 million under the PHDEP TA program. OCRA set aside \$10 million for "grants, technical assistance, contracts and other assistance training, program assessment and execution for or on behalf of public housing agencies and resident organizations." This NOFA makes \$1.5 million out of the \$10 million available under the PHDEP TA program. The NOFA provides that applications may be submitted anytime up to August 16, 1996.

*F. Economic Development and Supportive Services Program*

The OCRA provided \$53 million for supportive services under Community Development Block Grants. This funding will be used as follows:

1. *Section 202 Service Coordinators:* Five million dollars will be used to assist elderly residents to obtain the supportive services they need from community agencies in order to prevent premature or unnecessary institutionalization. The Office of Housing will award funds on a first come, first serve, basis pursuant to current procedures.

2. *Tenant-Based Section 8 Family Self-Sufficiency Service Coordinators (FSS):* A NOFA was published on July 26, 1996 (61 FR 39262), announcing \$9.2 million for this program. Under the FSS program, HAs are required to use Section 8 rental assistance together with public and private resources to provide supportive services to enable participating families to achieve economic independence and self-

sufficiency. Effective delivery of supportive services is a critical element in a successful program. Funds are available under this NOFA to employ or otherwise retain the services of up to one FSS program coordinator for one year. A part-time FSS program coordinator may be retained where appropriate. The application deadline is September 9, 1996.

3. *Economic Development and Supportive Services:* The Department will publish a NOFA in the Federal Register announcing a total of up to \$30.8 million in grant funds. This funding will allow HAs to (1) provide economic development opportunities or supportive services to assist residents of public and Indian housing to become economically self-sufficient and (2) provide supportive services to assist elderly and handicapped persons to live independently.

4. *Bridges to Work:* The Department has set-aside \$8 million for a Bridges to Work Demonstration to assist central city low-income individuals and families, including public housing and Section 8 recipients, who are work ready, to become self-sufficient by linking them with suburban jobs. The linkage is to be achieved by coordinated programs of job search assistance, work preparation and job retention counseling, transportation and child care assistance, and other necessary supportive services. The six sites for the demonstration are: Baltimore, Chicago, Denver, Milwaukee, St. Louis, and Philadelphia.

*G. Public and Indian Housing Youth Sports (YSP) Program*

There will not be a NOFA this year for the Public and Indian Housing Youth Sports Program. A notice was published in the Federal Register on June 12, 1996 (61 FR 29884) that announced that HUD would not fund the Youth Sports Program for FY 1996.

*H. Tenant Opportunities Program ("TOP") Technical Assistance*

A NOFA was published in the Federal Register on July 3, 1996 (61 FR 35022) announcing the availability of \$15 million for this program. TOP provides assistance to Resident Councils, Resident Management Corporations, Resident Organizations, National Resident Organizations, Regional Resident Organizations, and Statewide Resident Organizations, to fund training and other tenant opportunities, such as the formation of such entities, identification of the relevant social support needs, and securing of such support for residents of public and Indian housing.

The application deadline is August 9, 1996.

*II. Extension of Administrative Provisions From the Rescissions Act*

*A. Expansion of Eligible Uses of Modernization and Development Assistance*

1. *General Provisions*

Section 201(a) of the OCRA gives HAs significant new flexibility in using public and Indian housing modernization and development funds provided under authority of the United States Housing Act (the "USHA"). This provision follows the expansion of the permitted uses of modernization funds that was made by Section 1001(a) of the 1995 Rescissions Act (Pub.L. 104-19, approved July 27, 1995). The OCRA amends Section 14(q) of the USHA (as defined above), which was added by the 1995 Rescissions Act, to further expand the eligible uses of modernization assistance and also to expand the eligible uses of public and Indian housing development assistance. These provisions apply to modernization and development funds appropriated in FY 1996 and in prior fiscal years.

