(formerly: MetWest-BPL Toxicology Laboratory)
Universal Toxicology Laboratories, LLC, 10210 W. Highway 80, Midland, Texas 79706, 915–561–8851/888–953–8851
UTMB Pathology-Toxicology Laboratory, University of Texas Medical Branch, Clinical Chemistry Division, 301 University Boulevard, Room 5.158, Old John Sealy, Galveston, Texas 77555–0551, 409–772–3197

* The Standards Council of Canada (SCC) voted to end its Laboratory Accreditation Program for Substance Abuse (LAPSA) effective May 12, 1998. Laboratories certified through that program were accredited to conduct forensic urine drug testing as required by U.S. Department of Transportation (DOT) regulations. As of that date, the certification of those accredited Canadian laboratories will continue under DOT authority. The responsibility for conducting quarterly performance testing plus periodic on-site inspections of those LAPSA-accredited laboratories was transferred to the U.S. DHHS, with the DHHS' National Laboratory Certification Program (NLCP) contractor continuing to have an active role in the performance testing and laboratory inspection processes. Other Canadian laboratories wishing to be considered for the NLCP may apply directly to the NLCP contractor just as U.S. laboratories do.

Upon finding a Canadian laboratory to be qualified, the DHHS will recommend that DOT certify the laboratory (**Federal Register**, 16 July 1996) as meeting the minimum standards of the ''Mandatory Guidelines for Workplace Drug Testing'' (59 **Federal Register**, 9 June 1994, Pages 29908–29931). After receiving the DOT certification, the laboratory will be included in the monthly list of DHHS certified laboratories and participate in the NLCP certification maintenance program.

Richard Kopanda,

Executive Officer, Substance Abuse and Mental Health Services Administration.

[FR Doc. 99–11190 Filed 5–3–99; 8:45 am]

BILLING CODE 4160–20–U

DEPARTMENT OF HEALTH AND HUMAN SERVICES

Substance Abuse and Mental Health Services Administration

Supplemental Grant Award to Pace/Orchard Place-Child Guidance, Inc. in Des Moines, Iowa

AGENCY: Center for Substance Abuse Prevention (CSAP), Substance Abuse and Mental Health Services Administration (SAMHSA), HHS

ACTION: Availability of grant funds for Pace/Orchard Place-Child Guidance, Inc. to supplement the substance abuse prevention program for youth at risk for gang involvement and/or first involvement in juvenile with a family strengthening component.

SUMMARY: This notice is to inform the public of a planned $250,000 grant award to Pace/Orchard Place-Child Guidance, Inc. in Des Moines, Iowa to support the Iowa Youth Substance Abuse Prevention Community-Based Initiative. This is not a formal request for applications; assistance will be provided only to Pace/Orchard Place-Child Guidance, Inc., in Des Moines, Iowa. The purpose of the award is to strengthen the families of youth in Des Moines, Iowa at risk for gang involvement and/or first involvement in juvenile court. This program is intended to enhance the substance abuse prevention program provided to these youth, under the prior announcement entitled Iowa Youth Substance Abuse Prevention Community-Based Initiative Guidance for Applicants (GFA) No. SP 97–006, for Davenport and Des Moines, Iowa. This new GFA solicits an application from PACE/Orchard Place-Child Guidance, Inc. in Des Moines, Iowa, to support the existing program SAMHSA first funded in 1997, which expanded substance abuse prevention services among youth gang members in Des Moines and Davenport, Iowa, and encouraged the implementation of substance abuse prevention programs for youth who are vulnerable to gang involvement and the first stages of involvement in juvenile court. CSAP will make this award if the application is recommended for approval by the Initial Review Group and the CSAP National Advisory Council.

This will be a sole source supplement to PACE/Orchard Place-Child guidance, Inc. of Des Moines, Iowa due to the ease of expansion and enhancement of the existing successful program with a family strengthening component, and for the following reasons: (1) PACE/Orchard Place-Child Guidance, Inc. is the only private agency in Iowa with current experience working with substance abuse, delinquency prevention, and truancy reduction in the Des Moines public schools. PACE/Orchard Place-Child Guidance, Inc. is also the primary private provider of preventive services under contract with Polk County Juvenile Court; (2) Iowa is one of a few States with Federal and State coordination in this area. CSAP is currently funding Iowa to serve as a national model for coordinating Federal substance abuse prevention funds and activities with the Iowa Departments of Education, Human Rights, Human Services, Public Safety, the Iowa Governor's Alliance on Substance Abuse and three State universities; and (3) The location of PACE/Orchard Place-Child Guidance, Inc. in Des Moines, Iowa builds on the experiences of this city in addressing substance abuse among gang members. This serves as a relatively confined model, not possible in larger problem areas, of what benefits can accrue when multi-level State collaboration and Federal participation merge in addressing this subgroup.

