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DEPARTMENT OF AGRICULTURE

Commodity Credit Corporation

7 CFR Parts 1421 and 1427

RIN 0560–AG13

1999 Crop and Market Loss Assistance; Correction

AGENCIES: Commodity Credit Corporation; USDA.

ACTION: Final Rule; Correction.

SUMMARY: The Commodity Credit Corporation published in the **Federal Register** of February 16, 2000, a final rule promulgating regulations for crop and market loss programs. Inadvertently, one portion of the rule was incorrectly set out concerning the eligibility of producers for loan deficiency payments and marketing loan gains for commodities already marketed. This document corrects that error.

EFFECTIVE DATE: February 11, 2000.

FOR FURTHER INFORMATION CONTACT: Tom Witzig, Chief, Regulatory Review and Foreign Investment Disclosure Branch, FSA, USDA, STOP 0540, 1400 Independence Avenue, SW, Washington, DC 20250–0540, Telephone: (202) 205–5851.

SUPPLEMENTARY INFORMATION: The Commodity Credit Corporation published in the **Federal Register** of February 16, 2000, (65 FR 7942) a final rule promulgating regulations for crop and market loss programs. As correctly set out in the preamble for that rule, amendments were to be made by that rule to 7 CFR parts 1421 and 1427 to implement provisions of new legislation that changed the payment limitations for certain commodity activities and that allowed farmers who had already marketed a commodity, but had not received a marketing loan gain or loan deficiency payments for that commodity, to receive such payments. Normally, such payment is available only if the crop has not yet been marketed.

That is, the preamble to the rule stated that, subject to certain conditions, the new regulations adopted in that rule would allow a producer who was otherwise eligible to receive a gain or payment to receive a marketing loan gain or loan deficiency payment even though the producer marketed the commodity. The preamble stated that this would only apply for commodities marketed on or before the date of publication of the and to otherwise eligible producers on commodities for which no such gain or payment had been paid.

Those changes were to be incorporated into the regulations at 7 CFR 1421.1 and 1427.1. However, the February 16, 2000 rule inadvertently left out the conditions referred to in the preamble and used language that suggested that these new payments would be available only if the request for such relief was made prior to the date of publication of the rule a condition that would have been impossible to meet.

This correction provides regulatory language that reflects the intent of the February 16, 2000, rule, as expressed in the Preamble to that rule.

In rule FR Doc. 00–3406, published on February 16, 2000, (65 FR 7942) make the following corrections:

1. On page 7954, in the second column, amendatory instruction 18 and the amendment to § 1421.1 are corrected to read as follows:

18. Amend § 1421.1 by adding paragraph (e) to read as follows:

§ 1421.1 Applicability.

* * * * *

(e) Notwithstanding provisions of this subpart and subchapter:

(1) For commodities produced during the 1999 crop year, the $75,000 per person total limitation on all commodities together on the sum of marketing loan gains on loan made under this part and on loan deficiency payments with respect to loans under this part, shall not apply, but, rather, such limit shall be $150,000 per person.

(2) For eligible crops produced in the 1999 crop year, a producer may receive with respect to a commodity, a marketing loan gain in connection with loans made under this part or loan deficiency payments in connection with the administration of loans under this part even though the crop has already been marketed, so long as:

(i) Neither the producer nor anyone else has received a marketing loan gain or loan deficiency payment on the commodity;

(ii) The person seeking the payment is the actual producer of the commodity and had beneficial interest in the commodity at the time of the operative marketing, for commodities to which paragraph (e)(2)(iii) of this section applies, or the time at which the commodity was redeemed in the case of commodities to which paragraph (e)(2)(iv) of this section applies;

(iii) For those commodities that were previously placed under loan, the payment is made solely as marketing loan gain in which case the rate to be paid will be determined as of the date of the redemption;

(iv) For commodities not covered by paragraph (e)(2)(iii) of this section, the producer will receive the payment as a loan deficiency payment in which case the amount to be paid will be determined as of the date that the producer marketed or lost beneficial interest in the commodity;

(v) Unless otherwise allowed by the Deputy Administrator, the producer marketed the commodity prior to February 16, 2000.

2. On page 7954, in the second column, amendatory instruction 20 and the amendment to § 1427.1 are corrected to read as follows:

20. Amend § 1427 by adding paragraph (d) to read as follows:

§ 1427.1 Applicability

* * * * *

(d) Notwithstanding provisions of this subpart and subchapter:

(1) For commodities produced during the 1999 crop year, the $75,000 per person total limitation on all commodities together on the sum of marketing loan gains on loan made under this part and on loan deficiency payments with respect to loans under this part, shall not apply, but, rather, such limit shall be $150,000 per person.

(2) For eligible cotton produced in the 1999 crop year, a producer may receive with respect to cotton, a marketing loan gain in connection with loans made under this part or loan deficiency payments in connection with the

administration of loans under this part even though the cotton has already been marketed, so long as:

(i) Neither the producer nor anyone else has received a marketing loan gain or loan deficiency payment on the cotton;

(ii) The person seeking the payment is the actual producer of the cotton and had beneficial interest in the cotton at the time of the operative marketing, for cotton to which paragraph (d)(2)(iii) of this section applies, or the time at which the cotton was redeemed in the case of cotton to which paragraph (d)(2)(iv) of this section applies;

(iii) For cotton that was previously placed under loan, the payment is made solely as marketing loan gain in which case the rate to be paid will be determined as of the date of the redemption;

(iv) For cotton not covered by paragraph (d)(2)(iii) of this section, the producer will receive the payment as a loan deficiency payment in which case the amount to be paid will be determined as of the date that the producer marketed or lost beneficial interest in the cotton;

(v) Unless otherwise allowed by the Deputy Administrator, the producer marketed the cotton prior to February 16, 2000.

