

potato industry and all interested persons were invited to attend and participate in the Committee's deliberations on all issues. Like all Committee meetings, the May 11, 2006, meeting was a public meeting and all entities, both large and small, were able to express views on the issues. Finally, interested persons are invited to submit information on the regulatory and informational impacts of this action on small businesses.

This action imposes no additional reporting or recordkeeping requirements on either small or large Colorado potato handlers. As with all Federal marketing order programs, reports and forms are periodically reviewed to reduce information requirements and duplication by industry and public sector agencies.

AMS is committed to compliance with the Government Paperwork Elimination Act (GPEA), which requires Government agencies in general to provide the public the option of submitting information or transacting business electronically to the maximum extent possible.

USDA has not identified any relevant Federal rules that duplicate, overlap, or conflict with this rule.

A small business guide on complying with fruit, vegetable, and specialty crop marketing agreements and orders may be viewed at: <http://www.ama.usda.gov/fv/moab.html>. Any questions about the compliance guide should be sent to Jay Guerber at the previously mentioned address in the **FOR FURTHER INFORMATION CONTACT** section.

After consideration of all relevant material presented, including the information and recommendation submitted by the Committee and other available information, it is hereby found that this rule, as hereinafter set forth, will tend to effectuate the declared policy of the Act.

Pursuant to 5 U.S.C. 553, it is also 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** because: (1) The 2006–2007 fiscal period begins on July 1, 2006, and the order requires that the assessment rate suspension apply to all assessable Colorado potatoes handled during such fiscal period; (2) this action relieves restrictions on handlers by suspending the assessment rate beginning with the 2006–2007 fiscal period; (3) handlers are aware of this action which was unanimously recommended by the

Committee at a public meeting and is similar to other assessment rate actions issued in past years; and (4) this interim final rule provides a 60-day comment period, and all comments timely received will be considered prior to finalization of this rule.

List of Subjects in 7 CFR Part 948

Marketing agreements, Potatoes, Reporting and recordkeeping requirements.

■ For the reasons set forth in the preamble, 7 CFR part 948 is amended as follows:

PART 948—IRISH POTATOES GROWN IN COLORADO

■ 1. The authority citation for 7 CFR part 948 continues to read as follows:

Authority: 7 U.S.C. 601–674.

§ 948.215 [Suspended]

■ 2. In part 948, § 948.215 is suspended in its entirety.

Dated: July 11, 2006.

Lloyd C. Day,

Administrator, Agricultural Marketing Service.

[FR Doc. E6–11303 Filed 7–17–06; 8:45 am]

BILLING CODE 3410–02–P

DEPARTMENT OF AGRICULTURE

Commodity Credit Corporation

7 CFR Part 1402

RIN 0560–AH22

Policy for Certain Commodities Available for Sale

AGENCY: Commodity Credit Corporation, USDA.

ACTION: Final rule.

SUMMARY: This rule amends regulations of the Commodity Credit Corporation (CCC) relating to marketing procedures for commodities in CCC inventory to update agency provisions and provide for commodity sales through Internet-based marketing systems. This rule is intended to modernize and streamline CCC commodity marketing procedures. **DATES:** Effective August 17, 2006.

FOR FURTHER INFORMATION CONTACT:

Mark Overbo, Warehouse and Inventory Division, Farm Service Agency (FSA), United States Department of Agriculture (USDA), STOP 0553, 1400 Independence Avenue, SW., Washington, DC 20250–0553, telephone (202) 720–4647 or send e-mail to: Mark.Overbo@wdc.usda.gov. Persons with disabilities who require alternative

means of communication (braille, large print, audiotape, etc.) should contact USDA's TARGET Center at (202) 720–2600 (voice and TDD).

