

Rules and Regulations

Federal Register

Vol. 61, No. 48

Monday, March 11, 1996

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DEPARTMENT OF AGRICULTURE

Agricultural Marketing Service

7 CFR Parts 29, 31, 32, 51, 52, 53, 54, 56, 58, 70, and 160

[Docket Number FV-95-303]

Removal of U.S. Grade Standards and Other Selected Regulations

AGENCY: Agricultural Marketing Service, USDA.

ACTION: Reopen and Extension of Comment Period.

SUMMARY: Notice is hereby given that the time period for filing comments is reopened and extended on the interim final rule published in the December 4, 1995, issue of the Federal Register (60 FR 62172-62181). The comment period is extended until July 9, 1996. The comment period is extended to allow interested parties adequate time to comment.

DATES: Comments must be received by July 9, 1996.

ADDRESSES: Interested persons are invited to submit written comments concerning this interim final rule. Comments must be submitted in duplicate, signed, include the address of the sender, and should bear reference to the date and page number of this issue of the Federal Register. Commentors are encouraged to include definitive information which explains and supports the sender's views. Written comments may be mailed to Eric Forman, Deputy Director, Fruit and Vegetable Division, USDA, AMS, Room 2085-S, P.O. Box 96456, Washington, DC 20090-6456.

Comments will be available for public inspection during regular business hours in Room 2085-South Building; 14th Street and Independence Avenue, SW., Washington, D.C.

FOR FURTHER INFORMATION CONTACT: Eric Forman (202) 690-0262.

SUPPLEMENTARY INFORMATION: On December 4, 1995, an interim final rule was published in the Federal Register requesting comments on USDA's initiative to remove voluntary U.S. grade standards and other selected regulations covering a number of agricultural commodities (dairy products, tobacco, wool, mohair, fresh and processed fruits and vegetables, livestock, meats and meat products, eggs, and poultry and rabbit products) from the Code of Federal Regulations (CFR). Comments were to be received by February 2, 1996.

On January 31, 1996, we received a comment from the American Dairy Products Institute (ADPI) requesting that implementation of the removal of grade standards for dairy products from the CFR be postponed and that the period for comment be extended for an additional 120 days. On February 2, 1996, we received a comment from the American Meat Institute (AMI) requesting that the comment period be extended for an additional 60 days to allow time for clarification of the procedures for developing and revising standards that will ensure that industry will be able to comment on, and receive responses to, their concerns about future modifications to grade standards.

Both commentors expressed several of their concerns and the importance of having the comment period extended to allow additional time for their members to truly evaluate this initiative and the full impact it would have on their industry. This rule was developed in response to the President's regulatory review initiative. This provided the impetus to develop new approaches to meet more effectively the needs of U.S. industry, government agencies, and consumers and still reduce the regulatory burden. As part of this initiative, voluntary standards that are currently in the CFR and are administered by AMS are being removed from that publication. This rule eliminates selected regulations which encompass approximately 1,200 pages of the CFR. With respect to the official grade standards, this includes all the standards except those which are currently in the rulemaking process, or are incorporated by reference in marketing orders/agreements appearing at 7 CFR Parts 900 through 999 or those necessary for implementing government price support. Those grade standards

will continue to appear in the CFR, although they will also be available in separate publications along with all other grade standards, except those for wool and mohair. Standards for wool and mohair and related regulations will be removed from the CFR and will no longer be available since there is no demand for services pertaining to wool or mohair.

Since the Department has no objection to the requests for extension of the comment period, we suggest that the period be reopened and extended for an additional 120 days. Accordingly, the comment period is extended to July 9, 1996.

List of Subjects

7 CFR Part 29

Administrative practice and procedure, Advisory committees, Government publications, Imports, Pesticides and pests, Reporting and recordkeeping requirements, Tobacco.

7 CFR Part 31

Wool.

7 CFR Part 32

Mohair.

7 CFR Part 51

Agricultural commodities, Food grades and standards, Fruits, Nuts, Reporting and recordkeeping requirements, Trees, Vegetables.

7 CFR Part 52

Food grades and standards, Food labeling, Frozen foods, Fruit juices, Fruits, Reporting and recordkeeping requirements, Vegetables.

7 CFR Part 53

Cattle, Hogs, Livestock, Sheep.

7 CFR Part 54

Food grades and standards, Food labeling, Meat and meat products.

7 CFR Part 56

Eggs and egg products, Food grades and standards, Food labeling, Reporting and recordkeeping requirements.

7 CFR Part 58

Dairy products, Food grades and standards, Food labeling, Reporting and recordkeeping requirements.

7 CFR Part 70

Food grades and standards, Food labeling, Poultry and poultry products, Rabbits and rabbit products, Reporting and recordkeeping requirements.

7 CFR Part 160

Administrative practice and procedure, Advertising, Forests and forest products, Labeling, Packaging and containers, Reporting and recordkeeping requirements.

Dated: February 29, 1996.

David N. Lewis,

Acting Administrator.

[FR Doc. 96-5716 Filed 3-8-96; 8:45 am]

BILLING CODE 3410-02-P

FEDERAL DEPOSIT INSURANCE CORPORATION

12 CFR Part 366

RIN 3064-AB39

Contractor Conflicts of Interest

AGENCY: Federal Deposit Insurance Corporation.

