

National Environmental Policy Act at 40 CFR 1503.3 in addressing these points.

I am the responsible official for this environmental impact statement. My address is St. Joe Ranger District, P.O. Box 407, St. Maries, ID, 83861.

Dated: June 23, 1997.

Bradley J. Gilbert,

District Ranger, St. Joe District, IPNF.

[FR Doc. 97-17250 Filed 7-1-97; 8:45 am]

BILLING CODE 3410-11-M

DEPARTMENT OF AGRICULTURE

Forest Service

Record of Decision for Revision of Black Hills National Forest Land and Resource Management Plan (Forest Plan); Black Hills National Forest; Custer, Fall River, Meade, Lawrence, Pennington Counties, SD; Crook and Weston Counties, WY

AGENCY: Forest Service, USDA.

ACTION: Notice of decision.

SUMMARY: On June 24, 1997, Elizabeth Estill, Regional Forester, Rocky Mountain Region, signed a Record of Decision (ROD) for the Revised Forest Land and Resource Management Plan for the Black Hills National Forest. This decision rescinds the March 13, 1997 decision revising the Plan because of a problem with an incomplete record. After receiving the full record, and after further consideration, the earlier decision is reissued unchanged. While the new decision makes no substantive change to the prior decision, it does have consequences. The new decision restarts the administrative appeal clock and also the effective date of the Revised Forest Plan.

EFFECTIVE DATE: This decision is effective August 1, 1997 (NFMA, 16 USC 1604(j)). A legal notice is also being published in the Denver Post, Denver, Colorado.

FOR FURTHER INFORMATION CONTACT: John Rupe, Forest Planning Team Leader, 605-673-2251.

SUPPLEMENTARY INFORMATION: On May 28, interested organizations which participated in the public scoping process for the Revision, issued a request to the Chief of the Forest Service to vacate the March 13 Record of Decision (ROD), based, in part, on issues connected to the availability and finalization of the analysis of the public comment record prior to issuance of the decision.

The March 13 ROD discussing public involvement stated: "Individual responses to each comment have been

prepared and are available upon request." When commentors sought copies of these individual responses, the Forest staff discovered that computer software malfunctions had occurred leaving the database incomplete. Upon further investigation, it was discovered that some of the promised individual responses had not even been prepared when the earlier ROD was signed. Upon discovery of the situation, the Regional Forester directed the Forest Supervisor to complete the record and resubmit it for review. The Forest Supervisor submitted the complete record for the Regional Forester's review on June 13.

The following explains the public involvement process to put this decision in context. The Forest Service received approximately 5,400 comments on the Draft Revised Plan and Draft Environmental Impact Statement (DEIS). The comments were reviewed individually and individual responses were to be prepared for the record. However, the Forest Supervisor chose not to include the individual responses to each comment in the Final Environmental Impact Statement (FEIS). For public disclosure with the FEIS, comments were grouped into subject matter areas along with Forest Service responses to the broader concerns which were expressed.

This evaluation of the public comment was included in Appendix A to the FEIS. This Appendix explained how public comments were evaluated and responses were prepared in accordance to 40 CFR 1503.4(a). The only type of comment which was not fully addressed prior to the March 13 decision was the type that the Forest Service concluded "do not warrant further agency response" under the regulations. The regulations do require that the agency explain why it has concluded that the comments don't warrant further agency response. This step had not been completed for all comments when the earlier ROD was signed. This final step has now been completed.

As a result of an additional interdisciplinary team review, the Forest Supervisor concluded that all comments in the database were addressed in the FEIS or ROD, and recommended to the Regional Forester that individual responses to public comment should not affect the disposition of the March 13 decision.

After reviewing the record, the Regional Forester has concurred with the findings of the Forest Supervisor. Moreover, the Regional Forester has determined that the findings of the review reaffirm the March 13 decision in its entirety.

