

this provision effective as specified, and handlers have been apprised of such provision and of the effective time.

Therefore, a new § 932.215 is added to read as follows (this section is effective through August 31, 1981, and will not be published in the annual Code of Federal Regulations):

§ 932.215 Expenses and rate of assessment.

(a) Expenses that are reasonable and likely to be incurred by the Olive Administrative Committee during fiscal year September 1, 1980, through August 31, 1981, will amount to \$1,490,625.

(b) The rate of assessment for said year payable by each handler in accordance with § 932.39 is fixed at \$16.73 per ton of olives.

(Secs. 1-19, 48 Stat. 31, as amended; (7 U.S.C. 601-674))

Dated: August 26, 1980.

D. S. Kuryloski,

Deputy Director, Fruit and Vegetable Division, Agricultural Marketing Service.

[FR Doc. 80-26772 Filed 8-29-80; 8:45 am]

BILLING CODE 3410-02-M

7 CFR Part 946

Irish Potatoes Grown in Washington; Approval of Amendment No. 2 Handling Regulation

AGENCY: Agricultural Marketing Service, USDA.

ACTION: Final rule.

SUMMARY: This amendment reduces the minimum size for all long varieties of potatoes except Norgolds shipped from 2½ inches to 2 inches in diameter or 4 ounces in minimum weight. It will permit handlers to ship a greater quantity of potatoes of acceptable quality to retail outlets than would normally be shipped during this season of shorter supplies.

EFFECTIVE DATE: September 1, 1980.

FOR FURTHER INFORMATION CONTACT: Charles W. Porter, Chief, Vegetable Branch, Fruit and Vegetable Division, AMS, U.S. Department of Agriculture, Washington, D.C. 20250. Telephone: (202) 447-2615.

The final impact statement relating to this final rule is available from Mr. Porter.

SUPPLEMENTARY INFORMATION: This final action has been reviewed under USDA procedures established in Secretary's Memorandum 1955 to implement Executive Order 12044, and has been classified "not significant."

Market Agreement No. 113 and Order No. 946, both as amended, regulate the handling of Irish potatoes grown in the State of Washington. This program is

effective under the Agricultural Market Agreement Act of 1937, as amended (7 U.S.C. 601-674). The State of Washington Potato Committee, established under the order, is responsible for its local administration.

In a telephone poll completed on August 25, 1980, the committee unanimously voted to request the minimum size requirements for long variety potatoes be reduced from 2½ inches to 2 inches in diameter or 4 ounces in minimum weight. The fall crop is down significantly this season due to reduced plantings. The committee believes that reducing the minimum size requirements by ½ inch may increase the quantity of potatoes available for fresh market sales with no reduction in overall quality level. This should help to maintain adequate supplies at reasonable prices to consumers while maintaining an acceptable quality level at retail outlets.

Findings. After consideration of all relevant matters, it is found that the following amendment will tend to effectuate the declared policy of the act.

(b) It is hereby further found that it is impracticable and contrary to the public interest to give preliminary notice or engage in public rulemaking procedure, and that good cause exists for not postponing the effective date of this section until 30 days after publication in the Federal Register (5 U.S.C. 553) in that (1) to maximize benefits to producers, this amendment should apply to as many shipments as possible during the effective period, (2) compliance with this amendment will not require any special preparation on the part of handlers, (3) information regarding the committee's recommendation has been made available to producers and handlers in the production area, and (4) this amendment relieves restrictions on the handling of production area potatoes shipped to the fresh market.

Paragraph (a)(2)(ii) of § 946.335 Handling Regulation (45 FR 42590, 47653) is hereby changed to read as follows:

§ 946.335 Handling regulation.

