Wednesday
September 30, 1981

**Highlights**

- 47938 Incorporation by Reference ORF approves certain materials in Titles 17, 40 and 42 through 50. (Part II of this issue)

- 48010-48032 Medicare HHS/HCFA announces cost limits for payments to hospitals, home health agencies and nursing homes. (3 documents) (Parts VII, VIII and of this issue)

- 47964, 47965 Medicaid HHS/HCFA amends rules on reimbursement and eligibility and publishes interim rule and proposed changes on reduced Federal payments to States. (4 documents) (Parts III, IV, V and VI of this issue)


- 47784 Computer Technology HHS/SSA increases Federal Financial Participation for certain costs of approved application processing and information retrieval systems in the Aid to Families With Dependent Children Program.

- 47810 Equal Educational Opportunity ED requests comments on proposed annual operating plan for fiscal year 1982 for the Office for Civil Rights.

CONTINUED INSIDE
regulations in 24 CFR Part 50, which implements Section 102(2)(c) of the National Environmental Policy Act of 1969. A copy of the Finding of No Significant Impact is available for public inspection during regular business hours at the Office of the Rules Docket Clerk at the address set forth above.

This rule does not constitute a "major rule" as that term is defined in section 3(b) of Executive Order 12291 on Federal Regulation. Analysis of the rule indicates that it does not (1) have an annual effect on the economy of $100 million or more; (2) cause a major increase in costs or prices for consumers, individual industries, Federal, State, or local government agencies, or geographic regions; or (3) have a significant adverse effect 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.

Pursuant to section 605(b) of the Regulatory Flexibility Act, the Undersigned hereby certifies that this rule does not have a significant economic impact on a substantial number of small entities.

The Catalog of Federal Domestic Assistance Program number is 14.156.

Accordingly, Schedule A of Part 888 is amended as set forth below:

(Sec. 7(d) Department of HUD Act (42 U.S.C. 3335(d)))


Philip D. Winn,
Assistant Secretary for Housing—Federal Housing Commissioner.

**PART 888—SECTION 8 HOUSING ASSISTANCE PAYMENTS PROGRAM—FAIR MARKET RENTS AND CONTRACT RENT AUTOMATIC ANNUAL ADJUSTMENT FACTORS**

Schedule A—Fair Market Rents for New Construction and Substantial Rehabilitation (Including Housing Finance and Development Agencies Program)

These schedules of Fair Market Rents have been trended ahead to October 1, 1982, to update the current Fair Market Rent schedules which these revised rent schedules will replace.

Note.—The Fair Market Rent for (1) dwelling units designed for the elderly or handicapped are those for the appropriate size units, not to exceed 2 bedrooms for the elderly, multiplied by 1.05 rounded to the nearest-whole dollar; (2) congregate housing dwelling units are the same as for noncongregate units, and (3) single room occupations units are those for zero bedroom units of the same type.

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**DEPARTMENT OF THE INTERIOR**

**Bureau of Indian Affairs**

25 CFR Parts 103a and 103b

Indian Moneys, Proceeds of Labor; Special Deposits

**AGENCY:** Bureau of Indian Affairs, Interior.

**ACTION:** Final rule.

**SUMMARY:** The Department of the Interior hereby adds a new part to its regulations to establish two new internal accounting procedures. Part 103a establishes regulations dealing with the source, deposit, investment, and use of federal moneys classified as "Indian Moneys, Proceeds of Labor." Part 103b prescribes policies governing the handling of "Special Deposits" by the Bureau.

**EFFECTIVE DATE:** September 30, 1981.

**FOR FURTHER INFORMATION CONTACT:** Thomas A. Stangl, Chief, Division of Program Development & Implementation, Bureau of Indian Affairs, Room 303, 1951 Constitution Avenue, N.W., Washington, D.C. 20245, telephone number (202) 334-6955.

**SUPPLEMENTARY INFORMATION:** On November 30, 1980 there were published in the Federal Register (45 FR 22669) proposed regulations for Indian Moneys, Proceeds of Labor and Special Deposits.

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</tbody>
</table>

**BILLING CODE: 4210-01-M**
performance, or (2) subject to immediate return on demand of the depositor. The commentator provided an example as follows: "A timber purchaser or an oil company deposits funds with the intent that these will be refunded after the land is restored to the approved condition. Under the proposed regulations, these would be in non-interest-bearing accounts. However, often, for various reasons, these funds are forfeited and distributed to the Indian owners of the land. In those cases, under the proposed regulations, the owners would not receive any interest. Since the failure of utility firms to pay interest on deposits has recently been the subject of court decisions resulting in changes in the companies’ methods, we assume that failure to pay interest on performance deposits to account holders when it is paid on other SD accounts could also be subject to legal challenge."

