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FEDERAL HOUSING FINANCE BOARD

12 CFR Parts 900 and 905

[No. 2003-09]

RIN 3069-AB25

Amendments to the Description of Organization and Functions Regulation

AGENCY: Federal Housing Finance Board.

ACTION: Final rule.

SUMMARY: The Federal Housing Finance Board (Finance Board) is revising its Description of Organization and Functions regulation to reflect agency reorganizations that already have taken effect.

DATES: The final rule will become effective on June 27, 2003.

FOR FURTHER INFORMATION CONTACT: Janice A. Kaye, Senior Attorney-Advisor, Office of General Counsel, by electronic mail at kayej@fhfb.gov, by telephone at 202/408-2505, by facsimile at 202/408-2580, or by regular mail at the Federal Housing Finance Board, 1777 F Street, NW., Washington, DC 20006.

SUPPLEMENTARY INFORMATION:

I. Background

Section (a)(1) of the Freedom of Information Act (FOIA) requires an agency to publish and update as necessary in the **Federal Register** “for the guidance of the public” certain basic information about the agency’s structure and operations. See 5 U.S.C. 552(a)(1). More specifically, section (a)(1)(A) of the FOIA requires an agency to publish “descriptions of its central and field organization and the established places at which, the employees * * * from whom, and the methods whereby, the public may obtain information, make submittals or requests, or obtain decisions.” 5 U.S.C. 552(a)(1)(A). Section (a)(1)(B) of the FOIA requires an

agency to publish “statements of the general course and method by which its functions are channeled and determined * * *” 5 U.S.C. 552(a)(1).

In accordance with these FOIA requirements, the Finance Board first published a regulation describing its basic units of organization and their functions in December 1991. See 56 FR 67155 (Dec. 30, 1991). The only comprehensive update of this rule to date occurred in December 1996. See 61 FR 68129 (Dec. 27, 1996).¹ Since that time, the agency has undergone several reorganizations.² This final rule will update the description of the Finance Board’s functions and general organization in part 905 to reflect the agency’s current structure. It also will add new definitions of the terms “Secretary to the Board” and “Executive Secretary” in part 900.

II. Notice, Public Participation and Effective Date

The notice and publication requirements of the Administrative Procedure Act do not apply to this rule because the amendments made by the rule relate only to the organization of the agency. In addition, it is in the public interest to conform the regulations to reflect agency reorganizations that already have taken effect. For these reasons, the Finance Board is publishing the amendments in the form of a final rule and for good cause finds that the interim final rule should become effective on June 27, 2003. See 5 U.S.C. 553(b)(1)(A) and (d)(3).

III. Regulatory Flexibility Act

The Finance Board is adopting the amendments to parts 900 and 905 in the form of a final rule and not as a proposed rule. Therefore, the provisions of the Regulatory Flexibility Act do not apply. See 5 U.S.C. 601(2) and 603(a).

¹ The agency made minor changes in 2000, when the rule was moved from part 900 to part 905, and in 2002, when section 905.4 of the rule was amended to reflect changes to the Finance Board’s statutory responsibilities made by the Gramm-Leach-Bliley Act. See 65 FR 8256 (Feb. 18, 2000) and 67 FR 12843 (Mar. 20, 2002).

² See Chairperson Order Nos. 1997-OR-4 (Feb. 25, 1997); 1997-OR-12 (July 25, 1997); 1999-OR-8 (Nov. 5, 1999); 2000-OR-7 (Oct. 1, 2000); 2000-OR-8 (Dec. 4, 2000); 2002-OR-2 (Aug. 8, 2002); and 2003-OR-XX (2003). Copies of these chairperson orders are available in the FOIA Reading Room on the Finance Board website at www.fhfb.gov.

IV. Paperwork Reduction Act

The final rule does not contain any collections of information under the Paperwork Reduction Act of 1995. See 44 U.S.C. 3501 *et seq.* Consequently, the Finance Board has not submitted any information to the Office of Management and Budget for review.

List of Subjects

12 CFR Part 900

Credit, Federal home loan banks, Organization and functions (Government agencies), Reporting and recordkeeping requirements.

12 CFR Part 905

Federal home loan banks, Organization and functions (Government agencies).

