

# Rules and Regulations

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## OFFICE OF PERSONNEL MANAGEMENT

### 5 CFR Part 532

RIN 3206-AJ60

#### Prevailing Rate Systems; Change in the Survey Cycle for the Portland, OR, Appropriated Fund Wage Area

**AGENCY:** Office of Personnel Management.

**ACTION:** Interim rule with request for comments.

**SUMMARY:** The Office of Personnel Management is issuing an interim rule to change the timing of local wage surveys in the Portland, Oregon, appropriated fund Federal Wage System (FWS) wage area. This change will help the Department of Defense better balance its FWS wage survey workload. DOD will conduct full-scale wage surveys in the Portland wage area in August of each even-numbered fiscal year beginning in August 2002.

**EFFECTIVE DATE:** This interim rule is effective on April 24, 2002. Comments must be received on or before May 24, 2002.

**ADDRESSES:** Send or deliver comments to Donald J. Winstead, Assistant Director for Compensation Administration, Workforce Compensation and Performance Service, Office of Personnel Management, Room 7H31, 1900 E Street NW., Washington, DC 20415-8200, or FAX: (202) 606-4264.

**FOR FURTHER INFORMATION CONTACT:** Chenty I. Carpenter at (202) 606-2838; by FAX at (202) 606-4264; or by e-mail at [cicarpen@opm.gov](mailto:cicarpen@opm.gov).

**SUPPLEMENTARY INFORMATION:** The Department of Defense (DOD) requested that the Office of Personnel Management (OPM) change the timing of local wage surveys in the Portland, Oregon, appropriated fund Federal

Wage System (FWS) wage area. Full-scale wage surveys currently begin in August of each odd-numbered fiscal year. Full-scale wage surveys will begin in the future in August of each even-numbered fiscal year. Under section 532.207 of title 5, **Code of Federal Regulations**, the scheduling of wage surveys takes into consideration the best timing in relation to wage adjustments in the principal local private enterprise establishments, a reasonable distribution of the workload of the lead agency, the timing of surveys for nearby wage areas, and scheduling relationships with other pay surveys.

DOD asked OPM to change the starting time for local wage surveys in the Portland, Oregon, wage area to August of even-numbered fiscal years to balance the overall workload of its survey office. DOD conducted a full scale survey in August of 2001 and will conduct another full-scale wage survey in Portland in August 2002.

The Federal Prevailing Rate Advisory Committee, the national labor-management committee responsible for advising OPM on matters concerning the pay of FWS employees, recommended by consensus that we change the full-scale survey cycle for the Portland wage area from August of each odd-numbered fiscal year to August of each even-numbered fiscal year.

#### Regulatory Flexibility Act

I certify that this regulation will not have a significant economic impact on a substantial number of small entities because it will affect only Federal agencies and employees.

#### List of Subjects in 5 CFR Part 532

Administrative practice and procedure, Freedom of information, Government employees, Reporting and recordkeeping requirements, Wages.

Office of Personnel Management.

**Kay Coles James,**  
*Director.*

Accordingly, the Office of Personnel Management amends 5 CFR part 532 as follows:

#### PART 532—PREVAILING RATE SYSTEMS

1. The authority citation for part 532 continues to read as follows:

## Federal Register

Vol. 67, No. 79

Wednesday, April 24, 2002

**Authority:** 5 U.S.C. 5343, 5346; § 532.707 also issued under 5 U.S.C. 552.

#### Appendix A to Subpart B of Part 532 [Amended]

2. Appendix A to subpart B of Part 532 is amended by revising “odd” to “even” under the heading **Fiscal year of full-scale survey under the State of Oregon for the Portland appropriated fund wage area.**

[FR Doc. 02-9958 Filed 4-23-02; 8:45 am]

**BILLING CODE 6325-39-M**

## DEPARTMENT OF AGRICULTURE

### Food Safety and Inspection Service

#### 9 CFR Part 390

[Docket No. 99-029F]

RIN 0583-AC75

#### Sharing Recall Distribution Lists With State and Other Federal Government Agencies

**AGENCY:** Food Safety and Inspection Service, USDA.

**ACTION:** Final rule.

**SUMMARY:** The Food Safety and Inspection Service (FSIS) is adding regulations concerning sharing distribution lists from a firm that is recalling meat or poultry products with State and other Federal agencies. This rule will permit FSIS to share with officials of State governments and of other Federal agencies, distribution lists without being compelled to disclose the information to the public under the Freedom of Information Act (FOIA). This action is necessary for improved public health protection and will facilitate cooperation among regulatory agencies.

