

*documents/ad-3027.pdf*, from any USDA office, by calling (866) 632-9992, or by writing a letter addressed to USDA. The letter must contain the complainant's name, address, telephone number, and a written description of the alleged discriminatory action in sufficient detail to inform the Assistant Secretary for Civil Rights (ASCR) about the nature and date of an alleged civil rights violation. The completed AD-3027 form or letter must be submitted to USDA by:

- (1) *Mail*: U.S. Department of Agriculture, Office of the Assistant Secretary for Civil Rights, 1400 Independence Avenue SW, Washington, DC 20250-9410; or
- (2) *Fax*: (833) 256-1665 or (202) 690-7442; or
- (3) *Email*: [Program.Intake@usda.gov](mailto:Program.Intake@usda.gov).

#### List of Subjects in 7 CFR Part 1775

Business and industry, Community development, Community facilities, Grant programs—housing and community development, Reporting and recordkeeping requirements, Rural areas, Waste treatment and disposal, Water supply, Watersheds.

Accordingly, for the reasons set forth in the preamble, the Agency amends 7 CFR part 1775 as follows:

#### PART 1775—TECHNICAL ASSISTANCE GRANTS

- 1. The authority citation for part 1775 continues to read as follows:

**Authority:** 5 U.S.C. 301; 7 U.S.C. 1989; 16 U.S.C. 1005.

#### Subpart B—Grant Application Processing

- 2. Amend § 1775.21 by revising paragraphs (a) and (b) to read as follows:

##### § 1775.21 Audit or financial statements.

\* \* \* \* \*

(a) In accordance with subpart F of 2 CFR part 200, as adopted by USDA through 2 CFR part 400, grantees expending Federal funds each fiscal year equal to or greater than the current Single Audit threshold will submit an audit. The audit will be submitted within 30 calendar days after the auditee receives the auditor's report or 9 months after the end of the grantee's fiscal year, whichever is earlier.

(b) Grantees expending less than the current Single Audit dollar threshold will provide annual financial statements covering the grant period, consisting of the organization's statement of income and expense, and balance sheet signed by an authorized official of the organization. Financial statements will

be submitted within 90 days after the grantee's fiscal year end.

**Andrew Berke,**

*Administrator, Rural Utilities Service, Rural Development.*

[FR Doc. 2024-23512 Filed 10-10-24; 8:45 am]

**BILLING CODE 3410-15-P**

## DEPARTMENT OF AGRICULTURE

### Rural Housing Service

#### 7 CFR Parts 3550 and 3555

[Docket No. RHS-24-SFH-0031]

#### Single Family Housing Section 502 Direct and Guaranteed Manufactured Housing Pilots

**AGENCY:** Rural Housing Service, USDA.

**ACTION:** Notification of extension of waivers.

**SUMMARY:** The Rural Housing Service (RHS or the Agency), a Rural Development agency of the United States Department of Agriculture (USDA), is issuing this notification to extend the period to waive two regulatory requirements for the Section 502 Direct and Guaranteed Manufactured Housing program, while the Agency completes the rulemaking to remove regulatory barriers to assist eligible applicants by improving the ease of the pilot program (pilot) use for very low to moderate-income homeowners that seek to purchase more affordable housing. This continues to support the current Administration's Housing Supply Action Plan which seeks to boost new financing mechanisms to build and supply quality affordable housing units. This document briefly discusses the waivers the Agency intends to continue and provides contact information for additional details about the pilot.

**DATES:** The effective date of the two regulatory waivers is November 4, 2024. The duration of the pilot is anticipated to continue until May 1, 2025, or the date the Updating Manufactured Housing Provisions Final Rule is published and effective, whichever comes first. Additionally, the RHS may extend the pilot (with or without modifications) or terminate it depending on the workload and resources (*i.e.*, budget and other considerations) required to administer the program, feedback from the public, and the effectiveness of the program. If the pilot is extended or terminated, the RHS will notify the public through a document published in the **Federal Register**.

#### FOR FURTHER INFORMATION CONTACT:

Stephanie Freeman, Finance and Loan Analyst, Policy, Analysis, and Communications Branch, Single Family Housing Guaranteed Loan Division, Rural Development, U.S. Department of Agriculture, Email: [stephanie.freeman@usda.gov](mailto:stephanie.freeman@usda.gov); Phone: (314) 457-6413 and Jeremy Anderson, Finance and Loan Analyst, Single Family Housing Direct Loan Division, Rural Development, U.S. Department of Agriculture, Email: [jeremy.anderson@usda.gov](mailto:jeremy.anderson@usda.gov); Phone: (202) 690-3971.

