

any of the conditions specified therein is present; and

(3) The NCUA Board to seek formal administrative sanctions against the supervisory committee and/or its independent, compensated auditor pursuant to section 206(r) of the Federal Credit Union Act, 12 U.S.C. 1786(r).

(b) *State Charters.* In the case of a federally-insured state chartered credit union, NCUA shall provide the state regulator an opportunity to timely impose a remedy satisfactory to NCUA before exercising its authority under § 741.202 of this chapter to impose a sanction permitted under paragraph (a) of this section.

§ 715.12 Statutory audit remedies for Federal credit unions.

(a) *Audit by alternative licensed person.* The NCUA Board may compel a federal credit union to obtain a supervisory committee audit which meets the minimum requirements of § 715.5 or § 715.7, and which is performed by an independent person who is licensed by the State or jurisdiction in which the credit union is principally located, for any fiscal year in which any of the following three conditions is present:

(1) The Supervisory Committee has not obtained an annual financial statement audit or performed a supervisory committee audit; or

(2) The Supervisory Committee has obtained a financial statement audit or performed a supervisory committee audit which does not meet the requirements of part 715 including those in § 715.8.

(3) The credit union has experienced serious and persistent recordkeeping deficiencies as defined in paragraph (c) of this section.

(b) *Financial statement audit required.* The NCUA Board may compel a federal credit union to obtain a financial statement audit performed in accordance with GAAS by an independent person who is licensed by the State or jurisdiction in which the credit union is principally located (even if such audit is not required by § 715.5), for any fiscal year in which the credit union has experienced serious and persistent recordkeeping deficiencies as defined in paragraph (c) of this section. The objective of a financial statement audit performed under this paragraph is to reconstruct the records of the credit union sufficient to allow an unqualified or, if necessary, a qualified opinion on the credit union's financial statements. An adverse opinion or disclaimer of opinion should be the exception rather than the norm.

(c) *"Serious and persistent recordkeeping deficiencies."* A recordkeeping deficiency is "serious" if the NCUA Board reasonably believes that the board of directors and management of the credit union have not timely met financial reporting objectives and established practices and procedures sufficient to safeguard members' assets. A serious recordkeeping deficiency is "persistent" when it continues beyond a usual, expected or reasonable period of time.

PART 741—REQUIREMENTS FOR INSURANCE

4. The authority citation for part 741 continues to read as follows:

Authority: 12 U.S.C. 1757, 1766, and 1781–1790. Section 741.4 is also authorized by 31 U.S.C. 3717.

§ 741.3 [Amended]

5. Section 741.3 is amended to change both the phrase "Investment Valuation Reserve Account" and the phrase "Investment Valuation Reserve" in paragraph (a)(3) to "Appropriation for Non-conforming Investments".

6. Section 741.6 is amended to change the phrase in paragraph (a) from "before January 31 and on or before July 31" to "before January 22 and on or before July 22"; and to redesignate paragraph (b) as paragraph (d) and to add paragraphs (b) and (c) to read as follows:

§ 741.6 Financial and statistical and other reports.

* * * * *

(b) *Consistency with GAAP.* The accounts of financial statements and reports required to be filed quarterly or semiannually under paragraph (a) of this section must reflect GAAP if the credit union has total assets of \$10 million or greater, but may reflect regulatory accounting principles other than GAAP if the credit union has total assets of less than \$10 million (except that a Federally-insured State-chartered credit union may be required by its state credit union supervisor to follow GAAP regardless of asset size).

(c) *GAAP sources.* GAAP means generally accepted accounting principles, as defined in § 715.2(e) of this chapter. GAAP is distinct from GAAS, which means generally accepted auditing standards, as defined in § 715.2(f) of this chapter. Authoritative sources of GAAP include, but are not limited to, pronouncements of the Financial Accounting Standards Board (FASB) and its predecessor organizations, the Accounting Standards Executive Committee (AcSEC) of the American Institute of Certified Public Accountants (AICPA), the FASB's

Emerging Issues Task Force (EITF), and the applicable AICPA Audit and Accounting Guide.