To satisfy the criticisms which were received, and after consulting further with the commenters and the members of the Task Force who drafted the proposed regulations, Part 103b has been revised as follows:

Part 103b, Special Deposits, has been revised to delete the references to "eligible principal accounts" and to change the method of crediting interest to special deposit accounts.

Section 103b.5 has been deleted and § 103.2(c), (d), (e) and (f) have been renumbered as § 103.2(b), (c), (d) and (e).

Section 103b.3 has been revised to provide for the investment of funds deposited for the purpose of guaranteeing performance. This change was made because of comments we received to the effect that there is often no way to know for certain at the time of deposit which deposits will be returned to the depositor and which will go to an individual or tribe. Comments also were received to the effect that we expect contractors to be more willing to make deposits guaranteeing performance and to make a greater effort to assure that the performance bonds are not forfeited if these funds earn interest. Thus, the ultimate beneficiaries are the Indian individuals and tribes. Section 103b.3(b)(2) has been deleted as unnecessary because no demand funds are placed in this account.

Section 103b.4 has been rewritten to provide for a different method of crediting interest on special deposits, correcting a procedure about which many negative comments were received. Many complained about the unnecessarily burdensome procedure which would create a tremendous increase in workload without benefits commensurate with the unavoidable deterioration of other services to individual account holders. These sections as rewritten, will also correct certain inequities under the draft regulations, wherein a deposit, made on February 15 and disbursed on May 15, would not be entitled to any interest because it was not on deposit for 60 calendar days during any interest period.

Parts 103a and 103b apply only to the internal operations of the Bureau. Part 103a deals with the source, deposit, investment, and use of federal moneys classified as "Indian Moneys, Proceeds of Labor". Part 103b deals with deposit, investment, and distribution of interest on special deposit funds. Therefore, the 30-day deferred effective date is dispensed with under the exception provided in subsection (d)(3) of § 5 U.S.C. 553 (1976). Accordingly, these regulations will become effective upon the date of publication in the Federal Register, except that Part 103b will also apply to interest accruing from April 1, 1981.

The primary author of this rule is Thomas A. Stangl (address as above).

This final rule is published in accordance with rulemaking authority delegated by the Secretary of the Interior to the Assistant Secretary—Indian Affairs by 209 DM 8.

The Department of the Interior has determined that this document is not a major rule under the criteria established by Executive Order 12291 and does not have a significant economic effect on a substantial number of small entities under the criteria established by the Regulatory Flexibility Act.

Subchapter J of Chapter I of Title 25 of the Code of Federal Regulations is amended by the addition of two parts to read as follows:

PART 103a—INDIAN MONEYS, PROCEEDS OF LABOR (IMPL)
Sec. 103a.1 Purpose and scope.
103a.2 Definitions.
103a.3 Sources of IMPL funds.
103a.4 Collection and deposit of IMPL funds.
103a.5 Investment of IMPL funds.
103a.6 Expenditure and use of IMPL funds.
103a.7 Development and approval of IMPL use plans.
103a.8 Limitations on use of IMPL funds.

§ 103a.1 Purpose and scope.
The purpose of these regulations is to set forth the conditions governing the receipt, deposit, investment, and use of miscellaneous revenues derived from BIA agencies and schools under the Act of March 3, 1893, as amended (25 U.S.C. 155). These regulations apply only to income belonging to the federal government and not to tribal funds or moneys belonging to individual Indians.

