of the 1934 Act, because those associations are subject to the disclosure rules promulgated by the Securities and Exchange Commission, as applied to all insured institutions the accounts of which are insured by the Federal Savings and Loan Insurance Corporation by operation of 12 CFR 563.1. This additional exemption will eliminate unnecessary duplication of disclosure.

The Board finds that observance of the notice and comment procedures prescribed by 5 U.S.C. 553(b) and 12 CFR 508.12 and 508.13, and delay of the effective date pursuant to 5 U.S.C. 553(d) and 12 CFR 508.14, is unnecessary for the following reasons: (1) The amendments are minor and liberalizing in nature, relieving restrictions previously placed upon associations regarding the manner of their disclosure while providing the same financial information to members and depositors, and (2) the Board desires to act promptly to enable associations to utilize these liberalized disclosure procedures for statements of condition pertaining to fiscal year 1984, thereby reducing paperwork and related costs.

List of Subjects in 12 CFR Part 545

Savings and loan associations.

Accordingly, the Federal Home Loan Bank Board hereby amend Part 545, Subchapter C, Chapter V of Title 12, Code of Federal Regulations, as set forth below.

SUBCHAPTER C—FEDERAL SAVINGS AND LOAN SYSTEM

PART 545—OPERATIONS

Revise § 545.115 as follows:

§ 545.115 Statement of condition.

(a) *General.* Each Federal association, within thirty days after the end of its fiscal year, shall (1) publish a statement of condition in any English language newspaper of general circulation in the county in which the association's home office is located, and (2) make available for public inspection at its home office and each branch office a copy of such statement of condition. A statement of condition is a formal statement of an association's assets, liabilities, and net worth as of the end of its most recent fiscal year.

(b) *Format.* The information set forth in a statement of condition may be presented in any format deemed suitable by the association: *Provided,* that if the association is subject to the requirements of § 563d.1 of this Chapter, the information shall be presented in accordance with generally accepted accounting principles.

(c) *Exemptions.* The requirements of this section shall not apply to an association:

(1) If, with respect to the same fiscal year that would be the subject of the statement of condition, the association transmits an annual report to each of its voting members (or shareholders) pursuant to § 563.45 of this Chapter; or

(2) In the case of a stock-chartered association, if the equity securities of the association are registered under section 12 of the Securities Exchange Act of 1934.

(Sec. 5, 48 Stat. 132, as amended (12 U.S.C. 1464); Reorg. Plan No. 3 of 1947; 12 FR 4981, 3 CFR 1943–48 Comp., p. 1071)

By the Federal Home Loan Bank Board.

John F. Ghizzoni,

Assistant Secretary.

[FR Doc. 85–1485 Filed 1–17–85; 8:45 am]

BILLING CODE 6720–01–M

DEPARTMENT OF THE INTERIOR

Minerals Management Service

30 CFR Part 229

Implementation of the Provisions of Subsections 205 (c) and (d) of Title II of the Federal Oil and Gas Royalty Management Act of 1982

AGENCY: Minerals Management Service (MMS), Interior.

ACTION: Final rule.

SUMMARY: The MMS is issuing final regulations governing provisions of subsections 205 (c) and (d) of Title II of the Federal Oil and Gas Royalty Management Act of 1982. Section 205 of the Act provides for delegation of authority by the Secretary of the Interior to the States to conduct inspections, audits, and investigations with respect to all Federal lands within a State, and with respect to Indian lands with the permission of the affected Indian tribe or allottee.

Subsection (c) of section 205 requires the Secretary to promulgate regulations defining functions which must be carried out jointly to avoid duplication of effort. Subsection (d) requires the Secretary to promulgate regulations and standards pertaining to the authorities and responsibilities which a State would administer under a delegation of authority. This final rule establishes the standards required by the provisions of subsections (c) and (d).

DATE: Effective date January 18, 1985.

ADDRESS: Any inquiries should be sent to: Chief, Office of Royalty Regulations, Development and Review, Minerals Management Service (Mail Stop 660), 12203 Sunrise Valley Drive, Reston, Virginia 22091.

FOR FURTHER INFORMATION CONTACT: Mr. Orie L. Kelm (703) 860–7511, (FTS) 928–7511.

