

re-consuming. Like other official services, the official commercial inspection service provides an impartial assessment of grain quality (grade, official factors, and other criteria) by FGIS-licensed or authorized inspectors, using FGIS-approved and checktested equipment. In addition, it allows applicants for inspection—working with FGIS or an official agency—to modify the sampling and inspection procedures to fit their individual needs. To foster additional savings, the instruction that establishes the official commercial inspection service provides for issuing certificates on an optional basis, upon request.

FGIS anticipates that official agencies will reduce costs for official commercial inspection services. Most users of official commercial inspection service should be able to reduce their total service costs by 10 to 40 percent.

FGIS has projected that the introduction of the official commercial inspection service will increase the number of trucklot inspections performed by State and private official agencies by as much as 25 percent within three years, from 360,452

trucklots in FY 1991 to 450,000 in FY

1994. Hopper carlot inspections should increase by about 10 percent during the same period, from 944,246 in FY 1991 to 1 million in FY 1994. The number of trucklot and hopper carlot inspections performed by FGIS would also increase by nearly as much. Consequently, this service could save the industry between \$350,000 to \$2.2 million a year in fees and charges for inspection services compared to the current inspection system.

Final Action

Allowing the implementation of instructions that provide for issuing certificates on an optional basis will reduce a significant regulatory burden, have a positive economic impact on the U.S. grain industry, and facilitate the orderly and timely marketing of grain, particularly at country elevators and other points of first delivery.

Accordingly, this interim rule revises the requirement that an official commercial certificate must be issued for each single-lot inspection of grain in a land carrier, container, or barge by establishing an exception for such lots of grain inspected according to instructions that allow optional certification. Pursuant to 5 U.S.C. 553, it is 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.

This rule relieves regulatory provisions and requires no advance preparation or planning by affected persons. It should be made effective as soon as possible in order to facilitate the orderly marketing of grain. A 30-day comment period is provided to allow interested persons to comment on this interim final rule prior to its finalization.

List of Subjects in 7 CFR Part 800

Administrative practice and procedure, and Grain.

PART 800—GENERAL PROVISIONS

For reasons set out in the preamble, 7 CFR part 800 is amended as follows:

1. The authority citation for part 800 continues to read as follows:

Authority: Pub. L. 94-582, 90 Stat. 2867, as amended, (7 U.S.C. 71 *et seq.*).

2. Section 800.84(c) is revised to read as follows:

§ 800.84 Inspection of grain in land carriers, containers, and barges in single lots.

(c) *One certificate per carrier: exceptions.* Except as provided in this paragraph, one official certificate shall be issued for the inspection of the grain in each truck, trailer, truck/trailer(s) combination, railcar, barge, or similarly sized carrier. The requirements of this paragraph are not applicable:

(1) When grain is inspected in a combined lot under § 800.85;

(2) When grain is inspected under paragraph (d) of this section; or

(3) When certification is at the option of the applicant in accordance with instructions.

3. Section 800.160(a) is revised to read as follows:

§ 800.160 Official certificates; issuance and distribution.

(a) *Required issuance.* An official certificate shall be issued for each inspection service and each weighing service except as provided §§ 800.84, 800.129, and 800.139 and paragraph (b) of this section.

Dated: March 19, 1992.

John C. Foltz,
Administrator.

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FEDERAL HOUSING FINANCE BOARD

12 CFR Parts 932 and 941

[92-185.1]

Operations of the Office of Finance

AGENCY: Federal Housing Finance Board.

ACTION: Final rule.

SUMMARY: The Federal Housing Finance Board ("Finance Board") is promulgating its final rule on the reorganization of the Office of Finance, a joint office of the Federal Home Loan Banks ("FHLBanks"), that will alter the management structure of the Office of Finance and enhance its ability to fulfill its mission of issuing FHLBank consolidated bonds or notes.

EFFECTIVE DATE: April 3, 1992.

FOR FURTHER INFORMATION CONTACT: Thomas D. Sheehan, Assistant Director, Financial Division, District Banks Directorate, (202) 408-2870, or Charles Szlenker, Attorney, Office of General Counsel, (202) 408-2554, Federal Housing Finance Board, 1777 F Street NW., Washington, DC 20006.

SUPPLEMENTARY INFORMATION:

I. Background and Introduction

Since 1989 the Finance Board has succeeded to the duties of the former Federal Home Loan Bank Board ("FHLBB") in its capacity as the regulator of the FHLBank System, pursuant to the Federal Home Loan Bank Act. One such duty is to issue the FHLBank consolidated debentures, bonds or notes ("consolidated obligations") that are the joint and several obligations of the 12 FHLBanks. 12 U.S.C. 1430 (b) and (c) (Supp. I, 1989). The capital raised through the sale of the consolidated obligations is channeled by the FHLBanks to their members, through secured advances, and in turn used for residential housing finance. In this way, the FHLBank consolidated obligations are an important link in the chain of home mortgage financing in the nation.

On January 24, 1992 the Finance Board issued an interim final rule that reorganized the structure of the Office of Finance. 57 FR 2832 (Jan. 24, 1992). The reasons for the restructuring were described in the **SUPPLEMENTARY INFORMATION** portion of that rule. See generally *id.* at 2832-33. The Finance Board provided for a 30-day comment period, notwithstanding that it was promulgating the rule in final form. That action accorded the public an opportunity to give constructive

commentary about the restructuring effort.

