

**PART 292—NATIONAL RECREATION AREAS****Subpart C—Sawtooth National Recreation Area—Private Lands**

■ 1. The authority citation for subpart C continues to read as follows:

**Authority:** Sec. 4(a), Act of Aug. 22, 1972 (86 Stat. 613).

■ 2. Amend § 292.16 by revising paragraph (e)(2)(ii) to read as follows:

**§ 292.16 Standards.**

\* \* \* \* \*

(e) \* \* \*

(2) \* \* \*

(ii) Not more than two outbuildings with each residence. Aggregate square foot area of outbuildings not to exceed 850 square feet and to be limited to one story not more than 22 feet in height.

\* \* \* \* \*

Dated: September 7, 2004.

**David P. Tenny,**

*Deputy Under Secretary, Natural Resources and Environment.*

[FR Doc. 04–20592 Filed 9–10–04; 8:45 am]

**BILLING CODE 3410–11–P**

**DEPARTMENT OF HOMELAND SECURITY****Federal Emergency Management Agency****44 CFR Parts 201 and 206**

**RIN 1660–AA17**

**Hazard Mitigation Planning and Hazard Mitigation Grant Program**

**AGENCY:** Federal Emergency Management Agency (FEMA), Emergency Preparedness and Response Directorate, Department of Homeland Security.

**ACTION:** Interim rule.

**SUMMARY:** This rule provides State and Indian tribal governments with a mechanism to request an extension to the date by which they must develop State Mitigation Plans as a condition of grant assistance. FEMA regulations outline the requirements for State Mitigation Plans, which must be completed by November 1, 2004 in order to receive FEMA grant assistance. This interim rule allows FEMA to grant justifiable extensions, in extraordinary circumstances, for State and Indian tribal governments of up to six months, or no later than May 1, 2005. In addition, this interim rule allows mitigation planning grants provided through the Pre-Disaster Mitigation

(PDM) program to continue to be available to State, Indian tribal, and local governments after November 1, 2004.

**DATES:** *Effective Date:* September 13, 2004.

*Comment Date:* We will accept written comments through November 12, 2004.

**ADDRESSES:** Please send written comments to the Rules Docket Clerk, Office of the General Counsel, Federal Emergency Management Agency, 500 C Street, SW., room 840, Washington DC 20472, (facsimile) 202–646–4536, or (e-mail) [FEMA-RULES@dhs.gov](mailto:FEMA-RULES@dhs.gov).

**FOR FURTHER INFORMATION CONTACT:** Karen Helbrecht, Risk Reduction Branch, Mitigation Division, Federal Emergency Management Agency, 500 C Street, SW., Washington DC 20472, (phone) 202–646–3358, (facsimile) 202–646–3104, or (e-mail) [karen.helbrecht@dhs.gov](mailto:karen.helbrecht@dhs.gov).

**SUPPLEMENTARY INFORMATION:****Introduction**

On February 26, 2002, FEMA published an interim rule at 67 FR 8844 implementing Section 322 of the Robert T. Stafford Disaster Relief and Emergency Assistance Act (Stafford Act or the Act), 42 U.S.C. 5165, enacted under Section 104 of the Disaster Mitigation Act of 2000 (DMA 2000), Public Law 106–390. This identified the requirements for State, tribal, and local mitigation plans. On October 1, 2002, FEMA published a change to that rule at 67 FR 61512, extending the date that the planning requirements take effect. The October 1, 2002 interim rule stated that by November 1, 2004, FEMA approved State Mitigation Plans were required in order to receive non-emergency Stafford Act assistance, and local mitigation plans were required in order to receive mitigation project grants. The critical portion of this interim rule provides a mechanism for Governors or Indian tribal leaders to request an extension to the date that the planning requirements take effect for State level mitigation plans. This interim rule allows extensions up to May 1, 2005 to States or Indian tribal governments who submit the necessary justification.

