

employee, or spouse or minor child of a covered OTS employee, from retaining a loan from an OTS-regulated savings association on its original terms if the loan was incurred prior to April 30, 1991, or employment by the OTS, whichever date is later, or as a result of the sale or transfer of the loan to a savings association or the conversion or merger of the lender into an OTS-regulated savings association. Any renewal or renegotiation of a pre-existing loan or extension of credit is covered by paragraphs (c)(1) and (c)(2) of this section.

(d) *Restrictions arising from third party relationships.* If any of the entities listed in paragraphs (d)(1) through (d)(7) of this section have securities that a covered OTS employee would be prohibited from having by paragraph (b) of this section, or loans or extensions of credit that a covered OTS employee would be prohibited from obtaining under paragraph (c) of this section, the employee shall promptly report such interests to the Chief Counsel or designee. The Chief Counsel or designee may require the employee to terminate the third party relationship, undertake an appropriate disqualification, or take other appropriate action necessary, under the particular circumstances, to avoid a statutory violation or a violation of part 2635 of this title or this part, including an appearance of misuse of position or loss of impartiality. This paragraph (d) applies to any:

(1) Partnership in which the employee, or spouse or minor child of the employee, is a general partner;

(2) Partnership in which the employee, or spouse or minor child of the employee, individually or jointly holds more than a 10 percent limited partnership interest;

(3) Closely held corporation in which the employee, or spouse or minor child of the employee, individually or jointly holds more than a 10 percent equity interest;

(4) Trust in which the employee, or spouse or minor child of the employee, has a legal or beneficial interest;

(5) Investment club or similar informal investment arrangement between the employee, or spouse or minor child of the employee, and others;

(6) Qualified profit sharing, retirement or similar plan in which the employee, or spouse or minor child of the employee, has an interest; or

(7) Other entity if the employee, or spouse or minor child of the employee, individually or jointly holds more than a 25 percent equity interest.

(e) *Prohibited recommendations.* Employees of the OTS shall not make

recommendations or suggestions, directly or indirectly, concerning the acquisition or sale, or other divestiture of securities of any OTS-regulated savings association or savings association holding company.

(f) *Prohibited purchase of assets.* No covered OTS employee, or spouse or minor child of a covered OTS employee, shall purchase, directly or indirectly, an asset (e.g., real property, automobiles, furniture, or similar items) from a savings association or savings association affiliate, including a savings association holding company, unless it is sold at a public auction or by other means which assure that the selling price is the asset's fair market value.

(g) *Waivers.* An agency designee may grant a written waiver from any provision of this section based on a determination made with the advice and legal clearance of the DAEO or Office of the Chief Counsel that the waiver is not inconsistent with part 2635 of this title or otherwise prohibited by law and that, under the particular circumstances, application of the prohibition is not necessary to avoid the appearance of misuse of position or loss of impartiality, or otherwise to ensure confidence in the impartiality and objectivity with which agency programs are administered. A waiver under this paragraph may impose appropriate conditions, such as requiring execution of a written disqualification.

§ 3101.110 Additional rules for United States Customs Service employees.

The following rules apply to the employees of the United States Customs Service and are in addition to §§ 3101.101 through 3101.104:

(a) *Prohibition on outside employment.* No employee of the USCS shall work for a customs broker, international carrier, bonded warehouse, foreign trade zone, cartman, law firm engaged in the practice of customs law or importation department of a business, nor be employed in any private capacity related to the importation or exportation of merchandise.

(b) *Restrictions arising from employment of relatives.* If the spouse of a USCS employee, or other relative who is dependent on or resides with a USCS employee, is employed in a position that the employee would be prohibited from occupying by paragraph (a) of this section, the employee shall file a report of family member employment with his or her supervisor. Supervisors shall forward such reports to the appropriate Regional Counsel for transmittal to the Chief Counsel. The employee shall be disqualified from participation in any

matter involving the relative or the relative's employer unless an agency designee, with the advice and legal clearance of the DAEO or Office of the Chief Counsel, authorizes the employee to participate in the matter using the standard in § 2635.502(d) of this title.

§ 3101.111 Additional rules for United States Secret Service employees.

[Reserved]

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DEPARTMENT OF AGRICULTURE

Agricultural Marketing Service

7 CFR Part 1036

[DA-95-13]

Milk in the Eastern Ohio-Western Pennsylvania Marketing Area; Termination of Certain Provisions of the Order

AGENCY: Agricultural Marketing Service, USDA.

ACTION: Final rule.

SUMMARY: This rule terminates the advertising and promotion provisions of the Eastern Ohio-Western Pennsylvania Federal milk order. Termination of the provisions was requested by several associations of dairy farmers whose milk is pooled under the order. Two comments were filed in response to the proposed termination, and both were in favor of terminating these provisions. Termination eliminates redundant expenses in administering regional advertising and promotion programs without affecting producers' participation.

EFFECTIVE DATE: Amendments 2 and 3 (§§ 1036.73 and 1036.105 through 1036.121) are effective July 1, 1995. Amendment 4 (§ 1036.122) is effective August 1, 1995.

FOR FURTHER INFORMATION CONTACT: Constance M. Brenner, Marketing Specialist, USDA/AMS/Dairy Division, Order Formulation Branch, Room 2971, South Building, P.O. Box 96456, Washington, DC 20090-6456, (202) 720-2357.

SUPPLEMENTARY INFORMATION: Prior document in this proceeding:

Notice of Proposed Termination: Issued March 21, 1995; published March 24, 1995 (60 FR 15523).

The Regulatory Flexibility Act (5 U.S.C. 601-612) requires the Agency to examine the impact of a proposed rule on small entities. Pursuant to 5 U.S.C. 605(b), the Administrator of the Agricultural Marketing Service has

certified that this rule will not have a significant economic impact on a substantial number of small entities. This rule lessens the regulatory impact of the order on dairy farmers and will not affect milk handlers.