With certain limitations, HAs may now use modernization assistance or development assistance for any eligible activity authorized (a) by the public and Indian housing modernization program (under Section 14 of the USHA, as amended by the OCRA), (b) by the public and Indian housing development program (under Section 5 of the USHA), or (c) by applicable appropriations acts for an HA. Eligible activities include the demolition, rehabilitation, revitalization, and replacement of existing units and developments. Eligible activities also include those authorized under the Urban Revitalization Demonstration program (also known as "HOPE VI"), as set forth in the 1993 HUD, VA, and Independent Agencies Appropriations Act (Pub.L. 102-389, approved), which authorizes both physical revitalization activities and activities to promote resident self-sufficiency, such as community services, social services, training and education, and other activities designed to encourage and support work by public housing residents. Although IHAs have not been eligible for HOPE VI funding in the past, IHAs may now use modernization and development funds for eligible activities authorized under HOPE VI.

2. *Assistance Previously Allocated for Priority Replacement Housing*

The expansion of the eligible uses of modernization and development

assistance, as described above, does not apply to public and Indian housing development assistance that was allocated, as determined by the Department, for priority replacement housing. Such assistance may only be used for the specific activities for which it was allocated to the HA by the Department. In general, development assistance allocated for priority replacement housing is development assistance that was committed by the Department to an HA for an approved replacement housing plan, or development assistance (including assistance under a Major Reconstruction of Obsolete Projects ("MROP") grant) which was not under an Annual Contributions Contract prior to July 27, 1995, and which HUD did not recapture. (Please note that the MROP program does not apply to IHAs.)

### 3. Section 5(j) Limitations on Public Housing Development

While the OCRA authorizes the use of modernization assistance for the development activities authorized by Section 5 of the USHA, it does not exempt HAs from compliance with other applicable requirements of Section 5. In particular, the development of public housing (though not Indian housing) remains subject to Section 5(j) of the USHA, which limits the circumstances under which HUD may provide assistance to an HA for development activity. More specifically, Section 5(j) permits the use of funds for public housing development only if at least one of the following five conditions is met:

- (1) The Department determines that additional amounts are required to complete the development of units already under development;
- (2) The HA certifies that 85 percent of its units—
  - (i) Are maintained in substantial compliance with Housing Quality Standards;
  - (ii) Will be so maintained upon completion of modernization for which funding has been awarded; or
  - (iii) Will be so maintained upon completion of modernization which is likely to be funded;
- (3) The HA certifies that such development—
  - (i) Is for replacement housing; or
  - (ii) Is required to comply with court orders or directions of the Department;
- (4) The HA certifies that it has demands for family housing not satisfied by tenant-based Section 8 assistance for which it plans developments of not more than 100 units; or

(5) In the case of elderly housing development, the HA certifies that the use of such assistance will expand housing opportunities for disabled persons.

### 4. Other Limitations on Incremental Public Housing Development

Section 201(a)(1) of the OCRA provides that housing units developed with modernization funds are eligible for operating subsidies unless the Department determines that such units do not meet other requirements of the USHA. The USHA contains other limitations on the use of modernization assistance for public housing development in addition to those imposed by Section 5(j).

Section 14 of the USHA (which authorizes the public and Indian housing modernization program), provides that the Department may disapprove an HA's 5-year comprehensive plan for modernization where the Department determines that the HA's action plan for performing modernization work is plainly inappropriate to meeting the needs identified in the comprehensive plan. HUD considers the use of modernization funds to be "plainly inappropriate" under Section 14 where an HA would use such funds for incremental development (i.e., for units other than replacement housing) while the HA has substantial backlog modernization needs, unfunded emergency work, or work required to comply with Federal laws (e.g., lead-based paint abatement or Section 504 compliance) or court-ordered settlements at existing developments. In such situations, an HA may not use modernization funds for incremental public housing development, although it may use such funds to meet replacement housing needs or to fulfill obligations under a court-ordered settlement.