■ For the reasons stated in the preamble, the Finance Board amends 12 CFR parts 900 and 905 to read as follows:

PART 900—GENERAL DEFINITIONS APPLYING TO ALL FINANCE BOARD REGULATIONS

■ 1. The authority citation for part 900 continues to read as follows:

Authority: 12 U.S.C. 1422b(a).

■ 2. Revise § 900.1 by adding a new definition of the term “Executive Secretary” in alphabetical order and revising the definition of the term “Secretary to the Board” to read as follows:

§ 900.1 Basic terms relating to the Finance Board, the Bank System and related entities.

* * * * *

Executive Secretary means an employee within the Office of Management of the Finance Board who is responsible for records management.

* * * * *

Secretary to the Board means employees within the Office of General Counsel of the Finance Board who are responsible for issues concerning meetings of the Board of Directors.

PART 905—DESCRIPTION OF ORGANIZATION AND FUNCTIONS

■ 3. The authority citation for part 905 continues to read as follows:

Authority: 5 U.S.C. 552; 12 U.S.C. 1422b(a) and 1423.

■ 4. Revise § 905.2(b) to read as follows:

§ 905.2 General statement and statutory authority.

* * * * *

(b) The members of the Board of Directors individually are referred to as Directors. Other than the Office of Inspector General and the Office of General Counsel, the heads of the administrative units, called offices, also are called Directors. The head of the Office of Inspector General is called the Inspector General and the head of the Office of General Counsel is called the General Counsel.

* * * * *

Appendix A to Subpart A of Part 905—Federal Home Loan Banks

■ 5. Amend Appendix A to Subpart A of part 905 by:

■ a. Removing the words “One Financial Center, 20th Floor, Boston, MA 02111” and adding in their place the words “111 Huntington Avenue, 24th Floor, Boston, MA 02199–7614”;

■ b. Removing the words “200 Park Avenue, New York, NY 10166–4193” and adding in their place the words “101 Park Avenue, New York, NY 10178–0599”;

■ c. Removing the words “221 East Fourth Street, Suite 1000, Cincinnati, OH 45201–0598” and adding in their place the words “221 East Fourth Street, Suite 1000, Cincinnati, OH 45202”;

■ d. Removing the words “5605 North MacArthur Boulevard, Irving, TX 75038” and adding in their place the words “8500 Freepoint Parkway South, Suite 100, Irving, TX 75063–2547”; and

■ e. Removing the words “Townsite Plaza Two, 120 East Sixth Street, Topeka, KS 66603” and adding in their place the words “One Security Benefit Place, Suite 100, Topeka, KS 66606–2444”.

■ 6. Amend Subpart B of part 905 by revising §§ 905.10 through 905.15, and removing §§ 905.16 through 905.19, to read as follows:

Subpart B—General Organization**§ 905.10 Board of Directors.**

(a) *Board of Directors*—(1) *General*. The Bank Act vests management of the Finance Board in a five-member Board of Directors consisting of four members appointed by the President with the advice and consent of the Senate to serve staggered seven-year terms, and one *ex-officio* member, the Secretary of the U.S. Department of Housing and Urban Development. The four appointed directors must have backgrounds in housing finance or a demonstrated commitment to providing specialized housing credit and at least one appointed director must have a background with an organization with a

two-year record of representing consumer or community interests on either banking services, credit needs, housing or financial consumer protections. Not more than three of the five directors may belong to the same political party.

(2) *Responsibilities*. The Board of Directors is responsible for setting agency policy and issuing resolutions, rules, regulations, orders and policies as necessary.

(b) *Chairperson*—(1) *General*. The President designates an appointed director as chairperson of the Board of Directors.

(2) *Responsibilities*. The responsibilities of the chairperson include:

(i) Presiding over the meetings of the Board of Directors;

(ii) Effecting the overall management, functioning and organization of the Finance Board;

(iii) Ensuring effective coordination and communication with the Congress and interest groups on legislative issues pertaining to the Finance Board, the Bank System, and the Financing Corporation; and

(iv) Disseminating information about the Finance Board to other government agencies, the public and the news media.

§ 905.11 Office of Inspector General.

(a) *General*. The Inspector General reports directly to the chairperson of the Board of Directors and is subject to, and operates under, the provisions of the Inspector General Act of 1978, as amended (5 U.S.C. app. 3).

