

+ (20 log<sub>10</sub>(RF) (in GHz)) measured at 2 KHz\*RF (in GHz) from carrier;

(16) "Space-qualified" star tracker or star sensor with angular accuracy less than or equal to 1 arcsec in all three axes and a tracking rate equal to or greater than 3.0 deg/sec, and specially designed parts and components therefor (MT);

\*(17) Secondary or hosted payload, and specially designed parts and components therefor, that perform any of the functions described in paragraph (a) of this category;

\*(18) Department of Defense-funded secondary or hosted payload, and specially designed parts and components therefor; or

(19) Spacecraft re-entry vehicles, and specially designed parts and components therefor, as follows (MT if usable in rockets, SLVs, missiles, drones, or UAVs capable of delivering a "payload" of at least 500 kg to a "range" of at least 300 km):

(i) Heat shields, and components therefore, fabricated of ceramic or ablative materials;

(ii) Heat sinks and components therefore, fabricated of light-weight, high heat capacity materials; or

(iii) Electronic equipment specially designed for spacecraft re-entry vehicles;

**Note to paragraph (e)(19):** For definition of "range" as it pertains to aircraft systems, see note to paragraph (c)(4) of this category. For definition of "range" as it pertains to rocket systems, see note to paragraph (f)(6) of USML Category VI.

\*(20) Any part, component, accessory, attachment, equipment, or system that (i) is classified;

(ii) Contains classified software; or

(iii) Is being developed using classified information.

"Classified" means classified pursuant to Executive Order 13526, or predecessor order, and a security classification guide developed pursuant thereto or equivalent, or to the corresponding classification rules of another government or international organization.

**Note 1 to paragraph (e):** Parts, components, accessories, and attachments specially designed for spacecraft enumerated in this category but not listed in paragraph (e) are subject to the EAR.

**Note 2 to paragraph (e):** For the purposes of this paragraph, an article is "space-qualified" if it is designed, manufactured, or qualified through successful testing, for operation at altitudes greater than 100 km above the surface of the Earth. **Notes:** (1) A determination that a specific article (or commodity) (e.g., by product serial number) is "space-qualified" by virtue of testing does

not mean that other articles in the same production run or model series are "space-qualified" if not individually tested. (2) "Article" is synonymous with "commodity," as defined in EAR § 772.1. (3) A specific article not designed or manufactured for use at altitudes greater than 100 km above the surface of the Earth is not "space-qualified" before it is successfully tested.

(f) Technical data (see § 120.10 of this subchapter) and defense services (see § 120.9 of this subchapter) directly related to the defense articles enumerated in paragraphs (a) through (e) of this category and classified technical data directly related to items controlled in ECCNs 9A515, 9B515, 9C515, and 9D515 and defense services using the classified technical data. (See § 125.4 of this subchapter for exemptions.) (MT for technical data and defense services related to articles designated as such.)

(g)-(w) [Reserved]

(x) Commodities, software, and technical data subject to the EAR (see § 120.42 of this subchapter) used in or with defense articles controlled in this category.

**Note to paragraph (x):** Use of this paragraph is limited to license applications for defense articles controlled in this category where the purchase documentation includes commodities, software, or technical data subject to the EAR (see § 123.1(b) of this subchapter).

\* \* \* \* \*

## PART 124—AGREEMENTS, OFF-SHORE PROCUREMENT, AND OTHER DEFENSE SERVICES

■ 5. The authority citation for part 124 is revised it to read as follows:

**Authority:** Secs. 2, 38, and 71, Pub. L. 90-629, 90 Stat. 744 (22 U.S.C. 2752, 2778, 2797); 22 U.S.C. 2651a; 22 U.S.C. 2776; Pub. L. 105-261; Pub. L. 111-266; Section 1261, Pub. L. 112-239; E.O. 13637, 78 FR 16129.