ACTION: Interim final rule.

SUMMARY: The Board of Directors of the Federal Deposit Insurance Corporation (FDIC or Corporation), with the concurrence of the Office of Government Ethics (OGE), is adopting an interim final rule implementing certain provisions of section 19 of the Resolution Trust Corporation Completion Act (the Completion Act) and soliciting comments. Section 19 of the Completion Act amended section 12 of the Federal Deposit Insurance Act (FDI Act) and requires the Board of Directors to prescribe regulations to ensure that contractors meet minimum standards of competence, experience, integrity and fitness, and requires that these regulations establish prohibitions on the Corporation's ability to contract with or have certain entities provide services to the FDIC. Section 19 of the Completion Act also requires that the Board of Directors prescribe regulations governing conflicts of interest, ethical responsibilities, and the use of confidential information for those independent contractors who are not deemed under the FDI Act, as amended, to be employees of the Corporation for purposes of Title 18 of the United States Code. Pursuant to the authority granted to it under the Completion Act, the Board of Directors is making the regulations required under section 19 of the Completion Act applicable to any FDIC contracts for services and has

combined the required regulations in the interim final rule.

The Board determined that combining the prescribed regulations into one rule would provide the most consistent treatment of contractors and reduce confusion in the application of the regulations.

DATES: *Effective date.* April 10, 1996.

Comment period date. Comments must be received on or before May 10, 1996.

ADDRESSES: Send comments to Jerry L. Langley, Executive Secretary, FDIC, 550 17th Street, NW, Washington, DC 20429. Comments may be hand-delivered to room 400, 1776 F Street, NW, Washington, DC 20429 on business days between 8:30 a.m. and 5:00 p.m. [FAX number: (202) 898-3604; Internet: comments@FDIC.gov]. Comments will be available for inspection and photocopying at the FDIC's Reading Room, room 7118, 550 17th Street, NW, Washington, DC 20429, between 9:00 a.m. and 4:30 p.m. on business days.

FOR FURTHER INFORMATION CONTACT: James T. Lantelme, Assistant General Counsel, Regional Affairs Section, Legal Division, (202) 736-0120; or Richard M. Handy, Ethics Program Manager, Office of the Executive Secretary, (202) 898-7271, both at the FDIC.

SUPPLEMENTARY INFORMATION:

I. Background

On June 24, 1994, the Corporation published for comment a proposed rule applicable to independent contractors designed to establish standards governing conflicts of interest, ethical responsibilities, and the use of confidential information and procedures for ensuring that independent contractors meet minimum standards of competence, experience, integrity, and fitness (59 FR 32661-32668). The proposed rule was published in response to the requirements of Section 19(a) of the Resolution Trust Corporation Completion Act, codified at 12 U.S.C. 1822(f), which requires that the Board of Directors prescribe regulations establishing procedures for ensuring that any individual who is performing any function or service on behalf of the Corporation meets minimum standards of competence, experience, integrity, and fitness and prohibiting any person who does not meet such standards from entering into contracts for services with or performing services on behalf of the Corporation. The Completion Act also requires the Board of Directors, with the concurrence of OGE, to prescribe regulations governing conflicts of interest, ethical responsibilities, and the use of

confidential information. The proposed rule prescribed a 60-day comment period and invited comments from all interested parties. The Corporation received six comment letters and, after careful consideration of each comment, has made appropriate modifications to the rule. In addition, OGE requested numerous changes which resulted in the reorganization and modification of some provisions. The Board determined that an interim final rule would be appropriate in order to allow interested parties to comment on the revised rule while providing for the prompt implementation of the rule to satisfy concerns relating to the merger of the RTC into the FDIC. The Corporation, with the concurrence of OGE, is now publishing, as an interim final rule, the Contractor Conflicts of Interest rule, to be codified in new part 366 of 12 CFR chapter III.

Pursuant to the Completion Act, OGE is providing its concurrence to those provisions of the interim final rule which govern conflicts of interest, ethical responsibilities, and the use of confidential information as applicable to independent contractors which are not deemed under 12 U.S.C. 1822(f)(1)(B) to be employees of the Corporation for purposes of Title 18 of the United States Code. Contractors who are deemed under 12 U.S.C. 1822(f)(1)(B) to be employees of the Corporation, are subject, in addition to the interim final rule, to Title 18 of the United States Code; the Standards of Ethical Conduct for Employees of the Executive Branch (5 CFR part 2635); the Supplemental Standards of Ethical Conduct for Employees of the Federal Deposit Insurance Corporation (5 CFR part 3201); the Executive Branch Financial Disclosure, Qualified Trusts, and Certificates of Divestiture regulations (5 CFR part 2634); and the Supplemental Financial Disclosure Requirements for Employees of the Federal Deposit Insurance Corporation (5 CFR part 3202).

II. Summary of the Comments

The Corporation received comments from four law firms and two corporations. The comments from the two corporations involved concerns over the administrative burden that might be imposed through compliance with the reporting requirements under § 366.6 of the proposed rule. The comments from the law firms raised a variety of issues including the potential effects of state privacy laws, changes in the treatment of law firms, concerns over threshold amount in the definition of *default on a material obligation*, the impact of the rule on the use of