Signed at Washington, DC, on March 10, 2000.

Keith Kelly,

Executive Vice President, Commodity Credit Corporation.

[FR Doc. 00–6424 Filed 3–13–00; 8:54 am]

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FEDERAL HOUSING FINANCE BOARD

12 CFR Parts 925 and 950

[No. 2000–10]

RIN 3069–AA94

Amendment of Membership Regulation and Advances Regulation

AGENCY: Federal Housing Finance Board.

ACTION: Interim final rule.

SUMMARY: The Federal Housing Finance Board (Finance Board) is amending its Membership Regulation and Advances Regulation to conform certain provisions to the requirements of the Federal Home Loan Bank System Modernization Act of 1999 (Modernization Act), and is making certain technical revisions to the Membership Regulation that are not related to the Modernization Act, in order to clarify the treatment of *de novo* members that fail to meet the 10 percent residential mortgage loans requirement within the required one-year time frame.

DATES: This interim final rule shall be effective on March 15, 2000. The Finance Board will accept written comments on the interim final rule on or before April 14, 2000.

ADDRESSES: Send comments to: Elaine L. Baker, Secretary to the Board, by electronic mail at *bakere@fhfb.gov,* or by regular mail at the Federal Housing Finance Board, 1777 F Street, N.W., Washington, D.C. 20006. Comments will be available for inspection at this address.

FOR FURTHER INFORMATION CONTACT: James L. Bothwell, Director, (202) 408–2821, Janet M. Fronckowiak, Acting Deputy Director, (202) 408–2575, Jennifer R. Salamon, Program Analyst, (202) 408–2974, or Patricia L. Sweeney, Program Analyst, (202) 408–2872, Office of Policy, Research and Analysis; or Sharon B. Like, Senior Attorney-Advisor, (202) 408–2930, Office of General Counsel, Federal Housing Finance Board, 1777 F Street, N.W., Washington, D.C. 20006.

SUPPLEMENTARY INFORMATION:

I. Statutory and Regulatory Background

Under the Federal Home Loan Bank Act (Bank Act), the Finance Board is responsible for the supervision and regulation of the 12 Federal Home Loan Banks (Banks), which provide advances and other financial services to their member institutions. *See* 12 U.S.C. 1422a(a) (1994). Institutions, including those not meeting the Qualified Thrift Lender (QTL) test,[1] may become members of a Bank if they meet certain membership eligibility and minimum stock purchase criteria set forth in the Bank Act and the Finance Board's implementing Membership Regulation *See id.* sections 1424, 1426, 1430(e)(3) (1994); 12 CFR part 925.[2] Members may obtain advances from a Bank subject to certain statutory and regulatory requirements. *See* 12 U.S.C. 1430(a) (1994). Prior to recent amendments to the Bank Act, discussed further below, access to advances by non-QTL members was restricted in various ways. *See id.* section 1430(e).

The recently enacted Modernization Act[3] amended certain membership eligibility provisions, and repealed certain stock purchase and non-QTL advances provisions, in the Bank Act. *See* Pub. L. 106–102, sections 602, 603, 604(c), (d)(1), 605, 608 (1999). Accordingly, the Finance Board is amending its regulations to conform them to the Modernization Act amendments. The Finance Board also is taking this opportunity to make certain technical revisions to the Membership Regulation that are not related to the Modernization Act, in order to clarify the treatment of *de novo* members that fail to meet the 10 percent residential mortgage loans requirement within the required one-year time frame.

II. Analysis of the Interim Final Rule

A. Removal of the Automatic Membership Provision For Mandatory Members—§ 925.4(a)

Section 5(f) of the Home Owners' Loan Act (HOLA) formerly provided that ''[e]ach Federal savings association, upon receiving its charter, shall become automatically a member'' of its district Bank. *See* 12 U.S.C. 1424(f) (1994). Consistent with section 5(f), section 925.4(a) of the Finance Board's Membership Regulation provides that any institution required by law to become a member of a Bank automatically shall become a member of the Bank of the district in which its principal place of business is located upon the purchase of stock in that Bank pursuant to § 925.20(b)(1). *See* 12 CFR 925.4(a). The Modernization Act amended section 5(f) of the HOLA to provide that ''[a]fter the end of the 6-month period beginning on [Nov. 12, 1999], a Federal savings association may become a member of the [Bank] System, and shall qualify for such membership in the manner provided in the [Bank Act] * * * with respect to other members.'' *See* Modernization Act, section 603. Staff of the Office of Thrift Supervision (OTS), the agency that charters federal savings associations and administers the HOLA, has interpreted this amended language to mean that, as of November 12, 1999, a federal savings association is eligible to become a member, but no longer automatically becomes a member, of the Bank System, and federal savings associations that were members of the Bank System prior to November 12, 1999 may not withdraw from the Bank System and redeem their Bank capital stock until the 6-month period has expired (May

[1] *See* discussion QTL test in II.E. below.

[2] The Finance Board recently reorganized and redesignated all of its regulations. *See* 65 FR 8253 (Feb. 18, 2000). The Membership Regulation, which formerly was part 933 of the Finance Board's regulations, 12 CFR part 933 (1999), was redesignated as part 925. *See* 65 FR 8253, 8260 (to be codified at 12 CFR part 925).

[3] The Modernization Act is Title VI of the Gramm-Leach-Bliley Act, Pub. L. 106–102, 113 Stat. 1338, enacted into law on November 12, 1999.