Section 9(a)(2) of the USHA permits the Department to make operating assistance available only for public housing units that have been "developed" under an ACC authorized by Section 5 of the USHA. Section 5 authorizes the Department to make grants to HAs for the development of public housing. Under Section 201(a) of the OCRA, an HA may now also use Section 14 modernization funds for Section 5 development activities. Thus, under the USHA, the Department's contribution of operating assistance to an HA is predicated on the Department's contribution of funds for development, regardless of whether such funds were allocated to the HA under authority of Section 5 or Section 14.

By the same reasoning, an HA may not use a nominal amount of Federal capital assistance simply to trigger operating assistance eligibility for incremental (i.e., other than replacement) units. As outlined above, only units "developed" under Section 5 are eligible for operating assistance under Section 9. Therefore, it would subvert the intent of the statute and the structure of the program to commit public housing operating assistance in a manner that is essentially independent of public housing capital assistance, or for purposes other than expansion of low-income housing resources (e.g., to relieve State or local jurisdictions of responsibility for their low-income housing programs).

The Department does not intend, at this time, to set firm rules as to the level or nature of capital investment that an HA must make in order for housing units to be eligible for public housing operating assistance. Rather, the critical test for determining operating subsidy eligibility should be whether such units could have been developed but for the HA's investment of Federal capital funds. In general, the Department will consider this test to have been met, without further scrutiny, if the HA contributes Federal funds amounting to at least 50 percent of the HUD-computed total development cost of the units, including acquisition and rehabilitation costs. An HA may meet this test in all other cases (i.e., where it contributes less than 50 percent of the total development cost) only where it demonstrates to HUD's satisfaction that the HA's investment of Federal capital funds is necessary to leverage other, non-Federal capital funds essential to development, and will not be used merely to trigger eligibility for Federal operating assistance.

The Department is aware that these restrictions preclude an HA from receiving Federal public housing operating subsidies for incremental housing units that would be donated to the HA, or for which the HA would contribute a nominal amount of capital funds. However, HUD believes that this result is required by existing law and that a different outcome would require further Congressional action.

Finally, HAs should also be aware that public housing development activity under Section 5 of the USHA, including that funded with modernization assistance, is subject to the public housing development rule at 24 CFR part 941. The Department intends to issue a new, streamlined development rule in the near future. IHAs are subject to the development

regulations found in 24 CFR part 950, subpart C.

The Department is also issuing a separate notice that provides additional processing guidance, including accounting procedures, on using modernization funds for development activities and using development funds for modernization activities.

#### 5. Operating Subsidy Eligibility

Subject to the limitations above, low-income and very low-income units assisted under Section 14(q)(1) of the USHA are eligible for operating subsidies, unless (as provided in the OCRA) the Department determines that such units or developments do not meet other requirements of the USHA.

#### 6. Use of Modernization and Development Assistance for Operations

An HA may also use up to 10 percent of the modernization and development assistance it has received in FY 1996, or in any prior fiscal year, for operating expenses of projects included under Section 9 of the USHA. An HA may implement this provision by requisitioning funds from its modernization (or development) grant program and reflecting the funds for operations as a cost in its modernization (or development) plan. Any such funds may be used by an HA for any eligible expenditure included in an approved operating budget.

Except for modernization and development assistance used for operating subsidy purposes, modernization and development assistance for a fiscal year shall principally be used, states the OCRA, for the following activities: the physical improvement, replacement of public housing, other capital purposes, and for associated management improvements, and such other extraordinary purposes as may be approved by the Department. In general, the Department considers assistance to be used "principally" for the eligible activities described above in this paragraph as long as at least 90 percent of the assistance is used for such activities.

#### *B. Assistance to Mixed-Income Developments*

##### 1. Eligible Entities and Forms of Assistance

The OCRA also amends Section 14(q)(2) of the USHA to permit HAs to provide assistance to developments that include units other than public housing units ("mixed-income developments"), in the form of a grant, loan, operating assistance, or other form of investment. An HA may provide such assistance to

entities described in paragraphs (1) or (2), below.

