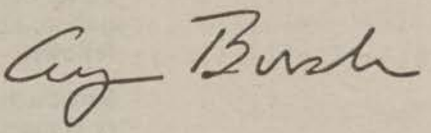
(d) To the extent permitted by law, the heads of executive departments and agencies shall provide the Chairman of the Council, upon request, with such information as the Chairman may require for the purposes of carrying out the Council's functions.

Sec. 4. *General Provisions.* (a) Notwithstanding the provisions of any other Executive order, the functions of the President under the Federal Advisory Committee Act, as amended, except that of reporting to the Congress, which are applicable to the Council, shall be performed by the Director of National Drug Control Policy, in accordance with the guidelines and procedures established by the Administrator of General Services.

(b) The Council shall terminate 24 months from the date of this order, unless sooner extended.



THE WHITE HOUSE,
November 13, 1989.

[FR Doc. 89-27026
Filed 11-13-89; 4:25 pm]
Billing code 3195-01-M

Editorial note: For the President's remarks on signing Executive Order 12696 and a White House announcement on the appointment of the Chairman and members of the Council, both dated Nov. 13, see the *Weekly Compilation of Presidential Documents* (vol. 25, no. 46).

Rules and Regulations

Federal Register
Vol. 54, No. 219
Wednesday, November 15, 1989

DEPARTMENT OF AGRICULTURE

Farmers Home Administration

7 CFR Part 1956

Debt Settlement; Community and Business Programs

AGENCY: Farmers Home Administration, USDA.

ACTION: Interim rule with request for comments.

SUMMARY: The Farmers Home Administration (FmHA) amends its regulations governing the debt settlement of Community Program Loans. This action is necessary to comply with section 303, title III, of the "Disaster Assistance Act of 1989" (Pub. L. 101-82). The intended effect of this action is to allow Indian tribes and tribal corporations to make application for the reduction of the unpaid principal balances on loans to the current fair market value of the land purchased with the proceeds of FmHA loans.

DATES: Effective date: November 15, 1989. Written comments must be received on or before December 15, 1989.

ADDRESSES: Submit written comments, in duplicate, to the Office of the Chief, Directives and Forms Management Branch, Farmers Home Administration, U.S. Department of Agriculture, Room 6348, South Agriculture Building, Washington, DC 20250. All written comments made pursuant to this notice will be available for public inspection during regular work hours at the above address.

FOR FURTHER INFORMATION CONTACT: Harry B. Puffenberger, Senior Loan Officer, Program Management Branch, Community Facilities Division, Farmers Home Administration, U.S. Department of Agriculture, Room 6314, South Agriculture Building, Washington, DC 20250; telephone (202) 382-1504.

SUPPLEMENTARY INFORMATION:

Classification

This section has been reviewed under USDA procedures established in Departmental Regulation 1512-1, which implements Executive Order 12291, and has been determined to be nonmajor. The proposed action is not likely to result in any of the following: (a) An annual effect on the economy of $100 million or more, (b) a major increase in costs or prices for consumers, individual industries, Federal, State, or local government agencies, or geographic regions, of (c) significant adverse effects on competition, employment, investment, productivity, innovation, or on the ability of United States-based enterprises to compete with foreign-based enterprises in domestic or export markets.

Environmental Impact

This document has been reviewed in accordance with 7 CFR part 1940, subpart C, "Environmental Program." FmHA has determined that this action does not constitute a major Federal action significantly affecting the quality of the human environment, and in accordance with the National Environmental Policy Act of 1969 (Pub. L. 91-190) an Environmental Impact Statement is not required.

Intergovernmental Review

This action affects the following FmHA program as listed in the Catalog of Federal Domestic Assistance:

No. 10.421, Indian Tribes and Tribal Corporation Loans.

Indian tribes and tribal corporations are exempt from the provisions of Executive Order 12372 which requires intergovernmental consultation with State and local officials.

Discussion of Interim Rule

It is the policy of this Department that rules relating to public property, loans, grants, benefits, or contracts shall be published for comment notwithstanding the exemption of 5 U.S.C. 553 with respect to such rules. However, FmHA is making this action effective immediately upon publication in the **Federal Register** without prior public comment. The purpose of this rule is to allow Indian tribes and tribal corporations to make application for the reduction of the unpaid principal balances on loans to the current fair market value of the land purchased with the proceeds of FmHA loans.

The Department is well aware of the great financial stress which has been incurred by Indian tribes and tribal corporations because of the decrease in the value of their land. FmHA believes it is essential that the assistance, resulting in reducing the principal amount of these loans to current fair market value of the land purchased with loan proceeds, be made as soon as possible to lessen the impact of loss in economic benefit and to not have these borrowers incur further financial distress.