While all States and many Indian tribal governments have been working on the required State Mitigation Plans, and many have been very successful, a few have encountered extraordinary difficulties in meeting the November 1, 2004 deadline. Due to the significant implications of not having an approved plan, FEMA has decided to provide an option for States and Indian tribal

governments that may not be able to meet the deadline, in order to allow all States to develop effective Mitigation plans. The option allows the Governor or Indian tribal leader to ask FEMA for an extension. A Governor or Indian tribal leader would be required to submit a written request to FEMA for the extension. The written request would include the justification for the extension; the reasons the plan has not been completed; the amount of additional time needed to complete the plan; and a strategy for completing the plan. FEMA would review each request, and could grant up to a six-month extension. However, the deadline would not be later than May 1, 2005. Governors or Indian tribal leaders could request this extension at any time after publication of this interim rule.

In addition, the current rule requirement states that States, or Indian tribal governments who choose to apply directly to FEMA, must have an approved mitigation plan by November 1, 2004 to be eligible for planning or project grant funding under the Pre-Disaster Mitigation (PDM) program. This rule change allows PDM planning grants to continue to be available to States and Indian tribal governments who do not have a FEMA approved mitigation plan. Local governments, and Indian tribal governments acting as subgrantees, continue to be eligible for PDM planning grants under the current requirement. Mitigation planning is the foundation to saving lives, protecting properties, and developing disaster resistant communities. The PDM program is the primary mechanism that provides grant assistance for mitigation planning. State and Indian tribal governments will be able to apply for a PDM planning grant in order to develop or update their mitigation plan which, when approved by FEMA, will maintain their eligibility for non-emergency Stafford Act assistance.

Finally, this interim rule makes technical and conforming amendments to other sections of FEMA regulations affected by the provision of Part 201 Mitigation planning, and adjusts the general major disaster allocation for the Hazard Mitigation Grant Program (HMGP) from 15 percent to 7½ percent to be consistent with a recent statutory amendment.

FEMA encourages comments on this interim rule.

**Administrative Procedure Act Statement**

In general, FEMA publishes a rule for public comment before issuing a final rule, under the Administrative Procedure Act, 5 U.S.C. 533 and 44 CFR 1.12. The Administrative Procedure Act,

however, provides an exception from that general rule where the agency for good cause finds that the procedures for prior comment and response are impracticable, unnecessary, or contrary to public interest.

This interim rule provides an option for States and Indian tribal governments to request an extension to the date by which they have to develop State Mitigation Plans required as a condition of receiving non-emergency Stafford Act grant assistance. State and Indian tribal governments are currently under the assumption, consistent with the current requirements, that plans are required by November 1, 2004, whereas this interim rule provides a mechanism to extend that date up to May 1, 2005, in certain cases. It does not affect the date that local plans will be required for other programs, such as the PDM program. In order for State and Indian tribal government resources to be appropriately identified and available to complete the required plans, it is essential that the date extension be made effective as soon as possible. If the rule were delayed beyond the November 1, 2004 deadline, and a State or Indian tribal government did not have a FEMA approved mitigation plan, all entities within that State or Indian tribe would be ineligible for grants to restore damaged public facilities, Fire Management Assistance grants, and HMGP funding. The benefits of this rule will only be realized if the rule is immediately effective and available to State and Indian tribal governments prior to the existing November 1, 2004 deadline. As a practical matter, since FEMA anticipates opening the application period for the FY2004/2005 PDM program in September, this rule is necessary to ensure that FEMA can provide timely guidance to States and Indian tribal governments of their eligibility for PDM planning funds, so they do not miss the opportunity to submit the necessary applications. FEMA believes that it is contrary to the public interest to delay the benefits of this rule. In accordance with the Administrative Procedure Act, 5 U.S.C. 553(d)(3), FEMA finds that there is good cause for the interim rule to take effect immediately upon publication in the **Federal Register** in order to meet the needs of States and communities by identifying the new effective date for planning requirement under 44 CFR Part 201.

