information and recommendation submitted by the Committee and other available information, it is hereby found that this rule, as hereinafter set forth, will tend to effectuate the declared policy of the Act.

Pursuant to 5 U.S.C. 553, it is also found and determined upon good cause that it is impracticable, unnecessary, and contrary to the public interest to give preliminary notice prior to putting this rule into effect, and that good cause exists for not postponing the effective date of this rule until 30 days after publication in the **Federal Register** because: (1) This action reduces the current assessment rate for fresh Bartlett pears; (2) the 2000–2001 fiscal period begins on July 1, 2000, and the marketing order requires that the rate of assessment for each fiscal period apply to all assessable fresh Bartlett pears handled during such fiscal period; (3) handlers are aware of this action which was unanimously recommended by the Committee at a public meeting and is similar to other assessment rate actions issued in past years; and (4) this interim final rule provides a 60-day comment period, and all comments timely received will be considered prior to finalization of this rule.

**List of Subjects in 7 CFR Part 931**

Marketing agreements, Pears, Reporting and recordkeeping requirements.

For the reasons set forth in the preamble, 7 CFR part 931 is amended as follows:

## PART 931—FRESH BARTLETT PEARS GROWN IN OREGON AND WASHINGTON

1. The authority citation for 7 CFR part 931 continues to read as follows:

**Authority:** 7 U.S.C. 601–674.

2. Section 931.231 is revised to read as follows:

**§ 931.231 Assessment rate.**

On and after July 1, 2000, an assessment rate of $0.02 per western standard pear box is established for the Northwest Fresh Bartlett Pear Marketing Committee.

Dated: June 27, 2000.

**Robert C. Keeney,**

*Deputy Administrator, Fruit and Vegetable Programs.*

[FR Doc. 00–16990 Filed 7–5–00; 8:45 am]

**BILLING CODE 3410–02–P**

## DEPARTMENT OF THE TREASURY

## Office of the Comptroller of the Currency

## 12 CFR Part 5

**[Docket No. 00–14]**

**RIN 1557–AB86**

## Other Equity Investments

**AGENCY:** Office of the Comptroller of the Currency, Treasury.

**ACTION:** Final rule.

**SUMMARY:** The Office of the Comptroller of the Currency (OCC) is making a technical correction to its regulation on non-controlling equity investments to clarify that a national bank that wishes to use the notice procedure to make a non-controlling investment in an enterprise must certify that its loss exposure is limited, as a legal and accounting matter, and that it does not have open-ended liability for the obligations of the enterprise.

**EFFECTIVE DATE:** July 6, 2000.

**FOR FURTHER INFORMATION CONTACT:** Stuart Feldstein, Assistant Director, or Karl Betz, Attorney, Legislative and Regulatory Activities Division, (202) 874–5090, Office of the Comptroller of the Currency, 250 E Street, SW, Washington, DC, 20219.

**SUPPLEMENTARY INFORMATION:**

### Description of Change

On March 10, 2000 the OCC published a final rule titled ''Financial Subsidiaries and Operating Subsidiaries.'' 65 FR 12905. The final rule amended 12 CFR 5.36, ''Other equity investments,'' to provide a streamlined, after-the-fact notice procedure for national banks making non-controlling investments in enterprises engaging in specified activities. As part of the notice process, the applicant must certify that it has satisfied the standards and conditions that the OCC applies to investments of this type.[1] These standards and conditions are established by OCC precedents approving non-controlling investments.[2]

The final rule omitted from the notice procedure one standard contained in these precedents. In order to clarify that all of the standards and conditions contained in OCC precedent approving non-controlling investments apply to non-controlling investments that are eligible for the after-the-fact notice procedure, we are amending § 5.36(e) to conform the requirements of the notice procedure with those of the precedents on which it is based. Accordingly, this rule adds the requirement that a national bank certify that its loss exposure is limited, as a legal and accounting matter, and that the bank does not have open-ended unlimited liability for the obligations of the enterprise. The rule is published in final form and takes effect immediately upon publication in the **Federal Register**.