■ 6. In § 124.1, paragraph (a) is revised to read as follows:

### § 124.1 Manufacturing license agreements and technical assistance agreements.

(a) *Approval.* The approval of the Directorate of Defense Trade Controls must be obtained before the defense services described in § 120.9(a) of this subchapter may be furnished. In order to obtain such approval, the U.S. person must submit a proposed agreement to the Directorate of Defense Trade Controls. Such agreements are generally characterized as manufacturing license agreements, technical assistance agreements, distribution agreements, or off-shore procurement agreements, and may not enter into force without the prior written approval of the Directorate

of Defense Trade Controls. Once approved, the defense services described in the agreements may generally be provided without further licensing in accordance with §§ 124.3 and 125.4(b)(2) of this subchapter. In exceptional cases, the Directorate of Defense Trade Controls, upon written request, will consider approving the provision of defense services described in § 120.9(a) of this subchapter by granting a license under part 125 of this subchapter.

\* \* \* \* \*

■ 7. Section 124.2 is amended by revising the section header, removing and reserving paragraphs (a) and (b), and revising paragraph (c) introductory text to read as follows:

### § 124.2 Exemptions for training and related technical data.

\* \* \* \* \*

(c) For NATO countries, Australia, Japan, and Sweden, in addition to the basic maintenance information exemption in § 125.4(b)(5) of this subchapter, no technical assistance agreement is required for maintenance training or the performance of maintenance, including the export of supporting technical data, when the following criteria can be met:

\* \* \* \* \*

Dated: May 14, 2013.

**Rose E. Gottemoeller,**

*Acting Under Secretary, Arms Control and International Security, Department of State.*

[FR Doc. 2013-11985 Filed 5-23-13; 8:45 am]

BILLING CODE 4710-25-P

## DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

### 24 CFR Part 5

[Docket No. FR-5586-P-01]

RIN 2501-AD60

### Pet Ownership for the Elderly or Persons With Disabilities in Multifamily Rental Housing; Accumulation of Deposits for Costs Attributable to Pets

**AGENCY:** Office of the Secretary, HUD.

**ACTION:** Proposed rule.

**SUMMARY:** HUD regulations governing multifamily rental housing for the elderly or persons with disabilities allow for the residents of such housing to own common household pets, subject to the residents' paying a refundable pet deposit. Currently, the regulations require that owners of HUD-assisted multifamily rental housing for the elderly or persons with disabilities

collect the deposit and any increases in the deposit from the pet owner only through gradual accumulation; that is, an initial payment followed by subsequent monthly payments. This requirement does not exist for public housing agencies (PHAs) and owners of other HUD-assisted multifamily rental housing. Rather, HUD regulations provide PHAs and owners of other HUD-assisted multifamily rental housing discretion to determine whether to gradually accumulate a pet deposit and any increases to the pet deposit. This proposed rule would provide owners of HUD-assisted multifamily rental housing for the elderly or persons with disabilities, now subject to the gradual-accumulation pet deposit requirement, with the same flexibility, thereby bringing consistency to the pet deposit requirements for HUD programs and better enabling owners of such housing to handle the costs associated with pet ownership by tenants. This proposed rule only applies to policies for pets and not to service or assistance animals for persons with disabilities.

**DATES:** *Comment Due Date:* July 23, 2013.

**ADDRESSES:** Interested persons are invited to submit comments regarding this proposed rule to the Regulations Division, Office of General Counsel, Department of Housing and Urban Development, 451 7th Street, SW., Room 10276, Washington, DC 20410-0500. Communications must refer to the above docket number and title. There are two methods for submitting public comments. All submissions must refer to the above docket number and title.

**1. Submission of Comments by Mail.** Comments may be submitted by mail to the Regulations Division, Office of General Counsel, Department of Housing and Urban Development, 451 7th Street SW., Room 10276, Washington, DC 20410-0500.

