animals refused entry have been removed from the United States within 10 days. Therefore, 10 days is considered a "reasonable time."

However, this document adds a provision whereby the Deputy Administrator, Veterinary Services, may, upon request, grant additional time for the removal of a horse from the United States in any case in which he determines that delay is unavoidable due to unforeseen circumstances and the additional time for removal of the horse will not present a threat of dissemination of a communicable disease to other animals in the United States.

After due consideration of all the comments received, the Department is amending the regulations as proposed with changes as indicated in this document and other minor editorial changes for purposes of clarification.

Accordingly, Part 92, Title 9, Code of Federal Regulations, is amended in the following respects:

1. The authority citation for Part 92 reads as follows:

Authority: Sec. 203, 60 Stat. 1087, as amended; secs. 6, 7, 8, 10, 26 Stat. 416, as amended, 417; secs. 2, 32 Stat. 792, as amended; sec. 306, 46 Stat. 689, as amended; secs. 2, 3, 4, 5, 11, 76 Stat. 129, 130, 132; sec. 1, 84 Stat. 202 (7 U.S.C. 1622, 19 U.S.C. 1306, 21 U.S.C. 102–105, 111, 134a, 134b, 134c, 134d, 134f and 135).

2. In § 92.4, the second sentence in paragraph (a)(1) is revised to read:

§ 92.4 Import permit for ruminants, swine, horses from countries affected with CEM, poultry, poultry semen, animal semen, birds, animal specimens for diagnostic purposes.[5]

(a) * * *

(1) * * * The application shall specify the name and address of the importer; the species, breed, number or quantity of animals, animal semen, or animal test specimens to be imported; the purpose of the importation; individual animal identification (except poultry), which includes a description of the animal, name, age, markings, if any, registration number, if any, and tattoo or eartag; the country of origin; the name and address of the exporter; the port of embarkation in the foreign country; the mode of transportation, route of travel, and the port of entry in the United States; the proposed date of arrival of the animals, animal semen, or animal test specimens to be imported; and the name of the person to whom the animals, animal semen, or animal test specimens will be delivered and the location of the place in the United States to which delivery will be made from the port of entry.

* * * * *

3. In § 92.11, present footnote 6 and the reference thereto are removed, present footnote 7 and the reference thereto are renumbered footnote 6 and paragraph (d)(1) is revised to read:

§ 92.11 Quarantine requirements.

* * * * *

(d) *Horses.* (1) Except as provided in this section, horses intended for importation into the United States from any part of the world shall be shipped directly to a port designated in § 92.3 and be quarantined at said port until negative results to port of entry tests are obtained and the horses are certified by the port veterinarian to be free from clinical evidence of disease.

(i) Except as provided in §§ 92.24 and 92.34 with respect to horses from Canada and Mexico, horses intended for importation from the Western Hemisphere shall be quarantined at a port designated in § 92.3 for not less than 7 days.

(ii) Horses intended for importation from any country on the Continent of Africa, or that have been in or transited any country on the Continent of Africa shall enter the United States only at the Port of New York, New York, and be quarantined there for not less than 60 days.

(iii) In order to qualify for release from quarantine, all horses from any part of the world, while quarantined shall test negative to the following port of entry tests: an official test for dourine, glanders, equine piroplasmosis, and equine infectious anemia[6] and such other tests, inspections, disinfections and precautionary treatments that may be required by the Deputy Administrator, Veterinary Services, to determine their freedom from communicable diseases.

(iv) Any quarantine period required for a horse shall be counted using the first day after arrival of the horse at the quarantine facility as the first day of quarantine and may be extended for such additional period as the Deputy Administrator, Veterinary Services, may require to determine its freedom from disease. Any horse which is positive to any of the port of entry tests named in this paragraph or any other test required by the Deputy Administrator, Veterinary Services, or which is found by the port veterinarian to exhibit evidence of communicable disease during quarantine shall be refused entry into the United States and removed by the importer to a country other than the United States within 10 days of the date that the importer is notified by Veterinary Services that such horse has been refused entry into the United States. Upon request, the Deputy Administrator, Veterinary Services, may grant additional time for the removal of a horse from the United States in any case in which he determines that delay is unavoidable due to unforeseen circumstances and the additional time for removal of the horse will not present a threat of the spread of communicable disease to other animals in the United States. At the option of the importer, such horse may be disposed of in accordance with such conditions as the Deputy Administrator, Veterinary Services, believes necessary to prevent the dissemination of communicable disease into the United States. The importer shall be responsible for all costs of such removal or disposal.