II. Changes to Final Rule

The Finance Board has received comments suggesting a change in the quorum requirements for meetings of the Office of Finance Board of Directors ("OF Board"). After deliberating on the proposal, the Finance Board determined that there is no overriding need to require the attendance of all three members of the governing OF Board during a meeting. Therefore, the Finance Board is relaxing the quorum requirement for meetings of the OF Board.

This quorum constitutes a majority of the OF Board membership. The use of a majority of the members as a quorum for meetings is consistent with the United States Supreme Court's view that the common law permits the quorum for a collegial body to be the majority of its members. See *FTC v. Flothill Prod.*, 389 U.S. 179, 183 (1967).

The Finance Board is also changing the method by which the Office of Finance shall reimburse the private citizen member of the OF Board for the cost of attending OF Board meetings, and is increasing the term of each member to three years. The Finance Board is also clarifying that the members of the Board of Directors, notwithstanding their appointments to a term, will serve at the pleasure of the Finance Board.

The Finance Board is permitting the OF Board to set the terms and conditions for indemnifying OF Board members as well as officers and employees of the Office of Finance, and is making miscellaneous technical corrections to the text of the rule.

Regulatory Flexibility Act

The Finance Board has determined, in accordance with the Regulatory Flexibility Act (5 U.S.C. 605(b)), that this rule will not have a significant impact on small business entities. That analysis is detailed in the interim final rule. See 57 FR 2834 (Jan. 24, 1992).

List of Subjects in 12 CFR Part 941

Organization and functions (Government agencies).

Accordingly, the interim final rule removing 12 CFR 932.55, 932.56 and 932.57 and adding 12 CFR part 941, which was published at 57 FR 2832 on January 24, 1992, is adopted by the Finance Board as a final rule, with the following changes:

PART 941—OPERATIONS OF THE OFFICE OF FINANCE

1. The authority citation for part 941 continues to read as follows:

Authority: Sec. 2B, 103 Stat. 414, as amended (12 U.S.C. 1422b); sec. 11, 47 Stat. 733, as amended (12 U.S.C. 1431).

2. Section 941.6 is amended by adding the phrase "section 21B(c)(1)(A)" in place of 41B(c)(1)(A) in paragraph (c)(3), and by revising paragraph (c)(2) to read as follows:

§ 941.6 Director of the Office of Finance.

(c) * * *

(2) A member of the Directorate of the Financing Corporation, pursuant to section 21(b)(1)(A) of the Federal Home Loan Bank Act, as amended (12 U.S.C. 1441(b)(1)(A)); and

3. Section 941.7 is amended by the phrase "to pay in accordance with the travel and expense reimbursement policies in effect at such President's Bank" in place of "to pay" the second place it appears in paragraph (f)(1)(ii), by adding the phrase "a director serving on" in place of "the chairmen of" in paragraph (f)(2), and by revising paragraphs (d)(1), (d)(4)(i) and (d)(4)(ii) to read as follows:

§ 941.7 Office of Finance Board of Directors.

(d) *Terms*—(1) *Length*. Except is provided in paragraphs (d)(3) and (4) of this section, the OF Board of Directors shall serve at the pleasure of the Finance Board or for terms, which shall be staggered, of three years beginning on April 1.

(i) One of the Bank President members shall serve from the date of appointment until March 31, 1993 or at the pleasure of the Finance Board and the other shall serve from the date of appointment until March 31, 1994 or at the pleasure of the Finance Board.

(ii) The Private Citizen member shall serve from the date of appointment until March 31, 1995 or at the pleasure of the Finance Board.

4. Section 941.8 is amended by adding the phrase "section 12(a)" in place of "section 32(a)" in paragraph (a), and by adding a new paragraph (d) to read as follows:

§ 941.8 Powers of the Office of Finance Board of Directors.

(d) *Indemnification*. (1) The OF Board of Directors is empowered to determine the terms and conditions under which its members, the Director, and other officers and employees of the Office of Finance will be indemnified by the Office of Finance, provided: that such terms and conditions will not be inconsistent with terms and conditions of indemnification of directors, officers and employees of the Bank System, generally.

(2) Such indemnification procedures, when duly adopted, may be supplemented by a contract of insurance, and all expenses incident to indemnification will be treated as an expense of the Office of Finance.

5. Section 941.10(b) is revised to read as follows:

§ 941.10 Meetings of the Office of Finance Board of Directors.

(b) *Quorum*. A quorum for purposes of OF Board of Directors meetings shall be at least two members.

Dated: March 24, 1992.

By the Federal Housing Finance Board.
Daniel F. Evans, Jr.,
Chairman.

[FR Doc. 92-7411 Filed 4-2-92; 8:45 am]

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DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

Office of the Secretary

24 CFR Part 576

[Docket No. R-92-1553; FR-2970-C-02]

RIN 2501-A921

Technical Rule To Phase Out HAP and CHAP and To Phase In CHAS; Adding CHAS to Existing Regulations; Final Rule; Correction

AGENCY: Office of the Secretary, HUD.

ACTION: Final rule; correction.

SUMMARY: On October 31, 1991 (56 FR 56124) the Department published a final rule in the Federal Register to amend existing program regulations that were affected by the interim rule on Comprehensive Housing Affordability Strategies (CHAS) published on February 4, 1991 (56 FR 4480). This document corrects one of the amendatory instructions.

EFFECTIVE DATES: December 2, 1991:

FOR FURTHER INFORMATION CONTACT: Sally Warner Watts, Senior Attorney Advisor, Office of General Counsel, room 10276, Department of Housing and