SUPPLEMENTARY INFORMATION: The principal author of this rulemaking is Mr. Robert E. Boldt, Associate Director for Royalty Management, Minerals Management Service.

I. Background

The Federal Oil and Gas Royalty Management Act of 1982 (the Act), 30 U.S.C. 1701 *et seq.*, has established new avenues for cooperative efforts between States and the Federal Government in carrying out royalty management activities for onshore Federal leases and mineral leases on Indian lands. Under Section 205 of the Act the Secretary, after proper notice, opportunity for hearing, and rulemaking, is authorized to delegate to any State that properly petitions for it, all or part of the authorities and responsibilities of the Secretary to conduct inspections, audits, and investigations with respect to all Federal and Indian lands within that State; except that the Secretary may not undertake such a delegation with respect to any Indian lands unless the permission of the affected Indian tribe or allottee involved has been obtained.

On September 21, 1984, MMS adopted a set of regulations to implement its new authorities under the Act. Part 229 of the new regulations implemented Section 205 of the Act by providing the general procedures for delegations of authority to the States. However, the Act contemplated more detailed regulations governing delegations of authority. This final rule, therefore, defines those MMS authorities and responsibilities subject to delegation to State governments, those authorities and responsibilities reserved to the Secretary, and promulgates standards by which State governments will carry out audit activities under Section 205 delegation of authority.

II. Comments Received on Interim Rule

On October 12, 1984 (49 FR 40024), the MMS published an Interim Final rule with a request for comments. In response, 11 comment letters were received. Among the commentors were representatives of both industry and the affected States.

The comments received fall generally on both sides of a single issue. The States commented that MMS requirements restricting their functions by requiring them to coordinate audits through MMS or Inspector General resident auditors and not granting them

full enforcement and subpoena powers are unduly restrictive. Industry commented that such MMS requirements on States were needed to insure that a uniform approach to audits is taken by all States receiving delegations, and felt that the MMS requirements did not go far enough in insuring that auditing by States would be performed in a consistent and uniform manner. In fact, one industry commentor recommended that MMS not delegate authority at all until more definitive product valuation guidance has been implemented by regulation.

The MMS believes that it has chosen a reasonable middle ground to provide for accomplishing audits pursuant to the established standards and criteria. The MMS agrees with industry that, in the interest of fairness and uniformity, MMS must be the final arbiter of the standards under which audits are conducted. However, MMS believes that ever detail of such requirements cannot be included in the written regulations. Specific instructions to cover unique situations not found in the regulations would be incorporated in individual delegation agreements.

MMS agrees in principle with the States that they should not be unduly inhibited in conducting audits where the MMS or Inspector General maintains a resident auditor. In such cases, MMS requires the State auditors to "coordinate" their activities through the resident auditor to preclude duplication of efforts and maximize use of available resources of audit.

In addition to the above, specific comments were received on some other issues.

Three industry commentors objected to the provision in § 229.125 which stipulates that a company must respond to an "issue letter" within 30 days of receipt. Two of the commentors believed at least 60 days should be permitted. Thirty days is current MMS practice for MMS conducted audits. The MMS believes that 30 days is sufficient.

Other industry commentors asked that State audit plans be made available in advance to the company to be audited to allow audits to be more cooperative and efficient, and that States have full access to MMS files to obviate any need for companies to submit the same data to a State which had already been submitted to MMS.

The MMS believes that is not necessary that a State audit plan be made available in advance to the company to be audited. The company will be given adequate notice and sufficient time to produce records required for the audit.

One industry commentor stated that State audit workpapers should be made available to companies as well as to MMS in the event additional royalties and late payment charges are to be assessed. The MMS will have accessibility to the State workpapers and, similar to current MMS procedures, the States will provide detail of audit findings to companies.

Another commentor recommended that State auditors should be required to meet the same financial disclosure and conflict of interest standards as MMS employees, and that such requirement be placed in the regulations. The MMS agrees that certain standards should be required but disagrees that the requirement must be in the regulations. The MMS understands that some States have more stringent and other States less stringent standards than those imposed on MMS employes. Therefore, MMS plans to incorporate requirements for imposing these standards in the delegation agreement contract documents rather than requiring such by written regulation.