**EFFECTIVE DATE:** This rule is effective July 31, 2002.

#### FOR FURTHER INFORMATION CONTACT:

Ralph Stafko, Senior Policy Manager, Federal, State and Local Government Relations Staff, OPPDE, FSIS, U.S. Department of Agriculture, Washington, DC 20250, (202) 418-8900. FSIS has drafted a Memorandum of Understanding (MOU) for use by FSIS and State agencies in implementing this rule. For information on the MOU, contact Ralph Stafko at the telephone number above.

**SUPPLEMENTARY INFORMATION:****Background***Overview of Recalls of Meat and Poultry Products*

FSIS is responsible for ensuring that meat and poultry products are safe, wholesome, and accurately labeled. FSIS enforces the Federal Meat Inspection Act (FMIA) and the Poultry Products Inspection Act (PPIA), which require Federal inspection and regulation of meat and poultry products prepared for distribution in commerce for use as human food. When there is reason to believe that meat or poultry products in commerce are adulterated or misbranded, FSIS will request that the firms that introduced the products into commerce recall them.

Recalls are voluntary actions taken by manufacturers or distributors in cooperation with Federal and State agencies. Although the product is marked "inspected and passed," FSIS may determine, based on information that becomes available to the Agency after the product is shipped, that there is reason to believe that the product is not eligible to bear the mark of inspection.

FSIS does not have statutory authority to order recalls. Recall actions are initiated by a firm, either on its own initiative or at the request of FSIS. If a firm does not agree to initiate a recall, FSIS may detain or seize the product wherever it is located.

*Sharing Recall Distribution Lists With State and Federal Agencies*

This final rule delineates the circumstances in which FSIS will share the distribution lists of a firm involved in a recall with State and other Federal agencies. Distribution lists are records that show where and when the product was shipped. Sharing these lists will contribute to improved public health protection by allowing for more effective and timely verification that products are removed from commerce. It will also have the effect of enhancing cooperation and effective communication with other agencies.

Historically, FSIS' communications with State agencies had the same status as communication with any member of the public. Under the FOIA at 5 U.S.C. 552(a)(3)(A), any record of the Agency that is disclosed in an authorized manner to any member of the public is available for disclosure to all members of the public.

Thus, FSIS was unwilling to share distribution information with the States. Distribution information is confidential commercial information that is valuable

to a firm and to its competitors. FSIS recognized that if it made the information regularly available to the public, firms would be unwilling to voluntarily share this information with the Agency. The Agency's ability to verify that recalls were proceeding effectively would be significantly hampered as a result, and the public health would consequently suffer.

Beginning in 1996, however, with the publication of the Pathogen Reduction; Hazard Analysis and Critical Control Point (HACCP) Systems final rule, FSIS has pointed out the need for a farm-to-table approach to food safety. The Agency has also pointed out that this approach needs to be supported by a seamless food safety system. As a result, FSIS has begun to work more and more closely with other Federal and State agencies. One type of situation in which FSIS has come to see cooperation as particularly important is that involving outbreaks of foodborne illness and the recall of meat and poultry products to protect the public health. To enhance cooperation with State and other Federal government agencies, FSIS needs the ability, in some circumstances, to disclose certain confidential commercial information to other agencies while still protecting the confidentiality of the information in all other respects.

Therefore, on September 19, 2000 (65 FR 56503), FSIS proposed to amend 9 CFR part 390 by adding a new section that would enable FSIS to share with State agencies and other Federal agencies certain confidential commercial information, specifically, distribution lists from the firm recalling a meat or poultry product, which are protected from mandatory public disclosure by exemption 4 of the FOIA (5 U.S.C. 552(b)(4)).

FSIS modeled its proposed rule, in part, on two Food and Drug Administration (FDA) regulations, 21 CFR 20.85 and 20.88, which permit FDA to disclose certain nonpublic information to State governments and other Federal officials without requiring FDA to make the information or documents available to the public.

In response to the proposed rule, FSIS received 18 comments. After carefully analyzing the comments, FSIS has decided to adopt the proposed rule.

Under 9 CFR 390.9, the Administrator or his/her designee may share distribution lists that have been obtained by FSIS with State and other Federal government agencies as part of a cooperative effort between agencies, in accordance with the following conditions.