**2. Electronic Submission of Comments.** Interested persons may submit comments electronically through the Federal eRulemaking Portal at [www.regulations.gov](http://www.regulations.gov). HUD strongly encourages commenters to submit comments electronically. Electronic submission of comments allows the commenter maximum time to prepare and submit a comment, ensures timely receipt by HUD, and enables HUD to make them immediately available to the public. Comments submitted electronically through the [www.regulations.gov](http://www.regulations.gov) Web site can be viewed by other commenters and interested members of the public. Commenters should follow the

instructions provided on that site to submit comments electronically.

**Note:** To receive consideration as public comments, comments must be submitted through one of the two methods specified above. Again, all submissions must refer to the docket number and title of the proposed rule. *No Facsimile Comments.* Facsimile (FAX) comments are not acceptable.

**Public Inspection of Public Comments.** All properly submitted comments and communications submitted to HUD will be available for public inspection and copying between 8 a.m. and 5 p.m. weekdays at the above address. Due to security measures at the HUD Headquarters building, an advance appointment to review the public comments must be scheduled by calling the Regulations Division at 202-708-3055 (this is not a toll-free number). Individuals with speech or hearing impairments may access this number via TTY by calling the toll-free Federal Relay Service at 800-877-8339. Copies of all comments submitted are available for inspection and downloading at [www.regulations.gov](http://www.regulations.gov).

**FOR FURTHER INFORMATION CONTACT:**

Marie D. Head, Deputy Assistant Secretary for Multifamily Housing Programs, Department of Housing and Urban Development, 451 7th Street SW., Room 6106, Washington, DC 20410-8000; telephone number 202-708-2495 (this is not a toll-free number). Persons with hearing or speech impairments may access this telephone number through TTY by calling the toll-free Federal Relay Service at 800-877-8339.

**SUPPLEMENTARY INFORMATION:**

**I. Background**

Section 227 of the Housing and Urban-Rural Recovery Act of 1983 (12 U.S.C. 1701r-1), provides for the ownership of common household pets in HUD's public and other HUD-assisted multifamily rental housing for the elderly or persons with disabilities. Section 227(a) provides that no owner or manager of federally assisted housing for the elderly or persons with disabilities<sup>1</sup> may, as a condition of tenancy: (1) Prohibit or prevent any tenant from owning or having common household pets living in the dwelling accommodations or (2) restrict or discriminate against any person in connection with admission to, or continued occupancy of, covered housing because of the ownership of such pets or their presence in the dwelling accommodations. HUD's regulations implementing section 227

<sup>1</sup> The term used in this 1983 statute is "handicapped."

are codified at 24 CFR part 5, subpart C (entitled "Pet Ownership for the Elderly or Persons with Disabilities") (§§ 5.300 to 5.380). These regulations apply to rental housing assisted by HUD under the following programs: (1) The public housing program, (2) programs administered by the Assistant Secretary for Housing—Federal Housing Commissioner, and (3) programs for which the governing regulations are in 24 CFR Chapter VIII.

This rule only addresses HUD programs that fall within the second and third categories; specifically, the: (1) Rent Supplements (24 CFR part 200, subpart W), (2) Rental Assistance Payments (24 CFR part 236, subpart D), (3) Section 8 New Construction (24 CFR part 880), (4) Section 8 Substantial Rehabilitation (24 CFR part 881), (5) Section 8 State Housing Agencies (24 CFR part 883), (6) Section 8 Set-Aside for Rural Rental Housing Projects (24 CFR part 884), (7) Section 8 Loan Management Set-Aside and Property Disposition (24 CFR part 886), (8) Section 202 Supportive Housing for the Elderly (24 CFR part 811, subpart B), (9) Section 811 Supportive Housing for Persons with Disabilities (24 CFR part 891, subpart C), and (10) Section 811 Project Rental Assistance Demonstration Program. For purposes of brevity and convenience, rental housing assisted under these programs is collectively referred to as "covered multifamily rental housing."

For tenants residing in covered multifamily rental housing, § 5.318(d)(2)(iii) currently requires the gradual accumulation of the deposit by the pet owner, through an initial payment not to exceed \$50 when the pet is brought onto the premises and subsequent monthly payments not to exceed \$10 per month until the amount of the deposit is reached. Section 5.318(d)(2) requires HUD to set the maximum pet deposit by notice, currently set at \$300.<sup>2</sup> Section 5.318(d)(2)(v)(A) also requires a gradual accumulation of any increase in the deposit, not to exceed \$10 per month for these tenants.