Two commentors objected to § 229.100(b)(4) of the interim final rule because the denial of subpoena power to the States is in conflict with the Act.

The MMS disagrees and will retain the authority to issue subpoenas. Section 205 of the Act unambiguously provides that the Secretary may delegate "all *or part* of the authorities and responsibilities * * *" Thus, the Act does not require the delegation of subpoena authority. Moreover, in almost all instances companies have provided documents and other materials without the need for subpoenas. In those few instances where such action is required, it will not be burdensome for the State to request a subpoena from MMS. Finally since issuance of a subpoena could require enforcement under section 107(b) of the Act, which is not delegable, MMS has determined that it should retain all of the subpoena issuance and enforcement authority.

Consequently, the MMS concludes that no changes are required to the interim final rules promulgated on October 12, 1984.

III. Procedural Matters

Administrative Procedure Act

The MMS has determined that good cause exists pursuant to 5 U.S.C. 553(d) to issue this final rule effective immediately.

The 30-day waiting period is unnecessary because this rule was issued previously as an interim final rule currently is effective. Since no changes to the interim final rule are being made in this final rule, there is no re delay its effectiveness.

For the above reasons, MMS determined that good cause ex make this final rule immediate effective.

Executive Order 12291

The Department has determi this rule is not a major rule an require the preparation of a re impact analysis under Executi 12291.

This rulemaking has minima economic effect on any busine or small, as it only addresses perform the functions. The del functions will be no more strin are presently being performed.

Regulatory Flexibility Act

Some portion of the lessees/ who will be assessed for royal underpayments resulting from implementation of this rulema be small businesses. However, the requirement to pay royaltie imposed by other regulations a because most of the affected le payors are not small businesse Department has determined th rule will not have a significant effect on a substantial number entities. Therefore, a small ent flexibility analysis under the R Flexibility Act (5 U.S.C. 601 *et* not required.

Paperwork Reduction Act of 19

The information collection requirements contained in this not require approval by the Of Management and Budget unde 3501 *et seq.*, because there will than 10 respondents annually.

National Environmental Policy 1969

It is hereby determined that does not constitute a major Fe action significantly affecting th of the human environment and detailed statement pursuant to 102(2)(C) of the National Envir Policy Act of 1969 (42 U.S.C. 4 is required.

List of Subjects in 30 CFR Part

Auditing standards, Delegat authority, Intergovernmental r Investigations, Mineral royalti

Under the authority of the F and Gas Royalty Management 1982 (30 U.S.C. 1735), Chapter of the Code of Federal Regulat amended by implementing wit change as a final rule the inter

published at 49 FR 40024 on October 12, 1984, effective immediately.

Dated: January 4, 1985.

J. Steven Griles,

Acting Assistant Secretary for Land and Minerals Management.

[FR Doc. 85-1559 Filed 1-17-85; 8:45 am]

BILLING CODE 4310-MR-M

DEPARTMENT OF DEFENSE

Office of the Secretary

32 CFR Part 63

[DoD Directive 1340.16]

Former Spouse Payments From Retired Pay

AGENCY: Office of the Secretary, DoD.

ACTION: Final rule.

SUMMARY: This rule implements section 1002 of the Uniformed Services Former Spouses' Protection Act (Pub. L. 97-252) and amendments found in section 643 of the DoD Authorization Act for Fiscal Year 1985 (Pub. L. 98-525) which are codified under title 10, United States Code, section 1408 (10 U.S.C. 1408). It provides guidance on direct payments to a former spouse from the retired pay of the member in response to court ordered alimony, child support or division of property. The rule applies to former spouses of members who request direct payments from the Uniformed Services.

EFFECTIVE DATE: January 2, 1985.

ADDRESS: Office of the Deputy Assistant Secretary of Defense (Management Systems), Washington, D.C. 20301.

FOR FURTHER INFORMATION CONTACT: James T. Jasinski, telephone 202-697-0536.

SUPPLEMENTARY INFORMATION: In the Federal Register of January 28, 1983 (48 FR 4003), DoD issued a proposed rule for comments. Comments were received from 189 interested parties. The Uniformed Services considered these comments in the development of the final rule. Significant comments and changes are highlighted in the following discussion. Changes were made throughout the final rule to conform to the amendments made by Pub. L. 98-525, which eliminated the requirement that the court order specifically provide for payments from the member's disposable retired pay, except in cases of division of property. The citations given below refer to the final rule, unless otherwise noted.