SUPPLEMENTARY INFORMATION:

Discussion of Final Rule

Since the enactment of the Agricultural Act of 1949, CCC's major activity has been the administration and implementation of nonrecourse loans to producers of major agricultural commodities. Generally, Congress establishes loan rates for certain commodities on a per-unit basis. Under the program's "nonrecourse" provisions, the producer may satisfy the loan obligation through forfeiture to CCC of the commodity pledged as collateral for the loan. As a result, CCC acquires commodities that are forfeited or delivered under these nonrecourse loans. The accumulation of stocks of these forfeited commodities requires CCC to maintain provisions for their eventual disposal. The acquisition, procurement, storage, distribution, and disposal of commodities are handled by the Farm Service Agency under the administration of the Deputy Administrator for Commodity Operations. The regulations at 7 CFR part 1402 contain CCC policy for certain commodities available for sale by CCC.

This rule updates the regulations regarding the dissemination of general sales offering information to reflect current CCC policies. Current regulations at 7 CFR part 1402 provide that CCC will disseminate general sales information through a "CCC Sales List," published in press release or similar form, and revised and republished periodically as necessary. Methods of providing commodity sales and CCC inventory listings have improved considerably since the regulations were last updated. Currently, sales offerings are being made electronically via several sources such as CCC's Commodity Operations Web site at <http://www.fsa.usda.gov/daco/catalogs> and through other privately-maintained, fully interactive on-line sales systems. This rule replaces the provisions dealing with the publication of the CCC Sales List with the current policies and procedures for Internet posting of commodity inventories offered for sale.

Notice and Comment

The changes made in this rule are a general edit and reorganization of part 1402 as a whole, which provides how CCC will disseminate information. Thus, this rule is exempt from the requirements of the Administrative Procedure Act (5 U.S.C. 553) for publication of a proposed rule for public

notice and comment because it is a rule of agency procedure and practice.

Executive Order 12866

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 (OMB).

Small Business Regulatory Enforcement Fairness Act

This rule will be submitted to Congress as required by the Small Business Regulatory Enforcement Fairness Act (SBREFA) of 1996 (5 U.S.C. 801 *et seq.*). The rule has been determined not to be a major regulatory action. Thus, the 60-day delay required by section 801 of SBREFA for Congressional review is not applicable.

Regulatory Flexibility Act

The Regulatory Flexibility Act is not applicable to this rule because CCC is not required by 5 U.S.C. 553 or any other law to publish a notice of proposed rule making for the subject matter of this rule.

Executive Order 12372

This program is not subject to Executive Order 12372, which requires intergovernmental consultation with State and local officials. See the notice related to 7 CFR part 3015, subpart V, published at 48 FR 29115 (June 24, 1983).

Environmental Assessment

The environmental impacts of this rule have been considered consistent with the provisions of the National Environmental Policy Act of 1969 (NEPA), 42 U.S.C. 4321 *et seq.*, the regulations of the Council on Environmental Quality, 40 CFR parts 1500–1508, and the FSA regulations for compliance with NEPA, 7 CFR part 799. FSA completed an environmental evaluation and concluded the rule requires no further environmental review. No extraordinary circumstances or other unforeseeable factors exist which would require preparation of an environmental assessment or environmental impact statement. A copy of the environmental evaluation is available for inspection and review upon request.

Executive Order 12612

The Federalism implications of this rule are not sufficient to warrant preparation of a Federalism Assessment. This rule will not have a substantial direct effect on States or their political subdivisions or on the distribution of

power and responsibilities among the various levels of Government.

Unfunded Mandates Reform Act of 1995

This Rule contains no Federal mandates as defined in Title II of the Unfunded Mandates Reform Act of 1995 (UMRA) for State, local, and tribal governments or the private sector. Therefore, this rule is not subject to sections 202 and 205 of UMRA.

Paperwork Reduction Act

There are no public information collection, reporting or recordkeeping requirements associated with this rulemaking.

Federal Assistance Programs

The title and number of the Federal assistance program found in the Catalog of Federal Domestic Assistance to which this final rule applies are Commodity Loans and Loan Deficiency Payments, 10.051.

List of Subjects in 7 CFR Part 1402

Agricultural commodities, Price support programs, Processed commodities, Surplus agricultural commodities.

- For the reasons set out in the preamble, 7 CFR part 1402 is revised as set forth below:
- 1. Revise 7 CFR part 1402 to read as follows:

PART 1402—POLICY FOR CERTAIN COMMODITIES AVAILABLE FOR SALE

Sec.

