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DEPARTMENT OF THE TREASURY

Community Development Financial Institutions Fund

12 CFR Part 1807

RIN 1559-AA00

Capital Magnet Fund

AGENCY: Community Development Financial Institutions Fund, Department of the Treasury

ACTION: Interim rule; extension of comment period.

SUMMARY: On February 8, 2016, the Department of the Treasury published an interim rule (hereafter, the interim rule) implementing the Capital Magnet Fund (CMF), administered by the Community Development Financial Institutions Fund (CDFI Fund). The interim rule incorporates updates to the definitions, requirements and parameters for CMF implementation and administration. This document extends the comment period on the interim rule to May 8, 2016.

DATES: The comment period for the interim rule published February 8, 2016, at 81 FR 6434, is extended. All comments must be written and must be received in the offices of the CDFI Fund on or before May 8, 2016.

ADDRESSES: You may submit comments concerning the interim rule via the Federal e-Rulemaking Portal at <http://www.regulations.gov> (please follow the instructions for submitting comments). All submissions must include the agency name and Regulatory Information Number (RIN) for this rulemaking. Information regarding the CDFI Fund and its programs may be obtained through the CDFI Fund's website at <http://www.cdfifund.gov>.

FOR FURTHER INFORMATION CONTACT: Marcia Sigal, CMF program staff by email at

cmf@cdfi.treas.gov, or by phone at (202) 653-0421.

SUPPLEMENTARY INFORMATION: On February 8, 2016, the Department of the Treasury published an interim rule implementing the CMF, administered by the CDFI Fund.

The comment period designated in the interim rule notice will close on April 8, 2016. The FY 2016 CMF application round opened on February 8, 2016 with the publication in the Federal Register of the Notice of Funds Availability Inviting Applications for the Fiscal Year (FY) 2016 Funding Round of the Capital Magnet Fund (FY 2016 NOFA). Per the FY 2016 NOFA, applications are due by March 30, 2016. The CDFI Fund also held a series of application webinars for the FY 2016 CMF application round in February and March of 2016. Since the opening of the FY 2016 CMF application round and during these application webinars, multiple interested applicants requested additional time to submit comments regarding the interim rule and requested that the comment period be extended. In response to these requests, the Department hereby extends the comment period for an additional 30 days so that comments are due on or before May 8, 2016.

The interim rule incorporates updates to the definitions, requirements and parameters for CMF implementation and administration including, among others, Applicant eligibility, application review, Recipient selection, Assistance Agreements, eligible uses of CMF Awards, and Recipient reporting. In addition, sections of the interim rule regarding certain definitions and project level requirements have been revised in order to facilitate alignment and ease of administration. These revisions are modeled after the requirements of the Low Income Housing Tax Credit Program (LIHTC Program) authorized under Title I of the U.S. Housing Act of 1937, as amended, 42 U.S.C. 1437 *et seq.*, and the HOME Investment Partnership Program (HOME Program) authorized under Title II of the Cranston-Gonzalez National Affordable Housing Act,

as amended, 42 U.S.C. 12701 *et seq.* and the HOME Program final rule published on July 24, 2013.

The interim rule also reflects requirements set forth in a final rule, Uniform Administrative Requirements, Cost Principles and Audit Requirements for Federal Awards (12 CFR 1000), adopted by the Department of the Treasury on December 19, 2014 (hereafter referred to as the Uniform Administrative Requirements). The Uniform Administrative Requirements constitute a government-wide framework for grants management codified by the Office of Management and Budget (OMB), combining several OMB grants management circulars aimed at reducing the administrative burden for Recipients, and reducing the risk of waste, fraud and abuse of Federal financial assistance. The Uniform Administrative Requirements establish financial, administrative, procurement, and program management standards with which Federal award-making programs, including those administered by the CDFI Fund, and Recipients must comply. Accordingly, the interim rule includes revisions necessary to implement the Uniform Administrative Requirements, as well as to make certain technical corrections and certain programmatic updates, as well as provide clarifying language to existing program requirements.

The CDFI Fund seeks public comment on the entire interim rule. All capitalized terms herein are defined in the definitions section of the interim rule, as set forth in 12 CFR 1807.104.

Dated:

Mary Ann Donovan,

Director, Community Development Financial Institutions Fund

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