#### SUPPLEMENTARY INFORMATION:

**Authority:** Title V, Section 502 of the Housing Act of 1949, as amended; 42 U.S.C. 1472.

#### Background

The RHS is committed to helping improve the economy and quality of life in rural areas by offering a variety of programs. The Agency offers loans, grants, and loan guarantees to help create jobs, expand economic development, and provide critical infrastructure investments. RHS also provides technical assistance loans and grants by partnering with agricultural producers, cooperatives, Indian tribes, non-profits, and other local, State, and Federal agencies.

Affordable housing is essential to the vitality of communities in rural America. Rural Development's Single Family Housing Programs give families and individuals the opportunity to purchase, build, repair their existing home, or to refinance their current mortgage under certain criteria. Eligibility for these loans, loan guarantees, or grants is based on income which varies according to the average median income for each eligible rural area.

The objective of the Section 502 Direct Loan Program under 7 CFR part 3550 is to assist very low and low-income applicants to own adequate but modest, decent, safe, and sanitary housing in eligible rural areas by providing payment assistance to increase an applicant's repayment ability. The payment assistance is a type of subsidy that reduces the mortgage payment for a short time and is determined by the adjusted family income. There are a number of different factors that determine the applicant's eligibility for this program but at minimum they must have the adjusted income that is at or below the applicable low-income limit for the area where they wish to purchase a home and they must demonstrate a willingness and have the ability to repay the debt.

The Section 502 Guaranteed Loan Program, under 7 CFR part 3555,

provides a 90% loan note guarantee to approved lenders to assist low- and moderate-income households the opportunity to own decent, safe, and sanitary dwellings as their primary residence in eligible rural areas. Eligible applicants may purchase, build, rehabilitate, improve, or relocate a dwelling in an eligible rural area. Applicant eligibility for this program is determined by the lender.

RHS may authorize limited demonstration programs to test new approaches to offering housing under the statutory authority granted to the Secretary, as set forth in 7 CFR 3550.7 and 3555.2(b). Such demonstration programs may not be consistent with some of the provisions contained in this part. However, any program requirements that are statutory will remain in effect.

In 2022, the Agency extended the existing pilot in order to continue assessing the pilots' impact. The first pilot involves financing existing manufactured homes; the second pilot involves the ownership requirement for new energy-efficient manufactured and modular homes in land-lease communities operating on a nonprofit basis. These allowances remain unchanged from any previous extensions of this pilot. While the number of participating states remain restricted, the pilot ensures adequate regional representation.

#### Existing Manufactured Home Pilot

The Agency is continuing with the existing pilot, which was initially implemented on August 12, 2016, and continued via a document published in the **Federal Register** (at 87 FR 66075 on November 2, 2022), which expires on November 4, 2024. In the November 22, 2022, document, the Agency waived the regulatory restrictions in 7 CFR parts 3550 and 3555 and permitted the financing of existing manufactured homes in the pilot states even when the home was not currently financed by the Agency. Under the current regulations, new manufactured homes are eligible for financing through the Section 502 Single Family Housing (SFH) Direct and Guaranteed Loan Programs. Existing manufactured homes are not eligible unless the home is already financed through Rural Development (RD) (7 CFR 3550.52(e)(1); 3550.73(b); 3555.208(b)(3)). The Agency anticipates the completion of rulemaking in the near future that will codify the waivers into 7 CFR parts 3550 and 3555, and which will be applied program wide.

#### Eligibility Requirements

Approved lenders in the SFH Guaranteed Loan Program do not require additional approval to participate provided the home is in a pilot state. The loan request must be from an eligible applicant, all the pilot conditions listed in this section must be met, and all other program requirements that have not been waived must also be met.

The following States are included in this pilot:

Colorado, Iowa, Louisiana, Michigan, Mississippi, Montana, Nevada, New Hampshire, New York, North Dakota, Ohio, Oregon, Pennsylvania, South Dakota, Tennessee, Texas, Utah, Vermont, Virginia, Washington, West Virginia, Wisconsin, and Wyoming.

The following unit requirements below must be met:

The unit must have been constructed on or after January 1, 2006, in conformance with the Federal Manufactured Home Construction and Safety Standards (FMHCSS), as evidenced by an affixed Housing and Urban Development (HUD) Certification Label, and the unit must not have been previously installed on a different homesite, or had any structural alterations to it since construction in the factory, except for porches, decks, or other structures which were built to engineered designs or were approved and inspected by local code officials.