§ 92.11 [Amended]

4. In § 92.11(d)(3)(i), present footnote 7a and the reference thereto are renumbered footnote 7.

Done at Washington, D.C., this 28th day of May 1981.

Norvan L. Meyer,

Acting Deputy Administrator, Veterinary Services.

[FR Doc. 81-16212 Filed 5-29-81; 8:45 am]

BILLING CODE 3410-34-M

DEPARTMENT OF ENERGY

10 CFR Part 440

[Docket No. CAS-RM-80-512]

Weatherization Assistance for Low-Income Persons; Amendment of Regulations

AGENCY: Department of Energy.

ACTION: Amendment to interim rule with request for comments.

SUMMARY: The Department of Energy (DOE) is amending the regulations for its program of weatherization assistance for low-income persons (10 CFR Part 440) to make certain changes mandated by Subtitle E of Title V of the recently enacted Energy Security Act, June 30, 1980. These changes are:

The individual dwelling unit limit on expenditures for incidental repairs is increased from $100 to $150.

The 10 percent limit on administrative expenditures is revised to provide that more than 5 percent may be passed through by the State to subgrantees for administrative purposes; a State still may use not more than 5 percent of the total State grant for such purposes.

These amendments are required by law. Were it not for this legal requirement, DOE would not promulgate this rule because the Administration has proposed to terminate the program for

weatherization assistance for low-income persons at DOE, and instead incorporate the responsibility for the weatherization of low-income homes in the Department of Housing and Urban Development's (HUD) Community Development Block Grant Program. In the Administration's proposal to Congress (The Housing and Community Development Admendments of 1981), the enabling legislation for DOE's Weatherization Assistance Program, Part A of Title IV of the Energy Conservation and Production Act, Pub. Law 94-385, *as amended*, would be repealed. The Administration has also requested no funds for weatherization activities in Fiscal Year 1982.

In light of the legal requirement to make the above amendments, DOE is taking this opportunity to make the three following changes in the regulations:

In accordance with its request, Hawaii will now participate in the program.

Off-site labor, where justified, may be chargeable to program support, and not just to administrative expenses.

The audit requirements are amended to conform with specific language in OMB *Circulars A-102 and A-110.* Additionally, the Administration of grants section of the regulations is updated to reflect this change.

DATES: Effective Date: July 1, 1981.

Comment Period: Written comments must be received on or before July 31, 1981. See supplementary information, Section III, for further information.

ADDRESSES: All comments to Carol Snipes, Conservation and Solar Energy, Department of Energy, Mail Stop 6B-025, Room 1F-085, Docket Number CAS-RM-80-512, Forrestal Building, 1000 Independence Avenue SW., Washington, D.C. 20585.

FOR FURTHER INFORMATION CONTACT: Howard Foard, Office of Weatherization Assistance, Department of Energy, 1000 Independence Avenue SW., Room 2H-063, Mail Stop 2H-027, Washington, D.C. 20585, (202) 252-2476.

Catherine Edgerton, Office of General Counsel, Department of Energy, 1000 Independence Avenue SW., Room 6B-144, Mail Stop 6E-067, Washington, D.C. 20585, (202) 252-9513.