1402.1 General.

1402.2 Sales of inventory.

1402.3 Submission of offers, terms, and conditions.

1402.4 Information availability.

1402.5 Late payments.

Authority: 7 U.S.C. 7285, 15 U.S.C. 714b and 714c.

§ 1402.1 General.

To facilitate trade through usual and customary channels, facilities, and arrangements of trade and commerce, the Commodity Credit Corporation (CCC) will disseminate general sales offering information on the Farm Service Agency's (FSA) Commodity Operations Web site located on the Worldwide Web at <http://www.fsa.usda.gov/daco/default.htm>. The Web site will be reviewed and amended as necessary to reflect current general sales offering information. CCC will make regular amendments as necessary deleting or adding to the sales provisions or changing prices or methods of sales. The information posted at this Web site is for the

purpose of public information and does not constitute an offer to sell by CCC or an invitation for offers to purchase from CCC. CCC may make its commodities available for sale without prior notification to storing warehouse operators. Information pertaining to opportunities to purchase commodities from CCC will be published on the FSA Commodity Operations Web site when such opportunities are available.

§ 1402.2 Sales of inventory.

CCC will entertain offers from prospective buyers for the purchase of any commodities owned by CCC, including those commodities that are marketed through commercial, Internet-based marketing services. Various commodities owned by CCC may be offered for sale through commercial, Internet-based marketing services. Interested parties may submit requests for information related to Internet-based commodity sales to the Director, Warehouse and Inventory Division, Stop 0553, 1400 Independence Avenue, SW., Washington, DC 20250–9860.

§ 1402.3 Submission of offers, terms, and conditions.

Offers accepted by CCC will be subject to terms and conditions prescribed by CCC. These terms include, among other things, payment by wire transfer of funds, certified check or cashiers check before delivery of the commodity, removal of the commodity from CCC storage within a reasonable period of time, and in sales that require a commodity to be used for only a specific purpose, documentation that use of the commodity was for only that purpose.

§ 1402.4 Information availability.

The terms and conditions of sale with respect to commodities that are not sold through Internet-based marketing service are available online. Requests for terms and conditions may be addressed to the Director, Warehouse and Inventory Division, Stop 0553, 1400 Independence Avenue, SW., Washington, DC 20250–9860.

§ 1402.5 Late payments.

If payment is not received by CCC within the period specified in the sales contract, interest will be assessed by CCC. If a buyer fails to make arrangements for payment according to the provisions of the contract, CCC retains the right to terminate the sales contract. If CCC terminates the sales contract for default in whole or in part, CCC may offer the commodity for sale and the original party will be liable to CCC for any losses incurred and damages sustained as a result of the

party's failure to timely remit payment for the commodity.

Signed in Washington, DC, on June 29, 2006.

Teresa C. Lasseter,

Executive Vice President, Commodity Credit Corporation.

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BILLING CODE 3410-05-P

FEDERAL HOUSING FINANCE BOARD

12 CFR Part 915

[No. 2006-12]

RIN 3069-AB31

Federal Home Loan Bank Elective Directors

AGENCY: Federal Housing Finance Board.

ACTION: Final rule.

SUMMARY: The Federal Housing Finance Board (Finance Board) is amending its rules relating to the election of Federal Home Loan Bank (Bank) directors to allow each Bank greater latitude in providing members information about the range of skills and experience among board members the Bank believes is best suited to administer its affairs. The final rule is intended to enhance the corporate governance of each Bank by allowing a Bank to provide to its members, during the election process, information about the expertise the Bank has identified as appropriate to enhance the board of directors in providing overall board management of the Bank. The final rule also revises and reorganizes the prohibitions on actions during the election process.

DATES: *Effective Date:* The final rule is effective July 18, 2006.

FOR FURTHER INFORMATION CONTACT: John P. Kennedy, General Counsel, 202-408-2983, kennedyj@fhfb.gov; or Thomas P. Jennings, Senior Attorney Advisor, Office of General Counsel, 202-408-2553, jenningsst@fhfb.gov. You can send mail to the Federal Housing Finance Board, 1625 Eye Street, NW., Washington, DC 20006.