This interim rule is a response to an existing situation of decreasing land values, and while the Department is reluctant to bypass prior public comment, it is certain that failure to implement a mandated program at once will result in additional, significant economic harm to these borrowers.

Public comments will be accepted for 30 days and later revisions will be made to this interim rule if justified on the basis of comments received. This procedure will make assistance available now. The usual course of a proposed rule, comment period, comment analysis, and a final rule incorporating changes would inevitably mean a 60 to 90 day delay in making available assistance where it is most needed. Those seeking to comment and make suggestions for improvement should be advised that final action will occur as promptly as possible after the 30 day comment period.

List of Subjects in 7 CFR Part 1956

Accounting, Loan programs—Agricultural, Rural areas.

Accordingly, FmHA amends ch. XVIII, title 7, Code of Federal Regulations, as follows:

PART 1956—DEBT SETTLEMENT

1. The authority citation for part 1956 continues to read as follows:

Authority: 7 U.S.C. 1989; 42 U.S.C. 1480; 5 U.S.C. 301; 31 U.S.C. 3711; 7 CFR 2.23; 7 CFR 2.70.

Subpart C—Debt Settlement—Community and Business Programs

2. Section 1956.105 is amended by adding new paragraphs (j) and (k) to read as follows:

§ 1956.105 Definitions.

* * * * *

(j) *Independent Qualified Fee Appraiser.* An individual who is a designated member of the American Institute of Real Estate Appraisers, Society of Real Estate Appraisers, or an equivalent organization, requiring appraisal education, testing, and experience.

(k) *Indian Tribal Land Acquisition loans.* Loans which have been made under the Indian Land Acquisition Act to Indian tribes or tribal corporations recognized by the Secretary of the Interior, for the purchase of land within tribal reservations and Alaskan Communities. (25 U.S.C. 488)

3. Section 1956.137 is added to read as follows:

§ 1956.137 Adjustment of unpaid Principal—Indian Tribal Land Acquisition loans.

This section pertains exclusively to the reduction of unpaid principal on Indian Tribal Land Acquisition loans. (Pub. L. 101–82.)

(a) *Application by borrower.* Upon application by the borrower, the FmHA Administrator may adjust the unpaid principal balance only, on any loan or loans, to the current fair market value of the land purchased with the proceeds of the loans. A separate application will be made for each loan. To be eligible, each application must meet the following conditions:

(1) The current fair market value of the land has declined by at least 25 percent since the land was purchased by the borrower with FmHA loan funds. Current fair market value shall be determined through an appraisal by an independent qualified fee appraiser, as defined in § 1956.105(j) of this subpart and selected by mutual agreement between the borrower and FmHA. The borrower will submit its selection of an appraiser, together with the appraiser's qualifications, in writing, to FmHA for acceptance or rejection. The cost of the appraisal shall be paid by the borrower.

(2) The land has been held by the borrower for at least 5 years.

(3) The Secretary of Interior or designee finds, and states in writing to FmHA, that the borrower has insufficient income to both repay the loan or loans and provide normal tribal governmental services.

(b) *Review of application decision.* If an application is rejected, the borrower may request a review of this decision under subpart B of part 1900 of this chapter.

(c) *Future applications.* A borrower that had a loan adjusted under this section shall not submit an application for another adjustment on the same loan for a period of 5 years from the date the last reduction became effective.

(d) *Processing.* All requests for principal adjustment will be forwarded to the National Office with the following information:

(1) Form FmHA 1956–1. Complete only parts I, II, VI, and VIII. Part VI, Debtors Offer and Certification, will be made in a separate attachment and contain the adjusted unpaid principal amount for which FmHA approval is requested. In part VI of the form, type "see attached."

(2) Letter from the Secretary of Interior or Designee. Reference to this letter should be made in part VIII of Form FmHA 1956–1.

(3) For first time requests, the State Director's determination of the appraised value of the land when the loan (or loans) was made and the current fair market value appraisal as determined by an independent qualified fee appraiser.

(4) For subsequent requests, the current and previous fair market value appraisal as determined by an independent qualified fee appraiser.

(5) Draft of Form FmHA 451–33, "Reamortization Request," if applicable. Upon concurrence by the National Office, the adjusted unpaid principal and outstanding accrued interest may be reamortized at the original note rate for the balance of the existing term of the note and in accordance with the other applicable provisions of subpart E of part 1951 of this chapter. The approved original of Form FmHA 1956–1 will be sent to the Finance Office together with a copy of Form FmHA 451–33 signed by the State Director.