* * * * *

(a)(1) * * *

(2) * * *

(i) * * *

(ii) *Long varieties.* Norgold variety grown in Districts 1 through 4 must be at least 2½ inches (54.0 mm) in diameter or 5 ounces in weight. Norgolds grown in District 5 must be at least 2½ inches (54.0 mm) or 5 ounces through September 30 and at least 2 inches (50.8 mm) or 4 ounces for the remainder of the season. All other long varieties, in all districts, 2 inches (50.8 mm) minimum size or 4 ounces minimum weight. Shipments of commingled long varieties

containing Norgolds shall meet the Norgold size requirements.

* * * * *

(Secs. 1-19, 48 Stat. 31, as amended (7 U.S.C. 601-674))

Dated August 27, 1980 to become effective September 1, 1980.

D. S. Kuryloski,

Deputy Director, Fruit and Vegetable Division, Agricultural Marketing Service.

[FR Doc. 80-26832 Filed 8-29-80; 8:45 am]

BILLING CODE 3410-02-M

DEPARTMENT OF JUSTICE

Immigration and Naturalization Service

8 CFR Part 238

Contracts With Transportation Lines; Deletion of Trans International Airlines, Corp.; Addition of Transamerica Airlines

AGENCY: Immigration and Naturalization.

ACTION: Final rule.

SUMMARY: This is an amendment to the regulations of the Immigration and Naturalization Service to delete a carrier under its old name and to add the carrier under its new name to the list of transportation lines which have entered into agreement with the Commissioner of Immigration and Naturalization to guarantee the passage through the United States in immediate and continuous transit of aliens destined to foreign countries. This amendment is necessary because transportation lines which have signed such agreements are published in the Service's regulations.

EFFECTIVE DATE: August 6, 1980

FOR FURTHER INFORMATION CONTACT: Stanley J. Kieszkil, Acting Instructions Officer, Immigration and Naturalization Service, 425 I Street NW., Washington, D.C. 20536. Telephone: (202) 633-3048.

SUPPLEMENTARY INFORMATION: This amendment to 8 CFR 238.3 is published pursuant to section 552 of Title 5 of the United States Code (80 Stat. 383), as amended by Pub. L. 93-502 (88 Stat. 1561), and the authority contained in section 103 of the Immigration and Nationality Act (8 U.S.C. 1103), 28 CFR 0.105(b), and 8 CFR 2.1. Compliance with the provisions of section 553 of Title 5 of the United States Code as to notice of proposed rulemaking and delayed effective date is unnecessary because the amendment contained in this order deletes a transportation line under its old name and adds the transportation line under its new name to the listing and is editorial in nature.

The Commissioner of the Immigration and Naturalization Service entered into a new agreement effective on August 6, 1980, with Transamerica Airlines after it

changed its name from "Trans International Airlines Corporation", to guarantee the passage through the United States in immediate and continuous transit of aliens destined to foreign countries under section 238(d) of the Immigration and Nationality Act and 8 CFR 238.

Accordingly, Chapter I of Title 8 of the Code of Federal Regulations is amended as follows:

PART 238—CONTRACTS WITH TRANSPORTATION LINES

§ 238.3 [Amended]

In § 238.3 *Aliens in immediate and continuous transit*, the listing of transportation lines in paragraph (b) *Signatory lines* is amended by deleting "Trans International Airlines Corporation" and adding in alphabetical sequence "Transamerica Airlines".

(Secs. 103 and 238(d), 8 U.S.C. 1103 and 1228(d))

This amendment is effective August 6, 1980 as to Transamerica Airlines.

Dated: August 27, 1980

David Crosland,

Acting Commissioner of Immigration and Naturalization.

[FR Doc. 80-28785 Filed 8-29-80; 8:45 am]

BILLING CODE 4410-10-M

FEDERAL RESERVE SYSTEM

12 CFR Part 204

[Reg. D; Docket No. R-0309]

Reserve Requirements of Depository Institutions; Required Reserve Balance Pass-Through Rules

AGENCY: Board of Governors of the Federal Reserve System.

ACTION: Final rule.

