or portions of which are proposed to be closed to public observation or with respect to any information concerning such series of meetings proposed to be withheld, so long as each meeting or portion thereof in such series involves the same particular matters and is scheduled to be held no more than thirty days after the initial meeting in such series.

(d) Whenever any person's interests may be directly affected by a portion of a meeting for any of the reasons referred to in exemption (a)(5), (a)(6) or (a)(7) of § 261b.5 of this Part, such person may request in writing to the Secretary of the Board that such portion of the meeting be closed to public observation. The Secretary, or in his or her absence, the Acting Secretary of the Board, will transmit the request to the members and upon the request of any one of them a recorded vote will be taken whether to close such meeting to public observation.

(e) Within one day of any vote taken pursuant to paragraphs (a) through (d) of this section, the agency will make publicly available at the Board's Public Affairs Office and Freedom of Information Office a written copy of such vote reflecting the vote of each member on the question. If a meeting or a portion of a meeting is to be closed to public observation, the agency, within one day of the vote taken pursuant to paragraphs (a) through (d) of this section, will make publicly available at the Board's Public Affairs Office and Freedom of Information Office a full, written explanation of its action closing the meeting or portion of the meeting together with a list of all persons expected to attend the meeting and their affiliation, except to the extent such information is determined by the agency to be exempt from disclosure under subsection (c) of the Act and § 261b.5 of this Part.

§ 261b.9 Changes with respect to publicly announced meeting.

The subject matter of a meeting or the determination to open or close a meeting or a portion of a meeting to public observation may be changed following public announcement under section 261b.6 only if a majority of the members of the agency determines by a recorded vote that agency business so requires and that no earlier announcement of the change was possible. Public announcement of such change and the vote of each member upon such change will be made pursuant to § 261b.6(c). Changes in time, including postponements and cancellations of a publicly announced meeting or portion of a meeting or changes in the place of a publicly announced meeting will be publicly announced pursuant to § 261b.6(c) by the Secretary of the Board or, in the Secretary's absence, the Acting Secretary of the Board.

§ 261b.10 Certification of general counsel.

Before every meeting or portion of a meeting closed to public observation under § 261b.7 or 261b.8 of this Part, the General Counsel, or in the General Counsel's absence, the Acting General Counsel, shall publicly certify whether or not in this or her opinion the meeting may be closed to public observation and shall state each relevant exemptive provision. A copy of such certification, together with a statement from the presiding officer of the meeting setting forth the time and place of the meeting and the persons present, will be retained for the time prescribed in § 261b.11(d).

§ 261b.11 Transcripts, recordings, and minutes.

(a) The agency will maintain a complete transcript or electronic recording or transcription thereof adequate to record fully the proceedings of each meeting or portion of a meeting closed to public observation pursuant to exemption (a)(1), (a)(2), (a)(3), (a)(4), (a)(5), (a)(6), (a)(7) or (a)(9)(ii) of § 261b.5 of this Part. Transcriptions of recordings will disclose the identity of each speaker.

(b) The agency will maintain either such a transcript, recording or transcription thereof, or a set of minutes that will fully and clearly describe all matters discussed and provide a full and accurate summary of any actions taken and the reasons therefor, including a description of each of the views expressed on any item and the record of any roll call vote (reflecting the vote of each member on the question), for meetings or portions of meetings closed to public observation pursuant to exemptions (a)(8), (a)(9)(A) or (a)(10) of § 261b.5 of this Part. The minutes will identify all documents considered in connection with any action taken.

(c) Transcripts, recordings or transcriptions thereof, or minutes will promptly be made available to the public in the Freedom of Information Office except for such item or items of such discussion or testimony as may be determined to contain information that may be withheld under subsection (c) of the Act and § 261b.5 of this Part.

(d) A complete verbatim copy of the transcript, a complete copy of the minutes, or a complete electronic recording or verbatim copy of a transcription thereof of each meeting or portion of a meeting closed to public observation will be maintained for a period of at least two years or one year after the conclusion of any agency proceeding with respect to which the meeting or portion thereof was held, whichever occurs later.

§ 261b.12 Procedures for inspection and obtaining copies of transcriptions and minutes.

(a) Any person may inspect or copy a transcript, a recording or transcription of a recording, or minutes described in § 261b.11(c) of this Part.

(b) Requests for copies of transcripts, recordings or transcriptions of recordings, or minutes described in § 261b.11(c) of this Part shall specify the meeting or the portion of meeting desired and shall be submitted in writing to the Secretary of the Board, Board of Governors of the Federal Reserve System, Washington, D.C. 20551. Copies of documents identified in minutes may be made available to the public upon request under the provisions of 12 CFR 261 (Rules Regarding Availability of Information).

§ 261b.13 Fees.