The rule also allows PDM planning grants to continue to be available to States and Indian tribal governments who do not have a FEMA approved mitigation plan. The existing deadline for States to have a FEMA approved

mitigation plan is November 1, 2004, and since the next round of competition for PDM funding will occur after that deadline, it is essential that the change in the planning requirement be made effective as soon as possible. This will allow State and Indian tribal governments to apply and compete for planning grants during the next PDM competitive cycle.

Therefore, FEMA finds that prior notice and comment on this rule would not further the public interest. We actively encourage and solicit comments on this interim rule from interested parties, and we will consider them as well as those submitted on the original interim planning rule in preparing the final rule. For these reasons, FEMA believes that we have good cause to publish an interim rule.

#### *National Environmental Policy Act*

44 CFR 10.8(d)(2)(ii) excludes this rule from the preparation of an environmental assessment or environmental impact statement, where the rule relates to actions that qualify for categorical exclusion under 44 CFR 10.8(d)(2)(iii), such as the development of plans under this section.

#### *Executive Order 12866, Regulatory Planning and Review*

FEMA has prepared and reviewed this rule under the provisions of Executive Order 12866, Regulatory Planning and Review. Under Executive Order 12866, 58 FR 51735, October 4, 1993, a significant regulatory action is subject to OMB review and the requirements of the Executive Order. The Executive Order defines "significant regulatory action" as one that is likely to result in a rule that may:

- (1) Have an annual effect on the economy of \$100 million or more or adversely affect in a material way the economy, a sector of the economy, productivity, competition, jobs, the environment, public health or safety, or State, local, or tribal governments or communities;
- (2) Create a serious inconsistency or otherwise interfere with an action taken or planned by another agency;
- (3) Materially alter the budgetary impact of entitlements, grants, user fees, or loan programs or the rights and obligations of recipients thereof; or
- (4) Raise novel legal or policy issues arising out of legal mandates, the President's priorities, or the principles set forth in the Executive Order.

The purpose of this rule is to extend the date by which State and Indian tribal governments have to prepare or update their mitigation plans to meet the criteria identified in 44 CFR Part

201. This interim rule provides a mechanism for States and Indian tribal governments to request an extension of the November 1, 2004 deadline for State Mitigation Plans, and allows State and Indian tribal governments that do not have an approved plan to compete for PDM planning funds after the deadline. As such, the rule itself will not have an effect on the economy of more than \$100,000,000, nor otherwise constitute a significant regulatory action.

The Office of Management and Budget has concluded that this rule is not significant for purposes of Executive Order 12866.

#### *Executive Order 12898, Environmental Justice*

Under Executive Order 12898, Federal Actions to Address Environmental Justice in Minority Populations and Low-Income Populations, 59 FR 7629, February 16, 1994, FEMA incorporates environmental justice into our policies and programs. The Executive Order requires each Federal agency to conduct its programs, policies, and activities that substantially affect human health or the environment, in a manner that ensures that those programs, policies, and activities do not have the effect of excluding persons from participation in our programs, denying persons the benefits of our programs, or subjecting persons to discrimination because of their race, color, or national origin.

No action that we can anticipate under the interim rule will have a disproportionately high or adverse human health and environmental effect on any segment of the population. This rule extends the date for development or update of State and Indian tribal mitigation plans in compliance with 44 CFR 201.4. Accordingly, the requirements of Executive Order 12898 do not apply to this interim rule.

#### *Paperwork Reduction Act of 1995*

This new interim rule simply provides an option to extend the date by which States have to comply with the planning requirements, and clarifies the planning requirements for the PDM program. The changes do not affect the collection of information; therefore, no change to the request for the collection of information is necessary. In summary, this interim rule complies with the provisions of the Paperwork Reduction Act of 1995, 44 U.S.C. 3506(c)(2)(A).

#### *Executive Order 13132, Federalism*

Executive Order 13132, Federalism, dated August 4, 1999, sets forth principles and criteria that agencies must adhere to in formulating and

implementing policies that have federalism implications, that is, regulations that have substantial direct effects on the States, or on the distribution of power and responsibilities among the various levels of government. Federal agencies must closely examine the statutory authority supporting any action that would limit the policymaking discretion of the States, and to the extent practicable, must consult with State and local officials before implementing any such action.

