

# Rules and Regulations

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## DEPARTMENT OF AGRICULTURE

### Food and Nutrition Service

#### 7 CFR Part 246

RIN 0584-AA80

#### Special Supplemental Nutrition Program for Women, Infants and Children (WIC): Food Delivery Systems; Delay of Implementation Date

**AGENCY:** Food and Nutrition Service, USDA.

**ACTION:** Final rule.

**SUMMARY:** This final rule delays from February 27, 2002 until October 1, 2002 the implementation date of the final rule entitled Special Supplemental Nutrition Program for Women, Infants and Children (WIC): Food Delivery Systems, which was published in the **Federal Register** on December 29, 2000, 65 FR 83248, and became effective on April 28, 2001. The rule strengthens vendor management in retail food delivery systems by establishing mandatory selection criteria, training requirements, criteria to be used to identify high-risk vendors, and monitoring requirements, including compliance investigations. The new implementation date of October 1, 2002 provides State agencies additional time to implement the rule, promotes more effective and efficient implementation of the new requirements, and corresponds with the beginning of the Federal fiscal year.

**DATES:** This rule is effective November 19, 2001. State agencies must fully implement the provisions of the WIC Food Delivery Systems final rule no later than October 1, 2002.

**FOR FURTHER INFORMATION CONTACT:** Debra R. Whitford, Supplemental Food Programs Division, Food and Nutrition Service, 3101 Park Center Drive, Room 522, Alexandria, Virginia 22302, (703) 305-2746.

#### SUPPLEMENTARY INFORMATION:

##### Background

On August 2, 2001, the Department published a proposed rule at 66 FR 40152 that would delay the implementation date of the WIC Food Delivery Systems final rule from February 27, 2002 to October 1, 2002. A total of nine comment letters were received during the comment period, which ended on September 4, 2001. All nine comment letters generally supported the delay of the implementation date. Whereas one commenter suggested further delaying the implementation date until September 30, 2003, another commenter indicated that it would not support delaying the implementation beyond the proposed date of October 1, 2002. We considered the proposed changes to its implementation date and concluded that the proposed date of October 1, 2002 is the most appropriate. Therefore, based on the comments received, and for the reasons cited in the proposed rule, the Department has decided to delay the implementation date of the WIC Food Delivery Systems final rule until October 1, 2002, as proposed. The Department has given all comments careful consideration in the development of this final rule and would like to thank all commenters who responded to the proposal.

For the reasons set forth in the above paragraph, the WIC Food Delivery Systems final rule, published December 29, 2000, at 65 FR 83248, is amended to extend the final date for implementation from February 27, 2002 to October 1, 2002.

##### Executive Order 12866

This final rule has been determined to be not significant for purposes of Executive Order 12866, and, therefore, has not been reviewed by the Office of Management and Budget (OMB).

##### Regulatory Flexibility Act

This rule has been reviewed with regard to the requirements of the Regulatory Flexibility Act (5 U.S.C. 601-612). The Acting Administrator of the Food and Nutrition Service (FNS) has certified that this rule will not have a significant economic impact on a substantial number of small entities. While procedures in this rulemaking will affect State and local agencies that

administer the WIC Program, any economic effect will not be significant.

##### Unfunded Mandate Reform Act of 1995

Title II of the Unfunded Mandate Reform Act of 1995 (UMRA), Public Law 104-4, establishes requirements for Federal agencies to assess the effects of their regulatory actions on State, local, and tribal governments and the private sector. Under section 202 of the UMRA, FNS generally must prepare a written statement, including a cost-benefit analysis, for proposed and final rules with "Federal mandates" that may result in expenditures to State, local, or tribal governments, in the aggregate, or to the private sector, of \$100 million or more in any one year. When such a statement is needed for a rule, section 205 of the UMRA generally requires FNS to identify and consider a reasonable number of regulatory alternatives and adopt the least costly, more cost-effective or least burdensome alternative that achieves the objectives of the rule. This rule contains no Federal mandates (under the regulatory provisions of Title II of the UMRA) for State, local, and tribal governments or the private sector of \$100 million or more in any one year. Thus, this rule is not subject to the requirements of sections 202 and 205 of the UMRA.

##### Executive Order 12372

The WIC Program is listed in the Catalog of Federal Domestic Assistance under 10.557. For the reasons set forth in the final rule in 7 CFR part 3015, subpart V, and related notice (48 FR 29115), this program is included in the scope of Executive Order 12372 which requires intergovernmental consultation with State and local officials.

##### Paperwork Reduction Act of 1995

This final rule contains no new information collection requirements under the Paperwork Reduction Act of 1995 (44 U.S.C. 3507). The existing recordkeeping and reporting requirements, which were approved by OMB under control number 0584-0045, will not change as a result of this rule.

##### Executive Order 12988

This final rule has been reviewed under Executive Order 12988, Civil Justice Reform. This proposed rule is intended to have preemptive effect with respect to any State or local laws, regulations, or policies which conflict

with its provisions or which would otherwise impede its full implementation. This rule is not intended to have retroactive effect unless so specified in the **DATES** section of the preamble. Prior to any judicial challenge to the application of the provisions of this final rule, all applicable administrative procedures must be exhausted.