SUPPLEMENTARY INFORMATION:

I. Introduction
II. Changes to the Regulation
III. Opportunity for Public Comment
IV. Other Matters

I. Introduction

The Department of Energy ("DOE") is amending the regulations for the program for weatherization assistance for low-income persons ("program" or "weatherization program"), 10 CFR Part 440, under the Energy Conservation in Existing Buildings Act of 1976, as amended ("Act"), 42 U.S.C. 6851 *et seq.*

On February 27, 1980, DOE published an interim final rule, 45 FR 13028 (February 27, 1980), which included a number of major changes to the program including the introduction of tentative allocations of financial assistance, use of low-cost/no-cost measures and specific provision for the use of DOE funds to hire labor or contractors where volunteers and labor funded in accordance with the Comprehensive Employment and Training Act of 1973 ("CETA") are unavailable. The interim final rule also clarified and simplified the procedures for qualifying multi-family rental housing, raised the per dwelling unit expenditure limitation to $1,000 (from $800), with an increase up to $1,600 permitted in certain cases, and allowed for flexible program support and materials expenditures depending upon local program operators' needs.

These changes were made in response to DOE's experience with the program since its inception in 1977, and were designed to provide more flexibility to grantees and local program operators (sub-grantees). Historically, the program has been hampered by production and expenditure rates far below original goals, and these changes were intended to improve the program's ability to respond to the varied needs of over 1,000 local program operators in 49 States, and to help the States achieve *increased production levels.*

Although the changes were issued as an interim final rule, DOE requested members of the public to comment on the changes. DOE received 63 comments on the interim final rulemaking during and after the 60-day comment period, in addition to the testimony of 34 speakers at the public hearings held on March 21, 1980, in Dallas, Texas, on March 24, 1980, in Seattle, Washington, and on March 27, 1980, in Boston, Massachusetts.

On June 30, 1980, subsequent to the issuance of the interim final rule, the President signed the Energy Security Act, Pub. L. 96-294, 94 Stat. 759, ("ESA") into law. Subtitle E of Title V of ESA amends the authorities of the program by mandating several changes, including the following two nondiscretionary changes:

1. *Limitation on Administrative Expenditures*—Section 571 of the ESA amends Section 415(a) of the Act to provide that a State may not use more than 5 percent of the total State grant for administrative purposes. Because of this change, a State may now pass on more than 5 percent, up to 10 percent, of the total grant to local program operators.

2. *Limitations on Expenditures*—Section 575 increases the individual dwelling unit limit from $100 to $150 for incidental repairs as may be necessary to make the installation of weatherization materials effective.

Because these two changes, as required by the ESA, are nondiscretionary and therefore do not require notice and public comment, DO today is amending its interim final rule to reflect these changes. In light of the legal requirement to make these amendments, DOE is taking the opportunity to make three additional changes to the regulations which do no require notice and public comment.

II. Changes to the Regulation

Today's issuance is limited to makin five changes to the interim final rule, a follows:

1. In accordance with its request, Hawaii will participate in the program.

At the initiation of the program, Hawaii declined to participate, even though it was included within the definition of "State" under the Act. At that time, *Hawaii indicated that it had* no significant problems that the weatherization assistance program could address. See Proposed Rule, 42 I 17470, at 17474, April 1, 1977. For that reason the regulations have, until tode included a definition for "Eligible Stat which excludes Hawaii.

Hawaii, by a letter from Governor *Ariyoshi dated May 28, 1980, has* requested to participate in the prograr It is felt that weatherization funds can be used to insulate hot water heaters (eligible dwelling units within the State which account for the single largest portion of residential energy use in Hawaii. In order to now include Haw as a participant in the program, the *definition for* "Eligible State," which previously excluded Hawaii is delete from § 440.3 of the regulations, as we as the word "eligible" before both "States" and "State" in § 440.10, subparagraphs (b)(1), (2) and (e) of th regulations. Section 440.10(b)(1) is revised to divide the first $5,100,000 appropriated equally among the Stat in order to enable the program to continue providing each grantee wit base allocation of $100,000.

2. The individual dwelling unit lim on expenditures for incidental repair increased from $100 to $150.

This change is mandated by ESA. provides no room for DOE's exercise administrative discretion and may n be revised in response to public comment. Note that the incidental re

expenditure is not a required expenditure; it just may not exceed $150.

