

State and location	Community No.	Effective date authorization/cancellation of sale of flood insurance in community	Current effective map date	Date certain Federal assistance no longer available in SFHAs
<b>Region X</b>				
Oregon:				
Ashland, City of, Jackson County .....	410090	August 9, 1974, Emerg; June 1, 1981, Reg; May 3, 2011, Susp.	.....do .....	Do.
Central Point, City of, Jackson County	410092	September 18, 1974, Emerg; September 30, 1980, Reg; May 3, 2011, Susp.	.....do .....	Do.
Eagle Point, City of, Jackson County ....	410093	June 5, 1974, Emerg; September 30, 1980, Reg; May 3, 2011, Susp.	.....do .....	Do.
Gold Hill, City of, Jackson County .....	410094	August 5, 1974, Emerg; September 17, 1980, Reg; May 3, 2011, Susp.	.....do .....	Do.
Jackson County, Unincorporated Areas	415589	December 31, 1970, Emerg; April 1, 1982, Reg; May 3, 2011, Susp.	.....do .....	Do.
Jacksonville, City of, Jackson County ...	410095	April 4, 1975, Emerg; December 4, 1979, Reg; May 3, 2011, Susp.	.....do .....	Do.
Medford, City of, Jackson County .....	410096	June 7, 1974, Emerg; April 15, 1981, Reg; May 3, 2011, Susp.	.....do .....	Do.
Phoenix, City of, Jackson County .....	410097	June 11, 1975, Emerg; May 3, 1982, Reg; May 3, 2011, Susp.	.....do .....	Do.
Rogue River, City of, Jackson County ..	410098	May 17, 1974, Emerg; January 2, 1981, Reg; May 3, 2011, Susp.	.....do .....	Do.
Shady Cove, City of, Jackson County ..	410099	August 23, 1974, Emerg; September 30, 1980, Reg; May 3, 2011, Susp.	.....do .....	Do.
Talent, City of, Jackson County .....	410100	April 7, 1975, Emerg; February 1, 1980, Reg; May 3, 2011, Susp.	.....do .....	Do.

\*do = Ditto.  
Code for reading third column: Emerg.—Emergency; Reg.—Regular; Susp. —Suspension.

Dated: April 15, 2011.  
**Sandra K. Knight,**  
*Deputy Federal Insurance and Mitigation Administrator, Mitigation.*  
[FR Doc. 2011-10174 Filed 4-26-11; 8:45 am]  
**BILLING CODE 9110-12-P**

**LEGAL SERVICES CORPORATION**

**45 CFR Part 1609**

**Fee-Generating Cases**

**AGENCY:** Legal Services Corporation.  
**ACTION:** Final rule.

**SUMMARY:** This final rule amends the Legal Services Corporation’s regulation on fee-generating cases to clarify that it applies only to LSC and private non-LSC funds.

**DATES:** This final rule becomes effective on May 27, 2011.

**FOR FURTHER INFORMATION CONTACT:** Mattie Cohan, Senior Assistant General Counsel, Office of Legal Affairs, Legal Services Corporation, 3333 K Street, NW., Washington, DC 20007; 202-295-1624 (ph); 202-337-6519 (fax); *mcohan@lsc.gov*.

**SUPPLEMENTARY INFORMATION:**

**Background**

This final rule follows the publication of a Notice of Proposed Rulemaking published by the Legal Services

Corporation (LSC) on February 4, 2011 proposing to amend LSC’s regulation at 45 CFR part 1609 on fee-generating cases to clarify that it applies only to LSC and private non-LSC funds. 76 FR 6381. On April 15, 2011, the LSC Board of Directors adopted the proposed changes and authorized the publication of this final rule.

Generally, the substantive LSC restrictions on LSC recipients fall into two categories: “entity restrictions” and “LSC funds restrictions.” “Entity restrictions” apply to all activities of a recipient regardless of the funding source (except for the use of tribal funds as intended) and generally originate in section 504 of LSC’s FY 1996 appropriations act (the provisions of which have been carried forward in subsequent appropriations). In contrast, “LSC funds restrictions” usually originate from the LSC Act and apply to the use of LSC funds and private funds, but not to tribal or public non-LSC funds used as intended. LSC’s regulation at 45 CFR part 1609, Fee-Generating Cases, is based on § 1007(b)(1) of the LSC Act, which provides that no funds made available by the Corporation may be used to provide legal assistance, except as per LSC regulation, with respect to any fee-generating case. The fee-generating case provision of the LSC Act is an “LSC funds restriction.” However, § 1609.3(a),

as currently written, is not limited to the use of LSC funds. Rather it reads as an “entity restriction” reaching all of an LSC recipient’s funds. Its wording follows the same structure as other entity restrictions such as part 1617—Class Actions, which states that “Recipients are prohibited from initiating or participating in any class action.” 45 CFR 617.3.