(a) Copies of transcripts, recordings or transcriptions of recordings, or minutes requested pursuant to section 261b.12(b) of this Part will be provided at a cost of 10¢ per standard page for photocopying or at a cost not to exceed the actual cost of printing, typing, or otherwise preparing such copies.

(b) Documents may be furnished without charge where total charges are less than $2.

* * * * *

By order of the Board of Governors, March 7, 1977.

THEODORE E. ALLISON,
Secretary of the Board.

[FR Doc.77-7138 Filed 3-9-77;8:45 am]

SUBCHAPTER B—FEDERAL OPEN MARKET COMMITTEE

PART 271—RULES REGARDING AVAILABILITY OF INFORMATION

Implementation of the Amendment to the Freedom of Information Act Required by the Government in the Sunshine Act

Consistent with section 5(b) of the Government in the Sunshine Act (Pub. L. No. 94-409, 5 U.S.C. § 552b), the Federal Open Market Committee hereby amends § 271.6(a) of Title 12 of the Code of Federal Regulations. The amendment will revise the Committee's Rules with regard to exemption (3) of the Freedom of Information Act, and will become effective on March 12, 1977, the effective date of section 5(b) of the Government in the Sunshine Act. The amended regulation will read as follows:

§ 271.6 Information not disclosed.

Except as may be authorized by the Committee, information of the Committee that is not available to the public through other sources will not be published or made available for inspection, examination, or copying by any person if such information:

(a) Is specifically exempted from disclosure by statute (other than section 552b of Title 5 United States Code), provided that such statute (A) requires that the matters be withheld from the public in such a manner as to leave no discretion on the issue, or (B) establishes particular criteria for withholding or refers to particular types of matters to be withheld; or is specifically authorized under criteria established by an executive order to be kept secret in the interests of national defense or foreign policy and is in fact properly classified pursuant to such executive order.

* * * * *

The requirements of section 553 of Title 5 United States Code with respect to notice, public participation, and deferred effective date were not followed in connection with this amendment because the amendment merely conforms the Committee's rules to the language of exemption 552(b)(3) of the Freedom of Information Act, as amended by section 5 (b) of the Government in the Sunshine Act which will become effective on March 12, 1977, and thus such procedures were found to be unnecessary.

By order of the Federal Open Market Committee, effective March 12, 1977.

ARTHUR L. BROIDA,
Secretary of the Committee.

[FR Doc.77-7140 Filed 3-9-77;8:45 am]

PART 281—STATEMENTS OF POLICY GOVERNMENT IN THE SUNSHINE ACT

Adoption of Policy Statement

The Federal Open Market Committee ("FOMC") hereby amends section 281 of Title 12 of the Code of Federal Regulations to provide a statement of policy by the FOMC regarding the nonapplicability to the FOMC of the Government in the Sunshine Act, which Act will become effective March 12, 1977. The policy statement reflects the FOMC's judgment that the definition of "agency" set forth in the Government in the Sunshine Act does not apply to the FOMC. It further reflects the FOMC's recognition of Congressional purpose in enactment of the Government in the Sunshine Act and the reasoning underlying the FOMC's conclusion that its current practices are consistent with the intent and spirit of the Act, as that Act would apply to deliberations of the nature engaged in by the FOMC. On the basis of these positions taken, the statement reflects the FOMC's intent to pursue its present procedures and timing of public disclosure. The amendment will become effective March 12, 1977, and will read as follows.

§ 281.2 Policy regarding the Government in the Sunshine Act.

On September 13, 1976, there was enacted into law the Government in the Sunshine Act, Pub. L. No. 94-409, 90 Stat. 1241 ("Sunshine Act"), established for the purpose of providing the public with the "fullest practicable information regarding the decisionmaking processes of the Federal Government * * * while protecting the rights of individuals and the ability of the Government to carry out its responsibilities."[1] The Sunshine Act applies only to those Federal agencies that are defined in section 552(e) of Title 5 of the United States Code and "headed by a collegial body composed of two or more individual members, a majority of whom are appointed to such position by the President with the advice and consent of the Senate, and any subdivision thereof authorized to act on behalf of the agency."[2]

The Federal Open Market Committee ("FOMC") is a separate and independent statutory body within the Federal Reserve System. In no respect is it an agent or "subdivision" of the Board of Governors of the Federal Reserve System ("Board of Governors"). It was originally established by the Banking Act of 1933 and restructured in its present form by the Banking Act of 1935 and subsequent legislation in 1942 (generally see 12 U.S.C. § 263(a)). The FOMC's membership is composed of the seven members of the Board of Governors and five representatives of the Federal Reserve Banks who are selected annually in accordance with the procedures set forth in Section 12A of the Federal Reserve Act, 12 U.S.C. § 263(a). Members of the Board of Governors serve in an ex officio capacity on the FOMC by reason of their appointment as Members of the Board of Governors, not as a result of an appointment "to such position" (the FOMC) by the President. Representatives of the Reserve Banks serve on the FOMC not as a result of an appointment "to such position" by the President, but rather by virtue of their positions with the Reserve Banks and their selection pursuant to Section 12A of the Federal Reserve Act. It is clear therefore that the FOMC does not fall within the scope of an "agency" or "subdivision" as defined in the Sunshine Act and consequently is not subject to the provisions of that Act.