SUMMARY: The Monetary Control Act of 1980 (Title I of Pub. L. 96-221) imposes Federal reserve requirements on all depository institutions that maintain transaction accounts or nonpersonal time deposits. A depository institution can satisfy its reserve requirements with a combination of vault cash and balances held at a Federal Reserve Bank. The Act authorizes a depository institution that is not a member of the Federal Reserve System to hold its required reserve balance at the Federal Reserve in one of two ways. It may deposit its required reserve balance directly with the Federal Reserve Bank of its District. Alternatively, in accordance with procedures adopted by the Board, it may elect to pass through its required reserve balance to the

Federal Reserve through a correspondent. In order to implement the pass-through provisions of the Monetary Control Act, the Board is amending Regulation D to establish rules under which pass-through arrangements may be maintained.

EFFECTIVE DATE: November 13, 1980.

FOR FURTHER INFORMATION CONTACT: Benjamin Wolkowitz, Section Chief (202/452-2686), Paul P. Burik, Economist (202/452-2556), Gilbert T. Schwartz, Assistant General Counsel (202/452-3625), Lee S. Adams, Senior Attorney (202/452-3623) or Paul S. Pilecki, Attorney (202/452-3281), Board of Governors of the Federal Reserve System, Washington, D.C. 20551.

SUPPLEMENTARY INFORMATION: Under the provisions of the Monetary Control Act of 1980 (Title I of Pub. L. 96-221), Federal reserves are required for all depository institutions with transaction accounts or nonpersonal time deposits, as those terms are defined in Section 103 of the Act. If these reserve requirements are not met in full by holdings of vault cash, a depository institution that is a member of the Federal Reserve System must satisfy its remaining requirements by directly maintaining a balance at its local Federal Reserve Bank. A depository institution that is not a member of the Federal Reserve System and does not completely satisfy its reserve requirement with vault cash must satisfy its remaining requirement by maintaining a balance with the Federal Reserve. Such a required balance can be held in one of two ways at the nonmember institution's discretion. It may deposit its required reserve balance directly with the Federal Reserve Bank of its District, just as member banks do. Alternatively, a nonmember depository institution may elect to pass its required reserve balance through a correspondent. The correspondent will pass through this required reserve balance dollar-for-dollar to the Federal Reserve Bank in the District in which the main office of the respondent institution is located. A correspondent may be (i) a Federal Home Loan Bank, (ii) the National Credit Union Administration Central Liquidity Facility, or (iii) a depository institution that maintains a required reserve balance directly at a Federal Reserve Bank. In addition, the Board reserves the right to permit other institutions, on a case-by-case basis, to serve as pass-through correspondents.

The Federal Reserve Board is amending its Regulation D to provide rules for the holding of nonmember depository institution (respondent) reserve balances. The rules as adopted

by the Board are very similar to the guidelines published for comment on June 26, 1980 (45 FR 44962). The Board determined to adopt these provisions as part of Regulation D rather than as guidelines in order to clarify the relationships between, and responsibilities of, the parties involved in pass-through arrangements. Included in the rules are requirements for reporting and maintaining pass-through reserve accounts and the responsibilities of the various parties in a pass-through arrangement. The rules also provide the conditions for using a pass-through account to post entries arising from transactions involving the use of Federal Reserve services.

Two modifications to the proposed guidelines were adopted by the Board. First, the Board determined that a Reserve Bank, at its discretion, may require a pass-through correspondent to consolidate in a single account the reserve balances of its respondents whose head offices are located in that Federal Reserve District rather than maintain separate accounts at each office within that Federal Reserve District. Secondly, the Board decided to reserve the right to permit institutions other than the Federal Home Loan Banks, the Central Liquidity Facility, and institutions holding Federal reserves, on a case-by-case basis, to serve as pass-through correspondents.

