approved binders in ''Ham with Natural Juices'' products would incur labeling expenses in revising the ingredients statements of their labels to show the presence of the approved binders. Decisions by individual manufacturers on whether to use any one of the approved binders in ''Ham with Natural Juices'' products would be based on their conclusions that the benefits outweigh the implementation costs.

Paperwork Requirements

Abstract: FSIS has reviewed the paperwork and recordkeeping requirements in this proposed rule in accordance with the Paperwork Reduction Act. This rule requires manufacturers opting to use one of the approved binders in ''Ham with Natural Juices'' products to revise their product labels. The labels would not be submitted to FSIS for approval because they would be generically approved in accordance with 9 CFR 317.5.

Estimate of Burden: Establishments must develop product labels in accordance with the regulations. FSIS estimates that it will take 60 minutes to design and develop modified product labels in accordance with the proposed regulation.

Respondents: Meat establishments.

Estimated number of Respondents: 1,079 meat establishments.

Estimated number of Responses per Respondent: FSIS estimates that each establishment would modify about 2 product labels.

Estimated Total Annual Burden on Respondents: 2158 hours.

Comments are invited on: (a) whether the proposed collection of information is necessary for the proper performance of the functions of the Agency, including whether the information will have practical utility; (b) the accuracy of the Agency's estimate of the burden of the proposed collection of information including the validity of the methodology and assumptions used; (c) ways to enhance the quality, utility, and clarity of the information to be collected; and (d) ways to minimize the burden of collection of information on those who are to respond, including through use of appropriate automated, electronic, mechanical, or other technological collection techniques or other forms of information technology. Comments may be sent to Lee Puricelli, Paperwork Specialist, see address above, and Desk Officer for Agriculture, Office of Information and Regulatory Affairs, Office of Management and Budget, Washington, DC 20253.

List of Subjects in 9 CFR Part 319

Food Grades and Standards, Food Labeling.

For the reasons set out in the preamble, 9 CFR part 319 would be amended as follows:

PART 319—DEFINITIONS AND STANDARDS OF IDENTITY OR COMPOSITION

1. The authority citation for part 319 would continue to read as follows:

Authority: 7 U.S.C. 450, 1901–1906; 21 U.S.C. 601–695; 7 CFR 2.18, 2.53.

2. The first sentence of paragraph (d) of section 319.104 would be revised to read as follows:

§ 319.104 Cured pork product.

* * * * *

(d) The binders provided in § 318.7(c)(4) of this subchapter for use in cured pork products may be used singly in those cured pork products labeled as ''Ham Water Added,'' ''Ham and Water Product—X% of Weight is Added Ingredients,'' and ''Ham with Natural Juices.'' * * *

Done at Washington, DC, on: April 16, 1997.

Thomas J. Billy,

Administrator.

[FR Doc. 97–10679 Filed 4–24–97; 8:45 am]

BILLING CODE 3410–DM–P

FARM CREDIT ADMINISTRATION

12 CFR Part 615

RIN 3052–AB75

Funding and Fiscal Affairs, Loan Policies and Operations, and Funding Operations; Cumulative Voting

AGENCY: Farm Credit Administration.

ACTION: Proposed rule.

SUMMARY: Section 615.5230 of Farm Credit Administration (FCA) Regulations provides for cumulative voting by shareholders in the election of Farm Credit Bank (FCB) directors and requires the unanimous consent of the voting shareholders to eliminate such cumulative voting. The FCA proposes to amend § 615.5230(a)(2) to provide that an FCB may eliminate cumulative voting in director elections with the consent of 75 percent of the bank's voting shareholders, instead of the currently required unanimous consent.

DATES: Written comments must be received on or before May 27, 1997.

ADDRESSES: Comments may be mailed or delivered to Patricia W. DiMuzio, Director, Regulation Development Division, Office of Policy Development and Risk Control, 1501 Farm Credit Drive, McLean, VA, 22102–5090 or sent by facsimile transmission to FAX number (703) 734–5784. Comments may also be submitted via electronic mail to ''reg-comm@fca.gov''.