Following are the specific features of the decision:

- It incorporates the March 13 decision in its entirety, including all rationale, elements, findings and implementation schedules.
- To date, the Forest Supervisor has implemented the revised Forest Plan through the issuance of nine project decisions. All decisions are currently in respective appeal periods and subject to administrative appeal under 36 CFR 217.10(c). None of these actions would be implemented before the effective implementation date of this decision. Moreover, the decision results in no changes or alternations in the Revised Plan or supporting FEIS. Therefore, the Regional Forester has determined that no adjustments or stays of these nine project level analyses or decisions will occur as a part of this action.
- There are an additional six projects with decisions pending. These or any other new decisions issued under the Revised Plan will not be implemented until thirty days from this notice.

The effective implementation date for this decision will occur 30 days from this notice. A legal notice is also being published in the Denver Post, Denver, Colorado.

This decision is subject to administrative review pursuant to 36 CFR 217. Any appeal of this decision must be fully consistent with 36 CFR 217.9 and be filed in duplicate with the Chief, USDA—Forest Service, P.O. Box 96090, NFS, 3NW, Appeals Office, Washington, DC 29909-6090. The appeal must be filed within 90 days from the date this decision is published in the Denver Post. Anyone concerned about the decision is urged to contact the Forest Supervisor before submitting an appeal. It may be possible to resolve the concern in a less formal way.

Dated: June 26, 1997.

Joe L. Meade,

Acting Deputy Regional Forester.

[FR Doc. 97-17276 Filed 7-1-97; 8:45 am]

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DEPARTMENT OF AGRICULTURE

Rural Housing Service

Notice of Availability of Funding and Requests for Proposals for the Section 538 Rural Rental Housing Guaranteed Loan Demonstration Program

AGENCY: Rural Housing Service, USDA.

ACTION: Notice.

SUMMARY: The Rural Housing Service (RHS) announces the availability of the

Section 538 Rural Rental Housing Guaranteed Loan program on a demonstration basis. The intended outcome is to produce new affordable rental housing by inviting qualified lenders and eligible housing providers to propose rental complexes that will serve rural residents with low and moderate incomes. The 1996 demonstration resulted in the selection of 9 proposals providing 370 affordable units in 8 States. The purpose of this year's demonstration is to test program enhancements we are considering for incorporating into final program regulations.

DATES: The deadline for receipt of applications is 4 p.m., Eastern Daylight Savings Time on August 18, 1997. Applications received after such date and time will be returned. Lenders are encouraged to submit applications prior to August 18, 1997, as applications will be reviewed as they are received. If there are differences between any additional guidelines and this Notice, the requirements of this notice shall prevail. Notification of selected applications will be made by September 1, 1997. Commitments for guarantees will be issued on or before September 16, 1997. If RHS is unable to obligate section 538 funds for guaranteed loans by September 16, 1997, any remaining section 538 funds will be transferred for use prior to September 30, 1997, under the section 515 program. Qualified lenders may call the office of the Multi-Family Housing Processing Division of the Rural Housing Service, at 202-720-1604 for a copy of the application package. This is not a toll-free number. Hearing- or speech-impaired persons may access that number by calling toll-free the Federal Information Relay Service at (800) 877-8339.

ADDRESSES: Applications for participation in the demonstration program must be identified as "Section 538 Demonstration Program" on the envelope or wrapper and be submitted as follows: Director, Multi-family Housing Processing Division, Rural Housing Service, US Department of Agriculture, Room 5337 (stop 0781), 1400 Independence Ave., SW., Washington, DC 20250. Lenders shall submit an original (a FAX or E-mail copy is NOT acceptable) of the application to the above address by the application deadline.

FOR FURTHER INFORMATION CONTACT: Obediah G. Baker, Jr., Director, Multi-Family Housing Processing Division, US Department of Agriculture, South Agriculture Building, Room 5337 (stop 0781), 1400 Independence Ave., SW., Washington, DC 20250. Telephone:

(202) 720-1604. (This number is not toll-free.) Hearing- or speech-impaired persons may access that number by calling toll-free the Federal Information Relay Service at (800) 877-8339.