In response to the comments that were received, the Board clarified the rules to indicate that U.S. branches and agencies of foreign banks and Edge and Agreement Corporations could serve as pass-through correspondents or respondents. The Board also decided that a pass-through correspondent would have the option either to commingle its own reserve balance with the reserve balances of its respondents located in the same Federal Reserve territory as the correspondent in a single account or to maintain two accounts—one for its own reserve balance and a second commingled account for the reserve balances of its respondents located in the same territory as the correspondent. The rules also contain more specific procedures that a correspondent is expected to follow in managing its pass-through accounts. For example, for purposes of determining required reserve deficiencies and imposing or waiving penalties for deficiencies in required reserves, Reserve Banks will compare the total reserve balance required to be maintained in each reserve account with the total actual reserve balance held in such reserve account by the correspondent.

Effective November 13, 1980, pursuant to the Board's authority under sections 19, 25 and 25(a) of the Federal Reserve Act (12 U.S.C. 461 *et seq.*, 601 *et seq.*, 611 *et seq.*) and section 7 of the International Banking Act of 1978 (12 U.S.C. 3105), Regulation D (12 CFR Part 204) is revised to read as follows:

1. Section 204.3 (i) is added to read as follows:

§ 204.3 Computation and maintenance.

(i) Pass-through rules—(1) Procedure.

(i) A nonmember depository institution required to maintain reserve balances ("respondent") may select only one institution to pass through its required reserves. Eligible institutions through which respondent required reserve balances may be passed ("correspondents") are Federal Home Loan Banks, the National Credit Union Administration Central Liquidity Facility, and depository institutions that maintain required reserve balances at a Federal Reserve office. In addition, the Board reserves the right to permit other institutions, on a case-by-case basis, to serve as pass-through correspondents. The correspondent chosen must subsequently pass through the required reserve balances of its respondents directly to the appropriate Federal Reserve office. The correspondent placing funds with the Federal Reserve on behalf of respondents will be responsible for reserve account maintenance as described in subparagraphs (3) and (4) of this paragraph.

(ii) Respondent depository institutions or pass-through correspondents may institute, terminate, or change pass-through arrangements for the maintenance of required reserve balances by providing all documentation required for the establishment of the new arrangement and/or termination of the existing arrangement to the Federal Reserve Bank in whose territory the respondent is located. The time period required for such a change to be effected shall be specified by each Reserve Bank in its operating circular.

(iii) U.S. branches and agencies of foreign banks and Edge and Agreement Corporations may (a) act as pass-through correspondents for any nonmember institution required to maintain reserves or (b) pass their own required reserve balances through correspondents. In accordance with the provision set forth in subparagraph (3) of this paragraph, the U.S. branches and agencies of a foreign bank or offices of

an Edge and Agreement Corporation filing a single aggregated report of deposits may designate any one of the other U.S. offices of the same institution to serve as a pass-through correspondent for all of the offices filing such a single aggregated report of deposits.

(2) *Reports.* (i) Every depository institution that maintains transaction accounts or nonpersonal time deposits is required to file its report of deposits (or any other required form or statement) directly with the Federal Reserve Bank of its District, regardless of the manner in which it chooses to maintain required reserve balances.

(ii) The Federal Reserve Bank receiving such reports shall notify the reporting depository institution of its reserve requirements. Where a pass-through arrangement exists, the Reserve Bank will also notify the correspondent passing respondent reserve balances through to the Federal Reserve of its respondent's required reserve balances.

(iii) The Federal Reserve will not hold a correspondent responsible for guaranteeing the accuracy of the reports of deposits submitted by its respondents to their local Federal Reserve Banks.

(3) *Account maintenance.* (i) A correspondent that passes through required reserve balances of respondents whose main offices are located in the same Federal Reserve territory in which the main office of the correspondent is located shall have the option of maintaining such required reserve balances in one of two ways: (a) A correspondent may maintain such balances, along with the correspondent's own required reserve balances, in a single commingled account at the Federal Reserve Bank office in whose territory the correspondent's main office is located, or (b) A correspondent may maintain its own required reserve balance in an account with the Federal Reserve Bank office in whose territory its main office is located. The correspondent, in addition, would maintain in a separate commingled account the required reserve balances passed through for respondents whose main offices are located in the same Federal Reserve territory as that of the main office of the correspondent.