As explained below, the Act would not require the FOMC to hold its meetings in open session even if the FOMC were covered by the Act. However, despite the conclusion reached that the Sunshine Act does not apply to the FOMC, the FOMC has determined that its procedures and timing of public disclosure already are conducted in accordance with the spirit of the Sunshine Act, as that Act would apply to deliberations of the nature engaged in by the FOMC.

In the foregoing regard, the FOMC has noted that while the Act calls generally for open meetings of multi-member Federal agencies, 10 specific exemptions from the open meeting requirement are provided to assure the ability of the Government to carry out its responsibilities. Among the exemptions provided is that which authorizes any agency operating under the Act to conduct closed meetings where the subject of a meeting involves information "the premature disclosure of which would—in the case of an agency which regulates currencies, securities, commodities, or financial institutions, be likely to lead to significant financial speculation in currencies, securities, or commodities."[3]

As to meetings closed under such exemption, the Act requires the maintenance of either a transcript, electronic recording or minutes and sets forth specified, detailed requirements as to the contents and timing of disclosure of certain portions or all of such minutes. The Act permits the withholding from the public of the minutes where disclosure would be likely to produce adverse consequences of the nature described in the relevant exemptions.

The FOMC has reviewed the agenda of its monthly meetings for the past three years and has determined that all such meetings could have been closed pursuant to the exemption dealing with financial speculation or other exemptions set forth in the Sunshine Act. The FOMC has further determined that virtually all of its substantive deliberations could have been preserved pursuant to the Act's minutes requirements and that such minutes could similarly have been protected against premature disclosure under the provisions of the Act.

The FOMC's deliberations are currently reported by means of a document entitled "Record of Policy Actions" which is released to the public approximately one month after the meeting to which it relates. The Record of Policy Actions complies with the Act's minutes requirements in that it contains a full and accurate report of all matters of policy discussed and views presented, clearly sets forth all policy actions taken by the FOMC and the reasons therefor, and includes the votes by individual members on each policy action. The timing of release of the Record of Policy Actions is fully consistent with the Act's provisions assuring against premature release of any item of discussion in an agency's minutes that contains information of a sensitive financial nature. In fact, by releasing the comprehensive Record of Policy Actions to the public approximately a month after each meeting, the FOMC exceeds the publication requirements that would be mandated by the letter of the Sunshine Act.

Recognizing the Congressional purpose underlying enactment of the Sunshine Act, the FOMC has determined to continue its current practice and timing of public disclosures in the conviction that its operations thus conducted are consistent with the intent and spirit of the Sunshine Act.

By order of the Federal Open Market Committee, effective March 12, 1977.

ARTHUR L. BROIDA,
Secretary of the Committee.

[FR Doc.77-7139 Filed 3-9-77;8:45 am]

[1] Government in the Sunshine Act, Pub. L. No. 94-409, § 2, 90 Stat. 1241 (1976).

[2] Government in the Sunshine Act, Pub. L. No. 94-409, § 3(a), 90 Stat. 1241 (1976).

[3] Government in the Sunshine Act, Pub. L. No. 94-409, § 3(a), 90 Stat. 1242 (1976).

proposed rules

This section of the FEDERAL REGISTER contains notices to the public of the proposed issuance of rules and regulations. The purpose of these notices is to give interested persons an opportunity to participate in the rule making prior to the adoption of the final rules.

DEPARTMENT OF AGRICULTURE

Agricultural Marketing Service

[7 CFR Part 991]

HANDLING OF HOPS OF DOMESTIC PRODUCTION

Proposed Salable Quantity and Allotment Percentage For the 1977-78 Marketing Year

Notice is hereby given of a proposal to establish, for the 1977-78 marketing year, beginning August 1, 1977, a salable quantity of 60,270,000 pounds, and an allotment percentage of 100 percent, for hops grown in Washington, Oregon, Idaho, and California. The salable quantity is the total quantity of hops that may be freely marketed from any crop grown in those states and handled by handlers. The salable quantity is prorated among producers by applying the allotment percentage to each producer's allotment base.

The proposed salable quantity and allotment percentage would be established in accordance with the provisions of Marketing Order No. 991, as amended (7 CFR Part 991), regulating the handling of hops of domestic production, effective under the Agricultural Marketing Agreement Act of 1937, as amended (7 U.S.C. 601-674). The proposal was recommended by the Hop Administrative Committee.

