

DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT**[Docket No. FR-3638-N-06]****Office of the Assistant Secretary for Housing-Federal Housing Commissioner; Proposed Collection; Comment Request****AGENCY:** Office of the Assistant Secretary for Housing-Federal Housing Commissioner, HUD.**ACTION:** Notice of proposed information collection.

SUMMARY: The proposed information collection requirement described below will be submitted to the Office of Management and Budget (OMB) for review, as required by the Paperwork Reduction Act. The Department is soliciting public comments on the subject proposal. By separate notice in today's Federal Register, the Department is also soliciting comment for a 7-day emergency review period on the same and related information collection requirements covered by this notice.

DATES: *Comments due:* October 11, 1996.

ADDRESSES: Interested persons are invited to submit comments regarding this proposal. Comments should refer to the proposal by name and/or OMB Control Number and should be sent to: Oliver Walker, Reports Liaison Officer, Department of Housing and Urban Development, 451-7th Street, SW., Room 9116, Washington, DC 20410.

FOR FURTHER INFORMATION CONTACT: Ivy M. Jackson, Real Estate Settlement Procedures Act (RESPA) Enforcement Unit, Department of Housing and Urban Development, Room 5341, 451 7th Street, SW., Washington, DC 20410;

phone (202) 708-4560 (this is not a toll-free number). For copies of the proposed forms and other available documents contact Oliver Walker, Chief Directives, Reports and Forms Branch on 708-1694 extension 2144 (this is not a toll-free number). For hearing- and speech-impaired persons, these telephone numbers may be accessed via TTY (text telephone) by calling the Federal Information Relay Service at 1-800-877-8339.

SUPPLEMENTARY INFORMATION: The Department will submit to OMB for review the proposed information collection contained in a rule published June 7, 1996 (61 FR 29238) ("June 7 rule"), as required by the Paperwork Reduction Act of 1995 (44 U.S.C. Chapter 35). By two separate documents in today's Federal Register, the Department, simultaneously with this notice: (1) Is soliciting comment for a 7-day emergency review period on the same and related information collection requirements covered by this notice; and (2) is publishing a correction for the June 7 rule, which contained erroneous information about the approval status of these information collections.

The Notice is soliciting comments from members of the public and affecting agencies concerning the proposed collection of information to: (1) Evaluate whether the proposed collection of information is necessary for the proper performance of the functions of the agency, including whether the information will have practical utility; (2) Evaluate the accuracy of the agency's estimate of the burden of the proposed collection of information; (3) Enhance the quality, utility, and clarity of the information to be collected; and (4) Minimize the burden of the collection of information

on those who are to respond; including through the use of appropriate automated collection techniques or other forms of information technology, e.g., permitting electronic submission of responses.

This Notice also lists the following information:

Title of Proposal: Controlled Business Arrangement Disclosure (CBA disclosure) under 24 CFR 3500.15, as amended by a rule published June 7, 1996 (61 FR 29238).

OMB Control Number: Pending.

Description of the need for the information and proposed use: A settlement service provider or an employee of a settlement service provider is required to give the borrower a CBA disclosure prior to or at the time the borrower is referred to an affiliated provider. The CBA disclosure must be a separate piece of paper and the format must contain the following information.

1. Specify the nature of the relationship (explaining the ownership and financial interest) between the person performing the settlement service and the person making the referral.

2. Describe the estimated charges or range of charges generally made by the provider of settlement services.

3. State that the borrower is not required to use the referred provider (except for certain circumstances).

Agency form numbers, if applicable: None.

Members of affected public: Settlement service providers and their employees.

Estimation of the total numbers of hours needed to prepare the information collection including number of respondents, frequency of response, and hours of response: See below.

Number of respondents	×	Frequency of response	×	Hours per response	=	Burden hours
10,000		2.4 mill.		0.10		240,000

Total Estimated Burden Hours: 240,000.

Status of the proposed information collection: Emergency review request pending for approval of disclosure requirements.

AUTHORITY: 44 U.S.C. 3506; 42 U.S.C. 3535(d).

Dated: August 1, 1996.

Nicolas P. Retsinas,

Assistant Secretary for Housing-Federal Housing Commissioner.

[FR Doc. 96-20171 Filed 8-9-96; 8:45 am]

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[Docket No. FR-3638-N-05]**Office of the Assistant Secretary for Housing-Federal Housing Commissioner; Submission for OMB Review; Comment Request****AGENCY:** Office of the Assistant Secretary for Housing-Federal Housing Commissioner, HUD.**ACTION:** Notice of proposed information collection.

SUMMARY: The proposed information collection requirement described below has been submitted to the Office of Management and Budget (OMB) for

emergency review, as required by the Paperwork Reduction Act. The Department is soliciting public comments on the subject proposal. By separate notice in today's Federal Register, the Department is also soliciting comment for 60 days on a portion of the information collection requirements covered by this emergency review notice.