SUPPLEMENTARY INFORMATION: On March 28, 1996, President Clinton signed the "Housing Opportunity Program Extension Act of 1996," Public Law 104-120. One of the actions was the authorization of the section 538 Rural Rental Housing Guaranteed Loan Program. The program is intended to reach the needs of rural America by complementing the section 515 Rural Rental Housing Direct Loan Program. It is anticipated that beneficiaries of the program will be rural residents with low and moderate incomes. The rural residents will be provided rental housing through the use of loan guarantees. Partnership opportunities exist to utilize the section 538 program with other affordable housing programs. In Fiscal Year (FY) 1997, the budget authority of \$783,000 will provide up to approximately \$25 million available under the section 538 demonstration program. The Agency is currently developing regulations which will be based on information gathered during administration of the FY 1996 and 1997 demonstration programs.

I. Purpose and Program Summary

Public Law 104-37 provided funds to the Department to implement a multifamily mortgage guarantee demonstration program subject to enactment of authorizing legislation. Public Law 104-120 provided authorization for that program with qualified lenders, the purpose of which is to demonstrate the effectiveness of providing new forms of Federal credit enhancement for the development of affordable multifamily housing by lenders.

The program has been designed to increase the supply of affordable multifamily housing through partnerships between RHS and major lending sources, as well as State and local housing finance agencies and bond issuers. Qualified lenders will be authorized to originate, underwrite, and close loans for multifamily housing projects. Projects requiring new construction or acquisition with rehabilitation of at least \$15,000 per unit will be considered. RHS will guarantee such loans upon presentation and review of appropriate certifications, project information and satisfactory completion of the appropriate level of environmental review by RHS. Lenders will be responsible for the full range of loan management, servicing, and property disposition activities

associated with these projects. The lender will be expected to provide servicing or contract for servicing of each loan it underwrites. RHS, in turn, commits to pay up to a maximum of 90 percent of the outstanding principal and interest balance in the case of default of the loan and filing of a claim, but in no event, not more than 90 percent of the original principal amount. Any losses would be based on a pro-rata split.

II. Eligible Housing and Tenants

A loan may be guaranteed only if the loan is used for the development costs of housing and related facilities as such term is defined in 7 CFR 1944.205. Proposals must also meet the following criteria:

(a) *Occupancy Requirements.* The housing must be available for occupancy only by low or moderate income families or persons, whose incomes at the time of initial occupancy do not exceed 115 percent of the median income of the area. After initial occupancy, a tenant's income may exceed these limits; however, rents, including utilities, are restricted to no more than 30 percent of the 115 percent of area Median Income for the term of the loan.

(b) *Location.* Units must be located in areas considered eligible as defined in 7 CFR 3550.10 (not just the designated areas as defined in 7 CFR 1944.228).

(c) *Minimum Complex Size.*

Apartment complexes must consist of five or more rental dwelling units. The site may consist of two or more noncontiguous parcels of land situated so as to comprise a readily marketable real estate entity within an area small enough to allow convenient and efficient management.

(d) *Types of Housing.* For the purposes of the demonstration program, proposals for new construction or acquisition with rehabilitation of at least \$15,000 per unit will be considered. Complexes may contain units that are detached, semi-detached, row houses, or multifamily structures. The portion of the guarantee funds for acquisition with rehabilitation is limited to 25 percent of the program authority.

(e) *Housing Standards.* The standards established under 7 CFR 1944.215 "Special conditions," for housing and related facilities assisted under section 515, shall apply to housing and related facilities, the development costs of which are financed in whole or in part with a loan guaranteed under this program. The Agency will guarantee loans in which the fees and the proposed housing may exceed the amounts or size allowances and amenities contained in 7 CFR part 1944,

subpart E provided such costs and features are generally found in similar housing proposals for similar income families in the market area. Such costs, features and amenities may include larger units, dishwashers, microwaves, increased and multi-purpose community spaces, and developer's fees. The proposals under this program will be subject to the Necessary Assistance Reviews discussed in 7 CFR 1944.213(a), see **Federal Register** Volume 62, Number 88, pages 25061–25071 published May 7, 1997.

(f) *Tenant Protections.* The standards for the treatment of tenants of housing developed using amounts from a loan guaranteed under this program shall incorporate standards for lease and grievance procedures and tenant appeals of adverse actions used under the section 515 Rural Rental Housing Program.