3. A State may provide to subgrantees up to 10 percent of any grant made to the State under the program for administrative purposes, but the State may not itself use more than 5 percent of this amount for such purposes.

This is, again, an amendment mandated by ESA and leaves no room for change in response to public comment. The Act originally provided flexibility in the use of the 10 percent administrative funds, as between grantee and subgrantees. Up to 10 percent of a grant could be used for administrative expenses without regard to whether it was incurred by a grantee or subgrantee. The National Energy Conservation Policy Act, Pub. L. 95-619, 92 Stat. 3206 (Nov. 9, 1978) ("NECPA"), amended the Act to impose the more rigorous requirement that not more than 5 percent of the grants could be used for administrative expenses of the grantee, nor more than 5 percent of a subgrant for the administrative expenses of a subgrantee. In light of extensive adverse public comment to the NECPA amendment, Congress again amended the Act so that a State may again pass on more than 5 percent of a grant to local program operators.

4. "Payments to employ labor," chargeable as a program support expenditure in the interim final rule, are no longer restricted to payments for on-site personnel who will "install weatherization materials." Such expenditure, where justified by the unavailability of adequate numbers of volunteers or CETA workers, may now include ancillary personnel such as inventory clerks. Weatherization coordinators may also now be charged to program support. In the interim rule, payments for such labor categories had been made chargeable to administrative expenses. DOE received a considerable number of comments pointing out that administrative funds were frequently inadequate to cover the cost of off-site laborers, such as coordinators and other off-site labor. Therefore, by this change, such labor expenses now are made chargeable to program support. Costs incurred to hire coordinators and off-site workers since the issuance of the interim final rule will not be disallowed in future audits merely because charged to program support.

5. The audit requirements in § 440.21 are amended to conform to the specific language in OMB Circulars A-102 and A-110. As a result of this change, grantees will now require audits with "reasonable frequency, on a continuing basis, or at scheduled intervals, usually annually but not less frequently than every two years." Technical changes are made to § 440.2, "Administration of Grants," to reflect this change.

III. Opportunity for Public Comment

Interested persons are invited to participate in this rulemaking by submitting data, views, or arguments with respect to the changes set forth in this notice to: Ms. Carol Snipes, Hearings and Dockets, Conservation and Solar Energy, Department of Energy, Mail Stop 6B-025, Room 1F-065, 1000 Independence Avenue SW., Washington, D.C. 20585.

Comments should be identified on the outside of the envelope, and on the documents themselves, with the designation "Weatherization Assistance for Low-Income Persons Regulations" (Docket No. CAS-RM-80-512). Fifteen (15) copies should be submitted. All documents received on or before July 31, 1981, and all other relevant information, will be considered by DOE.

Any person submitting information which that person believes to be confidential and which may be exempt by law from public disclosure should submit one copy, as well as fifteen copies from which the information claimed to be confidential has been deleted. DOE shall make a determination of any such claim. This procedure is set forth in 10 CFR 1004.11 (44 FR 1908, January 8, 1979).

IV. Other Matters

A. Environmental Review

Pursuant to the requirements of the National Environmental Policy Act of 1969 ("NEPA"), 42 U.S.C. 4321 *et seq.*, DOE published a Notice of Availability of an Environmental Assessment (DOE/EA-0085) of the Grants Program for Weatherization Assistance for Low-Income Persons on April 10, 1979, in the Federal Register (44 FR 21323). Based on this Environmental Assessment, DOE determined that the program did not constitute a major Federal action significantly affecting the quality of the human environment within the meaning of NEPA, and that an environmental impact statement was not needed to support the action.

DOE has reviewed the environmental impacts of the program changes promulgated today. It is DOE's judgment that no new or additional environmental impacts are associated with DOE's amendments. The program changes required by the Energy Security Act do not require the addition of any new measures beyond those already contained in the program. It is, accordingly, DOE's determination that the environmental impacts of the changes have been adequately analyzed in the April 1979 assessment, and that these impacts are not significant. Hence, no additional Environmental Assessment or Environmental Impact Statement is required.