The unit inspection is required using one of two methods:

*Option 1*—Form HUD-309, “HUD Manufactured Home Installation Certification and Verification Report” completed in accordance with 24 CFR 3286.511 by a qualified party as follows: A manufactured home or residential building inspector employed by the local authority having jurisdiction over the site of the home, provided that the jurisdiction has a residential code enforcement program; a professional engineer, registered architect a HUD-accepted Production Inspection Primary Inspection Agency (IPIA) or a Design Approval Primary Inspection Agency (DAPIA), or an International Code Council (ICC) certified inspector;

Or

*Option 2*—Obtain a certification that the foundation design meets the requirements of either HUD Handbook 4930.3G or HUD Publication 7584, which updated and revised the pre-1996 version of HUD Handbook 4930.3G, “Permanent Foundations Guide for Manufactured Housing (PFGMH).” Certifications referencing either Publication 7584 or Handbook 4930.3G are acceptable. The foundation

certification must be from a licensed professional engineer or registered architect who is licensed/registered in the state where the manufactured home is located and must attest to current guidelines of the PFGMH. The certification must be site specific and contain the engineer's or registered architect's signature, seal, and/or state license/certification number. This certification can take the place of Form HUD 309.

*Guaranteed loan applications* submitted under this pilot must be manually submitted and underwritten; however, the documents may be submitted through GUS. A job aid for this type of submission is available in the USDA LINC Training and Resource Library in the “Loan Origination” tab or directly here: [https://www.rd.usda.gov/sites/default/files/linc\\_manual\\_submission\\_job\\_aid.pdf](https://www.rd.usda.gov/sites/default/files/linc_manual_submission_job_aid.pdf). Agency staff will need to select “MANUFACTURED (PILOT)” for “Construction Type” in the Property Information section in GLS. This will allow for the proper identification of pilot loans for tracking and monitoring purposes.

*Direct loan applications* submitted under the pilot are submitted directly to the local RD office. Agency staff will need to select Program Type Code 1014 (very low income) or 1015 (low income) unless the property is located in a persistent poverty county, in which case Program Type Code 1114 (very low income) or 1115 (low income) will be used. In addition, Agency staff will need to select a Construction Type of “Manuf/Home” and a Dwelling Type of “Purchase Old, Refinance, Purchase Old/Repair, or Refinance/Repair” in UniFi. This will allow for the proper identification of pilot loans for tracking and monitoring purposes.

The applicant and property must meet all other criteria set forth in 7 CFR part 3550 and HB-1-3550 for Direct loans or 7 CFR part 3555 and HB-1-3555 for Guaranteed loans, as applicable. These criteria include, but are not limited to, the following: The unit must have a floor area of not less than 400 square feet; the unit must meet the Comfort Heating and Cooling Certificate Uo Value Zone for the location; the towing hitch and running gear must have been removed; the manufactured home must be classified and taxed as real estate; the remaining economic life of the property must meet or exceed the 30 year term of the proposed loan; and the unit replacement cost coverage must be equal to the insured value of the improvements or the unpaid principal balance with deductible(s) of up to but not exceeding the greater of \$1,000 or one percent (1%) of the policy. For

Guaranteed Loans, the unit should have replacement cost coverage in an amount that is at least equal to the guaranteed value of the improvements or the unpaid principal balance, with the deductible not exceeding five percent (5%) of the total coverage amount.

#### **Ownership Requirement Pilot for Energy Efficient Manufactured and Modular Home Financing in Land-Lease Communities Operating on a Nonprofit Basis**

The Agency is continuing with the existing pilot that involves the ownership requirement for new energy-efficient manufactured and modular homes in land-lease communities operating on a nonprofit basis. According to 7 CFR 3550.58(b), a leasehold interest must have an unexpired term that is at least 150 percent of the term of the mortgage for Direct loans. According to 7 CFR 3555.203(b)(3), a leasehold interest must have an unexpired term of at least 45 years from the date of loan closing for a Guaranteed loan.

#### **Eligibility Requirements**

Under this pilot, RD will accept a lease with an unexpired term that is at least two years beyond the term of the promissory note in the pilot states.

The following States are included in this pilot: California, Michigan, Minnesota, New Hampshire, Oregon, Pennsylvania, Vermont, and Wisconsin.

The loan request must be from an eligible applicant, all the pilot conditions must be met, and new manufactured and modular homes must meet the following pilot conditions:

At a minimum, new manufactured and modular homes must be Energy Star compliant. Additionally, the unexpired term of the lease must be at least two years longer than the mortgage term. While the lease terms in 7 CFR 3550.58(b) and 3555.203(b)(3) offer borrowers some protections, many states have statutes that promulgate fair lease terms and safeguard residents of land-lease communities.