4. Section 1956.150 is revised to read as follows:

§ 1956.150 OMB control number.

The collection of information requirements in this regulation have been approved by the Office of Management and Budget and assigned OMB control number 0575–0124. Public reporting burden for this collection of information is estimated to average 30 minutes per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. Send comments regarding this burden estimate or any other aspect of this collection of information, including suggestions for reducing this burden, to Department of Agriculture, Clearance Officer, OIRM, Room 404–W, Washington, DC 20250; and to the Office of Information and Regulatory Affairs, Office of Management and Budget, Washington, DC 20503.

Dated: October 13, 1989.

Michael C. Wilkinson,

Acting Administrator, Farmers Home Administration.

[FR Doc. 89–26752 Filed 11–14–89; 8:45 am]

BILLING CODE 3410-07-M

DEPARTMENT OF THE TREASURY

Office of Thrift Supervision

12 CFR Part 563

[No. 89–282]

Equity-Risk Investments

Date: October 8, 1989.

AGENCY: Office of Thrift Supervison, Treasury.

ACTION: Final rule.

SUMMARY: The Office of Thrift Supervision ("Office") is hereby amending its equity-risk investment regulation, 12 CFR 563.9–8, by delaying the sunset date of that regulation from October 13, 1989 until July 13, 1990.

EFFECTIVE DATE: October 13, 1989.

FOR FURTHER INFORMATION CONTACT: Mary J. Hoyle, Regulatory Paralegal, (202) 906–7135, Regulations and Legislation Division, Office of General Counsel, Office of Thrift Supervision, 1700 G Street, NW, Washington, DC 20552.

SUPPLEMENTARY INFORMATION: On April 12, 1989, the Federal Home Loan Bank Board ("Board"), delayed the sunset of its equity-risk investment regulation from April 16, 1989 until October 13, 1989. See Board Res. No. 89–1319, 54 FR 15400 (April 18, 1989). This regulation, briefly, requires savings associations to obtain prior approval of their Principal Supervisory Agents (now District Directors), before making investments in equity securities, real estate, service corporations and operating subsidiaries above certain thresholds. These thresholds are tied to the regulatory and tangible capital levels of the savings association.

On August 9, 1989, the Financial Institutions Reform, Recovery and Enforcement Act of 1989 ("FIRREA"), Pub. L. 101–73, 103 Stat. 183, was enacted. Section 222 of FIRREA amended the Federal Deposit Insurance Act by adding a new section 28 addressing certain activities of savings associations. New section 28(c)(1), 12 U.S.C. 1838(c)(1), restricts the abilities of state-chartered savings associations to directly acquire or retain equity investments of a type or in an amount not permissible for a Federal savings association. Section 28(c)(2), 12 U.S.C. 1838(c)(2), provides a limited exception for investments by savings associations in service corporations. Section 28(c)(3) provides that the Federal Deposit Insurance Corporation ("FDIC") is to require savings associations to divert equity investments not permissible under those paragraphs (c)(1) and (c)(2) "as quickly as can be prudently done, and in any event not later than July 1, 1994." Section 28(i), 12 U.S.C. 1838(i), explictly provides that "This section may not be construed as limiting * * * (2) any authority of the Director of the Office of Thrift Supervision * * * to impose more stringent restrictions." Section 301 of FIRREA amended the Home Owner's Loan Act of 1933 ("HOLA") by amending section 5 by adding a new paragraph (t) requiring the Office to establish, by regulation, uniform capital standards for savings associations. Paragraph 5(t)(1)(D) requires such regulations to be promulgated by no later than November 7, 1989 and effective not later than December 7, 1989. Paragraph 5(t)(5) of the HOLA requires those regulations to provide for the separate capitalization of certain subsidiaries of savings associations.

In delaying the sunset date of its equity-risk investment regulation in April, the Board noted the legislation then pending in Congress and stated "Any final legislation is likely to have a significant effect on investments covered by the current equity-risk investment regulation." 54 FR at 15401. As discussed above, the FIRREA does contain a number of provisons that will have such an effect, demonstrating Congress's concerns with the potential risks of such investments. The Office therefore believes that it is prudent once more to delay the sunset of this regulation. It is therefore delaying until July 13, 1990 the sunset of 12 CFR 563.9-8. This will ensure that any equity-risk investments, including investments permitted for Federal savings associations such as service corporations and subsidiaries, which are still permissible for state-chartered savings associations, receive careful scrutiny while the Office and the FDIC each review their separate, but related, new statutory responsibilities in this critical area.