Other covered multifamily rental housing is subject to § 5.318(d)(2)(iv), which provides the owner with the discretion of establishing rules that "may provide for the gradual accumulation of the deposit by the pet owner." The requirements for public housing are codified at § 5.318(d)(3), and similarly provide that the pet rules adopted by a PHA "may permit gradual

<sup>2</sup> See HUD, No. 4350.3 REV-1, Occupancy Requirements of Subsidized Multifamily Housing Programs (2009) at 6-24.

accumulation of the pet deposit by the pet owner.”

HUD’s March 8, 1996, final rule (61 FR 9536) establishing the pet ownership regulations explained that the differing requirements governing deposits were based on the fact that tenants in the affected covered multifamily rental housing are, as a general rule, lower income and may have difficulty making the pet deposit. While this is still generally true, the regulatory mandate that owners gradually accumulate deposit amounts has also sometimes imposed an undue hardship for owners of covered multifamily housing. When funds are needed for repairs and replacements, fumigation, and animal care facilities shortly after a tenant brings a pet onto the premises, the accumulated pet deposit may be insufficient to pay repair and clean-up costs. Consequently, the owner may have to use the housing’s Reserve for Replacement account or the tenant’s security deposit to fund required repairs if a sufficient pet deposit has not been accumulated.

**II. This Proposed Rule**

To address this concern and distinction in HUD regulations, the proposed rule would amend the

regulations to no longer mandate the gradual accumulation of pet deposits in the covered multifamily rental housing, and provide owners of such housing with the discretion to: (1) Provide for the gradual accumulation of the pet deposit, and (2) provide for the gradual accumulation of approved pet deposit increases.<sup>3</sup> In making this regulatory change, owners of covered multifamily rental housing would not be prohibited from providing for gradual accumulation of the deposit and increases in the pet deposit by the pet owner. The proposed rule will enable owners to determine how to collect the pet owner deposit based on the same rules that apply to other HUD-assisted rental housing; however, owners should consider the income characteristics of its tenants when setting pet deposit policies and are encouraged to continue to provide for gradual accumulation from lower-income residents where economically feasible given the costs of operating the housing project.

**III. Cost and Benefits of the Proposed Rule**

As discussed in this preamble, the purpose of this proposed rule is to bring consistency to the pet deposit requirements for HUD programs and

better enable owners of such housing to handle the costs associated with pet ownership by tenants. While difficult to predict, HUD has determined that the discounted benefits of the proposed rule may cause negligible transfers to tenants if the owner of their dwelling chooses to opt out of the gradual payment requirement. Assuming a pet deposit in a range from \$100 to \$300 and a 3 or 7 percent annual discount rate, the financial impact of the rule may range from \$232,000 to \$9.86 million.

Currently, about 936,000 households in HUD assisted multifamily rental housing are classified as either elderly or disabled and will potentially be impacted by the change in regulation. It is very unlikely, however, that all elderly or disabled households in the concerned programs will own a pet and therefore be subject to the rule. Recognizing that about 62 percent of households in the United States own a pet, and applying that proportion to our target population, we derive an estimate of the number of affected households to be 580,000. We also make the cautious assumption that all of the 580,000 households are affected. The rule provides owners of housing the option to collect upfront fees. The total impact (cost to the tenants) will be as follows:

	Pet deposit		
	\$100	\$200	\$300
Status-Quo (Current Rule with Gradual Payment) .....			
—Upfront Payment .....	50	50	50
—Monthly Payment .....	10	10	10
—Number of Months .....	5	15	25
Present value payments at 3% annual discount .....	99.60	197	292
Present value payments at 7% annual discount .....	99.20	193	283
Cost of Rule (per Household at 3%) .....	0.40	3	8
Cost of Rule (per Household at 7%) .....	0.80	7	17
Total Elderly or Disabled Household in HUD Multifamily Rental Housing that own pets .....	580,000	580,000	580,000
Total Potential Impact (per Household at 3%) .....	232,000	1,740,000	4,640,000
Total Potential Impact (per Household at 7%) .....	464,000	4,060,000	9,860,000