We have reviewed this rule under Executive Order 13132 and have concluded that the rule does not have federalism implications as defined by the Executive Order. We have determined that the rule does not significantly affect the rights, roles, and responsibilities of States, and involves no preemption of State law nor does it limit State policymaking discretion.

We will continue to evaluate the planning requirements and will work with interested parties as we implement the planning requirements of 44 CFR Part 201. In addition, we actively encourage and solicit comments on this interim rule from interested parties, and we will consider them in preparing the final rule.

*Executive Order 13175, Consultation and Coordination With Indian Tribal Governments*

FEMA has reviewed this interim rule under Executive Order 13175, which became effective on February 6, 2001. In reviewing the interim rule, we find that it does not have “tribal implications” as defined in Executive Order 13175 because it will not have a substantial direct effect on one or more Indian tribes, on the relationship between the Federal Government and Indian tribes, or on the distribution of power and responsibilities between the Federal Government and Indian tribes. Moreover, the interim rule does not impose substantial direct compliance costs on Indian tribal governments, nor does it preempt tribal law, impair treaty rights nor limit the self-governing powers of Indian tribal governments. In fact, this interim rule relieves a burden on Indian tribal governments by allowing them to apply for PDM planning grants after the November 1, 2004 deadline.

*Congressional Review of Agency Rulemaking*

FEMA has sent this interim rule to the Congress and to the General Accounting Office under the Congressional Review of Agency Rulemaking Act, Public Law 104–121. This interim rule is a not

“major rule” within the meaning of that Act. It is an administrative action to extend the time State and local governments have to prepare mitigation plans required by Section 322 of the Stafford Act, as enacted in DMA 2000.

The interim rule will not result in a major increase in costs or prices for consumers, individual industries, Federal, State, or local government agencies, or geographic regions. It will not have “significant adverse effects” on competition, employment, investment, productivity, innovation, or on the ability of United States-based enterprises to compete with foreign-based enterprises. The rule is not an unfunded Federal mandate within the meaning of the Unfunded Mandates Reform Act of 1995, Public Law 104–4, and any enforceable duties that we impose are a condition of Federal assistance or a duty arising from participation in a voluntary Federal program.

**List of Subjects in 44 CFR Parts 201 and 206**

Administrative practice and procedure, Disaster assistance, Grant programs, Mitigation planning, Reporting and recordkeeping requirements.

■ Accordingly, FEMA amends 44 CFR, Parts 201 and 206 as follows:

**PART 201—MITIGATION PLANNING**

■ 1. The authority citation for part 201 continues to read as follows:

**Authority:** Robert T. Stafford Disaster Relief and Emergency Assistance Act, 42 U.S.C. 5121–5206; Reorganization Plan No. 3 of 1978, 43 FR 41943, 3 CFR, 1978 Comp., p. 329; E.O. 12127, 44 FR 19367, 3 CFR, 1979 Comp., p. 376; E.O. 12148, 44 FR 43239, 3 CFR, 1979 Comp., p. 412; and E.O. 12673, 54 FR 12571, 3 CFR, 1989 Comp., p. 214.

■ 2. In § 201.3 add paragraph (c)(7) to read as follows:

**§ 201.3 Responsibilities.**

\* \* \* \* \*

(c) \* \* \*

(7) If necessary, submit a request from the Governor to the Director of FEMA, requesting an extension to the plan deadline in accordance with § 201.4(a)(2).