The State government officials will provide a written statement establishing their authority to protect distribution lists from public disclosure and a written commitment not to disclose such information without the submitter's written permission or written confirmation from FSIS that the information is no longer confidential.

Officials of other Federal agencies will need to provide a similar written commitment not to disclose the information and must refer any request for distribution lists to FSIS for response.

FSIS intends that the disclosure of information to other agencies will be for the purpose of recalls of meat and poultry products. The regulatory text of this rule limits the sharing of information to recalls.

Under this final rule, 9 CFR 390.9 also provides that these government officials are not members of the public for purposes of disclosure of distribution lists submitted to FSIS, and that such disclosures will not invoke the requirements in 9 CFR part 390 for uniform access to records. Disclosure of distribution lists to government agencies as specified in this rule will be an authorized disclosure.

This rule will do nothing to diminish public access to Agency records. The purpose of this rule is not to reduce the number or types of records that will be available to the public from FSIS but to enhance the Agency's ability to engage in information exchanges with Federal and State agencies.

This regulation also is related to a Memorandum of Understanding (MOU) between FSIS and the Food and Drug Administration (FDA) signed in February 1999, which was intended to facilitate sharing of information. This MOU has been limited in effect by FSIS' inability to provide proprietary information on recalls to FDA. This regulation will remedy this limitation.

**Comments and Responses**

As stated above, FSIS received eighteen comments on the proposed rule from trade and professional associations, consumer advocacy groups, a State Department of Health, and a Federal government agency. The regulatory text of this final rule incorporates changes made in response to these comments.

**General Comments**

Most of the commenters expressed general support for sharing distribution lists with State and other Federal government agencies without being compelled to disclose the information to the public under the FOIA. Many of

these commenters, however, did recommend revisions of specific provisions in the rule. One commenter generally opposed the proposed rule.

**Response:** FSIS responses to all of the relevant comments follow.

**Comment:** Most of the commenters stated that FSIS should specify what “confidential commercial information” and “proprietary information” may be shared with State and Federal agencies.

**Response:** FSIS agrees with the comment. The Agency’s intent in the proposed rule was to share certain confidential commercial information, i.e., distribution lists, from firms with Federal and State agencies. Distribution lists are records of where and when product was shipped from the firm recalling the product. Distribution lists also include lists from the establishment’s secondary and tertiary distributors. Therefore, FSIS has modified the final regulation and the phrases “confidential commercial information” and “proprietary information” have been removed wherever they appear and replaced with the term “distribution lists.”

**Comment:** Several commenters asserted that sharing recall information should be permitted only when there is a Class I recall. Class I recalls involve a health hazard situation where there is a reasonable probability that the use of the product will cause serious, adverse health consequences or death.

**Response:** FSIS disagrees with this comment. A Class II recall involves a remote chance of an adverse health consequence but still involves a potential health hazard. Therefore, in the interest of public health protection, distribution lists should, and will, be shared in the event of a Class II recall.

However, because § 390.9(a)(2) requires that the disclosure be in the interest of public health, FSIS will not share information in Class III recall instances, where the use of a product will not cause adverse health consequences.

**Comment:** Most commenters urged that information be limited to those other Federal or State agencies that are responsible for enforcing food safety statutes and that can assist FSIS in verifying the removal of products.

**Response:** FSIS agrees with the comment. This rule specifically addresses food recall activities. The Agency has modified the rule to state that distribution lists will be distributed to agencies that are involved in food safety to assist FSIS in recall verification activities.

**Comment:** Numerous commenters said that confidential commercial information should not be released to

any State that does not have a confidentiality statute that protects the state from releasing confidential commercial information to the public.

The commenters went on to say that, even though FSIS will only disclose confidential commercial information provided that the State government officials give a written statement to establish their authority to protect the information from public disclosure, it is only acceptable if the State has protective laws in place that disallow sharing such information with the public.

Related comments asked that FSIS enter into Memorandums of Understanding (MOUs) or cooperative agreements with State and Federal agencies with whom FSIS plans to share information. The comments said that these agreements would ensure that the receiving agency understands exactly which information must be kept confidential, and that the agency agrees to do so.

**Response:** FSIS agrees. As the proposed rule stated, State and Federal government agencies must provide a written statement establishing their authority to protect confidential commercial information from public disclosure.