(1) A partnership, a limited liability company, or other legal entity in which the HA or its affiliate is a general partner, managing member, or otherwise participates in the activities of such entity. For purposes of this paragraph, HUD will find that an HA "otherwise participates" in the activities of an entity if the HA and the entity have entered into a valid and enforceable regulatory or operating agreement, which, among other things, (a) states the number and characteristics of units in the development that will be made available for occupancy by low-income and very low-income families, as well as the duration and conditions of such availability, and (b) provides binding assurances that the operation of such units will be in accordance with public housing program requirements. The HA must perform monitoring and oversight duties, including but not limited to, periodic performance reviews, or provide for delivery of services and programs to low- and very low-income residents in mixed-income developments.

(2) Any entity which grants to the HA the option to purchase the development within 20 years after initial occupancy in accordance with certain rules under the Low-Income Housing Tax Credit program, as set forth in Section 42(i)(7) of the Internal Revenue Code of 1986, as amended.

##### 2. Units for Low-Income and Very Low-Income Occupancy

Units in any such mixed-income development must be made available for periods of not less than 20 years, by master contract or by individual lease, for occupancy by low-income and very low-income families whom the HA refers (either directly, or through any other tenant selection and assignment system now permissible under public and Indian housing program rules) to the development. The period of availability may be extended by HUD, on a case-by-case basis, if the level of public benefit is not commensurate with the amount and kind of assistance provided. Except as otherwise approved by HUD, the number of units in such a development that must be made available must be in the same proportion to the total number of units in the development that the total financial commitment provided by the HA bears to the value of the total financial commitment in the development, provided that the number of units for occupancy by low-income and very low-income families must not be less than the number of units that

could have been developed under the conventional public and Indian housing program with the assistance involved. In making this determination, the financial commitment provided by the HA to cover the cost of putting an existing public housing site in buildable condition, such as relocation, demolition, and site remediation, should not be included in the proportionality calculation.

##### 3. Local Real Estate Taxes

A mixed-income development may elect to have all units subject only to the applicable local real estate taxes, notwithstanding that the low-income units assisted by public and Indian housing funds would otherwise be subject to Section 6(d) of the USHA, which relates to local real estate tax exemptions and payments in lieu of taxes for public housing units.

##### 4. Deviations from the United States Housing Act

Section 201(a) of the OCRA adds a new Subsection 14(q)(4) to the USHA, which directs HUD to promulgate regulations providing guidelines and procedures under which an entity that owns or operates a mixed-income development may deviate from various requirements. In particular, the OCRA states that a contract between an HA and such an entity may provide that, in the event the HA is unable to fulfill its contractual obligations with respect to the public housing units in the development (as a result of a reduction in operating subsidy appropriations, or any other change in applicable law), then that entity may deviate, under procedures and requirements to be developed through regulations by HUD, from otherwise applicable restrictions under the USHA regarding rents, income eligibility, and other areas of public housing management. Such deviations may be made with respect to a portion or all of the public housing units in the development, to the extent necessary to preserve the viability of those units while maintaining the low-income character of the units, to the maximum extent practicable. HUD expects to provide regulations in the near future.

##### C. Suspension of One-For-One Replacement Housing Requirement

Section 201(b) of the OCRA extends, up to September 30, 1996, the suspension of the one-for-one replacement housing requirement that was made in the Fiscal Year 1995 Rescissions Act. Therefore, except as provided below with respect to priority replacement housing, there is no

replacement housing requirement for public housing demolition, disposition, or homeownership conversion applications that are approved by the Secretary, or for other consolidation and relocation activities of HAs undertaken before September 30, 1996. In such cases, HAs are no longer required to provide replacement housing, and HUD is not obligated to commit the funds necessary to carry out the replacement housing plan.