Copies of all communications received will be available for examination by interested parties in the Office of Policy Development and Risk Control, Farm Credit Administration.

FOR FURTHER INFORMATION CONTACT:

Gaylon J. Dykstra, Policy Analyst, Office of Policy Development and Risk Control, Farm Credit Administration, McLean, VA 22102–5090, (703) 883–4498;

or

Rebecca S. Orlich, Senior Attorney, Office of General Counsel, Farm Credit Administration, McLean, VA 22102–5090, (703) 883–4020, TDD (703) 883–4444.

SUPPLEMENTARY INFORMATION: The FCA has received petitions from Farm Credit System (System) institutions and from an association board member in the Texas district requesting revision of the requirement of unanimous consent of an FCB's shareholders to eliminate the cumulative voting requirement for the election of directors set forth in § 615.5230(a)(2)(ii). The petitioners stated their belief that the provision is unduly burdensome and that the requirement for cumulative voting, which was intended to make the election of bank directors fairer for smaller associations, actually provided questionable benefits. The petitioners contended that cumulative voting works most effectively in situations where the entire board of directors is elected each year, or at least where the board is relatively large and several positions are open for election each year, and they noted that these situations are relatively rare in the System. The petitioners stated that cumulative voting was almost impossible to change and requested revision of the regulation to enable a bank to eliminate cumulative voting with the consent of either a simple majority or a two-thirds' majority of the shareholders.

Cumulative voting as discussed in the context of the present regulation relates only to the election of FCB directors by the owner associations and occurs only when more than one director position is being filled. Section 615.5230 was promulgated in 1988 to accommodate structural changes in the System effected by the Agricultural Credit Act of 1987. When the regulations were

proposed, the FCA provided for a continuation of the existing practice of weighted voting in the election of FCB directors. In weighted voting, an association is entitled to cast as many votes as there are voting shareholders in the association. In response to an association comment on the 1988 proposed rule that this method of voting ''may deprive small associations of any voice in the affairs of its bank if the district is dominated by a large district-wide association,'' the FCA retained weighted voting in the final regulation but also provided for cumulative voting unless each association, as a shareholder of the FCB, consents to eliminate it.

The explanation in the preamble of the final regulations for adding cumulative voting states:

> To respond to the concerns that smaller associations would be disadvantaged [by weighted voting], the final regulation requires the bank to allow cumulative voting unless each association agrees otherwise, which will allow small associations a greater opportunity to place a director on the board.

53 FR 40033, 40038 (October 13, 1988).

Unanimous consent to eliminate cumulative voting was required to assure that cumulative voting could be eliminated only with the consent of all of the associations that the provision was designed to protect. In addition, it assured that no single large association could defeat a protection for minority shareholders.

Associations in all FCB districts are currently permitted to cumulate their votes (which would otherwise be cast as a weighted vote for the preferred candidate in each open director position) to support only one director, if desired. Thus, if an association were entitled to cast 300 shares to vote for three director positions (a weighted vote of 300 representing 100 shareholders multiplied by three open director positions), it could choose to vote 100 shares for its preferred candidate in each director position, or, at the association's discretion, it could cumulate its votes and cast 300 shares for its preferred candidate in one director position or distribute its 300 shares in any combination among the preferred candidates in any of the open director positions.

The structure of the System has changed since 1988; currently there are no single large associations that dominate an entire district. Based on present circumstances, the FCA believes that the importance of requiring unanimous consent to eliminate cumulative voting is less compelling. However, the FCA continues to believe that cumulative voting provides important protection to minority interests and, consequently, that this voting method should be subject to elimination only by a supermajority. The FCA believes that a two-thirds' majority, as suggested by many petitioners, may not be a great enough supermajority to provide that protection. In addition, in some districts there are different types of associations that may favor different bank policies, and one type of association may have substantially more votes than other types. The FCA proposes to amend the existing requirement to permit an FCB to eliminate cumulative voting by a 75-percent majority but requests comment on the appropriateness of this level.