FSIS intends to enter into MOUs, cooperative agreements, or other appropriate documents with State and other Federal agencies that are interested in receiving distribution lists, on the condition that FSIS expects that the agencies report back to FSIS the results of the use of the distribution list information.

**Comment:** Several commenters requested that when FSIS receives a request for confidential commercial information belonging to a firm, that the Agency notify the firm immediately, as provided by 7 CFR 1.11.

**Response:** FSIS will, of course, comply with existing Departmental regulatory requirements and will notify the firm that provided the information to FSIS.

**Comment:** Some commenters requested that FSIS make even more clear in the preamble to the final rule just what the consequences or penalties will be should a State or Federal employee who had been the recipient of shared confidential commercial information accidentally or purposefully release this information without authorization.

**Response:** The penalty for an unauthorized disclosure is that FSIS will not share information with the agency involved and will cancel the MOU or agreement with it. Also, a firm can pursue its legal remedies in the case

of unauthorized disclosures of its distribution lists.

**Comment:** Two commenters said that as written, proposed section 390.9(a)(1) appears to be misworded and suggested revised wording. The proposed section 390.9(a)(1) stated “Federal government agencies must provide a written commitment not to disclose the information, but to refer the confidential commercial information to FSIS in order for FSIS to respond to the request for information.”

**Response:** FSIS agrees that the section appears to be misworded and has revised § 390.9(a)(1) to be more clear. The sentence will read as follows:

Federal government agencies must provide a written commitment not to disclose the information and to refer any request for distribution lists to FSIS for response.

**Comment:** One commenter questioned the meaning and effect of the review under Executive Order 12988, Civil Justice Reform, as it states that “This rule: (1) Preempts State and local laws and regulations that are inconsistent with this rule.” The commenter wanted to know if the proposed rule preempts sunshine or open records laws which many states have and which give the public a right of access to governmental records.

**Response:** This final rule has no preemptive effect. Therefore, agencies must follow the edicts of their State law. A State agency in a State with such a law would not be able to enter into an MOU with FSIS that would violate such a law.

**Comment:** A commenter stated that FSIS should address its concerns about whether information released as a result of this rule could hurt the marketing ability of small establishments, by raising the danger of disclosure of confidential sales lists to competing establishments and businesses.

**Response:** These concerns are not warranted. This rule has been developed to protect the confidentiality of such information.

FSIS has built mechanisms into the regulation to protect information by requiring written commitments not to disclose information and written assurances that the State agencies and other Federal agencies that receive the information have the means and the intent to protect the confidentiality of the information. FSIS has every confidence that they will do so.

**Comment:** One commenter stated that FSIS should work with each State government to develop a list of authorities that should receive information, e.g., the State’s health department and State agencies that run

State-operated institutions (prisons, schools, hospitals, etc.).

**Response:** FSIS disagrees. With the MOU, it is unnecessary to specify the agencies. However, the only agencies that need the list are those that assist FSIS in recall effectiveness checks. State agencies understand the sensitivity of the information. State schools, hospitals, or prisons, while they may need to know of the recall, have no need for the distribution lists. Schools, prisons, hospitals, as well as any other recipients of recalled product, are notified directly by the recalling firm.

#### *General Opposition*

**Comment:** One commenter generally opposed the proposed rule for two key reasons:

1. The proposed rule would substantially weaken Freedom of Information (FOIA) protections relating to certain types of confidential information by authorizing FSIS to share this information with State government agencies; and

2. The proposed rule does not clearly identify the scope of information that may be shared, or the circumstances under which information may be shared.

**Response:** FSIS stated in the proposal that it would share confidential commercial information with other government entities in conjunction with a recall. This broad statement satisfied any legal notice requirement. However, in the final rule, FSIS is specifying the information it intends to disclose. As mentioned previously, FSIS will share distribution lists with Federal and State agencies and has modified this final regulation to reflect this clarification.

FSIS disagrees that this rule would weaken Freedom of Information (FOIA) protections relating to confidential information by authorizing FSIS to share this information with States. FSIS will maintain the confidentiality of distribution lists and will only share this information with agencies that agree to partner with FSIS to effectively determine recalled product removal.

Further, FSIS has required that safeguards be in place in any State with which the information is to be shared, so that the confidentiality of the information can, and will, be protected. The Agency will deny a request for distribution lists if the government officials are unable to assure FSIS of their ability and willingness to protect the information.

