

York, is hereby amended to include the Hazard Mitigation Grant Program among those areas determined to have been adversely affected by the catastrophe declared a major disaster by the President in his declaration of July 7, 1998:

All counties in the State of New York are eligible to apply for assistance under the Hazard Mitigation Grant Program.

(The following Catalog of Federal Domestic Assistance Numbers (CFDA) are to be used for reporting and drawing funds: 83.537, Community Disaster Loans; 83.538, Cora Brown Fund Program; 83.539, Crisis Counseling; 83.540, Disaster Legal Services Program; 83.541, Disaster Unemployment Assistance (DUA); 83.542, Fire Suppression Assistance; 83.543, Individual and Family Grant (IFG) Program; 83.544, Public Assistance Grants; 83.545, Disaster Housing Program; 83.548, Hazard Mitigation Grant Program)

**Laurence W. Zensinger,**

*Division Director, Response and Recovery Directorate.*

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#### FEDERAL EMERGENCY MANAGEMENT AGENCY

[FEMA-1227-DR]

#### Ohio; Amendment No. 4 to Notice of a Major Disaster Declaration

**AGENCY:** Federal Emergency Management Agency (FEMA).

**ACTION:** Notice.

**SUMMARY:** This notice amends the notice of a major disaster for the State of Ohio (FEMA-1227-DR), dated June 30, 1998, and related determinations.

**EFFECTIVE DATE:** July 5, 1998.

**FOR FURTHER INFORMATION CONTACT:** Madge Dale, Response and Recovery Directorate, Federal Emergency Management Agency, Washington, DC 20472, (202) 646-3260.

**SUPPLEMENTARY INFORMATION:** Notice is hereby given that the incident period for this disaster is closed effective July 5, 1998.

(The following Catalog of Federal Domestic Assistance Numbers (CFDA) are to be used for reporting and drawing funds: 83.537, Community Disaster Loans; 83.538, Cora Brown Fund Program; 83.539, Crisis Counseling; 83.540, Disaster Legal Services Program; 83.541, Disaster Unemployment Assistance (DUA); 83.542, Fire Suppression Assistance; 83.543, Individual and Family Grant (IFG) Program; 83.544, Public Assistance Grants; 83.545, Disaster Housing

Program; 83.548, Hazard Mitigation Grant Program.)

**Lacy E. Suiter,**

*Executive Associate Director, Response and Recovery Directorate.*

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#### FEDERAL EMERGENCY MANAGEMENT AGENCY

[FEMA-1228-DR]

#### Vermont; Amendment No. 1 to Notice of a Major Disaster Declaration

**AGENCY:** Federal Emergency Management Agency (FEMA).

**ACTION:** Notice.

**SUMMARY:** This notice amends the notice of a major disaster for the State of Vermont, (FEMA-1228-DR), dated June 30, 1998, and related determinations.

**EFFECTIVE DATE:** July 10, 1998.

**FOR FURTHER INFORMATION CONTACT:** Madge Dale, Response and Recovery Directorate, Federal Emergency Management Agency, Washington, DC 20472, (202) 646-3260.

**SUPPLEMENTARY INFORMATION:** The notice of a major disaster for the State of Vermont, is hereby amended to include the following areas among those areas determined to have been adversely affected by the catastrophe declared a major disaster by the President in his declaration of June 30, 1998:

Caledonia and Orleans Counties for Individual Assistance and Public Assistance.

(The following Catalog of Federal Domestic Assistance Numbers (CFDA) are to be used for reporting and drawing funds: 83.537, Community Disaster Loans; 83.538, Cora Brown Fund Program; 83.539, Crisis Counseling; 83.540, Disaster Legal Services Program; 83.541, Disaster Unemployment Assistance (DUA); 83.542, Fire Suppression Assistance; 83.543, Individual and Family Grant (IFG) Program; 83.544, Public Assistance Grants; 83.545, Disaster Housing Program; 83.548, Hazard Mitigation Grant Program.)

**Lacy E. Suiter,**

*Executive Associate Director, Response and Recovery Directorate.*

[FR Doc. 98-19821 Filed 7-23-98; 8:45 am]

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#### FEDERAL EMERGENCY MANAGEMENT AGENCY

[FEMA-1228-DR]

#### Vermont; Amendment No. 2 to Notice of a Major Disaster Declaration

**AGENCY:** Federal Emergency Management Agency (FEMA).

**ACTION:** Notice.

**SUMMARY:** This notice amends the notice of a major disaster for the State of Vermont, (FEMA-1228-DR), dated June 30, 1998, and related determinations.