The Department is issuing this rule in conformance with Executive Order 12866.

This final rule has been reviewed under Executive Order 12778, Civil Justice Reform. This rule is not intended to have a retroactive effect. This rule will not preempt any state or local laws, regulations, or policies, unless they present an irreconcilable conflict with this rule.

The Agricultural Marketing Agreement Act of 1937, as amended (7 U.S.C. 601-674), provides that administrative proceedings must be exhausted before parties may file suit in court. Under section 608c(15)(A) of the Act, any handler subject to an order may file with the Secretary a petition stating that the order, any provisions of the order, or any obligation imposed in connection with the order is not in accordance with the law and requesting a modification of an order or to be exempted from the order. A handler is afforded the opportunity for a hearing on the petition. After a hearing, the Secretary would rule on the petition. The Act provides that the district court of the United States in any district in which the handler is an inhabitant, or has its principal place of business, has jurisdiction in equity to review the Secretary's ruling on the petition, provided a bill in equity is filed not later than 20 days after the date of the entry of the ruling.

This order of termination is issued pursuant to the provisions of the Agricultural Marketing Agreement Act and of the order regulating the handling of milk in the Eastern Ohio-Western Pennsylvania marketing area.

Notice of proposed rulemaking was published in the **Federal Register** on March 24, 1995 (60 FR 15523) concerning a proposed termination of certain provisions of the order. Interested persons were afforded an opportunity to file written data, views and arguments thereon. Two comments supporting (and none opposing) the proposed termination were received.

After consideration of all relevant material, including the proposal in the notice, the comments received, and other available information, it is hereby found and determined that the following provisions of the order do not tend to effectuate the declared policy of the Act:

Sections 1036.105 through 1036.122, the undesignated center heading

preceding them, and the reference to these provisions in § 1036.73.

Statement of Consideration

This rule terminates the advertising and promotion provisions of the Eastern Ohio-Western Pennsylvania Federal milk order. Milk Marketing Inc. (MMI), Dairylea Cooperative Inc., and Tri-County Producers Cooperative, all associations of dairy farmers whose milk is pooled on the Eastern Ohio-Western Pennsylvania Federal milk order, requested termination of the provisions.

The cooperatives stated that the primary purpose of these provisions, at the time of their implementation, was to increase producer participation in the advertising and promotion of milk and dairy products. However, the Dairy and Tobacco Adjustment Act of 1983 mandated that all dairy farmers contribute to such activities through a national program that includes all Federal order marketing areas (7 CFR part 1150). The cooperatives asserted that the advertising and promotion provisions of the order are redundant and create unnecessary expenses in view of the existence of qualified regional programs that are funded under the national advertising and promotion program. The efficiency and effectiveness of producer funds would be enhanced with termination of the Federal order advertising and promotion provisions. Thus, the cooperatives requested removal of the advertising and promotion provisions to eliminate administrative costs without affecting the integrity of the Federal order program or the national Dairy Promotion Program.

Comments favoring the termination of the provisions were received from National Farmers Organization (NFO) and a dairy farmer whose milk is pooled on Order 36. NFO reiterated the comments made by the three proponent cooperatives. The dairy farmer's comments favored the proposed termination of the provisions.

The advertising and promotion provisions of the Eastern Ohio-Western Pennsylvania Federal order should be terminated. Termination of the aforesaid sections of Order 36 would reduce administrative costs of the Order, while funding for dairy research and promotion would be maintained via 7 CFR part 1150, the Dairy Promotion Program. In addition, producers whose milk is pooled under the order support elimination of these provisions.

Section 608c(16)(A) of the Act authorizing Federal milk orders provides that any order provisions may be terminated separately whenever the

Secretary makes a determination that such provisions obstruct or do not tend to effectuate the declared policy of the Act.

Therefore, the aforesaid provisions of the order are hereby terminated.

List of Subjects in 7 CFR Part 1036

Milk marketing orders.

For the reasons set forth in the preamble, the following provisions in Title 7, Part 1036, are amended as follows:

PART 1036—MILK IN THE EASTERN OHIO-WESTERN PENNSYLVANIA MARKETING AREA

1. The authority citation for 7 CFR Part 1036 continues to read as follows:

Authority: 7 U.S.C. 601-674.

§ 1036.73 [Amended]

2. In § 1036.73, paragraph (a)(2)(iii) is amended, effective July 1, 1995, by adding the word "and", and paragraph (a)(2)(iv) is removed and reserved.

§§ 1036.105 through 1036.121 [Removed]

3. Sections 1036.105 through 1036.121 are removed, effective July 1, 1995.

§ 1036.122 [Removed]

4. Section 1036.122 and the undesignated center heading preceding it are removed, effective August 1, 1995.

Dated: May 1, 1995.

David R. Shipman,

Acting Deputy Assistant Secretary, Marketing and Regulatory Programs.

[FR Doc. 95-11042 Filed 5-4-95; 8:45 am]

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FEDERAL RESERVE SYSTEM

12 CFR Part 265

[Docket No. R-0877]

Rules Regarding Delegation of Authority

AGENCY: Board of Governors of the Federal Reserve System.

ACTION: Final rule.

SUMMARY: The Board is amending its delegation rules to allow Federal Reserve Banks to approve certain public welfare investments by state member banks under the Board's Regulation H. This amendment should provide for more expeditious processing of these requests.

EFFECTIVE DATE: June 5, 1995.

FOR FURTHER INFORMATION CONTACT: Stephanie Martin, Senior Attorney (202-452-3198), Legal Division; Sandra