Comments and Changes

Section 63.3—The definitions of alimony, court order, and final decree were challenged as inconsistent with the statutory intent of 10 U.S.C. 1408. These definitions were taken directly from the statute. Where the definition was based on a specific statute, we have added the citation. Respondents are asked to review the statutes cited. Many comments urged that the alimony definition be expanded to include a division of property when the court order of State law considers a property division as "alimony." The statutory definition of alimony, found in Title IV-D of the Social Security Act (42 U.S.C. 662(c)), clearly states that alimony does *not* include a division of property. The definition included in this final rule conforms to the statutory definition. Many respondents took exception to the definition of a court order. They pointed out that the court order must provide for the payment of retired pay to a member's former spouse. The objections centered on the lack of prior knowledge of such a condition placed a burden on the former spouse to seek amendment of the court order. The definition in the final rule reflects the language in 10 U.S.C. 1408(a)(2). Some comments questioned why the court order must be a final decree. They pointed out the potential variances from one jurisdiction to another with regard to what constituted a final decree. Many thought this created an unnecessary delay in payments. Again, this definition is consistent with the statutory language.

Section 63.6(a)—Several comments suggested changing § 63.6(a)(2) to state clearly that the 10-year marriage requirement applied only to a division of retired pay as property. The final rule adopted the suggestion.

Section 63.6(b)—Respondents recommended that former spouses receiving voluntary allotments from retired pay be permitted to convert these allotments to payments under 10 U.S.C. 1408. Since allotments are initiated voluntarily by the member and are not subject to the other conditions of 10 U.S.C. 1408, conversion under this statute is not possible. Several questioned why an application was required. The application is necessary to affirm the former spouse's eligibility. Others questioned whether an official application form must be submitted. DD form 2293, "Request for Former Spouse Payments from Retired Pay," is available for use. The form is not required, provided all the information necessary to process an applicant's request for payments, as outlined in this final rule, is furnished by the former spouse. Some comments stated that an attorney's assistance was necessary to furnish the Uniformed Services with an acceptable application. The use of professional assistance is a personal choice. Several persons stated that the application was unnecessary since the requested information was allegedly on file with the Uniformed Services. This is not the case. An application is essential in documenting and in determining a former spouses's eligibility. One comment asked if the Uniformed Services would accept applications filed by a State child support enforcement agency, since applicants under the Aid to Families with Dependent Children program must assign all rights of support to a State agency. The Uniformed Services cannot honor such assignments given the prohibitions in 10 U.S.C. 1408(c)(2). In response to questions about the certification of a court order, § 63.6(b)(1)(ii) was modified to describe clearly who has certifying authority. A number of reviewers asked what constitutes sufficient proof that a former spouse satisfied the 10-year marriage requirement. Any evidence supporting the former spouse's claim will be considered. This may include court records, military documents, a marriage certificate, birth certificates, etc. Section 63.6(b)(1) (vi) and (vii) were formerly designated § 63.6(h) (10) and (11) in the proposed rule. Several persons objected to notification conditions in § 63.6(b)(1)(vii) requiring the former spouse to report events that may affect continued eligibility. Such information is necessary to administer this regulation. Section 63.6(b)(3) was amended to state when effective service was completed. This has importance in establishing priorities under the first-come-first-served condition in § 63.6(h)(4).

Section 63.6(b)(4) has been rewritten setting forth the required actions of the designated agent when payments are due the former spouse or when the applications has a deficiency. Several persons objected to the release of information on retired pay to the former spouse. Disclosure is necessary to ensure proper payment. Applicable statutes concerning disclosure have been considered and complied with. A statement has been added under § 63.6(b)(6) that U.S. Attorneys will not accept or process former spouse payments under this rule.

Section 63.6(c)—With regard to § 63.6(c)(2), reviewers mentioned that certification of the court order within 90 days of the application was overburdening, unnecessary, and unfair. The procedure ensures that service is accomplished with current and effective documents. Concerning § 63.6(c)(6), conflicting comments were received. Several found the subsection to be restrictive and to encourage members to