(b) *Responsibilities*. The responsibilities of the Office of Inspector General under the Inspector General Act include:

(1) Conducting and supervising audits and investigations relating to the programs and operations of the Finance Board;

(2) Providing leadership and coordination, and recommending policies for Finance Board activities designed to promote the economy, efficiency and effectiveness of programs and operations, and preventing and detecting fraud and abuse in programs and operations; and

(3) Providing a means for keeping the Board of Directors, agency managers and the Congress fully and currently informed regarding on-going investigations and, if needed, the necessity for and progress of corrective action.

§ 905.12 Office of Management.

(a) *General*. The Office of Management is the principal advisor to

the chairperson and the Board of Directors on management and organizational policies and is responsible for the Finance Board's administrative management programs.

(b) *Responsibilities*. The responsibilities of the Office of Management include:

(1) Developing and managing agency policies and procedures governing employment and personnel action requirements, compensation and agency payroll requirements, travel, awards, insurance, retirement benefits and other employee benefits;

(2) Facilities and property management and supply requirements;

(3) Procurement and contracting programs;

(4) Agency financial management, budgeting and accounting;

(5) Records management; and

(6) Coordinating the design, programming, operation and maintenance of the Finance Board's technology and information systems.

§ 905.13 Office of Supervision.

(a) *General*. The Office of Supervision is responsible for conducting on-site examinations of the twelve Federal Home Loan Banks and the Office of Finance and conducting off-site monitoring and analysis. The Office of Supervision also is responsible for providing expert policy advice and analyzing and reporting on economic, housing finance, community investment and competitive environments in which the Bank System and its members operate.

(b) *Responsibilities*. The responsibilities of the Office of Supervision include:

(1) Conducting examinations, at least annually, of the Banks, the Office of Finance and the Financing Corporation and resolving outstanding examination issues;

(2) Monitoring Bank and Bank System market, credit and operational risks;

(3) Analyzing the financial performance of the Banks;

(4) Preparing the Monthly Survey of Rates and Terms of Conventional One-Family Nonfarm Mortgage Loans (MIRS) and determining the conforming loan limit for Federal National Mortgage Association (Fannie Mae) and Federal Home Loan Mortgage Corporation (Freddie Mac) purchases and guarantees;

(5) Analyzing the Banks' performance and policy issues arising under the Affordable Housing Program and the Community Investment Program; and

(6) Collecting and analyzing data on the housing and community and economic development activities of the Banks.

§ 905.14 Office of General Counsel.

(a) *General.* The General Counsel is the chief legal officer of the Finance Board and is responsible for advising the Board of Directors, the chairperson and other Finance Board officials on interpretations of law, regulation and policy.

(b) *Responsibilities.* The responsibilities of the Office of General Counsel include:

(1) Preparing all legal documents on behalf of the Finance Board such as opinions, regulations and memoranda of law;

(2) Representing the Finance Board in all administrative adjudicatory proceedings before the Board of Directors and in all other administrative matters involving the agency;

(3) Representing the Finance Board in judicial proceedings involving the agency's supervisory or regulatory authority over the Federal Home Loan Banks;

(4) Administering the Finance Board's Ethics, Freedom of Information Act, Privacy Act, Paperwork Reduction Act, and Government in the Sunshine Act programs; and

(5) Secretary to the Board functions.

Dated: June 19, 2003.

By the Board of Directors of the Federal Housing Finance Board.

John T. Korsmo,
Chairman.

[FR Doc. 03-16317 Filed 6-26-03; 8:45 am]

BILLING CODE 6725-01-P

DEPARTMENT OF TRANSPORTATION**Federal Aviation Administration****14 CFR Part 39**

[Docket No. 2002-NE-10-AD; Amendment 39-13213; AD 2003-13-12]

RIN 2120-AA64

Airworthiness Directives; Rolls-Royce plc RB211-22B Series Turbofan Engines

AGENCY: Federal Aviation Administration, DOT.

ACTION: Final rule.