Therefore PACE/Orchard Place-Child Guidance, Inc. presents unique opportunities to exploit this Federal and State-level coordination in relation to substance abuse prevention services directed at substance abuse among youthful gang members due to its previously established activities in Des Moines.

Consistent with the above discussion, eligibility to apply for funds under this initiative in Iowa is limited to PACE/Orchard Place-Child Guidance, Inc., in Des Moines, Iowa, the only organization currently experienced in working with the required entities thus ensuring no funds need be spent on time lost in bringing the recipient to the required performance level of expertise for this project.

Authority: The cooperative agreement will be made under the authority of section 501(d)(5) of the Public Health Service Act, as amended (42 U.S.C. 290aa). The Catalog of Federal Domestic Assistance number for this program is 93.144.

Contact: Soledad Sambrano, Ph.D., Division of Knowledge Development and Evaluation, Center for Substance Abuse Prevention, Substance Abuse and Mental Health Services Administration, Rockwall II, Suite 1075, 5600 Fishers Lane, Rockville, MD 20857, (301) 443–9110.

Dated: April 27, 1999.

Richard Kopanda

Executive Officer, SAMHSA

[FR Doc. 99–11188 Filed 5–3–99; 8:45 am]

BILLING CODE 4162–20–P

DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

[Docket No. FR–4417–N–01]

Publication of OIG Program Fraud Alert: Fraud and Abuse in Multifamily Mortgage Insurance Programs

AGENCY: Office of Inspector General (OIG), HUD.

ACTION: Notice.

SUMMARY: This notice sets forth an OIG Program Fraud Alert concerning fraud and abuse practices involving the misuse of funds intended to support the operation of multifamily rental housing projects with HUD insured mortgages.

Program Fraud Alerts address national trends in housing fraud. This notice specifically identifies and highlights violations of applicable statutes and HUD requirements involving the misuse or diversion of project assets or income by project owners or management agents, referred to throughout this notice as ''equity skimming.''

FOR FURTHER INFORMATION CONTACT: David J. Derecola, OIG/Office of Audit, Department of Housing and Urban Development, 451 Seventh Street, SW, Washington, DC 20410, telephone number 202–708–3444, ext. 124. Hearing- or speech-impaired individuals may access this number via TTY by calling the Federal Information Relay Service at 1–800–877–8399.

SUPPLEMENTARY INFORMATION:

I. Background

The Office of Inspector General (OIG) issues Program Fraud Alerts based on information it obtains concerning particular fraudulent and abusive practices in HUD programs. Program Fraud Alerts provide the OIG with a means of notifying the public that we have become aware of certain abusive practices which we are pursuing criminally, civilly, or administratively, as appropriate. Program Fraud Alerts also serve as an effective tool to encourage compliance by program participants and provide them an opportunity to examine their own practices.

This is our first Program Fraud Alert to be published in the **Federal Register**. We intend to publish future Program Fraud Alerts in this same manner as a regular part of our dissemination of such information.

With regard to HUD's multifamily housing mortgage insurance programs, this Program Fraud Alert discusses: (1) The nature of HUD's multifamily mortgage insurance programs; (2) the vulnerabilities of multifamily projects to equity skimming; and (3) the use of OIG's anti-fraud initiative—Operation Safe Home—to combat equity skimming.

Program Fraud Alert: Equity Skimming in HUD Multifamily Housing Mortgage Insurance Programs

The OIG was established at the Department of Housing and Urban Development by Congress to identify and eliminate fraud, abuse, and waste in the Department's programs and to promote efficiency and economy in departmental operations. The OIG carries out this mission through independent and objective audits and investigations. To reduce fraud and abuse in HUD's housing programs, the OIG actively pursues the investigation of fraudulent schemes that illegally seek to obtain money or other benefits from these programs. A common practice for illegally taking money from projects is equity skimming. Equity skimming is costly both to the residents of rental housing projects and the taxpayers who subsidize the projects through HUD programs.

Multifamily Housing Mortgage Insurance Programs

The National Housing Act, as amended, authorizes HUD to provide insurance to private lenders who make financing available to owners of multifamily housing projects. In return, the owner agrees to operate the projects in a manner that provides affordable and well maintained housing for tenants and protects the financial interests of the Federal government. As a condition of providing insurance, owners must sign a Regulatory Agreement with HUD. Provisions in the Regulatory Agreement specify that expenditures must be reasonable and necessary to the project and further limit the circumstances and manner in which the owner may take cash or other assets out of the project.

HUD has about $45 billion of insurance in force on mortgage loans for about 15,000 multifamily rental properties. About 75 percent of the FHA-insured projects also receive some form of direct rental subsidy on behalf of tenants from HUD.