(g) *Fair Housing and Equal Opportunity.* No person shall be subjected to discrimination because of race, color, religion, sex, disability, familial status, or national origin in the rental or advertising of rental dwellings, or in the availability of residential real estate related transactions involving RHS or housing in the Rural Development mission area. Borrowers and lenders must also comply with applicable Fair Housing and Equal Opportunity statutes.

(h) *Environmental.* The environmental requirements established under 7 CFR part 1940, subpart G, for housing and related facilities under the section 515 program shall apply to housing and related facilities under the section 538 program.

(i) *Preservation.* The housing developed will remain available for occupancy as provided in paragraph II(a) of this notice, for the period of the original term of the loan guaranteed unless the housing is acquired by foreclosure (or instrument in lieu of foreclosure) or the Administrator waives the applicability of such requirement for the loan only after determining, based on objective information, that the following three circumstances exist:

(1) There is no longer a need for low- and moderate-income housing in the market area in which the housing is located;

(2) Housing opportunities for low-income households and minorities will not be reduced as a result of the waiver; and

(3) Additional Federal assistance will not be necessary as a result of the waiver.

III. Loans Eligible for Guarantee

(a) *Eligible Borrowers.* A loan guaranteed under this program may be made to a nonprofit organization, an agency or body of any State government or political subdivision thereof, or a private entity.

(b) *Loan Terms.* Each loan guaranteed shall:

(1) Provide for complete amortization by periodic payments to be made for a term not to exceed 40 years (480 equal amortized monthly installments);

(2) Involve a fixed rate of interest agreed upon by the borrower and the lender that does not exceed the maximum allowable rate established by the Administrator. For purposes of the demonstration program, the maximum allowable rate is 200 basis points over the 30-year Treasury Bond Rate as published in the "Wall Street Journal" as of the business day previous to the business day the rate is set. Priority will be given to proposals that are up to 150 basis points; a higher priority will be given to proposals with the lowest number of basis points;

(3) Involve a principal obligation (including initial service charges, appraisal, inspection, and other reasonable fees) not to exceed:

(i) In the case of a borrower that is a nonprofit organization or an agency or body of any State or local government, up to 97 percent of the development costs of the housing and related facilities or the value of the housing and facilities, whichever is less;

(ii) In the case of a borrower that is a for-profit entity or other entity not referred to in paragraph III(b)(3)(i) of this notice, up to 90 percent of the development costs of the housing and related facilities or the value of the housing and facilities, whichever is less;

(iii) In the case of any borrower, for such part of the property as may be attributable to dwelling use, the applicable maximum per unit dollar amount limitations under section 207(c) of the National Housing Act; and

(iv) In the case of a borrower utilizing Low Income Housing Tax Credits, a review will be conducted in conjunction with the applicable tax credit administration entity to determine if the proposal is in conformance with subsidy layering requirements at 7 CFR 1944.213, which stipulates that the government will provide no more than the minimum amount of assistance necessary to make the complex financially feasible.

(4) Be secured by a first mortgage on the housing and related facilities for which the loan is made, or in the case where the loan upon which the RHS

guarantee is requested is not the primary funding source, be secured by a parity lien;

(5) May be a permanent loan or a combination construction and permanent loan. The agency will not guarantee a construction loan that will not be rolled into a permanent loan which will have an agency guarantee. For the construction loan, which may not exceed 12 months, the RHS guarantee will be limited to 60 percent of the work in place. For example: total construction advances for completed work of \$1,000,000 × 60 percent would result in a \$600,000 maximum guarantee on the work in place. RHS will also consider a higher level of guarantee (not to exceed 90 percent of the work in place) for construction contracts which are bonded or have letters of credit for advances, or both; and

(6) For 20 percent of the loans made under this demonstration program, RHS shall provide the borrower with assistance in the form of interest credits to the extent necessary to reduce the rate of interest under paragraph III(b)(2) of this notice to the applicable Federal rate, as such term is used in section 42(l)(2)(D) of the Internal Revenue Code of 1986.