§ 103a.2 Definitions.
(a) "Agency" means any field office of the Bureau officially designated as an Indian agency and which provides direct services at the local level to Indians and Indian tribes, who are recognized by the Bureau as eligible for federal services to Indians because of their status as Indians.
(b) "Agency Superintendent" means the Bureau official in charge of a Bureau agency.
(c) "Bureau" of "BIA" means the Bureau of Indian Affairs, Department of the Interior.
(d) "Enterprise operation" means an economic activity operated at a Bureau agency or school which is designated to provide goods or services where such goods or services are not available or are not provided in an effective or satisfactory manner, or which has as its primary purpose enhancement of the educational experience of Indian students and is only incidentally commercial in nature.
(e) "IMPL funds" means all miscellaneous revenues included within the definition of IMPL receipts under section 103a.3 of this Part which are covered into the U.S. Treasury as federal trust funds under Account 14X8500, Indian Moneys, Proceeds of Labor.
(g) "Project basis" means a short-term Bureau program at an agency or school aimed at a specific objective which can usually be accomplished within one year's time, and which supplants ongoing Bureau programs of a more permanent nature.
(h) "School" includes any school operated directly by the Bureau or by an Indian tribe or organization pursuant to a Pub. L. 638 contract except that tribally controlled previously private contract schools are not included within the term "school" for the purpose of § 103a.3(a)(1) of this Part.
(i) "School Supervisor" means the Bureau official in charge of a Bureau school.

§ 103a.3 Sources of IMPL funds.
(a) IMPL receipts include—
§ 103a.7 Development and approval of IMPL use plans.

(a) Each agency superintendent, school supervisor, or other Bureau official responsible for a Bureau school or agency shall submit an annual IMPL program plan for the expenditure of IMPL funds held for, and IMPL receipts accruing to, such agency or school. Program plans will be developed within the budget cycle and will utilize guidelines, forms, exhibits, justifications, costs principles, and other procedures developed within the Bureau's financial management system.

(b) Each program plan shall be reviewed and approved or disapproved by the Bureau official having direct line authority over such agency superintendent, school supervisor, or other appropriate Bureau official.

(c) All expenditures of IMPL funds shall be in accordance with such program plan and any amendments or revisions thereto. Expenditures under "IMPL" use plans are subject to the same audit, review, and investigation as expenditures of appropriated funds under other Bureau programs.

§ 103a.8 Limitations on use of IMPL funds.

(a) IMPL funds may not be expended as part of a Pub. L. 638 grant, but may be expended under a separate Pub. L. 638 contract which supplements a program pursuant to a Pub. L. 638 grant.

(b) IMPL funds will not be expended for the construction or major alteration and improvement of federal facilities, except as specifically authorized in the Bureau's annual budget or in case of emergency approved by the Commissioner of Indian Affairs.

(c) IMPL funds may not be expended to acquire lands for tribes or for the construction of tribal facilities, or for the operation and maintenance of tribal facilities except where such expenditure represents a portion of Bureau program costs in situations where such costs are paid by the Bureau in lieu of rent.

(d) IMPL funds may not be expended for any other use which, from time to time, may be excluded by executive order or by administrative limitations issued by the Secretary of the Interior, or his authorized representative.

PART 103B—SPECIAL DEPOSITS

Sec. 103b.1 Purpose and scope.

103b.2 Definitions.

103b.3 Investment of special deposit funds.

103b.4 Payment and distribution of interest on special deposit funds.


§ 103b.1 Purpose and scope.

The purpose of these regulations is to set forth the conditions governing the deposit, investment, and distribution of interest on funds held by the Bureau in special deposits.

§ 103b.2 Definitions.

(a) "Bureau" or "BIA" means the Bureau of Indian Affairs, Department of the Interior.

(b) "IMPL account" means Account 14X6500, Indian Moneys, Proceeds of Labor, U.S. Treasury.

(c) "Principal account" means each separate payroll or deposit of money to the Bureau which is held as a special deposit.

(d) "Proportionately" means in the same proportion that the amount of each principal account bears to the total amount of all principal accounts.

(e) "Special deposit" means any suspense account used for the temporary deposit of funds which cannot be credited to specific accounts or readily distributed, including, but not limited to, (1) advance deposits required when bidding on and awaiting approval of muncing leases on trust or restricted Indian lands, including oil, gas, coal, and other minerals, (2) advance deposits on other leases and permits for such Indian lands, (3) advance payments and advance deposits required on sales of timber and other natural resources from such Indian lands, (4) deposits for rights of way over such Indian lands and anticipated right-of-way damages held until such damages are determined, and (5) deposits for grazing fees on such Indian lands.

(f) "Special deposit funds" means those funds held in special deposits.

§ 103b.3 Investment of special deposit funds.

It is the policy of the Bureau to invest all special deposit funds which have been paid to the Bureau on behalf of Indians or Indian tribes pending the eventual payment for the sale, lease, or other transfer of tribal or individual Indian property and funds which are deposited solely for the purpose of guaranteeing performance.
§ 102b.4 Payment and distribution of interest on special deposit funds.