DATES: The due date for comments is: August 19, 1996.

ADDRESSES: Interested persons are invited to submit comments regarding this proposal. Comments must be

received within seven (7) days from the date of this Notice. Comments should refer to the proposal by name and should be sent to: Joseph F. Lackey, Jr., OMB Desk Officer, Office of Management and Budget, New Executive Office Building, Washington, DC 20503.

FOR FURTHER INFORMATION CONTACT: Kay F. Weaver, Reports Management Officer, Department of Housing and Urban Development, 451 Seventh Street, SE, Washington, DC 20410, telephone (202) 708-0050 (this is not a toll-free number). For hearing- and speech-impaired persons, this number may be accessed via TTY (text telephone) by calling the Federal Information Relay Service at 1-800-877-8339. Copies of the proposed forms and other available documents submitted to OMB may be obtained from Ms. Weaver.

SUPPLEMENTARY INFORMATION: This Notice informs the public that the Department of Housing and Urban Development (HUD) has submitted to OMB, for emergency processing, an information collection package with respect to a disclosure required for controlled business arrangements between affiliated settlement service providers. HUD seeks to implement this initiative as soon as possible. We are requesting that OMB approve this Information Collection Package by August 12, 1996. By two separate documents in today's Federal Register, the Department, simultaneously with this notice: (1) is publishing a correction for a rule that was published on June 7, 1996 (61 FR 29238) ('June 7 rule'), and contained erroneous information about the approval status of these information collections; and (2) is soliciting comment for the regular 60-day review period on a portion of the information collection requirements (which were included in the June 7 rule) covered by this notice. Regulatory provisions implementing the statutory requirement

for a disclosure under covered circumstances (see 12 U.S.C. 2607(c)(4)) are currently codified in 24 CFR 3500.15(b) and have been revised by the June 7 rule (effective October 7, 1996). Although the revisions in the June 7 rule will make small changes in the format provided for the controlled business disclosure, these revisions are not expected to affect the burden attributed to information collection requirements in the current regulations. Therefore, this notice is for the purpose of soliciting comment on the controlled business disclosure requirements under both the current regulations and the regulations as they will be amended on the effective date of the June 7 rule.

In order for borrowers who seek federally related mortgage loans (including purchase money, refinances, assumptions, property improvement, lines of credit, etc.) to be better-informed shoppers, a settlement service provider, or employee thereof, is required to give the borrower a certain disclosure when the borrower is being referred to an affiliated settlement service provider. This controlled business disclosure alerts the borrower that the referral may be based on a business arrangement between the two providers, rather than on the best rate or best service. Section 8(c)(4) of the Real Estate Settlement Procedures Act (RESPA) (12 U.S.C. 2607(c)(4)), as well as the implementing regulations at 24 CFR 3500.15, require that borrowers receive this notice.

The Department has submitted the proposal for the collection of information, as described below, to OMB for review, as required by the Paperwork Reduction Act (44 U.S.C. Chapter 35): Notice of Submission of Proposed Information Collection to OMB

Proposal: Controlled Business Arrangement Disclosure (CBA disclosure) under 24 CFR 3500.15.

Office: Office of Housing-Federal Housing Commissioner.

Description of the Need for the Information and its Proposed Use: A settlement service provider or an employee of a settlement service provider is required to give the borrower a CBA disclosure prior to or at the time the borrower is referred to an affiliated provider. The CBA disclosure must be a separate piece of paper and the format must contain the following information.

1. Specify the nature of the relationship (explaining the ownership and financial interest) between the person performing the settlement service and the person making the referral.

2. Describe the estimated charges or range of charges generally made by the provider of settlement services.

3. State that the borrower is not required to use the referred provider (except for certain circumstances).

Form Numbers: None.

Respondents: Respondents will be settlement service providers, or employees thereof, who refer borrowers to other affiliated providers.

The estimated number of respondents is 10,000. The disclosure is required to be given each time a settlement service provider refers the borrower to an affiliated service provider. This specifically includes each time an employee who does not perform settlement services refers business to an affiliate.

Frequency of Submission: The third party disclosure is required whenever a borrower is referred to an affiliated provider.

Reporting Burden: (Although the revisions in the June 7 rule will make small changes in the format provided for the controlled business disclosure, these revisions are not expected to affect the burden attributed to information collection requirements in the current regulations.)

Number of respondents	×	Frequency of response	×	Hours per response	=	Burden hours
10,000		2.4 mill.		0.10		240,000

Total Estimated Burden Hours: 240,000.

Status: New approval.

AUTHORITY: 44 U.S.C. 3507; 42 U.S.C. 3535(d).

Dated: August 1, 1996.

David S. Cristy,
Director, IRM Policy and Management
Division.

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