

29, 1983, (48 FR 39046); and "Licensee Event Report System," (10 CFR 50.73), July 26, 1983, (48 FR 33858). The former specifically addresses reporting requirements during the course of an event. The Commission also published a regulation (10 CFR 50.9, December 31, 1987 (523 FR 49372)), requiring that information provided to the Commission be complete and accurate in all material respects, and that licensees notify the Commission of information having significant implication for public health and safety or common defense and security. In addition, the Commission published similar regulations regarding reporting of nuclear material events (e.g., 10 CFR 30.50 and 10 CFR 30.9 and 10 CFR 72.74 and 10 CFR 72.11). Timely, accurate and complete information continues to be of great importance to the Commission. Rules have been promulgated which fulfill the objectives of the Policy Statement in ensuring timeliness, accuracy, and completeness of the reported information.

6. Planning Basis For Emergency Responses to Nuclear Power Reactor Accidents

On October 23, 1979 (44 FR 61123), the NRC published a Policy Statement, "Planning Basis for Emergency Responses to Nuclear Power Plant Accidents," to endorse the guidance developed by a joint task force of the NRC and Environmental Protection Agency (EPA) on radiological emergency response plans to be developed by off-site agencies.

After reviewing public comments on the policy statement, information obtained from workshops held on the subject and reports from a Presidential Commission, the NRC published a final rule, "Emergency Planning," (10 CFR Parts 50 and 70) on August 19, 1980 (45 FR 55402). The final rule fulfilled the objectives of the Policy Statement by upgrading the NRC's emergency planning regulations to assure that adequate protective measures can and will be taken in the event of a radiological emergency.

Dated at Rockville, Maryland, this 6th day of January 1995.

For the Nuclear Regulatory Commission.

James M. Taylor,

Executive Director for Operations.

[FR Doc. 95-1475 Filed 1-19-95; 8:45 am]

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FEDERAL ELECTION COMMISSION

11 CFR Part 1

[Notice 1995-4]

Privacy Act; Implementation

AGENCY: Federal Election Commission.

ACTION: Final rule.

SUMMARY: The Federal Election Commission ("Commission" or "FEC") is establishing a new system of records under the Privacy Act of 1974, "Inspector General Investigative Files (FEC 12)", consisting of the investigatory files of the Commission's Office of the Inspector General ("OIG"). The Commission is exempting this new system of records from certain provisions of the Privacy Act of 1974 ("Act").

EFFECTIVE DATE: February 21, 1995.

FOR FURTHER INFORMATION CONTACT:

Ms. Susan E. Propper, Assistant General Counsel, 999 E Street NW., Washington, DC 20463, (202) 219-3690 or (800) 424-9530.

SUPPLEMENTARY INFORMATION: Elsewhere in today's **Federal Register**, the Commission is publishing a Notice of Effective Date of the Notice of New and/or Revised Systems of Records under the Privacy Act, 5 U.S.C. 552a, as amended (published at 59 FR 53977, October 27, 1994). That Notice established a new system of records, FEC 12, "Office of Inspector General Investigative Files."

On October 27, 1994, the Commission published a Notice of Proposed Rulemaking seeking comments on a proposal to exempt this new system of records from certain provisions of the Act. 59 FR 53946. No comments were received in response to this Notice.

Statement of Basis and Purpose

Section 1.14. Specific exemptions. The Privacy Act and the implementing regulations require, among other things, that the Commission provide notice when collecting information, account for certain disclosures, permit individuals access to their records, and allow them to request that the records be amended. These provisions could interfere with the conduct of OIG investigations if applied to the OIG's maintenance of the new system of records.

Accordingly, the Commission is exempting FEC 12 from these requirements under sections (j)(2) and (k)(2) of the Act. Section (j)(2), 5 U.S.C. 552a(j)(2), exempts a system of records maintained by "agency or component thereof which performs as its principal

function any activity pertaining to enforcement of criminal laws * * *." Section (k)(2), 5 U.S.C. 552a(k)(2), exempts a system of records consisting of "investigatory materials compiled for law enforcement purposes," where such materials are not within the scope of the (j)(2) exemption pertaining to criminal law enforcement.

FEC 12 consists of information covered by the (j)(2) and (k)(2) exemptions. The OIG investigatory files are maintained pursuant to official investigational and law enforcement functions of the Commission's Office of Inspector General under authority of the 1988 amendments to the Inspector General Act of 1978. See Pub. L. 100-504, amending Pub. L. 95-452, 5 U.S.C. app. The OIG is an office within the Commission that performs as one of its principal functions activities relating to the enforcement of criminal laws. In addition, the OIG is responsible for investigating a wide range of non-criminal law enforcement matters, including civil, administrative, or regulatory violations and similar wrongdoing. Access by subject individuals and others to this system of records could substantially compromise the effectiveness of OIG investigations, and thus impede the apprehension and successful prosecution or discipline of persons engaged in fraud or other illegal activity.

For these reasons, the Commission is exempting FEC 12 under exemptions (j)(2) and (k)(2) of the Privacy Act by adding a new paragraph (b) to 11 CFR 1.14, the section in which the Commission specifies its systems of records that are exempt under the Act. Where applicable, section (j)(2) may be invoked to exempt a system of records from any Privacy Act provision except: 5 U.S.C. 552a(b) (conditions of disclosure); (c) (1) and (2) (accounting of disclosures and retention of accounting, respectively); (e)(4) (A) through (F) (system notice requirements); (e) (6), (7), (8), (10) and (11) (certain agency requirements relating to system maintenance); and (f) (criminal penalties). Section (k)(2) may be invoked to exempt a system of records from: 5 U.S.C. 552a(c)(3) (making accounting of disclosures available to the subject individual); (d) (access to records); (e)(1) (maintaining only relevant and necessary information); (e)(4) (G), (H), and (I) (notice of certain procedures), and (f) (promulgation of certain Privacy Act rules). New paragraph (b) notes these specific exceptions and exemptions.