B. Procedural Requirements

1. Section 501 of the Department of Energy Organization Act and Section 553 of the Administrative Procedure Act.

DOE has determined that the proposed rulemaking procedures of the Department of Energy Organization Act, Pub. L. 95-91, 42 U.S.C. 7101 *et seq.*, ("DOE Act") and the Administrative Procedure Act, 5 U.S.C. 551 *et seq.*, ("APA") should be waived with respect to the four changes to the weatherization regulations in today's issuance which raise no substantial issues and have no substantial impacts. Section 501(c)(1) of the DOE Act provides that when a showing has been made that "no substantial issue of fact or law exists" and that such rulemaking "is unlikely to have a substantial impact on the Nation's economy or large numbers of individuals or businesses," such rulemaking can be promulgated in accordance with the APA. Section 553(b) of the APA provides that, except when notice or hearing is required by statute, the APA requirement for a notice of proposed rulemaking does not apply when "the agency for good cause finds (and incorporates the finding and a brief statement of reasons therefor in the rule issued) that notice and public comment procedure thereon are impracticable, unnecessary, or contrary to the public interest."

The two changes in today's issuance mandated by the ESA merely track the statute and provide no occasion for the exercise of administrative discretion. DOE feels that it is important to make these changes to the weatherization regulations as soon as possible. The third change, which revises the audit requirement to conform with the language in OMB Circulars A-102 and A-110, and updates the Administration of Grants section of the rule to reflect this change is a technical amendment. The participation of Hawaii in the program is provided for by the enabling legislation, which defined a State eligible for funding to include Hawaii. Clearly, these four changes raise no "substantial issue of fact or law," and have no "substantial impact on the Nation's economy or large numbers of individuals or businesses," in accordance with section 501(c)(1) of the DOE Act. And, further, due to the nondiscretionary nature of these four changes, the notice and comment

procedures of the APA are waived, under section 553(b), as being impracticable and unnecessary.

The fifth change, the use of program funds for off-site labor in appropriate circumstances, is made after receiving substantial public comment and is in the public interest to have in effect without further delay. Moreover, this change raises no substantial issues and has no substantial impact on the economy or individuals and businesses. Finally, although the changes in today's rule will become effective in 30 days, there is opportunity for further written comment, particularly on the fifth change, which the DOE will consider and incorporate in the program rules if justified.

2. Executive Order 12291. Today's issuance was reviewed under Executive Order 12291 (February 17, 1981). DOE has concluded that the rule is not a "major rule" because it will not result in: (1) an annual effect on the economy of $100 million or more; (2) a major increase in costs or prices for consumers, individual industries, Federal, State, or local government agencies, or geographic regions; or (3) significant adverse effects on competition, employment, investment, productivity, innovation, or on the ability of United States-based enterprises to compete with foreign-based enterprises in domestic or export markets.

(Energy Conservation in Existing Buildings Act of 1976, as amended, 42 U.S.C. 6851 *et seq.*; Department of Energy Organization Act, 42 U.S.C. 7101 *et seq.*)

In consideration of the foregoing, Part 440 of Chapter II of Title 10 of the Code of Federal Regulations is amended as set forth below, effective July 1, 1981.

Issued in Washington, D.C., May 21, 1981.

Joseph J. Tribble,

Assistant Secretary, Conservation and Renewable Energy.

10 CFR Part 440 is amended as follows:

§ 440.2 [Amended]

1. a. Section 440.2 is amended by removing paragraph (a)(3); by redesignating paragraphs (a)(4), (a)(5), (a)(6), (a)(7), (a)(8) and (a)(9) as paragraphs (a)(3), (a)(4), (a)(5), (a)(9), (a)(10) and (a)(11) respectively; and by inserting new paragraphs (a)(6), (a)(7) and (a)(8) as follows:

(a) * * *

(6) Office of Management and Budget Circular A-102, entitled "Uniform Administrative Requirements for Grants-in-Aid to State and Local Governments;

(7) Office of Management and Budget Circular A-110, entitled "Grants and Agreements with Institutions of Higher Education, Hospitals, and Other Nonprofit Organizations;"

(8) Office of Management and Budget Circular A-122, entitled "Cost Principles for Nonprofit Organizations;"

* * * * *

b. Section 440.2(b) is amended by removing the reference to § 440.2(a)(3) and in its place inserting § 440.2(a)(6).