(ii) A correspondent that passes through required reserve balances of respondents whose main offices are located outside the Federal Reserve territory in which the main office of the correspondent is located shall maintain such required reserve balances in a

separate commingled account at each Federal Reserve office in whose territory the main offices of such respondents are located.

(iii) A Reserve Bank may, at its discretion, require a pass-through correspondent to consolidate in a single account the reserve balances of all of its respondents whose main offices are located in any territory of that Federal Reserve District.

(4) *Responsibilities of Parties.* (i) Each individual depository institution is responsible for maintaining its required reserve balance with the Federal Reserve Bank either directly or through a pass-through correspondent.

(ii) A pass-through correspondent shall be responsible for assuring the maintenance of the appropriate aggregate level of its respondents' required reserve balances. A Reserve Bank will compare the total reserve balance required to be maintained in each reserve account with the total actual reserve balance held in such reserve account for purposes of determining required reserve deficiencies, imposing or waiving penalties for deficiencies in required reserves, and for other reserve maintenance purposes. A penalty for a deficiency in the aggregate level of the required reserve balance will be imposed by the Reserve Bank on the correspondent maintaining the account.

(iii) Each correspondent is required to maintain detailed records for each of its respondents in a manner that permits Reserve Banks to determine whether the respondent has provided a sufficient required reserve balance to the correspondent. A correspondent passing through a respondent's reserve balance shall maintain records and make such reports as the Federal Reserve System requires in order to insure the correspondent's compliance with its responsibilities for the maintenance of a respondent's reserve balance. Such records shall be available to the Federal Reserve Banks as required.

(iv) The Federal Reserve Bank may terminate any pass-through relationship in which the correspondent is deficient in its recordkeeping or other responsibilities.

(v) Interest paid on supplemental reserves (if such reserves are required under section 204.6 of this Part) held by respondent(s) will be credited to the commingled reserve account(s) maintained by the correspondent.

(5) *Services.* (i) A depository institution maintaining its reserve balances on a pass-through basis may

obtain available Federal Reserve System services directly from its local Federal Reserve office. For this purpose, the pass-through account in which a respondent's required reserve balance is maintained may be used by the respondent for the posting of entries arising from transactions involving the use of such Federal Reserve services, if the posting of these types of transactions has been authorized by the correspondent and the Federal Reserve. For example, access to the wire transfer, securities transfer, and settlement services that involve charges to the commingled reserve account at the Reserve Bank will require authorization from the correspondent and the Reserve Bank for the type of transaction that is occurring.

(ii) In addition, in obtaining Federal Reserve services, respondents maintaining their required reserves on a pass-through basis may choose to have entries arising from the use of Federal Reserve services posted to: (a) With the prior authorization of all parties concerned, the reserve account maintained by any institution at a Federal Reserve Bank, or (b) an account maintained for clearing purposes at a Federal Reserve Bank by the respondent.

(iii) Accounts at Federal Reserve Banks consisting only of respondents' reserve balances that are passed through by a correspondent to a Federal Reserve Bank may be used only for transactions of respondents. A correspondent will not be permitted to use such pass-through accounts for purposes other than serving its respondents' needs.

(iv) A correspondent may not apply for Federal Reserve credit on behalf of a respondent. Rather, a respondent should apply directly to its Federal Reserve Bank for credit. Any Federal Reserve credit obtained by a respondent may be credited, at the respondent's option and with the approval of the parties concerned, to the reserve account in which its required reserves are maintained by a correspondent, to a clearing account maintained by the respondent, or to any account to which the respondent is authorized to post entries arising from the use of Federal Reserve services.

By order of the Board of Governors of the Federal Reserve System, August 27, 1980.

Theodore E. Allison,
Secretary of the Board.