* * * * *

§ 741.202 [Amended]

7. Section 741.202 is amended to change: the references in paragraph (a) from "requirements set forth in §§ 701.12 and 701.13" to "applicable requirements set forth in part 715"; to add at the ending of paragraph (a) after "of this chapter" the phrase "or applicable state law, whichever requirement is more stringent."; and to change references in paragraph (b) from "§§ 701.12(e) and 701.13" to "§ 715.8".

[FR Doc. 99–19254 Filed 7–28–99; 8:45 am]

BILLING CODE 7535–01–U

DEPARTMENT OF TRANSPORTATION

Federal Aviation Administration

14 CFR Part 71

[Airspace Docket No. 97–AWP–2]

Establishment of Class E Airspace; Taylor, AZ

AGENCY: Federal Aviation Administration (FAA), DOT.

ACTION: Final Rule; correction.

SUMMARY: This action corrects an error in the geographic coordinates and removes an airport header of a Final Rule that was published in the **Federal Register** on June 21, 1999 (64 FR 33014), Airspace Docket No. 97–AWP–2.

EFFECTIVE DATE: 0901 UTC September 9, 1999.

FOR FURTHER INFORMATION CONTACT: Larry Tonish, Airspace Specialist, Airspace Branch, AWP–520, Air Traffic Division, Western-Pacific Region, Federal Aviation Administration, 15000 Aviation Boulevard, Lawndale, California, 90261, telephone (310) 725–6539.

SUPPLEMENTARY INFORMATION:

History

Federal Register Document 99–15592, Airspace Docket No. 97–AWP–2, published on June 21, 1999 (64 FR 33014), revised the geographic coordinates for the Taylor Municipal Airport and removes the Show Low airport header of the Class E airspace area at Taylor, AZ. A typographical error was discovered in the geographic coordinates of the Taylor Municipal Airport and removes the Show Low airport header for the Taylor, AZ, Class E airspace area. This action corrects that error.

Correction to Final Rule

Accordingly, pursuant to the authority delegated to me, the Show Low airport header is removed and the geographic coordinates for the Taylor Municipal Airport for the Class E airspace area at Taylor, AZ, as published in the **Federal Register** on June 21, 1999 (64 FR 33014), (**Federal Register** Document 99-15592), are corrected as follows:

71.1 [Corrected]

* * * * *

AWP AZ E5 Taylor, AZ [Corrected]

On page 33015, column 2, line 1, the Taylor Municipal Airport, AZ, airspace area, correct (lat. 34°27'17" N, Long. 110°06'89" W), to read (lat. 34°27'10" N, long. 110°06'53" W).

* * * * *

Issued in Los Angeles, California, on July 19, 1999.

John Clancy,

Manager, Air Traffic Division Western-Pacific Region.

[FR Doc. 99-19370 Filed 7-28-99; 8:45 am]

BILLING CODE 4910-13-M

DEPARTMENT OF THE TREASURY**Financial Crimes Enforcement Network****31 CFR Part 103****Extension of Grant of Conditional Exception**

AGENCY: Financial Crimes Enforcement Network, Treasury.

ACTION: Extension of a Grant of Conditional Exception.

SUMMARY: The Financial Crimes Enforcement Network ("FinCEN") extends for two years a conditional exception to a provision of the Bank Secrecy Act. The exception, which would otherwise expire on May 31, 1999, permits financial institutions to comply more efficiently with requirements for inclusion of certain information in orders for transmissions of funds.

EFFECTIVE DATE: June 1, 1999.

FOR FURTHER INFORMATION CONTACT:

Peter Djinis, Associate Director, FinCEN, (703) 905-3930; Charles Klingman, Financial Institutions Policy Specialist, Office of Program Development, FinCEN, (703) 905-3602; Stephen R. Kroll, Chief Counsel, FinCEN, and Cynthia L. Clark, Deputy Chief Counsel, Office of Chief Counsel, FinCEN, (703) 905-3590.