From its initial adoption in 1976 through 1996, part 1609 followed the language of the LSC Act and was expressly applied as an LSC funds restriction. At that time, § 1609.3 provided that: “[n]o recipient shall use funds received from the Corporation to provide legal assistance in a fee-generating case unless” one of the regulatory exceptions applied. 41 FR 18528 (proposed rule May 5, 1976), 41 FR 38505 (final rule Sept. 10, 1976), and 49 FR 19656 (final rule May 9, 1984) (the last final rule prior to 1996) (emphasis added).

In 1996 LSC revised part 1609 in conjunction with the enactment of the part 1642 entity prohibition on recipients claiming or collecting and retaining attorneys’ fees. In the revision the language was changed from the prior “Corporation funds” prohibition to the more general “no recipient” entity prohibition. Notably though, there is no discussion in the preamble to the proposed or final regulation of any

significant substantive change in scope. 61 FR 45765 (proposed rule August 29, 1996) and 62 FR 19398 (final rule April 21, 1997). Nor is there any such discussion in any of the relevant LSC Board transcripts. Rather, the only mention of the change in language is the following discussion of the revised § 1609.3:

This section defines the limits within which recipients may undertake fee-generating cases. This new section reorganizes and replaces §§ 1609.3 and 1609.4 of the current rule *in order to make them easier to understand.*

*Id.* (appearing in the preambles to both the proposed and final rules) (emphasis added). The regulatory history contains extensive discussions of policy and regulatory nuances regarding the then-new attorneys' fees provisions and their relationship with the fee-generating case restriction in Part 1609. These discussions involved the LSC Board, LSC management, the LSC OIG and representatives of recipients. Considering the attention paid to this and the other regulations implemented in 1996 and 1997, it seems very unusual that LSC would adopt such a significant substantive change to part 1609 without any discussion, any description of the change in the preamble to the rule, or any comments by the OIG or representatives of recipients.

Notwithstanding the 1997 regulatory change, LSC has not applied part 1609 as an entity restriction, but has rather continued to apply it as a restriction applying only to a recipient's LSC and private non-LSC funds. For example, the LSC Compliance Supplement to the LSC Audit Guide, which provides guidance to auditors regarding recipient compliance with the substantive LSC restrictions, states that part 1609 means that "[r]ecipients may not use Corporation or private funds to provide legal assistance in a fee-generating case unless" one of the regulatory exceptions applies. It does not instruct auditors to read part 1609 as applying to tribal or public non-LSC funds. The Compliance Supplement was last revised in December 1998 (after part 1609 had been amended).

In addition, LSC's regulation on the use of non-LSC funds at 45 CFR part 1610 treats the fee-generating case restriction as an LSC funds restriction, rather than as an entity restriction, notwithstanding than express language of § 1609.3. Generally part 1610 works in tandem with the other regulations; each regulation (other than part 1610) expressly specifies whether it applies to a recipient's use of LSC funds (usually referred to as "Corporation funds") or if

it applies to the recipient entirely and part 1610 categorizes each substantive LSC restriction as either an "LSC Act restriction" based on the provisions of the LSC Act<sup>1</sup> or an "entity restriction" (based on section 504 of the LSC FY 1996 appropriations act) and then variously applies those other regulations to the use of non-LSC funds depending on whether the substantive restriction is an LSC Act (funds) restriction or a section 504 (entity) restriction. 45 CFR 1610.3 and 1610.4. The definitions section of part 1610 includes the fee-generating case restriction found in section 1007(b)(1) of the LSC Act and part 1609 of the Corporation's regulations as an LSC Act restriction, not as an entity restriction. 45 CFR 1610.2(a)(3).

Section 1610.3 contains a general prohibition regarding the use of non-LSC funds, providing that recipient may not use non-LSC funds for any purpose prohibited by the LSC Act or for any activity prohibited by or inconsistent with Section 504, unless such use is authorized by §§ 1610.4, 1610.6 or 1610.7 of this part. Section 1610.4(b) contains a public non-LSC funds exception to the LSC Act restrictions but not the section 504 entity restrictions, providing that a recipient may receive public or IOLTA funds and use them in accordance with the specific purposes for which they were provided, if the funds are not used for any activity prohibited by or inconsistent with section 504. Thus § 1610.4(b) permits the use of public non-LSC or IOLTA funds for all activities categorized as "LSC Act restrictions" in § 1610.2, which includes Part 1609. Normally the exception for public non-LSC funds only applies to regulations that themselves are limited to LSC funds and private funds. Part 1609 is an anomaly in that it uses "entity" language to apply to the use of all funds, but is treated by part 1610 as an "LSC Act" restriction that does not apply to public non-LSC funds. There is, thus, a conflict between the language of parts 1610 and 1609.<sup>2</sup>

<sup>1</sup> Part 1610 actually refers to the fee-generating case and other "LSC fund" restrictions as "LSC Act" restrictions. Referring to these as "LSC Act" restrictions is somewhat of a misnomer in that some of the restrictions in the LSC Act are entity restrictions on all funds and LSC has at times imposed restrictions on recipients' LSC and private funds that do not appear in the LSC Act. Nonetheless, it is the term used by part 1610.