The OCRA also amends Section 18(f) of the USHA, which was added by the 1995 Rescissions Act, and which describes the circumstances under which replacement housing units for public housing units demolished may be built on the original public housing site or in the same neighborhood. The OCRA amendment provides that "no one may rely on [Section 18(f)] as the basis for reconsidering a final order of a court issued, or a settlement approved, by a court."

### III. Streamlining Section 8 Tenant-Based Assistance

The Department issued Notice PIH 26-23 (HA) on May 1, 1996 providing detailed instructions to HAs on implementing the Section 8 administrative provisions. While the scope of this Notice is described briefly below, HAs should review the Notice in its entirety.

#### A. "Take-One, Take-All" Suspension

Section 203(a) of the OCRA suspends Section 8(t) of the USHA for FY 1996. Section 8(t) required that an owner who entered into a Section 8 HAP contract on behalf of any tenant in a multifamily housing project could not refuse to lease certain units in all multifamily projects of the owner, if the proximate cause of the refusal was that the family was a certificate or voucher holder.

#### B. Suspension of Owner Termination Notices to HUD

Section 203(b) of the OCRA amends Section 8(c)(9) of the USHA so that the owner termination notice provisions do not apply to HAP contracts under the certificate and voucher program for FY 1996.

#### C. "Endless Lease" Elimination

Section 203(c) of the OCRA amends Sections 8(d)(1)(B)(ii) and (iii) of the USHA for FY 1996. Section 8(d)(1)(B)(ii) provides that the owner may not terminate a Section 8 tenancy except for serious or repeated lease violations, for violation of applicable Federal, State, or local law, or for other good cause. Section 8(d)(1)(B)(iii) provides that certain criminal activity is grounds for

the tenancy termination. The OCRA amends the law to confirm that the above cited statutory requirements for termination of tenancy only apply to a termination that occurs "during the term of the lease."

### IV. Public Housing/Section 8 Moving to Work Demonstration

Section 204 of the OCRA creates the Public Housing/Moving to Work Demonstration ("MTW") in order to give HAs and HUD the flexibility to design and test various approaches for providing and administering housing assistance that: reduce cost and achieve greater cost effectiveness in Federal expenditures; give incentives to families with children when the head of household is working, seeking work, or is preparing for work by participating in job training, educational programs, or programs that assist people to obtain employment and become economically self-sufficient; and increase housing choices for low-income families.

HUD will implement MTW in two phases. The first, entitled Jobs-Plus, will be a collaborative effort of HUD, the Manpower Demonstration Research Corporation, and the Rockefeller Foundation. Jobs-Plus will target six to ten public housing developments for families with a goal of substantially raising employment levels by providing saturation-level services to residents. The impact of Jobs-Plus will be closely monitored in order to develop replicable models for increasing employment levels among public housing residents. HUD will use the \$5 million in technical assistance funds appropriated in the OCRA to leverage additional funding from private foundations. Requests for expressions of interest in Jobs-Plus were mailed to certain HAs deemed to be the most promising for this aspect of the demonstration on June 14, 1996.

The second phase of MTW will be implemented by selecting approximately 20 to 25 high-performing HAs to design innovative programs for providing housing assistance and related services to low-income families. Selected HAs may combine public housing operating and modernization funds and Section 8 assistance into a single pool of resources. They may also seek HUD waivers from most provisions of the United States Housing Act, permitting unprecedented flexibility in program design and implementation.

The Department will issue an invitation to apply for this phase of MTW in the near future.

### V. Extension Period for Sharing Public Housing Utility Cost Savings With HAs

Section 218 of the OCRA removes the limitation on the period during which HUD may share utility cost savings with HAs. The Act amends Section 9(a)(3)(B)(i) of the USHA by deleting the words "for a period not to exceed six years".