**List of Subjects in 7 CFR Part 246**

Administrative practice and procedure, Civil rights, Food assistance programs, Food and Nutrition Service, Food donations, Grant programs—health, Grant programs—social programs, Indians, Infants and children, Maternal and child health, Nutrition, Nutrition education, Penalties, Reporting and recordkeeping requirements, Public assistance programs, WIC, Women.

Dated: October 12, 2001.

**George A. Braley,**  
Acting Administrator, Food and Nutrition Service.  
[FR Doc. 01–26194 Filed 10–17–01; 8:45 am]  
BILLING CODE 3410–30–P

**FEDERAL RESERVE SYSTEM**

**12 CFR Part 201**

[Regulation A]

**Extensions of Credit by Federal Reserve Banks; Change in Discount Rate**

**AGENCY:** Board of Governors of the Federal Reserve System.

**ACTION:** Final rule.

**SUMMARY:** The Board of Governors has amended its Regulation A, Extensions of Credit by Federal Reserve Banks to reflect its approval of a decrease in the basic discount rate at each Federal Reserve Bank. The Board acted on requests submitted by the Boards of Directors of the twelve Federal Reserve Banks.

**DATES:** The amendments to part 201 (Regulation A) were effective October 2, 2001. The rate changes for adjustment credit were effective on the dates specified in 12 CFR 201.51.

**FOR FURTHER INFORMATION CONTACT:** Jennifer J. Johnson, Secretary of the Board, at (202) 452–3259, Board of Governors of the Federal Reserve System, 20th and C Streets NW., Washington, DC 20551.

**SUPPLEMENTARY INFORMATION:** Pursuant to the authority of sections 10(b), 13, 14, 19, *et al.*, of the Federal Reserve Act, the Board has amended its Regulation A (12 CFR part 201) to incorporate changes in discount rates on Federal Reserve Bank extensions of credit. The discount rates are the interest rates charged to depository institutions when they borrow from their district Reserve Banks.

The “basic discount rate” is a fixed rate charged by Reserve Banks for adjustment credit and, at the Reserve Banks’ discretion, for extended credit for up to 30 days. In decreasing the basic discount rate from 2.5 percent to 2.0 percent, the Board acted on requests submitted by the Boards of Directors of the twelve Federal Reserve Banks. The new rates were effective on the dates specified below. The 50-basis-point decrease in the discount rate was associated with a similar decrease in the federal funds rate approved by the Federal Open Market Committee (FOMC) and announced at the same time.

In a joint press release announcing these actions, the FOMC and the Board of Governors stated that the terrorist attacks have significantly heightened uncertainty in an economy that was already weak. Business and household spending as a consequence are being further dampened. Nonetheless, the long-term prospects for productivity growth and the economy remain favorable and should become evident once the unusual forces restraining demand abate. The Committee continues to believe that, against the background of its long-run goals of price stability and sustainable economic growth and of the information currently available, the risks continue to be weighted mainly toward conditions that may generate economic weakness in the foreseeable future.

**Regulatory Flexibility Act Certification**

Pursuant to section 605(b) of the Regulatory Flexibility Act (5 U.S.C.

605(b)), the Board certifies that the change in the basic discount rate will not have a significant adverse economic impact on a substantial number of small entities. The rule does not impose any additional requirements on entities affected by the regulation.

**Administrative Procedure Act**

The provisions of 5 U.S.C. 553(b) relating to notice and public participation were not followed in connection with the adoption of the amendment because the Board for good cause finds that delaying the change in the basic discount rate in order to allow notice and public comment on the change is impracticable, unnecessary, and contrary to the public interest in fostering price stability and sustainable economic growth.

The provisions of 5 U.S.C. 553(d) that prescribe 30 days prior notice of the effective date of a rule have not been followed because section 553(d) provides that such prior notice is not necessary whenever there is good cause for finding that such notice is contrary to the public interest. As previously stated, the Board determined that delaying the changes in the basic discount rate is contrary to the public interest.

**List of Subjects in 12 CFR Part 201**

Banks, banking, Credit, Federal Reserve System.

For the reasons set out in the preamble, 12 CFR part 201 is amended as set forth below:

**PART 201—EXTENSIONS OF CREDIT BY FEDERAL RESERVE BANKS (REGULATION A)**

1. The authority citation for 12 CFR part 201 continues to read as follows:

**Authority:** 12 U.S.C. 343 *et seq.*, 347a, 347b, 347c, 347d, 348 *et seq.*, 357, 374, 374a and 461.

2. Section 201.51 is revised to read as follows:

**§ 201.51 Adjustment credit for depository institutions.**

The rates for adjustment credit provided to depository institutions under § 201.3(a) are:

Federal Reserve Bank	Rate	Effective
Boston .....	2.0	October 2, 2001.
New York .....	2.0	October 2, 2001.
Philadelphia .....	2.0	October 4, 2001.
Cleveland .....	2.0	October 2, 2001.
Richmond .....	2.0	October 2, 2001.
Atlanta .....	2.0	October 2, 2001.
Chicago .....	2.0	October 2, 2001.