The potential benefits of the rule include a reduced burden on owners who have to cover costs associated with repairs, replacements, fumigation, and animal facilities when such costs result from pets on the premises and accrue before the entire pet deposit is accumulated and decrease the time and money spent to manage the gradual accumulation of the required pet deposit. There are also administrative costs associated with the management of pet-deposit accounts. Under current HUD regulations, there is a need to manage the gradual accumulation of the

required pet deposit and the proposed rule will eliminate such a need. The implementation of this proposed rule will result in some savings, however small, for the owners if they do not have to manage the monthly payments of pet deposits.

Based on this analysis, HUD has determined that the implementation of this proposed rule will not be economically significant under Executive Order 12866<sup>4</sup> and OMB Circular A–4.<sup>5</sup>

**IV. Findings and Certifications**

*Regulatory Flexibility Act*

The Regulatory Flexibility Act (RFA) (5 U.S.C. 601 *et seq.*) generally requires an agency to conduct a regulatory flexibility analysis of any rule subject to notice and comment rulemaking requirements, unless the agency certifies that the rule will not have a significant economic impact on a substantial number of small entities. This proposed rule would revise HUD’s regulations governing the manner in which an owner of covered multifamily rental housing may require tenants of such

<sup>3</sup> This proposed rule only applies to policies for pets and not to service or assistance animals for persons with disabilities. Service and assistance

animals are covered by separate HUD regulations at 24 CFR 5.303.

<sup>4</sup> Office of Management and Budget, *Economic Analysis of Federal Regulations Under Executive*

*Order 12866*, January 11, 1996, <http://www.whitehouse.gov/omb/inforeg/riaguide.html>.

<sup>5</sup> <http://www.whitehouse.gov/omb/inforeg/circular-a4.pdf>.

housing who maintain pets to pay a pet deposit. As discussed in the preamble, owners of covered multifamily rental housing were subject to different rules concerning pet deposits than rules that applied to other HUD-assisted rental housing. This proposed rule would provide owners of such covered multifamily rental housing with the discretion to determine whether to gradually accumulate a pet deposit, thereby bringing consistency to the pet deposit requirements for HUD rental housing programs and better enabling owners to handle the costs associated with pet ownership by tenants. Accordingly, the undersigned certifies that this rule will not have a significant economic impact on a substantial number of small entities.

Notwithstanding HUD's determination that this rule will not have a significant economic impact on a substantial number of small entities, HUD specifically invites comments regarding less burdensome alternatives to this rule that will meet HUD's objectives as described in this preamble.

#### *Environmental Impact*

This proposed rule does not direct, provide for assistance or loan and mortgage insurance for, or otherwise govern or regulate, real property acquisition, disposition, leasing, rehabilitation, alteration, demolition, or new construction, or establish, revise, or provide for standards for construction or construction materials, manufactured housing, or occupancy. Accordingly, under 24 CFR 50.19(c)(1), this rule is categorically excluded from environmental review under the National Environmental Policy Act of 1969 (42 U.S.C. 4321).

#### *Executive Order 13132, Federalism*

Executive Order 13132 (entitled "Federalism") prohibits an agency from publishing any rule that has federalism implications if the rule either imposes substantial direct compliance costs on state and local governments and is not required by statute, or preempts state law, unless the agency meets the consultation and funding requirements of section 6 of the Executive Order. This proposed rule would not have federalism implications and would not impose substantial direct compliance costs on state and local governments or preempt state law within the meaning of the Executive Order.