**EFFECTIVE DATE:** July 15, 1998.

**FOR FURTHER INFORMATION CONTACT:** Madge Dale, Response and Recovery Directorate, Federal Emergency Management Agency, Washington, DC 20472, (202) 646-3260.

**SUPPLEMENTARY INFORMATION:** The notice of a major disaster for the State of Vermont, is hereby amended to include the following area among those areas determined to have been adversely affected by the catastrophe declared a major disaster by the President in his declaration of June 30, 1998:

Essex County for Individual Assistance and Public Assistance.

(The following Catalog of Federal Domestic Assistance Numbers (CFDA) are to be used for reporting and drawing funds: 83.537, Community Disaster Loans; 83.538, Cora Brown Fund Program; 83.539, Crisis Counseling; 83.540, Disaster Legal Services Program; 83.541, Disaster Unemployment Assistance (DUA); 83.542, Fire Suppression Assistance; 83.543, Individual and Family Grant (IFG) Program; 83.544, Public Assistance Grants; 83.545, Disaster Housing Program; 83.548, Hazard Mitigation Grant Program)

**Lacy E. Suiter,**

*Executive Associate Director, Response and Recovery Directorate.*

[FR Doc. 98-19822 Filed 7-23-98; 8:45 am]

BILLING CODE 6718-02-P

#### FEDERAL EMERGENCY MANAGEMENT AGENCY

[FEMA-1228-DR]

#### Vermont; Amendment No. 3 to Notice of a Major Disaster Declaration

**AGENCY:** Federal Emergency Management Agency (FEMA).

**ACTION:** Notice.

**SUMMARY:** This notice amends the notice of a major disaster for the State of Vermont (FEMA-1228-DR), dated June 30, 1998, and related determinations.

**EFFECTIVE DATE:** July 13, 1998.

**FOR FURTHER INFORMATION CONTACT:** Madge Dale, Response and Recovery Directorate, Federal Emergency Management Agency, Washington, DC 20472, (202) 646-3260.

**SUPPLEMENTARY INFORMATION:** Notice is hereby given that the incident period for this disaster is closed effective July 13, 1998.

(The following Catalog of Federal Domestic Assistance Numbers (CFDA) are to be used

for reporting and drawing funds: 83.537, Community Disaster Loans; 83.538, Cora Brown Fund Program; 83.539, Crisis Counseling; 83.540, Disaster Legal Services Program; 83.541, Disaster Unemployment Assistance (DUA); 83.542, Fire Suppression Assistance; 83.543, Individual and Family Grant (IFG) Program; 83.544, Public Assistance Grants; 83.545, Disaster Housing Program; 83.548, Hazard Mitigation Grant Program)

**Lacy E. Suiter,**

*Executive Associate Director, Response and Recovery Directorate.*

[FR Doc. 98-19823 Filed 7-23-98; 8:45 am]

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## FEDERAL HOUSING FINANCE BOARD

[No. 98-27]

### Statement of Policy: Disclosures in the Combined Annual and Quarterly Financial Reports of the Federal Home Loan Bank System

**AGENCY:** Federal Housing Finance Board.

**ACTION:** Final Policy Statement.

**SUMMARY:** The Board of Directors of the Federal Housing Finance Board (Finance Board) is adopting a statement of policy entitled "Disclosures in the Combined Annual and Quarterly Financial Reports of the Federal Home Loan Bank System." The policy statement will generally require that the combined annual and quarterly financial reports of the Federal Home Loan Bank (FHLBank) System be prepared in a manner that is consistent, in the judgment of the Finance Board, with the financial and other disclosure requirements promulgated by the Securities and Exchange Commission (SEC).

**EFFECTIVE DATE:** August 24, 1998.

**FOR FURTHER INFORMATION CONTACT:** Joseph A. McKenzie, Director, Financial Analysis and Reporting Division, Office of Policy, 202-408-2845, or Deborah F. Silberman, General Counsel, Office of General Counsel, 202-408-2570, Federal Housing Finance Board, 1777 F Street, NW, Washington, DC 20006.