SUPPLEMENTARY INFORMATION:

I. Background.

FinCEN Issuance 98-1, 63 FR 3640 (January 26, 1998), contains two "conditional exceptions" to the strict operation of 31 CFR 103.33(g) (the "Travel Rule"). The Travel Rule requires a financial institution to include certain information in transmittals of funds of \$3,000 or more. The first (the "CIF Exception") of the two conditional exceptions addressed computer programming problems in the banking and securities industries; it relaxed a requirement that a customer's true name and street address be included in a funds transmittal order, so long as alternate steps, described in the issuance and designed to prevent avoidance of the Travel Rule, were satisfied. By its terms, that exception to the Travel Rule was to expire on May 31, 1999, for transmittals of funds initiated after that date. However, the rationale for the CIF Exception remains valid, and Treasury wishes to avoid any change in Travel Rule requirements that might entail changes in the computer programming of financial institutions at this time.

II. FinCEN Issuance 99-1

By virtue of the authority contained in 31 CFR 103.45 (a) and (b), which has been delegated to the Director of FinCEN, the effective period of the CIF Exception, as such Exception is set forth (as part of FinCEN Issuance 98-1, 63 FR 3640 (January 26, 1998) under the heading "Grant of Exceptions" (63 FR 3641) is extended so that the CIF Exception will expire, on May 31, 2001, for transmittals of funds initiated after that date, if not revoked or modified with respect to such expiration date prior to that time.

Signed this 28th day of May, 1999.

James F. Sloan,

Director, Financial Crimes Enforcement Network.

[FR Doc. 99-19259 Filed 7-28-99; 8:45 am]

BILLING CODE 4820-03-P

FEDERAL MARITIME COMMISSION**46 CFR Part 530**

[Docket No. 99-12]

Termination of Dial-Up Service Contract Filing System

AGENCY: Federal Maritime Commission.

ACTION: Final rule.

SUMMARY: This final rule implements the Federal Maritime Commission's full transition to the internet-based service

contract filing system and removes all references to the dial-up filing system.

DATES: Effective date October 1, 1999.

FOR FURTHER INFORMATION CONTACT:

Austin L. Schmitt, Director, Bureau of Tariffs, Certification and Licensing, Federal Maritime Commission, 800 North Capitol Street, NW, Washington, DC 20573-0001, (202) 523-5796

Thomas Panebianco, General Counsel, Federal Maritime Commission, 800 North Capitol Street, NW, Washington, DC 20573-0001, (202) 523-5740

SUPPLEMENTARY INFORMATION: In Docket No. 98-30, *Service Contracts Subject to the Shipping Act of 1984*, the Federal Maritime Commission ("FMC" or "Commission") implemented new rules governing the filing of service contracts to reflect changes made to the Shipping Act of 1984, 46 U.S.C. app. sec. 1701 *et seq.*, by the Ocean Shipping Reform Act of 1998, Pub. L. 105-258, 112 Stat. 1902. In that rulemaking, the Commission adopted an internet-based service contract filing system effective May 1, 1999. The Commission also retained its dial-up system for service contract filing for a limited time to allow for a smooth transition to the internet-based system.

In the interim final rule in Docket No. 98-30, effective March 1, 1999, and published in the **Federal Register** March 8, 1999, the Commission stated:

Interactive internet filing of service contracts with the Commission will be provided, and while the dial-up system will be available, the Commission expects to phase it out as soon as possible, but certainly no later than the end of Fiscal Year 1999.

64 FR 11186, 11195. Accordingly, the purpose of this final rule is to implement the anticipated requirement that all service contracts be filed through the Commission's internet-based service contract filing system no later than October 1, 1999. The dial-up system will be shut down and no service contract filings will be accepted in the dial-up system after September 30, 1999. Users who currently use the dial-up system for filing service contracts must, on a timely basis, submit an amendment to their Form FMC-83 (Registration) to obtain the new log-on IDs and passwords necessary to file in the internet system.

Notice and an opportunity for public comment are not necessary prior to the issuance of this final rule inasmuch as both were provided previously in the course of the rulemaking for Docket No. 98-30. See Notice of Proposed Rulemaking, 63 FR 71062 (December 23, 1998); Interim Final Rule, 64 FR 11186