### Administrative Procedure Act—Notice and Comment

Pursuant to section 553(b)(B) of the Administrative Procedure Act (APA), 5 U.S.C. 553(b)(B), the OCC finds good cause for dispensing with the requirements for notice and an opportunity for public comment that the APA would otherwise require. This technical correction conforms the rule with the governing standards that have been available in published OCC precedent for some time. By removing an apparent inconsistency with the precedents in this area, the rule avoids the confusion, and the potential for the filing of incomplete notices, that may otherwise occur when banks compare the requirements of the rule with those in the precedents.

*Effective Date*

The APA generally requires that a final rule take effect 30 days after publication in the **Federal Register**. 5 U.S.C. 553(d). Similarly, section 302 of the Riegle Community Development and Regulatory Improvement Act of 1994 (CDRI Act) generally requires that a final rule issued by a Federal banking agency take effect on the first day of the first calendar quarter that begins on or after the date on which the regulation is published in final form. 12 U.S.C. 4802(b)(1). Both requirements are subject to a good cause exception.

For the reasons previously explained, the OCC finds good cause for making this amendment to 12 CFR 5.36(e) effective immediately upon publication. Delaying the effective date of the amendment will delay national banks' ability to rely with certainty on the notice process for non-controlling investments and thus impede the rule's purpose of facilitating national banks' ability to make non-controlling

[1] *See* 65 FR at 12913 (provisions describing the certifications that the notice must contain).

[2] *See, e.g.,* OCC Corporate Decision No. 97–54 (June 26, 1997); OCC Interpretive Letter No. 692, *reprinted in* [1995–1996 Transfer Binder] Fed. Banking L. Rep. (CCH) ¶ 81,007 (Nov. 1, 1995); OCC Interpretive Letter No. 694, *reprinted in* [1995–1996 Transfer Binder] Fed. Banking L. Rep. (CCH) ¶ 81,009 (Dec. 13, 1995); OCC Interpretive Letter No. 705, *reprinted* in [1995–1996 Transfer Binder] Fed. Banking L. Rep. (CCH) ¶ 81,020 (October 25, 1995); OCC Interpretive Letter No. 711, *reprinted in* [1995–1996 Transfer Binder] Fed. Banking L. Rep. (CCH) ¶ 81–026 (Feb. 23, 1996).

investments that comport with the standards the OCC has adopted in its published precedents.

**Regulatory Flexibility Act**

The Regulatory Flexibility Act (RFA) (5 U.S.C. 601–612) does not apply to a rulemaking where a general notice of proposed rulemaking is not required. 5 U.S.C. 603 and 604. As noted previously, the OCC has determined that it is not necessary to publish a notice of proposed rulemaking for this final rule. Accordingly, the RFA's requirements relating to an initial and final regulatory flexibility analysis are not applicable. In any event, however, since this final rule merely adds one additional element to the notice that the rule permits a national bank to file, this final rule does not have a significant economic impact on a substantial number of small entities.

**Executive Order 12866**

The Comptroller of the Currency has determined that this final rule is not a significant regulatory action for purposes of Executive Order 12866.

**Unfunded Mandates Reform Act of 1995**

The Unfunded Mandates Reform Act of 1995, Public Law 104–4, 109 Stat. 48 (UMA), applies only when an agency is required to issue a general notice of proposed rulemaking or a final rule for which the agency published a general notice of proposed rulemaking (2 U.S.C. 1532). As noted previously, the OCC has determined, for good cause, that notice and comment is unnecessary. Accordingly, the UMA does not require a budgetary impact analysis.

Nevertheless, the OCC has determined that this final rule will not result in expenditures by State, local, and tribal governments, or by the private sector, of $100 million or more in any one year. Accordingly, the OCC has not prepared a budgetary impact statement or specifically addressed the regulatory activities considered.

**List of Subjects in 12 CFR Part 5**

Administrative practice and procedure, National banks, Reporting and recordkeeping requirements, Securities.