Consequently, HAs that take actions to reduce the rate paid for utilities (including water, fuel oil, electricity and gas) now will be able to retain half of the savings for as long as the savings last. Examples of such actions are the well-head purchase of natural gas, administrative appeals, or legal action (beyond routine public participation in general ratemaking proceedings leading to broadly applicable rate adjustments). Under these circumstances, HAs that have reached the end of the six year period previously permitted for the sharing of the resulting rate savings may now continue to share such savings on a fifty/fifty basis. There is no longer a specified time limitation on the sharing of rate saving arrangements.

HAs which had reached the six year time limit as of September 30, 1995 may reinstate the fifty/fifty rate savings with HUD for the fiscal years ending September 30, 1996 and thereafter. Other HAs contemplating entering into such arrangements may do so with the knowledge that the sharing of the savings will continue without the specific six year time limit.

This change is being made not only for public housing but also for Indian housing.

### VI. Repeal of Frost-Leland

Section 220 of the OCRA repeals section 415 of the fiscal year 1988 appropriations act (often referred to as "Frost-Leland"), which prohibited the use of any funds appropriated under any act for any fiscal year for demolishing George Loving Place, Edgar Ward Place or Elmer Scott Place in Dallas, Texas, or Allen Parkway Village in Houston, Texas.

### VII. Minimum Rent Waiver Authority

Section 230 of the OCRA permits HUD or HAs to waive the minimum rent requirement to provide a transition period for affected families. The term of the waiver approved may be retroactive, but may not apply for more than three months with respect to any family. The Department issued further guidance on this provision by Notice PIH 96-42 (HA) on June 20, 1996.

Dated: August 5, 1996.  
 Kevin Marchman,  
*Acting Assistant Secretary for Public and Indian Housing.*  
 [FR Doc. 96-20361 Filed 8-8-96; 8:45 am]  
 BILLING CODE 4210-33-P

**[Docket No. FR-4066-N-02]**

**Office of the Assistant Secretary for Public and Indian Housing; NOFA for FY 1996 for the Public and Indian Housing Tenant Opportunities Program Technical Assistance; Amendment**

**AGENCY:** Office of the Assistant Secretary for Public and Indian Housing, HUD.

**ACTION:** Amendment of notice of funding availability.

**SUMMARY:** This notice amends a NOFA that was published in the Federal Register on July 3, 1996 (61 FR 35022), to: (1) decrease the amount of funds made available for basic and additional grants for resident organizations; (2) correspondingly increase the amount of funds made available for the provision of technical assistance by national, regional, or statewide resident organizations (NROs/RROs/SROs); and (3) extend the eligibility and the deadline for NROs/RROs/SROs to apply for funding under the other requirements and criteria set out in the July 3 NOFA. NRO/RRO/SRO applicants that have already submitted an application in accordance with the instructions of the July 3 NOFA may amend their applications before the extended deadline date of September 9, 1996.

**DATES:** The deadline for applications from NROs/RROs/SROs is 3:00 p.m., local time, on September 9, 1996. NRO/RRO/SRO applicants that have already submitted an application in accordance with the instructions of the July 3 NOFA also may amend their applications before this date. The deadline for applications for basic and additional grants remains 3:00 p.m., local time, on August 9, 1996. The application deadlines are firm as to date and time.

**ADDRESSES:** To obtain a copy of the application kit, please write the Resident Initiatives Clearinghouse, Post Office Box 6424, Rockville, MD 20850, or call the toll free number 1-800-955-2232. Requests for application kits must include your name, mailing address (including zip code), telephone number (including area code), and should refer to document FR-4066. Applicants may access the TOP Application Kit through HUD's World Wide Web site at <http://>

[www.hud.gov/pih](http://www.hud.gov/pih). This NOFA cannot be used as the application.

**FOR FURTHER INFORMATION CONTACT:**

Christine Jenkins or Barbara J. Armstrong, Office of Community Relations and Involvement, Department of Housing and Urban Development, 451 Seventh Street, S.W., Room 4112, Washington, D.C. 20410; telephone: (202) 708-3611. All Indian Housing applicants may contact Tracy Outlaw, Office of Native American Programs, Department of Housing and Urban Development, 451 Seventh Street, S.W., Room B-133, Washington, D.C. 20410; telephone: (202) 755-0088. For hearing- and speech-impaired persons, these numbers may be accessed via TTY (text telephone) by calling the Federal Information Relay Service at 1-800-877-8339. (Other than the "800" TTY number, telephone numbers are not toll-free.)