(c) *Refinancing of Loans Made Under the Program.* Any loan guaranteed under the program may be refinanced and extended in accordance with the terms and conditions that the Agency shall prescribe, but in no event for an additional amount or term that exceeds the limitations under paragraph III(b) of this notice.

(d) *Nonassumption.* The borrower under a loan that is guaranteed under this program and under which any portion of the principal obligation or interest remains outstanding may not be relieved of liability with respect to the loan, notwithstanding the transfer of property for which the loan was made. Loans guaranteed under this program may be made on a recourse or nonrecourse basis.

(e) *Issuance of Guarantee on Permanent Loans.* Guarantees may be issued on permanent loans financing new construction once the final certificate of occupancy for the complex has been issued by the appropriate governmental body.

(f) It is anticipated that complexes developed under this program may utilize other affordable housing programs such as the Low Income Housing Tax Credit, taxable bonds, HOME Investment Partnerships Program (HOME) funds, and other State or locally funded tenant assistance or grants. Tax-exempt financing is not

eligible for a loan guarantee in this year's demonstration program.

IV. Guarantee Provisions

(a) *Lender eligibility.* Those lenders currently approved and considered eligible by the Federal National Mortgage Association, the Federal Home Loan Mortgage Corporation, the Federal Home Loan Bank members, or the Department of Housing and Urban Development for guaranteed loan programs supporting multifamily housing will be considered approved lenders for this demonstration program. Lenders may use their own underwriting standards and loan terms and conditions with approval from RHS subject to statutory program constraints. In addition, State Housing Finance Agencies (HFAs) are also considered eligible lenders to participate in the demonstration program provided they demonstrate they have the ability to underwrite, originate, process, close, service, manage, and dispose of multifamily housing loans in a prudent manner. Other lenders have the opportunity to enter into a correspondent bank relationship with approved lenders in order to participate in the program.

(b) *Extent of Guarantee.* RHS will guarantee repayment of an amount not exceeding 90 percent of the total of the amount of the unpaid principal and interest of the loan but, in all cases, not more than 90 percent of the original principal amount. Any losses would be based on a pro-rata split. For example: Assume the Loan Amount and Total Development Cost are equal to \$1,000,000 \times 90 percent (For Profit Borrower) \times 90 percent Guarantee = \$810,000 coverage. Assume the loan was liquidated and property sold for \$600,000. The claim would be \$900,000 - \$600,000 = \$300,000 \times 90 percent = \$270,000 maximum government payment on loss claim. The lender's loss would be \$30,000.

(c) *Guarantee Fee.* At the time of issuance of a loan guarantee under this program, RHS will collect a fee equal to 1 percent of the guaranteed principal obligation of the loan from the lender. RHS will also collect an annual servicing fee of 50 basis points ($\frac{1}{2}$ percent) based on the outstanding principal and interest of the guarantee portion of the loan on the first and subsequent anniversary of the promissory note.

(d) *Transferability of the Guarantee and Servicing.* It is anticipated that loans guaranteed under this program may be sold into the secondary market. The guarantee and the servicing may be transferred, either combined or

separated, to other eligible lenders with the written consent of RHS.

(e) *Payment Under Guarantee.*

(1) Notice of default. In the event of default by the borrower on a loan guaranteed under this program, the holder of the guarantee certificate for the loan shall provide written notice of the default to the Administrator.

(2) Lenders will be required to discuss future servicing strategies with RHS prior to proceeding to liquidation. Before any payment under a guarantee is made, the holder of the guarantee certificate must exhaust all reasonable possibilities of collection on the loan.

(3) Foreclosure. After receiving notice under paragraph IV(e)(1) of this notice and providing written notice of action to RHS, the holder of the guarantee certificate for the loan may initiate foreclosure proceedings, with the concurrence of RHS, in a court of competent jurisdiction, to obtain possession of the security property. After the court issues a final order authorizing foreclosure on the property, the holder of the certificate shall be entitled to payment by RHS under the guarantee upon:

(i) Conveyance to RHS of title to the security property;

(ii) Submission to RHS of a claim for payment under the guarantee; and

(iii) Assignment to RHS of all the claims of the holder of the guarantee against the borrower or others arising out of the loan transaction or foreclosure proceedings, except claims released with the consent of RHS.