\* \* \* \* \*

■ 3. Revise § 201.4(a) to read as follows:

**§ 201.4 Standard State Mitigation Plans.**

(a) *Plan requirement.* (1) By November 1, 2004, States must have an approved Standard State Mitigation Plan meeting the requirements of this section in order to receive assistance under the Stafford Act, although assistance authorized

under disasters declared prior to November 1, 2004 will continue to be made available. Until that date, existing, FEMA approved State Mitigation Plans will be accepted. In any case, emergency assistance provided under 42 U.S.C. 5170a, 5170b, 5173, 5174, 5177, 5179, 5180, 5182, 5183, 5184, 5192 will not be affected. Mitigation planning grants provided through the Pre-Disaster Mitigation (PDM) program, authorized under Section 203 of the Robert T. Stafford Disaster Relief and Emergency Assistance Act, 42 U.S.C. 5133, will also continue to be available. The mitigation plan is the demonstration of the State’s commitment to reduce risks from natural hazards and serves as a guide for State decision makers as they commit resources to reducing the effects of natural hazards. States may choose to include the requirements of the HMGP Administrative Plan in their mitigation plan, but must comply with the requirement for updates, amendments, or revisions listed under 44 CFR 206.437.

(2) A Governor, or Indian tribal leader, may request an extension to the plan approval deadline by submitting a request in writing to the Director of FEMA, through the Regional Director. At a minimum, this must be signed by the Governor or the Indian tribal leader, and must include justification for the extension, identification of the reasons the plan has not been completed, identification of the amount of additional time required to complete the plan, and a strategy for finalizing the plan. The Director of FEMA will review each request and may grant a plan approval extension of up to six months. However, any extended plan approval deadline will be no later than May 1, 2005.

\* \* \* \* \*

■ 4. Revise § 201.6(a)(1) to read as follows:

**§ 201.6 Local Mitigation Plans.**

\* \* \* \* \*

(a) \* \* \*

(1) For disasters declared on or after November 1, 2004, a local government must have a mitigation plan approved pursuant to this section in order to receive HMGP project grants.

\* \* \* \* \*

**PART 206—FEDERAL DISASTER ASSISTANCE FOR DISASTERS DECLARED ON OR AFTER NOVEMBER 23, 1988**

■ 5. The authority citation for part 206 continues to read as follows:

**Authority:** Robert T. Stafford Disaster Relief and Emergency Assistance Act, 42

U.S.C. 5121–5206; Reorganization Plan No. 3 of 1978, 43 FR 41943, 3 CFR, 1978 Comp., p. 329; E.O. 12127, 44 FR 19367, 3 CFR, 1979 Comp., p. 376; E.O. 12148, 44 FR 43239, 3 CFR, 1979 Comp., p. 412; and E.O. 12673, 54 FR 12571, 3 CFR, 1989 Comp., p. 214.

■ 6. Revise § 206.226(b) to read as follows:

**§ 206.226 Restoration of damaged facilities.**

\* \* \* \* \*

(b) *Mitigation planning.* In order to receive assistance under this section, as of November 1, 2004 (subject to 44 CFR 201.4(a)(2)), the State must have in place a FEMA approved State Mitigation Plan in accordance with 44 CFR part 201.

\* \* \* \* \*

■ 7. In § 206.432, revise paragraphs (b) introductory text and (b)(1) to read as follows:

**§ 206.432 Federal grant assistance.**

\* \* \* \* \*

(b) *Amounts of assistance.* The total of Federal assistance under this subpart shall not exceed either 7½ or 20 percent of the total estimated Federal assistance (excluding administrative costs) provided for a major disaster under 42 U.S.C. 5170b, 5172, 5173, 5174, 5177, 5178, 5183, and 5201 as follows:

(1) *Seven and one-half (7½) percent.* Effective November 1, 2004, a State with an approved Standard State Mitigation Plan, which meets the requirements outlined in 44 CFR 201.4, shall be eligible for assistance under the HMGP not to exceed 7½ percent of the total estimated Federal assistance described in this paragraph. Until that date, existing FEMA approved State Mitigation Plans will be accepted. States may request an extension to the deadline of up to six months to the Director of FEMA by providing written justification in accordance with 44 CFR 201.4(a)(2).