§ 440.3 [Amended]

2. Section 440.3 is amended by removing the definition for "Eligible State."

§ 440.10 [Amended]

3. Section 440.10 is amended by removing the terms "eligible States" and "eligible State" in paragraphs (b) (1) and (2), respectively, and removing the term "eligible State" in paragraph (e) and inserting in their place the terms "States" and "State" in paragraphs (b) (1) and (2), respectively, and "State" in paragraph (e). Paragraph (b)(1) is also amended by removing "five million dollars" and inserting in its place "five million one hundred thousand dollars."

§ 440.16 [Amended]

4. Section 440.16 is amended by removing "$100" in paragraph (a)(1)(iii) and in its place inserting "$150;" and by removing paragraph (b), and in its place inserting the following new paragraph (b):

* * * * *

(b) Not more than 10 percent of any grant made to a State may be used by the grantee and subgrantees for administrative purposes in carrying out duties under this part, except that not more than 5 percent may be used by the State for such purposes.

* * * * *

§ 440.17 [Amended]

5. Section 440.17(a)(2) is amended by removing "to install weatherization materials," after "* * * weatherization services."

§ 440.21 [Amended]

6. Section 440.21 is amended by removing paragraph (d) and replacing it with a new paragraph (d), as follows:

* * * * *

(d) Each grantee shall ensure that audits by or on behalf of subgrantees are conducted with reasonable frequency, on a continuing basis, or at scheduled intervals, usually annually, but not less frequently than every two years, in accordance with OMB Circular A-102, Attachment P, and OMB Circula[r] A-110, Attachment F, as applicable.

* * * * *

[FR Doc. 81-16202 Filed 5-29-81; 8:45 am]
BILLING CODE 6450-01-M

FEDERAL RESERVE SYSTEM

12 CFR Part 213

[Reg. M; Docket No. R-0354]

Consumer Leasing; Regulation M; Correction

AGENCY: Board of Governors of the Federal Reserve System.

ACTION: Final rule; correction.

SUMMARY: This document corrects a final Regulation M (Consumer Leasing that appeared at page 20949 in the Federal Register of Tuesday, April 7, 1981 (46 FR 20949). The action is necessary to correct typographical errors and footnote numbering in the document.

FOR FURTHER INFORMATION CONTACT: Steven Zeisel, Staff Attorney, Division of Consumer and Community Affairs, Board of Governors of the Federal Reserve System, Washington, D.C. 20551, (202) 452-3867.

The following corrections are made FR Doc. 81-10351 appearing on 20949 i the issue of April 7, 1981:

1. On page 20952, column 1, first full paragraph, § 213.2(17)(ii) is corrected b changing "unrefundable" to "nonrefundable * * *".

2. On page 20953, column 3, first full paragraph, § 213.5(b) is corrected by changing "schedule or lease terms" to "schedule of lease terms * * *".

3. On page 20954, at the bottom of column 3, footnotes 2 and 3 to Appenc A and corresponding text references a corrected by renumbering them 1 and

4. On page 20955, at the bottom of column 1, footnotes 4 and 5 to Appen A and corresponding text references a corrected by renumbering them 3 and

5. On page 20956, at the bottom of column 1, footnotes 6, 7, and 8 to Appendix B and corresponding text references are corrected by renumber them 1, 2, and 3.

6. On page 20956, column 2, first fu paragraph, paragraph (b)(3) of Appen B is corrected by deleting the parenthetical symbol *preceding* "(reasons) * * *".

7. On page 20956, at the bottom of column 2, footnote 9 to Appendix B a corresponding text reference is corrected by renumbering it 4.

8. On page 20956, column 3, second line, paragraph (c)(6) of Appendix B