(4) Acceptance of the Assignment by RHS. After receiving notice under paragraph IV(e)(1) of this notice, RHS may accept assignment of the loan if RHS determines that the assignment is in the best interests of the United States. Assignment of a loan under this paragraph shall include conveyance to RHS of all rights and interests arising under the loan, and assignment to RHS of all claims against the borrower or others arising out of the loan transaction. Upon assignment of a loan under this paragraph, the holder of a guarantee for the loan shall be entitled to payment by RHS under the guarantee. Upon payment, in whole or in part, to the holder, the note or judgment evidencing the debt shall be assigned to the United States and the holder shall have no further claim against the borrower or the United States.

V. Demonstration Selection Criteria

(a) The Agency intends under the demonstration program to fund varying financing proposals to help determine the areas of need, the types of financing packages possible and the demand in

the various eligible market areas. Selection of proposals under this demonstration program will be based on the following criteria:

(1) Flexibility, innovation and variation of funding models.

(2) Partnering and leveraging in order to develop the maximum number of housing units and promote partnerships with states, local communities, and other partners with similar housing goals. RHS participation loans and leveraging are encouraged.

(3) No more than one viable application will be selected in any State (unless the number of viable applications are limited and sufficient funds remain to allow more than one application in any one State); and to increase the variety of experience under the demonstration, priority will be provided to those applications from States that have not previously received a commitment from the FY 1996 demonstration program. The States that received a commitment from the FY 1996 demonstration program were Florida, Kansas, Missouri, Nebraska, North Carolina, Vermont, and West Virginia.

(4) Priority will be provided to the proposals that set the interest rate up to 150 basis points over the 30 Year Treasury Rate; the lower the basis points, the higher the priority. However, the program will permit proposals that require 200 basis points over the 30 Year Treasury Rate.

(5) Administrator's discretion in order to effectively use funding to best explore program structure and effectiveness consistent with the best interests of the Government.

(b) For 20 percent of the loans made under the demonstration program, RHS shall provide the borrower with interest credits to the extent necessary to reduce the rate of the loan to the applicable Federal rate. The maximum amount of loan guarantee is \$1.5 million on a loan requesting interest credit. Proposals that could be viable with or without interest credits are encouraged to submit an application showing financial and market feasibility under either scenario. Applications proposing to receive interest credit will be selected using the following criteria:

(1) Geographical location with emphasis on smaller rural communities versus larger rural communities.

(2) The most needy communities based on census income data showing the preponderance of low and moderate income families.

(3) Commitments by the applicant to maintain occupancy standards throughout the term of the loan for families with low and moderate

incomes, with a priority at initial occupancy for low income families.

(4) The lowest overall proportional effective subsidy cost to the Government.

(5) Preference will be given to family proposals with large bedroom mixes (3/4/5 bedrooms).

(6) Those proposals to be developed in a colonia, tribal land, or EZ/EC community, or in a place identified in the state Consolidated Plan or state needs assessment as a high need community for multifamily housing will receive preference.

VI. Review Criteria

RHS will review each request for participation under the demonstration program to determine if the lender and the proposal meet all the requirements of this notice and the lender demonstrates the ability to underwrite, originate, process, close, service, manage, and dispose of multifamily loans in a prudent manner. Applications will be reviewed to determine financial feasibility, compliance with cost limitations, and market need of the proposal. RHS will review each application for compliance with subsidy layering requirements, which stipulates that the government will provide no more than the minimum amount of assistance necessary to make the complex financially feasible pursuant to 7 CFR 1944.213(a)(2), see **Federal Register** Volume 62, Number 88, pages 25061-25071 published May 7, 1997.

RHS also reserves the right to negotiate with potential lenders over the scope of the proposal to ensure the best interests of the Government and objectives of the demonstration program are achieved.

It is the policy of RHS to consider environmental quality as equal with economic, social, and other relevant factors in program development and decision making. Proposals which have the potential for adverse impact to protected resources (wetlands, floodplains, and important farmland, for example) will receive low priority, since the brief period of time allocated for obligation of funds may be insufficient for RHS to satisfactorily complete the environmental review process if the proposal has adverse environmental impacts. Therefore, it is important that lenders and applicants submit proposals which minimize the potential to adversely impact the environment.