SUPPLEMENTARY INFORMATION:

I. Statutory and Regulatory Background

Congress has delegated to the Finance Board broad authority to fulfill its statutory mandates. Section 2B of the Federal Home Loan Bank Act (Bank Act) states that the Finance Board has the power “[t]o supervise the Federal Home Loan Banks and to promulgate and enforce such regulations and orders as

are necessary from time to time to carry out the provisions of” the Bank Act. 12 U.S.C. 1422b(a)(1).

The primary mandate for the Finance Board is to “ensure that the Federal Home Loan Banks operate in a financially safe and sound manner.” 12 U.S.C. 1422a(a)(3)(A). Within this broad authority, Congress also specifically authorized the Finance Board to “prescribe such rules and regulations as it may deem necessary or appropriate for the nomination and election of directors of Federal home loan banks.” 12 U.S.C. 1427(d).

The Finance Board has long had in place regulations addressing the manner in which persons are nominated and elected to the boards of the Banks. Effective December 30, 1998, the Finance Board amended various provisions of its regulations relating to director elections to devolve to each Bank, through its board of directors, the responsibility for administering the process for electing Bank directors. *See* Resolution Number 1998-47, *published at* 63 FR 65683 (November 30, 1998) (available electronically in the FOIA Reading Room on the Finance Board Web site at: <http://www.fhfb.gov/Default.aspx?Page=59>). Notwithstanding that devolution of authority to the Banks, the Finance Board remains responsible for the safety and soundness of the Banks and for periodically reviewing its regulations to ensure that they continue to carry out their intended purposes in a logical and efficient manner.

The Finance Board believes that an informed and capable board of directors is one of the more important elements in maintaining a safe and sound Bank. In recent months, the Finance Board has received suggestions that the electoral process could be improved if certain provisions of its regulations were revised to permit the Banks to be more involved in the process of identifying qualified and capable individuals to serve on the boards.

Accordingly, on April 18, 2006, the Finance Board published a proposed regulation with a 45-day comment period that would amend part 915—the provision of its regulations dealing with the election of directors—to allow the Banks more flexibility in providing information to their members during the election process. Briefly stated, the proposed rule would have allowed any Bank to assess the skills and experience of the existing individuals on the board of directors, to determine what skills or experience might be useful in enhancing the capabilities of the board, and to communicate its assessment of existing and desired skills to the members when

soliciting nominations from and providing ballots to the members of the Bank. The proposed rule also would have removed certain provisions of the regulations that prohibit persons associated with the Finance Board from being involved in the elections process, because those provisions dated to a time at which the Finance Board actually administered the elections at each of the Banks. *See* Resolution Number 2006-04, *published at* 71 FR 19832 (April 18, 2006) (available electronically in the FOIA Reading Room on the Finance Board Web site at: <http://www.fhfb.gov/Default.aspx?Page=59>). The final rule generally amends the various provisions of part 915 as set forth in the proposed rule.

II. Analysis of the Public Comments and Final Rule

The Finance Board received 17 comments in response to the proposed rule, which addressed the Finance Board's proposal to expand the ability of the Banks to communicate with their members during the election process and its proposal to remove prohibitions on the conduct of persons associated with the Finance Board. The commenters included 6 Banks. Most commenters supported the proposal, though almost all offered suggested revisions to the rule. Three commenters opposed the proposal, 2 citing a perceived potential for the process to further impede the ability of some members to obtain representation on the Bank boards of directors, and 1 expressing a concern about the possible bias in the information to be provided to the members as well as the perception created by the deletion of prohibitions barring the involvement of Finance Board employees in the elections process. The comments can be divided into 6 substantive areas, which are discussed separately below.

A. Self-Assessments Under § 915.9(a)

Section 915.9(a) of the proposed rule would have allowed the board of directors of each Bank to conduct an annual assessment of the skills and experience needed on the board of directors and to inform its members of those identified needs. The final rule adopts this provision substantially as proposed.

Section 915.9(a) of the final rule is permissive in nature—it authorizes, but does not require, a board of directors to assess how well the skills and experience of the incumbent board members align with the needs of the Bank. It also authorizes, but does not require, a board to determine whether it could benefit from the addition of