Certification of No Effect Pursuant to 5 U.S.C. 605(b) (Regulatory Flexibility Act)

The Commission certifies that this rule will not have a significant impact on a substantial number of small entities. The basis for this certification is that the Privacy Act applies only to "individuals," and individuals are not "small entities" within the meaning of the Regulatory Flexibility Act.

List of Subjects in 11 CFR Part 1

Privacy.

For the reasons set out in the preamble, chapter I of title 11 of the Code of Federal Regulations is amended to read as follows:

PART 1—PRIVACY ACT

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

Authority: 5 U.S.C. 552a.

2. Section 1.14 is amended by redesignating paragraph (b) as paragraph (c), and by adding new paragraph (b) to read as follows:

§ 1.14 Specific exemptions.

* * * * *

(b) (1) Pursuant to 5 U.S.C. 552a(j)(2), records contained in FEC 12, Office of Inspector General Investigative Files, are exempt from the provisions of 5 U.S.C. 552a, except subsections (b), (c)(1) and (2), (e)(4)(A) through (F), (e)(6), (7), (9), (10), and (11) and (f), and the corresponding provisions of 11 CFR part 1, to the extent this system of records relates in any way to the enforcement of criminal laws.

(2) Pursuant to 5 U.S.C. 552a(k)(2), FEC 12, Office of Inspector General Investigative Files, is exempt from 552a (c)(3), (d), (e)(1), (e)(4)(G), (H), and (I), and (f), and the corresponding provisions of 11 CFR part 1, to the extent the system of records consists of investigatory material compiled for law enforcement purposes, except for material that falls within the exemption included in paragraph (b)(1) of this section.

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Dated: January 17, 1995.

Danny Lee McDonald,

Chairman.

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SMALL BUSINESS ADMINISTRATION

13 CFR Part 108

Loans to State and Local Development Companies; Seller Financing by Regulated Lenders

AGENCY: Small Business Administration (SBA).

ACTION: Final rule.

SUMMARY: This rule provides an exception to the requirement that third party financing for a certified development company project derived from the seller of the property being financed must be subordinate to the financing provided by the development company. It provides that if a regulated financial institution is providing the third party financing and is also the seller of the real estate being financed the requirement for such subordination may be waived at SBA's option. A condition for such waiver is that the real estate being sold was previously acquired by the institution as "other real estate owned" (OREO) as defined by the Financial Institutions Reform Recovery and Enforcement Act (FIRREA) and the Federal Deposit Insurance Corporation Improvement Act (FDICIA). Also, as a condition of such waiver, an independent appraisal of the value of the property prepared by or under the control of the SBA or the participating Certified Development Company (CDC) is required, in order to insure that no conflict of interest will arise. This rule will grant small businesses receiving assistance under the SBA's certified development company program an opportunity to purchase OREO which is being made available to purchasers with sufficient financial strength to meet the lenders' credit requirements under FIRREA and FDICIA.

EFFECTIVE DATE: January 20, 1995.

FOR FURTHER INFORMATION CONTACT: LeAnn M. Oliver, Acting Director, Office of Rural Affairs & Economic Development, Small Business Administration, (202) 205-6485.

SUPPLEMENTARY INFORMATION: On March 18, 1994, SBA published in the **Federal Register** a proposed regulation amending 13 CFR 108.503-8(b)(2). That regulation requires that all seller financing be subordinated to SBA backed financing made under the SBA's development company loan program (59 FR 12864). SBA proposed to waive this restriction if the property being financed was classified as "other real estate owned" (OREO) which was owned by a financial institution which was financing the development company project in conjunction with SBA backed

financing. SBA received five comments which favored the proposed rule, one which opposed the change and one which addressed the issue of SBA adopting a general policy regarding real estate appraisals. Comments in support of the rule were from the trade associations representing the CDCs and independent bankers. They noted that existing lender regulations preclude a lender owning OREO from subordinating its financing if it is the seller of that property. The one comment against the rule expressed concern about lenders having the opportunity for self-dealing under the proposal.

SBA is adopting the proposal as published with one change. In response to the one concern expressed in the comments, SBA is requiring in this final rule that an independent appraisal of the property be prepared under the guidance of the CDC or SBA as a condition to granting a waiver under the final rule.

By this final rule, 13 CFR 108.503-8(b)(2) is amended to provide an exception to the current restriction which provides that where any part of the permanent financing for a development company project is supplied by the seller of the property on which the project is located, such financing must be subordinate to the development company financing. This rule permits a waiver of the general rule if the institution is the seller of property classified as "other real estate owned", and an independent appraisal of the value of the property prepared by or under the control of the SBA or a CDC demonstrates that the value of the property which will serve as collateral for the 503/504 loan is sufficient to support the loan.

Regulated financial institutions have increased their portfolios of "OREO" as a result of regulations issued pursuant to the Financial Institutions Reform Recovery and Enforcement Act (FIRREA) and the Federal Deposit Insurance Corporation Improvement Act (FDICIA). The regulations governing lending institutions require that they have the OREO property recorded on their books at a fair market value based on an appraisal prepared in conformance with state or Federal appraisal standards. These regulations encourage lenders and appraisers to value such property at a value which should lead to relatively quick sales. This has resulted in the availability of very favorable real estate sales by those lenders with the ability to meet regulated loan-to-value ratios and other currently stringent credit requirements of the lenders. However, loan-to-value