What Is Equity Skimming In HUD Multifamily Housing Programs?

Equity skimming is the willful misuse of any part of the rents, assets, proceeds, income or other funds derived from the project covered by the mortgage. The use of project assets or income for other than reasonable operating expenses and necessary repairs, or for the payment of unauthorized distributions to the owner, constitutes a violation of the Regulatory Agreement between the owner and HUD.

The misuse or diversion of project assets and income by owners of insured multifamily projects plays a significant part in the realization of losses to the FHA insurance funds. Further, equity skimming deprives projects of needed funds for repairs and maintenance. This in turn contributes to the financial and physical deterioration of projects and the resultant substandard living conditions for the families who depend upon the Federal government to provide housing. The communities where these projects are located also suffer because they become the breeding ground for crime, violence, and drugs.

What Are the Penalties for Misusing Project Funds?

The use of project funds in violation of the Regulatory Agreement is actionable civilly under the Double Damages Statute, 12 U.S.C. 1715z-4a. The Double Damages Statute permits the government to recover double the value of any assets or income of a project that the court determines to have been used in violation of a Regulatory Agreement, regulation or other form of regulatory control that has been imposed by the Secretary of HUD. The use of assets or income in violation of the regulatory agreement includes any use for which the documentation in the books and accounts does not establish that the use was made for reasonable operating expenses or necessary repair of the project. In addition, the government can recover any and all costs relating to its lawsuit for such damages, including reasonable attorney and auditing fees. The Double Damages Statute considers the use of project assets or income without adequate documentation as a prima facie case that the assets or income were used in violation of the Regulatory Agreement. Consequently, the Double Damages Statute can be used to recover costs that are not adequately documented by the owner. HUD does not have to prove criminal intent. Action can be taken against any person violating the statute which owns a project, as identified in the Regulatory Agreement, including but not limited to any stockholder holding 25 percent or more interest of a corporation that owns the project; any beneficial owner under any business or trust; any officer, director, or partner of an entity owning the project; and any heir, assignee, successor in interest, or agent of any owner.

The misuse of project funds can also be prosecuted as a criminal matter under 12 U.S.C. 1715z–19. Under the criminal statute, equity skimming is defined as willfully using or authorizing ''the use of any part of the rents, assets, proceeds, income or other funds derived from the property for any purpose other than to meet actual or necessary expense * * * in a period during which the mortgage note is in default or the project is in a nonsurplus cash position, as defined by the regulatory agreement, * * *'' Violation of this provision is a felony and can be punished by up to five years imprisonment and fines up to $500,000.

HUD's Anti-Crime Initiative

On February 4, 1994, Vice President Gore, former HUD Secretary Cisneros, Attorney General Reno, former Treasury

Secretary Bentsen, and former National Drug Control Policy Director Brown announced ''OPERATION SAFE HOME'' in a joint press conference at the White House. Three major types of crime affecting HUD programs were targeted by Operation Safe Home:

- Equity skimming in multifamily insured projects;
- Violent crime in public and assisted housing; and
- Fraud in the administration of public housing.

Implemented at HUD by the OIG, Operation Safe Home brings the coordinated resources and expertise of federal, State, and local law enforcement agencies to bear on crime in public and assisted housing. Operation Safe Home represents the OIG's commitment to focus resources on combating areas of high vulnerability and to hold such focus until the vulnerabilities are reduced to an acceptable level—the primary mission of HUD's OIG.

As part of Operation Safe Home, OIG has initiated an aggressive proactive effort to pursue civil litigation and criminal prosecution against owners of multifamily housing projects who misuse project operating funds—the equity skimming effort. A primary objective of the equity skimming effort is to create an enforcement program that provides an effective deterrent and recovery mechanism for the misuse of income and assets at projects having HUD insured mortgages.

OIG identifies and pursues, with the assistance of the U.S. Attorneys and HUD officials, the recovery of funds diverted from projects. Assistant U.S. Attorneys throughout the nation have played a significant role in the success realized by Operation Safe Home in cracking down on equity skimming in HUD's housing programs. Funds recovered in this manner can be directed at improving living conditions for the tenants and minimizing financial losses to HUD.

What Are the More Common Types of Equity Skimming?

If the project is in a non-surplus cash position or is in default, the following actions would most likely constitute equity skimming:

- Distributions or withdrawal of cash;
- Repayment of advances made to the project by the owner/agent;
- Lending funds to owners, partners, affiliates or the management agent;
- Payments of principal and/or interest on any secondary financing unless approved by HUD;
- Splitting of management fees with the project owner;
- Using project funds to purchase equipment or services not for use by the project;
- Paying more for services and supplies than could be procured on the open market;
- Payment of construction or rehabilitation costs from operations that should have been paid from mortgage proceeds;
- Payments to consultants, attorneys, accountants for partnership activities, which are not reasonable and necessary operating expenses of the project; and
- Payments on personal or other business loans.