**SUPPLEMENTARY INFORMATION:** The FHLBank Act (12 U.S.C. 1431(c)) authorizes the Finance Board to issue consolidated obligations (COs) that are the joint-and-several obligations of the FHLBanks. As issuer of the COs the Finance Board has assumed the responsibility of preparing combined FHLBank System annual and quarterly financial reports that are used in conjunction with the issuance of the COs.

Until now, the Finance Board has established no formal policies as to the scope and content of the information presented in the FHLBank System combined annual and quarterly financial reports. Since the establishment of the Finance Board in 1989, the combined annual report has grown in length as the disclosures have become more detailed and more comprehensive. Current disclosure practices represent an evolution of generally accepted accounting principles (GAAP) and industry disclosure standards, and reflect a consensus among Finance Board staff, FHLBank staff, the independent outside accountant for the combined financial report, and outside bond counsel.

The scope, form, and content of the combined FHLBank System annual and quarterly financial reports closely resemble reports issued by both corporate securities issuers that are required to register their securities with the SEC under the Securities Exchange Act of 1934, 15 U.S.C. 78a *et seq.*, (1934 Act), and by other Government Sponsored Enterprises (GSEs) that are, like the FHLBank System, exempt from such requirements.

The Finance Board is adopting this final policy statement about financial and other disclosures in the combined annual and quarterly financial reports for two reasons. First, the Finance Board will address a significant policy matter on how the FHLBanks provide disclosures and raise debt in the capital markets. The Finance Board believes that, as one of the largest issuers of debt securities in the U.S. capital markets, it has an obligation to provide purchasers of FHLBank System debt with adequate and accurate financial disclosure that is consistent with industry standards. One of the statutory responsibilities of the Finance Board is to ensure that the FHLBanks remain able to raise funds in the capital markets (see 12 U.S.C. 1422a (a)(3)(b)(iii)).<sup>1</sup> The Finance Board believes that the rules promulgated by the SEC pursuant to the Federal securities laws represent "best practice," and that financial and other disclosure concerning the FHLBank System should conform to this standard to the greatest extent practicable.

Second, the Finance Board believes that adoption of the final policy statement and final rule should address Congressional concerns about FHLBank System disclosure, as described in the

notice of the proposed policy statement, 63 FR 5381 at 5382 (Feb. 2, 1998).

The Finance Board published the proposed policy statement for notice and comment on February 2, 1998 (63 FR 5381, Feb. 2, 1998). In response to this proposal and a related proposed regulation on financial disclosures by the FHLBanks, the Finance Board received a total of six comments. Four of the comments were from or on behalf of FHLBanks, one comment was from a trade association, and one comment was from a public accounting firm. With respect to the proposed policy statement, the comments addressed the following major issues: the method of applying SEC reporting and disclosure requirements; disclosures about derivatives; Federal preemption of State securities laws; and implementation date.

### Analysis of Comments Received

#### *Method of Applying SEC Reporting and Disclosure Requirements*

The proposed policy statement provided that the combined annual and quarterly reports of the FHLBank System would follow SEC requirements with certain exceptions. Several commenters urged that, instead of enumerating exceptions, the Finance Board specify the areas in which the FHLBank System would follow the SEC requirements in place at the time that the policy statement was adopted. The commenters expressed concern that the Bank System would automatically be subject to yet-unwritten SEC rules if the policy statement were adopted in the proposed form. The commenters preferred the approach of formal adoption by the Finance Board each time the SEC changes its reporting and disclosure rules.

The Finance Board is adopting the procedure outlined in the proposed policy statement without change. The final policy statement enumerates areas for which no disclosure or modified disclosure will be made of information that, in the judgment of the Finance Board, would otherwise be required by the SEC's rules to be disclosed in a particular way. This will make clear that the Finance Board fully intends to provide disclosure on an ongoing basis that is consistent to the extent practicable and in the judgment of the Finance Board with the SEC's reporting and disclosure requirements, even if the SEC changes its rules. In addition, the Finance Board will not have to take formal action each time the SEC modifies its reporting and disclosure requirements to render the Finance

<sup>1</sup> At December 31, 1997, consolidated obligations outstanding exceeded \$304 billion, and the amount of consolidated obligations issued in 1997 exceeded \$2.1 trillion.