For the *SFH Guaranteed Loan Program*, pilot states should consider following the recommendations in HUD's interim guidance related to 24 CFR 3285.312 on the use of frost-free foundations or frost protected shallow foundations.

For the *SFH Direct Loan Program*, pilot states may use the recommendations from HUD's interim guidance on frost-free or frost-protected shallow foundations in lieu of RD Instruction 1924-A, Exhibit J. Under the HUD interim guidance recommendations, the installer should

install all footings and piers below the frost line depth, or for Frost Free Foundations, have a site investigation performed by a soil engineer or geotechnical engineer to verify if the soil condition at each home site is of a non-frost susceptible classification and is well drained. In lieu of a site soil investigation, a layer of washed gravel, or crushed stone, or course or dense sand may be provided to the frost line depth. For either of these alternatives, subsurface drains need to be provided; or use a Frost Protected Shallow Foundation system that utilizes below ground insulation to protect the soil from freezing with subsurface drains provided at each site.

The applicant and property must meet all other criteria set forth in 7 CFR part 3550 and HB-1-3550 for Direct loans or 7 CFR part 3555 and HB-1-3555 for Guaranteed loans, as applicable for application guidance. Program Directors should use the tracking tool under the "Energy Efficient Housing" link on the SFH SharePoint tracking site to report loans made under this pilot.

#### **Paperwork Reduction Act**

The regulatory waivers for this pilot contains no new reporting or recordkeeping burdens under OMB control number 0575-0179 that would require approval under the Paperwork Reduction Act of 1995 (44 U.S.C. chapter 35).

#### **Non-Discrimination Statement**

In accordance with Federal civil rights laws and USDA civil rights regulations and policies, the USDA, its Mission Areas, agencies, staff offices, employees, and institutions participating in or administering USDA programs are prohibited from discriminating based on race, color, national origin, religion, sex, gender identity (including gender expression), sexual orientation, disability, age, marital status, family/parental status, income derived from a public assistance program, political beliefs, or reprisal or retaliation for prior civil rights activity, in any program or activity conducted or funded by USDA (not all bases apply to all programs). Remedies and complaint filing deadlines vary by program or incident.

Program information may be made available in languages other than English. Persons with disabilities who require alternative means of communication to obtain program information (e.g., Braille, large print, audiotape, American Sign Language) should contact the responsible Mission Area, agency, or staff office; or the 711 Federal Relay Service.

To file a program discrimination complaint, a complainant should complete a Form AD-3027, *USDA Program Discrimination Complaint Form*, which can be obtained online at U.S. Department of Agriculture USDA Program Discrimination Complaint from any USDA office, by calling (866) 632-9992, or by writing a letter addressed to USDA. The letter must contain the complainant's name, address, telephone number, and a written description of the alleged discriminatory action in sufficient detail to inform the Assistant Secretary for Civil Rights (ASCR) about the nature and date of an alleged civil rights violation. The completed AD-3027 form or letter must be submitted to USDA by:

(1) *Mail*: U.S. Department of Agriculture Office of the Assistant Secretary for Civil Rights 1400 Independence Avenue, Washington, DC 20250-9410; or (2) *Fax*: (833) 256-1665 or (202) 690-7442; or (3) *Email*: [Program.Intake@usda.gov](mailto:Program.Intake@usda.gov).

**Joaquin Altoro,**

*Administrator, Rural Housing Service.*

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## **DEPARTMENT OF TRANSPORTATION**

### **Federal Aviation Administration**

#### **14 CFR Part 39**

[Docket No. FAA-2024-1882; Project Identifier AD-2024-00227-T; Amendment 39-22843; AD 2024-19-01]

RIN 2120-AA64

#### **Airworthiness Directives; The Boeing Company Airplanes**

**AGENCY:** Federal Aviation Administration (FAA), DOT.

**ACTION:** Final rule.

**SUMMARY:** The FAA is adopting a new airworthiness directive (AD) for certain The Boeing Company Model 747-100, 747-100B, 747-100B SUD, 747-200B, 747-200C, 747-200F, 747-300, 747-400, 747-400D, 747-400F, 747SP, and 747SR series airplanes. This AD was prompted by a report indicating cracks at eight fastener hole locations in the fuselage skin lap splice between certain stations (STAs) at certain stringers. This AD requires repetitive inspections of the upper fastener row of the fuselage skin lap splice in a certain area for any crack, and applicable on-condition actions. The FAA is issuing this AD to address the unsafe condition on these products.

**DATES:** This AD is effective November 15, 2024.