**SUPPLEMENTARY INFORMATION:** The changes made in this document to the NOFA for FY 1996 for the Public and Indian Housing Tenant Opportunities Program (TOP) Technical Assistance, published on July 3, 1996 (61 FR 35022), reflect the Department's recognition that the statutory limitation on technical assistance funding under TOP is applicable to any "public housing project" (see 42 U.S.C. 1437r(f)(2)). Thus, for purposes of this NOFA the Department is adopting a policy that this limitation, although still applicable, does not necessarily limit to \$100,000 the total funding available in all years to an intermediary applicant, which may agree to provide technical assistance and training to multiple eligible resident groups.

In addition to the changes to the NOFA that are set out in this amendment document, NROs/RROs/SROs are advised that nonprofit documents (i.e., certification of nonprofit status, by-laws, and other organizational documents) and a listing of RCs/RMCs/ROs that an applicant organization proposes to train or provide technical assistance to will be considered documentation necessary to HUD's assessment of the merits of an application. Therefore, under Section V, Corrections to Deficient Applications, in the NOFA, an application that does not include this documentation will be considered ineligible.

Accordingly, FR Doc. 96-17007, NOFA for FY 1996 for the Public and Indian Housing Tenant Opportunities Program Technical Assistance, published at 61 FR 35022 (July 3, 1996), is amended as follows:

1. On page 35022, column 1, the first paragraph following the heading "Dates" is revised to read as follows:  
 The deadline for applications from NROs/RROs/SROs is 3:00 p.m., local time, on September 9, 1996. The deadline for applications for basic and additional grants is 3:00 p.m., local time, on August 9, 1996. The application deadlines are firm as to date and time.

2. On page 35023, column 1, the second paragraph is revised by removing the amount "\$500,000" and adding in its place the amount "\$1 million".

3. On page 35024, column 1, item 7 under the heading "D. New Features of this NOFA" is amended by revising the last sentence to read as follows:

(7) \* \* \* The NROs/RROs/SROs cannot list RCs/RMCs/ROs that have previously received the maximum of \$100,000 or that were previously trained by the NRO/RRO/SRO.

\* \* \* \* \*

4. On page 35024, column 1, item 10 under the heading "D. New Features of this NOFA" is revised to read as follows:

(10) RCs/RMCs/ROs and city-wide/jurisdiction-wide organizations that previously were funded the maximum of \$100,000 under the TOP cannot reapply for funding under this NOFA. This restriction is in accordance with section 20(f)(2) of the 1937 Act (42 U.S.C. 1437r(f)(2)), which states "the financial assistance provided under this subsection with respect to any public housing project may not exceed \$100,000." A NRO/RRO/SRO that previously was funded under the TOP may reapply for a maximum of \$100,000 in funding under this NOFA, without regard to amounts awarded to that NRO/RRO/SRO under previous NOFAs, but its application may not include any RC/RMC/RO that either: (1) was previously trained by the NRO/RRO/SRO; or (2) was previously funded the maximum total of \$100,000 under the TOP.

5. On page 35024, column 3, under the heading "F. Funding", the second paragraph is revised by removing the amount "\$500,000" and adding in its place the amount "\$1 million", and the third paragraph is revised by removing the amount "\$14,475,000" and adding in its place the amount "\$13,975,000".

6. On page 35025, column 1, the second paragraph under the heading "NROs/RROs/SROs Grants" is amended by revising the last sentence to read as follows:

\* \* \* A NRO/RRO/SRO cannot list RCs/RMCs/ROs that have already received the maximum of \$100,000 or