Consideration will be given to any written data, views, or arguments pertaining to the proposal which are received by the Hearing Clerk, U.S. Department of Agriculture, Room 112, Administration Building, Washington, D.C. 20250, not later than March 28, 1977. All written submissions made pursuant to this notice should be in quadruplicate and will be made available for public inspection at the office of the Hearing Clerk during official hours of business (7 CFR 1.27(b)). For further information, contact: Charles R. Brader, Deputy Director, Fruit and Vegetable Division, Agricultural Marketing Service, U.S. Department of Agriculture, Washington, D.C. 20250, (202) 447-3545.

The proposed salable quantity and allotment percentage are based upon a recommendation of the Committee made at its meeting of January 19, 1977, and derive from the following estimates for the marketing year beginning August 1, 1977.

(1) Total domestic consumption of 35,500,000 pounds of hops;

(2) Minus imports of 10,000,000 pounds of hops to result in domestic consumption of U.S. hops of 25,500,000 pounds;

(3) Plus total U.S. exports of 30,000,000 pounds of hops to equal 55,500,000 pounds total usage of U.S. hops;

(4) Plus 1,000,000 to adjust for weight loss for hops processed into pellets;

(5) Plus an adjustment of 3,700,000 pounds to provide for adequate supplies should some producer allotments not be fully produced.

Under the proposal, the salable quantity during the 1977-78 marketing year would be 60,270,000 pounds.

The proposed salable percentage of 100 percent is computed by subtracting from this salable quantity 1,000,000 pounds for additional allotment bases for hops of the Fuggle variety pursuant to §§ 991.38(b) and 991.138(c) and dividing the remainder by 59,270,000 pounds, the total o' all allotment bases less the 1,000,000 pounds additional allotment bases for Fuggle variety hops.

The Committee's recommendation for an allotment percentage of 100 percent, which was favored by 10 of the 13 Committee members, was based on several factors. The Committee recognized that current drought conditions could reduce production later this year. Moreover, any significant reduction in the allotment percentage might prompt growers to remove vines or leave a portion of their acreage idle, which could be detrimental to the U.S. hop industry in the long run. It was also noted that most growers have already sold 100 percent of their 1977 crop, and any reduction would prevent growers from filling their contracts. This could decrease grower income, but might not increase the average price paid for 1977 crop hops. The three members of the Committee, who voted against the motion for an allotment percentage of 100 percent, however, favor a percentage less than 100 percent. They contend that the proper function of the marketing order is to reduce the current oversupply of U.S. hops, so that U.S. grower prices will eventually improve.

The proposal is as follows:

§ 991.215 Allotment percentage and salable quantity for hops during the marketing year beginning August 1, 1977.

The allotment percentage during the marketing year beginning August 1, 1977, shall be 100 percent, and the salable quantity shall be 60,270,000 pounds.

Dated: March 4, 1977.

CHARLES R. BRADER,
Deputy Director,
Fruit and Vegetable Division.

[FR Doc.77-7070 Filed 3-9-77;8:45 am]

FEDERAL HOME LOAN BANK BOARD

[12 CFR Part 545]

[No. 77-159]

FEDERAL SAVINGS AND LOAN SYSTEM

Proposed Servicing of Loans

MARCH 4, 1977.

Summary. The following summary of the amendments proposed by this Resolution is provided for the reader's convenience and is subject to the full explanation in the following preamble and to the specific provisions of the regulations.

I. *Present regulations*. Authorize Federal associations to service loans for others under certain conditions.

II. *Proposed amendments*. Would clarify such authority and extend it to permit Federal associations to service loans for certain public housing corporations and not-for-profit organizations.

The Federal Home Loan Bank Board considers it desirable to propose to amend § 545.11 of the rules and regulations for the Federal Savings and Loan System (12 CFR 545.11) for the purpose of clarifying and extending the authority of Federal associations to service loans for others. Present § 545.11 authorizes a Federal association (1) to service loans which it owns or in which it has a participation interest, and (2) to service for others loans in which any of certain specified entities owns or has owned an interest. The proposed amendment would extend such authority to permit a Federal association to service loans made and owned by a public housing corporation or not-for-profit private organization established for the sole purpose of providing directly or indirectly for housing and incidental services, including financing, particularly for families of low or moderate income. The proposal would limit the total amount of such loans serviced by a Federal association to 25 percent of the total dollar amount of its mortgage portfolio and would require that such public housing corporation or private not-for-profit organization be established or chartered by a State or political subdivision in which the principal office or a branch office of the association is located. Such additional authority would be consistent with present authority of Federal associations to invest limited amounts in such corporations and organizations under certain circumstances.

The proposal would also clarify the authority of Federal associations to service loans in which an institution whose accounts are insured by the Fed-