SUMMARY: This amendment adopts a new airworthiness directive (AD) that is applicable to Rolls-Royce plc (RR) RB211-22B series turbofan engines with intermediate pressure (IP) compressor stage 6 to 7 rotor shaft assembly part number (P/N) UL37094 installed. This amendment requires removal from service of IP compressor stage 6 to 7 rotor shaft assemblies P/N UL37094

before reaching newly reduced life limits. This amendment is prompted by the discovery of corrosion during inspection and analysis of IP compressor stage 6 to 7 rotor shaft assemblies returned from the field. The actions specified by this AD are intended to prevent corrosion-induced cracking of the IP compressor stage 6 to 7 rotor shaft assembly, resulting in an uncontained engine failure and damage to the airplane.

DATES: Effective August 1, 2003.

ADDRESSES: The service information referenced in this AD may be obtained from Rolls-Royce plc, P.O. Box 31, Derby, England, DE248BJ; telephone: 011-44-1332-242424; fax: 011-44-1332-245-418. This information may be examined, by appointment, at the Federal Aviation Administration (FAA), New England Region, Office of the Regional Counsel, 12 New England Executive Park, Burlington, MA; or at the Office of the Federal Register, 800 North Capitol Street, NW., suite 700, Washington, DC.

FOR FURTHER INFORMATION CONTACT: Ian Dargin, Aerospace Engineer, Engine Certification Office, FAA, Engine and Propeller Directorate, 12 New England Executive Park, Burlington, MA 01803-5299; telephone (781) 238-7178; fax (781) 238-7199.

SUPPLEMENTARY INFORMATION: A proposal to amend part 39 of the Federal Aviation Regulations (14 CFR part 39) to include an AD that is applicable to RR RB211-22B series turbofan engines with IP compressor stage 6 to 7 rotor shaft assembly P/N UL37094 installed was published in the **Federal Register** on December 2, 2002 (67 FR 71495). That action proposed to require removal from service of IP compressor stage 6 to 7 rotor shaft assemblies P/N UL37094 before reaching newly reduced life limits.

Comments

Interested persons have been afforded an opportunity to participate in the making of this amendment. No comments were received on the proposal or the FAA's determination of the cost to the public. The FAA has determined that air safety and the public interest require the adoption of the rule as proposed.

Regulatory Analysis

This final rule does not have federalism implications, as defined in Executive Order 13132, because it would not have a substantial direct effect on the States, on the relationship between the national government and the States, or on the distribution of

power and responsibilities among the various levels of government. Accordingly, the FAA has not consulted with state authorities prior to publication of this final rule.

For the reasons discussed above, I certify that this action (1) is not a "significant regulatory action" under Executive Order 12866; (2) is not a "significant rule" under the DOT Regulatory Policies and Procedures (44 FR 11034, February 26, 1979); and (3) will not have a significant economic impact, positive or negative, on a substantial number of small entities under the criteria of the Regulatory Flexibility Act. A final evaluation has been prepared for this action and it is contained in the Rules Docket. A copy of it may be obtained by contacting the Rules Docket at the location provided under the caption **ADDRESSES**.

List of Subjects in 14 CFR Part 39

Air transportation, Aircraft, Aviation safety, Safety.

Adoption of the Amendment

■ Accordingly, pursuant to the authority delegated to me by the Administrator, the Federal Aviation Administration amends part 39 of the Federal Aviation Regulations (14 CFR part 39) as follows:

PART 39—AIRWORTHINESS DIRECTIVES

■ 1. The authority citation for part 39 continues to read as follows:

Authority: 49 U.S.C. 106(g), 40113, 44701.

§ 39.13 [Amended]

■ 2. Section 39.13 is amended by adding a new airworthiness directive to read as follows:

2003-13-12 Rolls-Royce plc: Amendment 39-13213. Docket No. 2002-NE-10-AD.

Applicability: This airworthiness directive (AD) is applicable to Rolls-Royce (RR) RB211-22B series turbofan engines with intermediate pressure (IP) compressor stage 6 to 7 rotor shaft assembly part number (P/N) UL37094 installed. These engines are installed on, but not limited to Lockheed Martin L1011 airplanes.

Note 1: This AD applies to each engine identified in the preceding applicability provision, regardless of whether it has been modified, altered, or repaired in the area subject to the requirements of this AD. For engines that have been modified, altered, or repaired so that the performance of the requirements of this AD is affected, the owner/operator must request approval for an alternative method of compliance in accordance with paragraph (d) of this AD. The request should include an assessment of the effect of the modification, alteration, or repair on the unsafe condition addressed by this AD; and, if the unsafe condition has not