\* \* \* \* \*

■ 8. Revise § 206.434(b)(1) to read as follows:

**§ 206.434 Eligibility.**

\* \* \* \* \*

(b) \* \* \*

(1) For all disasters declared on or after November 1, 2004, local and Indian tribal government applicants for project subgrants must have an approved local mitigation plan in accordance with 44 CFR 201.6 prior to receipt of HMGP subgrant funding for projects. Until November 1, 2004, local mitigation plans may be developed

concurrent with the implementation of subgrants.

\* \* \* \* \*

**Michael D. Brown,**

*Under Secretary, Emergency Preparedness and Response, Department of Homeland Security.*

[FR Doc. 04–20609 Filed 9–10–04; 8:45 am]

BILLING CODE 9110–41–P

**FEDERAL COMMUNICATIONS COMMISSION**

**47 CFR Parts 0, 1, and 54**

[CC Docket No. 02–6; FCC 04–190]

**Schools and Libraries Universal Service Support Mechanism**

**AGENCY:** Federal Communications Commission.

**ACTION:** Final rule.

**SUMMARY:** In this document, the Commission adopts measures to protect against waste, fraud, and abuse in the administration of the schools and libraries universal service support mechanism (also known as the E-rate program). In particular, the Commission resolves a number of issues that have arisen from audit activities conducted as part of ongoing oversight over the administration of the universal service fund, and we address programmatic concerns raised by our Office of Inspector General.

**DATES:** Effective October 13, 2004 except for §§ 1.8003, 54.504(b)(2), 54.504(c)(1), 54.504(f), 54.508, and 54.516 which contain information collection requirements that are not effective until approved by the Office of Management and Budget. The FCC will publish a document in the **Federal Register** announcing the effective date for those sections.

**FOR FURTHER INFORMATION CONTACT:** Jennifer Schneider, Attorney, Wireline Competition Bureau, Telecommunications Access Policy Division, (202) 418–7400.

**SUPPLEMENTARY INFORMATION:** This is a summary of the Commission’s Fifth Report and Order, and Order in CC Docket No. 02–6 released on August 13, 2004. The full text of this document is available for public inspection during regular business hours in the FCC Reference Center, Room CY–A257, 445 Twelfth Street, SW., Washington, DC, 20554.

**I. Introduction**

1. In this order, we adopt measures to protect against waste, fraud, and abuse

in the administration of the schools and libraries universal service support mechanism (also known as the E-rate program). In particular, we resolve a number of issues that have arisen from audit activities conducted as part of ongoing oversight over the administration of the universal service fund, and we address programmatic concerns raised by our Office of Inspector General (OIG). First, we set forth a framework regarding what amounts should be recovered by the Universal Service Administrative Company (USAC or Administrator) and the Commission when funds have been disbursed in violation of specific statutory provisions and Commission rules. Second, we announce our policy regarding the timeframe in which USAC and the Commission will conduct audits or other investigations relating to use of E-rate funds. Third, we eliminate the current option to offset amounts disbursed in violation of the statute or a rule against other funding commitments. Fourth, we extend our red light rule previously adopted pursuant to the Debt Collection Improvement Act (DCIA) to bar beneficiaries or service providers from receiving additional benefits under the schools and libraries program if they have failed to satisfy any outstanding obligation to repay monies into the fund. Fifth, we adopt a strengthened document retention requirement to enhance our ability to conduct all necessary oversight and provide a stronger enforcement tool for detecting statutory and rule violations. Sixth, we modify our current requirements regarding the timing, content and approval of technology plans. Seventh, we amend our beneficiary certification requirements to enhance our oversight and enforcement activities. Eighth, we direct USAC to submit a plan for timely audit resolution, and we delegate authority to the Chief of the Wireline Competition Bureau to resolve audit findings. Finally, we direct USAC to submit on an annual basis a list of all USAC administrative procedures to the Wireline Competition Bureau (Bureau) for review and further action, if necessary, to ensure that such procedures effectively serve our objective of preventing waste, fraud and abuse.

**II. Fifth Report and Order**

2. Since the inception of the schools and libraries support mechanism, schools and libraries have been subject to audits to determine compliance with the program rules and requirements. Audits are a tool for the Commission and USAC, as directed by the