#### **Compliance With Executive Order 12866 and the Regulatory Flexibility Act of 1996**

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

The Administrator, FSIS, has determined that this action will not have a significant economic impact on a substantial number of small entities as defined by the Regulatory Flexibility Act (5 U.S.C. 601) because this rule promotes cooperation between FSIS and other Federal and State agencies.

#### **Economic Impact**

##### *Impacts/Net Benefits Associated with this Action*

This action is new. No significant changes in recall activities are expected as a result of this action.

1. Net benefits are likely to include increased public health protection.

2. Net benefits are likely also to include enhanced communications and cooperation between FSIS and State and other Federal agencies.

#### *Expected Benefits*

During a meat or poultry recall, FSIS will be able to share distribution lists with State agencies and other Federal agencies without having to disclose this information to the general public or media under the Freedom of Information Act. Doing so will help FSIS to verify that adulterated, unhealthful products are removed from consumer channels quickly and efficiently and to protect the public health.

Because of this rule, the sharing of recall information will help all the government agencies to work cooperatively to enhance public health and provide consumer protection from foodborne illnesses. The State agencies will provide a written agreement not to disclose such information without the submitter's written permission or written confirmation from FSIS. Federal agencies must agree not to release the information but to refer any request for the information to FSIS for response to the requestor. This will ensure that the other government agencies do not inadvertently share this information with the public. Increased consumer protection and public health and efficiency in government will be the basic benefits of this rule.

#### *Expected Costs*

There are minimal costs associated with sharing recall information with State and other Federal agencies. Costs

will consist of the labor it takes to draft and agree to Memorandum of Understandings, and the labor it takes for FSIS to share the information with these agencies. These costs are already absorbed by the labor cost of these officials.

There are no costs to industry.

#### *Expected Effects on Small Entities*

No disproportionate significant economic impact will be experienced by small entities. FSIS will share with State and other Federal government officials confidential and proprietary information (distribution lists) of both large and small entities, if the recall warrants it.

#### **Additional Public Notification**

Public awareness of all segments of rulemaking and policy development is important. Consequently, in an effort to better ensure that minorities, women, and persons with disabilities are aware of this rule, FSIS will announce it and provide copies of this **Federal Register** publication in the FSIS Constituent Update. FSIS provides a weekly FSIS Constituent Update, which is communicated via fax to over 300 organizations and individuals. In addition, the update is available on line through the FSIS web page located at <http://www.fsis.usda.gov>. The update is used to provide information regarding FSIS policies, procedures, regulations, **Federal Register** notices, FSIS public meetings, recalls, and any other types of information that could affect or would be of interest to our constituents/stakeholders. The constituent fax list consists of industry, trade, and farm groups, consumer interest groups, allied health professionals, scientific professionals, and other individuals that have requested to be included. Through these various channels, FSIS is able to provide information to a much broader, more diverse audience. For more information and to be added to the constituent fax list, fax your request to the Congressional and Public Affairs Office, at (202) 720-5704.

#### **Executive Order 12898**

Pursuant to Executive Order 12898 (59 FR 7629, February 16, 1994), "Federal Actions to Address Environmental Justice in Minority Populations and Low-Income Populations," FSIS has considered potential impacts of this rule on environmental and health conditions in low-income and minority communities.

Sharing recall information with other agencies will benefit FSIS, the regulated industry, and consumers. Thus, this regulation does not adversely affect the

public health or environment in low-income and minority communities.

#### Executive Order 12988

This rule has been reviewed under Executive Order 12988, Civil Justice Reform. This rule: (1) Will not preempt State and local laws and regulations that are inconsistent with this rule; (2) has no retroactive effect; and (3) does not require administrative proceedings before parties may file suit in court challenging this rule. However, the administrative procedures specified in 9 CFR 390.7 must be exhausted prior to any judicial challenge of the application of the provisions of this rule, if the challenge involves any decision of an FSIS employee relating to a denial of access of information.

#### Paperwork Requirements

There are no paperwork or recordkeeping requirements associated with this rule under the Paperwork Reduction Act of 1995 (44 U.S.C. 3501-3520).

#### List of Subjects in 9 CFR Part 390

Confidential business information, Freedom of information, Government employees.