**Authority and Issuance**

For the reasons set forth in the preamble, the OCC amends chapter I of title 12 of the Code of Federal Regulations as follows:

## PART 5—RULES, POLICIES, AND PROCEDURES FOR CORPORATE ACTIVITIES

1. The authority citation for part 5 continues to read as follows:

**Authority:** 12 U.S.C. 1 *et seq.*, 93a; and section 5136A of the Revised Statutes, (12 U.S.C. 24a).

2. Section 5.36 is amended by:

A. Redesignating paragraph (e)(7) as (e)(8);

B. Removing ''and'' from the end of paragraph (e)(6); and

C. Adding a new paragraph (e)(7) to read as follows:

**§ 5.36 Other equity investments.**

* * * * *

(e) * * *

(7) Certify that the bank's loss exposure is limited, as a legal and accounting matter, and the bank does not have open-ended liability for the obligations of the enterprise; and

* * * * *

Dated: June 27, 2000

**John D. Hawke, Jr.,**

*Comptroller of the Currency.*

[FR Doc. 00–17008 Filed 7–5–00; 8:45 am]

**BILLING CODE 4810–33–P**

## FEDERAL HOUSING FINANCE BOARD

### 12 CFR Part 915

**[No. 2000–31]**

**RIN 3069–AB00**

### Election of Federal Home Loan Bank Directors

**AGENCY:** Federal Housing Finance Board.

**ACTION:** Final rule.

**SUMMARY:** The Federal Housing Finance Board (Finance Board) is amending its regulations to address the status of the 1999 and 2000 elections of directors at each Federal Home Loan Bank (Bank), and to provide standards regarding the manner in which the Banks must stagger their boards. The final rule also addresses the consequences to an incumbent director whose directorship is eliminated or is redesignated as representing Bank members located in a different state before the end of his or her term.

**EFFECTIVE DATE:** The final rule is effective on August 7, 2000.

**FOR FURTHER INFORMATION CONTACT:** Neil R. Crowley, Deputy General Counsel, (202) 408–2990, Federal Housing Finance Board, 1777 F Street, N.W., Washington, D.C. 20006.

**SUPPLEMENTARY INFORMATION:**

**I. Background**

On February 23, 2000, the Finance Board approved a proposed rule to implement provisions of the Gramm-Leach-Bliley Act, Public Law 106–102, 133 Stat. 1338, 1453 (Nov. 12, 1999) (GLB Act) regarding the term of office of Bank directors. 65 FR 17458 (April 3, 2000). The GLB Act amended Section 7(d) of the Federal Home Loan Bank Act (Bank Act) to establish uniform three-year terms for the appointed and elected directors of the Banks and required that the terms of those directors first elected or appointed after enactment of the GLB Act be adjusted as necessary to stagger the board of each Bank into three classes of approximately equal size. 12 U.S.C. 1427(d), *as amended*. Under prior law the appointed directors had served for four-year terms and the elected directors had served for two-year terms. Because the GLB Act amendments took effect upon enactment, they had the effect of extending the terms of all incumbent elected directors by one year. As a result of the extension of the terms of office by the GLB Act, on January 1, 2000, when the two-year terms of the elected directors otherwise would have expired, there were no open elected directorships at any of the Banks. During 1999, each Bank had conducted elections in which the members voted to elect approximately one-half of the elected directors of the Bank, but the candidates elected could not assume office on January 1, 2000 as a consequence of the GLB Act amendments. In previously addressing the effect of the GLB Act on the terms of Bank directorships, the Finance Board expressed its intent to authorize the board of directors of each Bank to decide whether to conduct new elections in 2000 or to adopt the tabulation of votes cast in the 1999 elections for use in the 2000 elections.[1] The Finance Board indicated that it would establish the criteria by which the board of each Bank could make that decision, which was one issue that the Finance Board had addressed in the proposed rulemaking. The proposed rule also addressed the manner in which the terms of the directors assuming office after November 12, 1999 were to be adjusted in order to achieve the one-third staggering required by the GLB Act. The final rule addresses both of those issues, substantially as proposed.

[1] Finance Board Resolution No. 99–65 (Dec. 14, 1999).