<sup>2</sup> It is worth noting that parts 1609 and 1610 were revised contemporaneously in 1996 and 1997. Parts 1609 and 1610 were issued as interim rules on August 29, 1996. 61 FR 45765 (Part 1609) and 61 FR 45740 (Part 1610). At this time, part 1609 contained the revised language while part 1610 continued to treat it as an LSC Act restriction. Part 1609 was finalized on April 21, 1997, with the revised language, while Part 1610 was still under

revision. 62 FR 19398. A new final rule on part 1610 was subsequently published on May 21, 1997. 62 FR. 27695. Notwithstanding the final language of part 1609 (appearing to apply the fee-generating case restriction as an entity restriction), the finalized part 1610 continued to apply the fee-generating case restriction as applying only to LSC and private non-LSC funds as had been the case prior to the revision of part 1609.

In sum, while the language of part 1609 changed in 1996 from a restriction on LSC funds to a restriction on all funds, the preamble to the rule indicates that substantive changes to the rule were not intended. In addition, parts 1609 and 1610 are in direct conflict regarding the scope of part 1609. Finally, LSC has not itself applied part 1609 as an entity restriction in practice and has issued guidance in the form of the LSC Compliance Supplement to the Audit Guide applying the restriction only as a restriction on a recipient's LSC and private non-LSC funds (and not applying to a recipient's available public-non LSC funds). Accordingly, LSC believes that the part 1609 needs to be clarified to correct the apparent mistake in drafting and to the express language of part 1609 into conformance with: the apparent intent of the Corporation in 1996 when it revised part 1609; the clear language of part 1610; and LSC practice.

#### *Amendment of Part 1609*

As discussed above, LSC believes that the 1997 change to the language of part 1609 appearing to extend the scope of the fee-generating case restrictions beyond LSC and private non-LSC funds to be an entity restriction was not intended, but instead was a mistake made in the attempt to "simplify" the language of the regulation without any substantive change to the meaning of the regulation. LSC bases this belief upon the various indicia discussed above, such as the preamble to the final rule amending part 1609; the clear scope of the language in the LSC Act; the treatment of part 1609 in part 1610; LSC's own guidance in the LSC Compliance Supplement to the Audit Guide and LSC's ongoing practice.

LSC thus proposed to amend the language of part 1609 to clarify that it reaches only LSC and private non-LSC funds. 76 FR 6381 (Feb. 4, 2011). LSC received only three comments on the proposed rule, all of which fully supported the change. Accordingly, LSC is amending part 1609 as proposed without further change.

LSC believes that amending the regulation in this way is preferable to maintaining the status quo. Although LSC has not previously encountered significant problems being caused by

revision. 62 FR 19398. A new final rule on part 1610 was subsequently published on May 21, 1997. 62 FR. 27695. Notwithstanding the final language of part 1609 (appearing to apply the fee-generating case restriction as an entity restriction), the finalized part 1610 continued to apply the fee-generating case restriction as applying only to LSC and private non-LSC funds as had been the case prior to the revision of part 1609.

the apparently inaccurate wording of § 1609.3, the matter came to LSC's attention through a question raised in the course of a compliance visit being conducted by the Corporation's Office of Compliance and Enforcement. Given the question being raised internally at LSC and the clear conflict between the regulations (1609 and 1610), LSC does not believe it would be appropriate to permit this situation to continue, particularly when there is a simple and straightforward solution to the problem.

LSC further believes that amending the regulation in this way brings the regulation into conformity with the provisions of the LSC Act (and is not inconsistent with anything in the applicable appropriations acts). Moreover, it resolves the conflict between parts 1609 and 1610 and reflects the intention of the Corporation in 1997 to refrain from making a substantive change to the previously existing (pre-1997) scope of the regulation. In addition, amending part 1609 in this way is consistent with the existing LSC guidance and practice. As noted above, the LSC Compliance Supplement to the Audit Guide guidance to auditors does not instruct them to apply the restrictions to a recipient's public non-LSC funds and to our knowledge the auditors have not been reporting instances of a recipient's use of public non-LSC funds as problematic with respect to the regulation. Further, LSC's practice has not been to apply the restriction to a recipient's public non-LSC funds. Finally, to LSC's knowledge, the general understanding and practice in the field has been that the restriction does not apply to a recipient's public non-LSC funds. This understanding was confirmed in the comments LSC received on the proposed rule. Thus, amending part 1609 to clarify that it applies as an restriction on LSC and private non-LSC funds, rather than as an entity restriction, does not create any substantive change from current practice.