For the reasons set forth in the preamble, 9 CFR part 390 is amended to read as follows:

1. The heading of 9 CFR part 390 is revised to read as follows:

#### PART 390—FREEDOM OF INFORMATION AND PUBLIC INFORMATION

2. The authority citation for part 390 continues to read as follows:

**Authority:** 5 U.S.C. 301, 552; 7 CFR 1.3, 2.7.

3. Section 390.9 is added to read as follows:

#### § 390.9 Communications with State and other Federal government agencies.

(a) The Administrator of the Food Safety and Inspection Service (FSIS), or designee, may authorize the disclosure of distribution lists (records that show where and when product was shipped) obtained from a firm recalling products, or incorporated into agency-prepared records, to State and other Federal government agencies to verify the removal of the recalled product, provided that:

(1) The State agency has provided both a written statement establishing its authority to protect confidential distribution lists from public disclosure and a written commitment not to disclose any information provided by FSIS, without the written permission of

the submitter of the information or written confirmation by FSIS that the information no longer has confidential status. Federal government agencies must provide a written commitment not to disclose the information and to refer any request for distribution lists to FSIS for response; and

(2) The Administrator of FSIS or designee determines that disclosure would be in the interest of public health.

(b) This provision does not authorize the disclosure to State or other Federal government agencies of trade secret information, unless otherwise provided by law or pursuant to an express written authorization provided by the submitter of the information.

(c) Information disclosed under this section is not a disclosure of information to the public. Disclosures made under this section do not waive any FOIA exemption protection.

Done in Washington, DC, on: April 15, 2002.

**Margaret O'K. Glavin,**

*Acting Administrator.*

[FR Doc. 02-9840 Filed 4-23-02; 8:45 am]

**BILLING CODE 3410-DM-P**

#### NATIONAL CREDIT UNION ADMINISTRATION

#### 12 CFR Part 701

#### Organization and Operations of Federal Credit Unions

**AGENCY:** National Credit Union Administration (NCUA).

**ACTION:** Final rule.

**SUMMARY:** The NCUA Board is amending its chartering and field of membership manual to make four changes to ease regulatory burden. First, applicants need not submit documentation to establish a community area that is the same as one the NCUA has previously determined to be a well-defined local community, neighborhood or rural district. Second, the Board is deleting the category of common characteristics and background of residents from the examples of acceptable documentation because this category has proven to generate documentation of limited relevance. Third, an existing community charter need not document in writing how it plans on serving the entire community. Fourth, the Board is updating the definition of an investment area because of the release of new census data and updated Community Development Financial Institution Fund standards.

**EFFECTIVE DATE:** May 24, 2002.

**ADDRESSES:** National Credit Union Administration, 1775 Duke Street, Alexandria, Virginia 22314-3428.

#### FOR FURTHER INFORMATION CONTACT:

Michael J. McKenna, Chairman, Field of Membership Task Force, 1775 Duke Street, Alexandria, Virginia 22314 or telephone (703) 518-6540 or Regina Metz, Staff Attorney, Office of General Counsel, 1775 Duke Street, Alexandria, Virginia 22314 or telephone (703) 518-6540 or Lynn Markgraf, Program Officer, Office of Examination and Insurance, 1775 Duke Street, Alexandria, Virginia 22314 or telephone (703) 518-6396.

#### SUPPLEMENTARY INFORMATION:

##### Background

NCUA's chartering and field of membership policy is set out in Interpretive Ruling and Policy Statement 99-1, Chartering and Field of Membership Policy (IRPS 99-1), as amended by IRPS 00-01. The policy is incorporated by reference in NCUA's regulations at 12 CFR 701.1. It is also published as NCUA's Chartering and Field of Membership Manual (Chartering Manual), which is the document most interested parties use and to which references in the following discussion are made.

In 2001, the NCUA Board issued two interim final rules on chartering and field of membership. In this document the Board is finalizing both rules as IRPS 02-2. Each rule and each amendment is discussed separately below.

##### March Interim Final Rule

On March 8, 2001, the NCUA Board issued IRPS 01-1, an interim final rule with a sixty-day comment period, amending the Chartering Manual. 66 FR 15619 (March 20, 2001). The comment period ended on May 21, 2001. Nine comments were received. Comments were received from two Federal credit unions, four state credit union leagues, one national credit union trade association and two bank trade associations. Almost all of the commenters supported both of the interim final rule's field of membership changes. Most of these commenters believe these amendments will reduce documentation requirements and save Federal credit unions time and funds in converting to a community charter.

##### 1. Previously Established Communities

The Chartering Manual requires community charter applicants to establish that an area is a "well-defined local community, neighborhood, or rural district." Chartering Manual, Chapter 2, V.A.1. It provides that an applicant may submit