The Office notes that when the Board requested public comment in December, 1988 upon the extension eventually adopted in April, 1989, it only received four comments, all favorable, on the issue. See 54 FR at 15400. The need for uninterrupted effective supervision of these investments constitutes good cause for dispensing with the notice and comment provisions of the Administrative Procedure Act, 5 U.S.C. 553. Because no substantive changes are being made to this regulation, which has been in effect since 1987, no delay in effective date is necessary to allow savings associations to become familiar with its provisions or to make adjustments in their conduct. Therefore, the Office finds that good cause exists for dispensing with the delayed effective date provisions of the Administrative Procedure Act.

Executive Order 12291

This final rule does not constitute a "major rule" and therefore, does not require the preparation of a final regulatory impact analysis.

Regulatory Flexibility Act

Because no notice of proposed rulemaking is required by the Administrative Procedure Act or any other statute, the provisions of the Regulatory Flexibility Act do not apply.

List of Subjects in 12 CFR Part 563

Advertising, Bank deposit insurance, Currency, Flood insurance, Investments, Reporting and recordkeeping requirements, Savings associations.

Accordingly, the Office of Thrift Supervision hereby amends part 563, subchapter D, chapter V, title 12, Code of Federal Regulations, as set forth below.

PART 563—OPERATIONS

1. The authority citation for 12 CFR part 563 continues to read as follows:

Authority: Sec. 2, 48 Stat. 128, as amended (12 U.S.C. 1462); sec. 3, as added by sec. 301, 103 Stat. 278 (12 U.S.C. 1462a); sec. 4, as added by sec. 301, 103 Stat. 280 (12 U.S.C. 1463); sec. 5, 48 Stat. 132, as amended (12 U.S.C. 1464); sec. 10, as added by sec. 301, 103 Stat. 342 (12 U.S.C. 1468); sec. 18, 64 Stat. 891, as amended by sec. 321, 103 Stat. 267 (12 U.S.C. 1828); sec. 1204, 101 Stat. 662 (12 U.S.C. 3806); sec. 202, 87 Stat. 892, as amended (42 U.S.C. 4106).

§ 563.9-8 [Amended]

2. Paragraph (h) of § 563.9-8 is amended by removing the date "October 13, 1989" and adding in lieu thereof the date "July 13, 1990".

M. Danny Wall,

Director, Office of Thrift Supervision.

[FR Doc. 89-26728 Filed 11-14-89; 8:45 am]

BILLING CODE 6720-01-M

DEPARTMENT OF TRANSPORTATION

Federal Aviation Administration

14 CFR Part 39

[Docket No. 89-CE-29-AD; Amdt. 39-6387]

Airworthiness Directives; Boeing of Canada Ltd. deHavilland Models DHC-6-1, DHC-6-100, DHC-6-200, and DHC-6-300 Airplanes

AGENCY: Federal Aviation Administration (FAA), DOT.

ACTION: Final rule, request for comments.

SUMMARY: This amendment adopts a new Airworthiness Directive (AD), applicable to Boeing of Canada Ltd., deHavilland Model DHC-6-1, DHC-6-100, DHC-6-200, and DHC-6-300 airplanes, which requires visual inspections of the elevator quadrant for distortion and the quadrant mounting support bracket for cracks. This action is prompted by a recent report of a cracked elevator quadrant mounting support bracket. This condition, if not corrected, could lead to loss of elevator control and loss of the airplane.

DATES: *Effective Date:* December 14, 1989. Comments for inclusion in the Rules Docket must be received on or before January 2, 1990.

Compliance: As prescribed in the body of the AD.

ADDRESSES: This AD is not predicated on manufacturer's data. Other information on Boeing of Canada Ltd., deHavilland Model DHC-6 airplanes is available from the manufacturer, Boeing of Canada, Ltd., deHavilland Division, Garratt Boulevard, Downsview, Ontario, Canada M3K 1Y5. Information pertaining to the issuance of this AD may be examined at the Rules Docket at the address below. Send comments on the AD in triplicate to the FAA, Central Region, Attention: Rules Docket No. 89-CE-29-AD, Office of the Assistant Chief Counsel, Room 1558, 601 East 12th Street, Kansas City, Missouri 64106. Comments may be inspected at this location between 8 a.m. and 4 p.m., Monday through Friday, holidays excepted.

FOR FURTHER INFORMATION CONTACT: Mr. Anthony Socias, Airframe Branch,