Project owners and management agents need to be aware of these common ineligible expenditures or misuses of funds, and need to avoid using project funds in these ways. Owners must remember that a project with a HUD insured mortgage is not like other rental properties they may own. Owners agree to certain restrictions regarding the use of project income and assets before becoming involved with HUD insured mortgages. Given the strong civil and criminal penalties which can be imposed for such violations, it is in the best interest of all project owners and agents to ensure adherence to the terms of their Regulatory Agreements.

What To Do if You Suspect Fraud Involving HUD's Multifamily Housing Programs?

If you have information about the misuse of project funds as described above, contact any of the district offices of the Office of Inspector General in HUD listed below, or call the OIG Hotline toll free at 1–800–347–3735 or any local HUD program office.

Office of Inspector General District Offices

New England (CT, MA, ME, NH, RI, VT), District Inspector General for Audit, (617) 565–5259, Special Agent in Charge, (617) 565–5293, Thomas P. O'Neill, Jr., Federal Bldg., 10 Causeway Street, Boston, MA 02222–1092

New York/New Jersey (NJ, NY), District Inspector General for Audit, (212) 264–8000, Special Agent in Charge, (212) 264–8062, 26 Federal Plaza, Suite 3430, New York, NY 10278–0068

Mid Atlantic (DE, MD, PA, VA, WV), District Inspector General for Audit, (215) 656–3401, Special Agent in Charge, (215) 656–3410, The Wanamaker Bldg., 100 Penn Square East, Philadelphia, PA 19107–3390

Southeast/Caribbean AL, FL, GA, KY, MS, NC, PR, SC, TN), District Inspector General for Audit, (404) 331–3369, Special Agent in Charge, (404) 331–5159, Richard B. Russell Federal Bldg., 75 Spring Street, S.W., Atlanta, GA 30303–3388

Midwest (IL, IN, MI, MN, OH, WI), District Inspector General for Audit, (312) 353–7832, Special Agent in Charge, (312) 353–4196, Ralph H. Metcalf Federal Bldg., 77 West Jackson Blvd., Chicago, IL 60604–3507

Southwest (AR, LA, NM, OK, TX), District Inspector General for Audit, (817) 978–9309, Special Agent in Charge, (817) 978–9310, P.O. Box 2905, 1600 Trockmorton, Fort Worth, TX 76113–2905

Great Plains (IA, KS, MO, NE), District Inspector General for Audit, (913) 551–5871, Special Agent in Charge, (913) 551–5866, Gateway Tower II, 5th Floor, 400 State Avenue, Kansas City, KS 66101–2406

Rocky Mountains (CO, MT, ND, SD, UT, WY), District Inspector General for Audit, (303) 672–5452, Special Agent in Charge, (303) 672–5449, First Interstate Tower North, 633 Seventeenth Street, Denver, CO 08202–3607

Pacific/Hawaii (AZ, CA, HI, NV), District Inspector General for Audit, (415) 436–8101, Special Agent in Charge, (415) 436–8108, 450 Golden Gate Avenue, P. O. Box 36003, San Francisco, CA 94102–3348

Northwest/Alaska (AK, ID, OR, WA), District Inspector General for Audit, (206) 220–5360, Special Agent in Charge, (206) 220–5380, Seattle Federal Office Bldg., 909 1st Avenue, Suite 200, Seattle, WA 98101–1000

Capital Office (DC), District Inspector General for Audit, (202) 708–2650, Special Agent in Charge, (202) 708–0387, 451 7th Street, S.W., Room 8256, Washington, DC 20410–4500

Dated: March 29, 1999.

Susan Gaffney,

Inspector General.

[FR Doc. 99–11061 Filed 5–3–99; 8:45 am]

BILLING CODE 4210–01–P

DEPARTMENT OF THE INTERIOR

Fish and Wildlife Service

Availability of Draft Comprehensive Conservation Plan and Environmental Assessment for Fort Niobrara National Wildlife Refuge and Draft Comprehensive Conservation Plan and Environmental Assessment for Valentine National Wildlife Refuge, Valentine, NE

AGENCY: Fish and Wildlife Service, interior.

ACTION: Notice of availability

SUMMARY: Pursuant to the Refuge Improvement Act of 1997, the U.S. Fish and Wildlife Service has published the Fort Niobrara National Wildlife Refuge Draft Comprehensive Conservation Plan and Environmental Assessment and the Valentine National Wildlife Refuge Draft Comprehensive Conservation Plan and Environmental Assessment. These Plans describes how the FWS intends to manage both the Fort Niobrara and Valentine NWRs for the next 10–15 years.