(a) It is the general policy of the Bureau that interest and earnings from the investment of special deposit funds be credited to the principal accounts upon which the interest was earned. Therefore, interest and earnings from special deposit funds will not be deposited into the Bureau's IMPL account, except as expressly provided in this section.

(b) At the time that a withdrawal is made from a special deposit account, the interest earned by the principal account being withdrawn will be computed and withdrawn from the account as a part of the same transaction. The interest earned by the subject principal amount will be computed into two parts:

1. The portion of interest credited during the prior interest period which was attributable to the principal; and
2. The portion of interest which has been earned by this principal amount but has not yet been credited to the account because the interest period is not complete. This will be computed by using the month-end balances since the last interest period times the last period's factor.

(c) Interest earned from the investment of funds on special deposit accounts which have less than the minimum average month-end balances as determined by the Division of Accounting Management will be credited to the Agency's IMPL account.

Kenneth Smith,
Assistant Secretary—Indian Affairs.

DEPARTMENT OF DEFENSE

Corps of Engineers, Department of the Army

33 CFR Parts 209, 290, 291, 292, 293, 294, 295, and 393

Internal Water Resources Planning; Cancellation of Regulations

AGENCY: Army Corps of Engineers, DOD.

ACTION: Final rule; revocation.

SUMMARY: On March 27, 1981, the Civil Works Planning Division, Office of the Chief of Engineers completed an audit of all of its internal water resources planning regulations as a first phase of a Regulation Reform Action Program (RRAP). The objectives of RRAP are to streamline and consolidate planning guidance. As a result of the work accomplished in Phase II, the U.S. Army Corps of Engineers, DOD hereby gives notice that its regulations covering the multiobjective planning process, plan development stages, public meetings, and the system of accounts are revoked and removed.

EFFECTIVE DATE: September 30, 1981.

FOR FURTHER INFORMATION CONTACT: Dr. James F. Johnson, Planning Division, Directorate of Civil Works, US Army Corps of Engineers, HQ, USACE (DARN-CWP), WASH, DC 20314, telephone (202) 272-0146.


33 CFR Part 291, Plan Development Stages, provides guidance for carrying out a staged planning process. Plan development stages are no longer required as part of the planning process. A Corps regulation is not required.

33 CFR Part 292, Problem Identification, provides guidance for carrying out the problem identification element of multiobjective planning. This subject is adequately covered by Water Resources Council procedures, 18 CFR Part 711. A Corps regulation is no longer required.

33 CFR Part 293, Formulation of Alternatives provides guidance for formulating alternative plans. This subject is adequately covered by Water Resources Council procedures, 18 CFR Part 711. A Corps regulation is no longer required.

33 CFR Part 294, Evaluation, provides guidance on the evaluation of alternative plans. This subject is covered by Water Resources Council procedures, 18 CFR Part 711. A Corps regulation is no longer required.

33 CFR Part 295, Public Meetings, provides guidance for holding public meetings as part of the planning process. Public meetings are no longer specifically required. They will be used, as appropriate, in accordance with overall public involvement policy. A regulation is no longer required.

33 CFR Part 393, Feasibility Reports: System of Accounts, provides guidance for displaying the results of plan evaluation. The subject is covered by Water Resources Council procedures, 18 CFR Part 711. A Corps regulation is no longer required.

PARTS 290, 291, 292, 293, 294, 295, AND 393 [RESERVED]

§ 209.405 [Removed]

Therefore, 33 CFR Parts 290, 291, 292, 293, 294, 295, 290.405 and 393 are hereby removed, revoked, and reserved.

Dated: September 10, 1981.

For the Chief of Engineers.

Richard T. Robinson,
Colonel, Corps of Engineers, Executive Director, Engineer Staff.

[FR Doc. 81-20450 Filed 9-29-81; 8:45 am]
BILLING CODE 7545-01-M

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NATIONAL LABOR RELATIONS BOARD

29 CFR Part 102

Procedural Rules; Restatement and Clarification

AGENCY: National Labor Relations Board.

ACTION: Final rule; correction.

SUMMARY: The National Labor Relations Board is making a technical correction to its restatement and clarification of procedural rules which was published in the Federal Register of September 15, 1981, at 46 FR 45922-45924.

FOR FURTHER INFORMATION CONTACT: John C. Truesdale, Executive Secretary, National Labor Relations Board, 1717 Pennsylvania Avenue NW., Washington, D.C. 20570, Telephone (202) 254-9430.