Since RHS will complete the appropriate environmental review at the field level, the appropriate field office will need certain information from the lender or applicant in order to complete the environmental review. Lenders or

applicants who plan to file an application should request the application package at the earliest date possible for directions on how to contact the applicable field office.

VII. Other Matters

(a) *Environmental Finding*. A Finding of No Significant Impact with respect to the environment has been made in accordance with RHS regulations at 7 CFR part 1940, subpart G.

(b) *Civil Rights Impact Analysis*. It is the policy within the Rural Development mission area to ensure that the consequences of any proposed project approval do not negatively or disproportionately affect program beneficiaries by virtue of race, color, sex, national origin, religion, age, disability, marital or familial status. To ensure that any proposal under this demonstration program complies with these objectives, the RHS approval official will complete Form RD 2006-38, "Civil Rights Impact Analysis Certification."

(c) *Executive Order 12612, Federalism*. The policies and procedures contained in this Notice 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 Notice is not subject to review under the Order.

(d) *Paperwork Reduction Act*. The information collection requirements within this notice are covered under OMB Nos. 0575-0042, 0575-0047, 0575-100, 0575-0024, 0570-0014, and 0575-0137.

Dated: June 25, 1997.

Jan E. Shadburn,

Acting Administrator, Rural Housing Service.

[FR Doc. 97-17269 Filed 7-1-97; 8:45 am]

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DEPARTMENT OF AGRICULTURE

Rural Utilities Service

Georgia Transmission Corp.; Finding of No Significant Impact

AGENCY: Rural Utilities Service, USDA.

ACTION: Notice of Finding of No Significant Impact.

SUMMARY: Notice is hereby given that the Rural Utilities Service (RUS) has made a finding of no significant impact (FONSI) with respect to a request by Georgia Transmission Corporation for approval to construct the proposed 115/

25 kV St. George Substation and 115 kV St. George Transmission Line. The FONSI is based on a borrower's environmental report (BER) submitted to RUS by Georgia Transmission Corporation. RUS conducted an independent evaluation of the report and concurs with its scope and content. In accordance with RUS Environmental Policies and Procedures, 7 CFR 1794.61, RUS has adopted the BER as its environmental assessment for the project.

FOR FURTHER INFORMATION CONTACT: Bob Quigel, Environmental Protection Specialist, Engineering and Environmental Staff, RUS, Stop 1571, 1400 Independence Avenue, SW, Washington, D.C. 20250-1571, telephone (202) 720-0468, E-mail at bquigel@rus.usda.gov.

SUPPLEMENTARY INFORMATION: The substation and transmission line are proposed to be located in Charlton County, Georgia. The transmission line will interconnect with Georgia Power Company's existing 115 kV Kettle Creek to Folkston Transmission Line at a point northwest of the town of Homeland, traverse south past the west side of Folkston, and terminate east of St. George just south of Highway 94 and west of the St. Mary River at the site of the proposed St. George Substation. Approximately 1.7 acres of land will be disturbed to accommodate placement of the St. George Substation. The length of the transmission line is approximately 27.5 miles. The width of the proposed transmission line right-of-way will be 75 feet for most of the route with the right-of-way being expanded to 100 feet in wetland areas where maintenance access will need to be increased so that adverse impacts to wetland areas can be avoided.

RUS considered the alternatives of no action, constructing a 230/25 kV substation at the proposed St. George Substation site and the construction of 65 miles of 230 kV transmission line from Waycross to the proposed substation site. Under the no action alternative, RUS would not approve construction of the substation and transmission line. Since RUS believes that Georgia Transmission Corporation has a need to upgrade its transmission facilities to relieve overloading on two of Okefenoke Rural Electric Membership Corporation's existing circuits in the area and to allow Okefenoke Rural Electric Membership Corporation to serve a new wood chip mill near St. George, the no action alternative is not considered acceptable. Construction of the proposed 115/25 kV substation and 115 kV transmission line is preferred to