The FCA considered whether to provide for the elimination of cumulative voting on a weighted-vote basis, rather than according each association one vote, since weighted voting is the basis for all other shareholder votes. However, the Agency decided to propose a one-association, one-vote requirement because small associations will have a greater say in the decision to eliminate cumulative voting if their votes are given the same value as large associations.

List of Subjects in 12 CFR Part 615

Accounting, Agriculture, Banks, banking, Government securities, Investments, Rural areas.

For the reasons stated in the preamble, part 615 of chapter VI, title 12 of the Code of Federal Regulations is proposed to be amended to read as follows:

PART 615—FUNDING AND FISCAL AFFAIRS, LOAN POLICIES AND OPERATIONS, AND FUNDING OPERATIONS

1. The authority citation for part 615 continues to read as follows:

Authority: Secs. 1.5, 1.7, 1.10, 1.11, 1.12, 2.2, 2.3, 2.4, 2.5, 2.12, 3.1, 3.7, 3.11, 3.25, 4.3, 4.3A, 4.9, 4.14B, 4.25, 5.9, 5.17, 6.20, 6.26, 8.0, 8.3, 8.4, 8.6, 8.7, 8.8, 8.10, 8.12 of the Farm Credit Act (12 U.S.C. 2013, 2015, 2018, 2019, 2020, 2073, 2074, 2075, 2076, 2093, 2122, 2128, 2132, 2146, 2154, 2154a, 2160, 2202b, 2211, 2243, 2252, 2278b, 2278b–6, 2279aa, 2279aa–3, 2279aa–4, 2279aa–6, 2279aa–7, 2279aa–8, 2279aa–10, 2279aa–12); sec. 301(a) of Pub. L. 100–233, 101 Stat. 1568, 1608.

Subpart I—Issuance of Equities

2. Section 615.5230 is amended by revising paragraph (a)(2)(ii) to read as follows:

§ 615.5230 Implementation of cooperative principles.

(a) * * *

(2) * * *

(ii) Have the right to vote in the election of each director and be allowed to cumulate such votes and distribute them among the candidates in the shareholder's discretion, except that cumulative voting for directors may be eliminated if 75 percent of the associations that are shareholders of the Farm Credit Bank vote in favor of elimination. In a vote to eliminate cumulative voting, each association shall be accorded one vote.

Dated: April 22, 1997.

Floyd Fithian,

Secretary, Farm Credit Administration Board.

[FR Doc. 97–10750 Filed 4–24–97; 8:45 am]

BILLING CODE 6705–01–P

DEPARTMENT OF TRANSPORTATION

Federal Aviation Administration

14 CFR Part 39

[Docket No. 96–NM–245–AD]

RIN 2120–AA64

Airworthiness Directives; Boeing Model 747 Series Airplanes

AGENCY: Federal Aviation Administration, DOT.

ACTION: Notice of proposed rulemaking (NPRM).

SUMMARY: This document proposes the adoption of a new airworthiness directive (AD) that is applicable to certain Boeing Model 747 series airplanes. This proposal would require an internal visual inspection to detect cracks of the skin and internal doublers above main entry door 1 at body station 460, and various follow-on actions. This proposal is prompted by reports indicating that multiple fatigue cracks were found in both internal skin doublers. The actions specified by the proposed AD are intended to detect and correct such fatigue cracking, which could result in reduced structural integrity of the fuselage and consequent rapid depressurization of the cabin.

DATES: Comments must be received by June 6, 1997.

ADDRESSES: Submit comments in triplicate to the Federal Aviation Administration (FAA), Transport Airplane Directorate, ANM–103, Attention: Rules Docket No. 96-NM–245-AD, 1601 Lind Avenue, SW., Renton, Washington 98055–4056. Comments may be inspected at this location between 9:00 a.m. and 3:00 p.m., Monday through Friday, except Federal holidays.