[FR Doc. 80-26782 Filed 8-29-80; 8:45 am]

BILLING CODE 6210-01-M

NATIONAL CREDIT UNION ADMINISTRATION

12 CFR Part 760

[IRPS 80-9]

Statement of Interpretation and Policy; Flood Insurance—Use of Map Information Facility

AGENCY: National Credit Union Administration.

ACTION: Statement of interpretation and policy.

SUMMARY: The Flood Disaster Protection Act of 1973, as amended, and the Flood Insurance regulations of the National Credit Union Administration (NCUA) require a federally insured credit union making a loan secured by improved real property or a mobile home to determine if the property securing the loan is located in a special flood hazard area. If it is, the credit union must also determine if the property is located in a community participating in the National Flood Insurance Program. Depending on the location of the property, certain notices may have to be given and flood insurance in an appropriate amount may have to be obtained before the loan is granted. To date, these determinations could only be made by examining Flood Hazard Boundary Maps and Flood Insurance Rate Maps distributed by the Office of Federal Insurance Administration of the Federal Emergency Management Agency (FEMA).

However, the maps are often difficult to use and some credit unions have on occasion experienced delays in obtaining copies of specific maps.

The Federal Insurance Administration (FIA) is now developing a Map Information Facility (MIF) to replace the current system of map distribution. When completely operational a federally insured credit union will be able to call a toll free telephone number to use the MIF.

The information provided through the MIF will be sufficient to comply with the NCUA regulations.

EFFECTIVE DATE: September 2, 1980.

ADDRESS: National Credit Union Administration, 1776 G Street, N.W., Washington, D.C. 20456.

FOR FURTHER INFORMATION CONTACT: For additional information about this document or NCUA's regulations contact: John L. Culhane, Jr., Attorney Advisor, Office of General Counsel, or Ben Henson, Director, Division of Enforcement, Office of Consumer Affairs. Telephone numbers: (202) 357-1030 (Mr. Culhane), (202) 357-1080 (Mr.

Henson). For additional information about the Map Information Facility contact: Mr. James M. Rose, Jr., Deputy Assistant Administrator for Insurance Operations, Office of Federal Insurance Administration, Federal Emergency Management Agency, Room 5126, 451 Seventh Street, S.W., Washington, D.C. 20410. Telephone number: (202) 755-5294.

SUPPLEMENTARY INFORMATION: Sections 102 and 202 of the Flood Disaster Protection Act of 1973, as amended (42 U.S.C. §§ 4012a, 4106) and the Flood Insurance regulations of the National Credit Union Administration (12 CFR Part 760) require a federally insured credit union making a loan secured by improved real property or a mobile home to determine if the property securing the loan is located in a special flood hazard area. If it is, the credit union must also determine if the property is in a community participating in the National Flood Insurance Program. Depending on the location of the property, flood insurance in an appropriate amount may have to be obtained and certain notices may have to be given before the loans are granted.

The Office of Federal Insurance Administration of the Federal Emergency Management Agency currently distributes Flood Hazard Boundary Maps and Flood Insurance Rate Maps to federally insured credit unions on request. These maps are used to determine if improved real property or a mobile home is located within an identified special flood hazard area. However, the maps are often difficult to use and some credit unions have on occasion experienced delays in obtaining copies of specific maps. Therefore, the National Credit Union Administration has cooperated with and supported the Federal Emergency Management Agency in its development of a Map Information Facility (MIF).

When the Map Information Facility is fully operational, any federally insured credit union will be able to phone the MIF, at a toll-free number to use its services. The toll free telephone numbers for the MIF are: 800-638-3100 (Continental United States, except Maryland), 800-492-2701 (Maryland, except for the Washington, D.C. metropolitan area), and 800-638-2151 (Puerto Rico, Hawaii, Virgin Islands, and Alaska). The credit union will merely provide the operator with the location of the property, and will then receive a determination as to whether the property or mobile home is in a special flood hazard area and whether the community is participating in the National Flood Insurance Program. A