In light of the above, LSC amends § 1609.3(a) to clarify that a recipient may not use Corporation funds to provide legal assistance in a fee-generating case (unless one of the exceptions apply). As 45 CFR 1610.4 is being amended, that provision will continue to subject a recipient's private funds to the fee-generating case restrictions in part 1609.

#### List of Subjects in 45 CFR Part 1609

Grant programs—law, Legal services.

For reasons set forth above, and under the authority of 42 U.S.C. 2996g(e), LSC amends 45 CFR part 1609 as follows:

#### PART 1609—FEE-GENERATING CASES

■ 1. The authority citation for part 1609 continues to read as follows:

**Authority:** 42 U.S.C. 2996f(b)(1); 42 U.S.C. 2996e(c)(1).

■ 2. Section 1609.3 is amended by revising paragraph (a) introductory text to read as follows:

##### § 1609.3 General requirements.

(a) Except as provided in paragraph (b) of this section, a recipient may not use Corporation funds to provide legal assistance in a fee-generating case unless:

\* \* \* \* \*

**Victor M. Fortuno,**

*Vice President & General Counsel.*

[FR Doc. 2011-10116 Filed 4-26-11; 8:45 am]

**BILLING CODE 7050-01-P**

#### DEPARTMENT OF DEFENSE

#### Defense Acquisition Regulations System

#### 48 CFR Part 207

**RIN 0750-AH12**

#### Defense Federal Acquisition Regulation Supplement; Definition of Multiple-Award Contract (DFARS Case 2011-D016)

**AGENCY:** Defense Acquisition Regulations System, Department of Defense (DoD).

**ACTION:** Final rule.

**SUMMARY:** DoD is issuing a final rule amending the Defense Federal Acquisition Regulation Supplement (DFARS) to revise the definition of multiple-award contract.

**DATES:** *Effective Date:* April 27, 2011.

**FOR FURTHER INFORMATION CONTACT:** Mr. Dustin Pitsch, 703-602-0289.

**SUPPLEMENTARY INFORMATION:**

##### I. Background

This DFARS case is amending the definition of "multiple-award contract" at DFARS 207.107-2. The revised DFARS language is correcting previous imprecision in implementing the statute. No policy or substantive changes are made. The final rule amendments are made to correct the current definition by—

—Deleting "Orders placed using" to reflect that the multiple-award contract is the basic schedule contract, and not the individual orders placed under it;

—Adding "or Department of Veterans Affairs" to correctly reflect the agencies that have statutory authority to issue schedule contracts; and  
—Adding hyphens where appropriate for unit modifiers.

DoD has issued a final rule because this change does not have a significant effect beyond the internal operating procedures of DoD and does not have a significant cost or administrative impact on contractors or offerors. Therefore, public comment is not required in accordance with 41 U.S.C 1707.

#### II. Executive Order 12866 and Executive Order 13563

Executive Orders 12866 and 13563 direct agencies to assess all costs and benefits of available regulatory alternatives and, if regulation is necessary, to select regulatory approaches that maximize net benefits (including potential economic, environmental, public health and safety effects, distributive impacts, and equity). Executive Order 13563 emphasizes the importance of quantifying both costs and benefits, of reducing costs, of harmonizing rules, and of promoting flexibility. This is not a significant regulatory action and, therefore, was not subject to review under Section 6(b) of Executive Order 12866, Regulatory Planning and Review, dated September 30, 1993. This rule is not a major rule under 5 U.S.C. 804.

#### III. Regulatory Flexibility Act

The Regulatory Flexibility Act does not apply to this rule. This final rule does not constitute a significant DFARS revision within the meaning of FAR 1.501 and public comment is not required in accordance with 41 U.S.C. 418b(a).

#### IV. Paperwork Reduction Act

This final rule does not contain any information collection requirements that require the approval of the Office of Management and Budget under the Paperwork Reduction Act (44 U.S.C. chapter 35).

#### List of Subjects in 48 CFR Part 207

Government procurement.

**Mary Overstreet,**

*Editor, Defense Acquisition Regulations System.*

Therefore, 48 CFR part 207 is amended as follows:

#### PART 207—ACQUISITION PLANNING

■ 1. The authority citation for 48 CFR part 207 continues to read as follows:

**Authority:** 41 U.S.C. 1303 and 48 CFR chapter 1.