#### *Unfunded Mandates Reform Act*

Title II of the Unfunded Mandates Reform Act of 1995 (2 U.S.C. 1531–1538) (UMRA) establishes requirements for Federal agencies to assess the effects

of their regulatory actions on state, local, and tribal governments, and on the private sector. This rule does not impose any Federal mandates on any state, local, or tribal governments, or on the private sector, within the meaning of the UMRA.

#### **Lists of Subjects in 24 CFR Part 5**

Administrative practice and procedure, Aged, Claims, Crime, Government contracts, Grant programs—housing and community development, Individuals with disabilities, Intergovernmental relations, Loan programs—housing and community development, Low and moderate income housing, Mortgage insurance, Penalties, Pets, Public housing, Rent subsidies, Reporting and recordkeeping requirements, Social security, Unemployment compensation, Wages.

For the reasons set forth in the preamble, HUD proposes to amend 24 CFR part 5 as follows:

#### **PART 5—GENERAL HUD PROGRAM REQUIREMENTS; WAIVERS**

- 1. The authority citation for 24 CFR part 5 continues to read as follows:

**Authority:** 42 U.S.C. 1437a, 1437c, 1437d, 1437f, 1437n, 3535(d), Sec. 327, Pub. L. 109–115, 119 Stat. 2936, and Sec. 607, Pub. L. 109–162, 119 Stat. 3051.

- 2. Amend § 5.318 as follows:
  - a. Revise paragraphs (d)(2)(iii) and (iv);
  - b. Remove paragraph (d)(2)(v); and
  - c. Redesignate paragraph (d)(2)(vi) as (d)(2)(v).

The revisions read as follows:

#### **§ 5.318 Discretionary pet rules.**

\* \* \* \* \*

(d) \* \* \*

(2) \* \* \*

(iii) The pet rules may provide for gradual accumulation of the pet deposit by the pet owner.

(iv) The project owner may (subject to the HUD-prescribed limits) provide for gradual accumulation of an increase in the amount of the pet deposit by amending the house pet rules in accordance with § 5.353.

\* \* \* \* \*

Dated: May 1, 2013.

**Shaun Donovan,**

*Secretary.*

[FR Doc. 2013–12456 Filed 5–23–13; 8:45 am]

**BILLING CODE 4210–67–P**

## **DEPARTMENT OF THE TREASURY**

### **Internal Revenue Service**

#### **26 CFR Parts 1 and 53**

[REG–106499–12]

RIN 1545–BL30

#### **Community Health Needs Assessments for Charitable Hospitals; Correction**

##### *Correction*

In proposed rule document 2013–12013, appearing on pages 29628–29629 in the issue of Tuesday, May 21, 2013, make the following correction:

This document inadvertently appeared in the "Rules and Regulations" section of the **Federal Register** and should have appeared in the "Proposed Rules" section.

[FR Doc. C1–2013–12013 Filed 5–23–13; 8:45 am]

**BILLING CODE 1505–01–D**

## **DEPARTMENT OF HOMELAND SECURITY**

### **Coast Guard**

#### **33 CFR Part 117**

[Docket No. USCG–2013–0257]

RIN 1625–AA09

#### **Drawbridge Operation Regulation; Hudson River, Troy and Green Island, NY**

**AGENCY:** Coast Guard, DHS.

**ACTION:** Notice of proposed rulemaking.

**SUMMARY:** The Coast Guard proposes to modify the operating schedule that governs the highway bridge (Troy Green Island) across the Hudson River, mile 152.7, between Troy and Green Island, New York. The owner of the bridge, New York State Department of Transportation, requested that a twenty four hour advance notice be given for bridge openings. In addition, we are removing the regulations for the 112th Street Bridge, mile 155.4, between Troy and Cohoes which has been converted to a fixed bridge. It is expected that this change to the regulations would provide relief to the bridge owner from crewing the bridge while continuing to meet the reasonable needs of navigation as well as remove obsolete regulations from the Code of Federal Regulations.

**DATES:** Comments and related material must be received by the Coast Guard on or before July 23, 2013.

**ADDRESSES:** You may submit comments identified by docket number USCG–