authorized by the issuer's agent or representative) is within the definition if the issuer or its agent or representative approves a prepared document before its use. The rule does not require the same person who authorized the document's production to be responsible for approving the prepared document. It is intended that this agent or representative will have reviewed the document in advance.

Of course, state law controls how a company authorizes activities. For example, if under state law the board of directors or other governing body may delegate authorization or approval authority for all offering documents to an individual, committee, or even an outside entity such as an underwriter, then the authorization or approval of that person would be sufficient for Rule 146.[9]

III. Cost-Benefit Analysis

There were no responses to the Commission's solicitation of comment regarding the costs and benefits of this definition. The Commission, at Congress' behest, crafted Rule 146 to provide guidance with respect to how to interpret the language of the statute. Therefore, the economic burdens and benefits relating to state preemption generally will be attributable to the statute. While the Commission expects the economic effects of this rule to be minimal, the definition will allow greater certainty about when an offering document is subject to state review.

IV. Summary of Final Regulatory Flexibility Analysis

A final regulatory flexibility analysis has been prepared in accordance with 5 U.S.C. 604 concerning this definition. The analysis notes that the rulemaking relates to a Congressional mandate to define the term ''prepared by or on behalf of the issuer'' for purposes of Section 18 of the Act and describes the reasons for and purposes of the definition.

The analysis states that no comments were received in response to Commission solicitation with respect to the Initial Regulatory Flexibility Analysis. The analysis goes on to state that there are approximately 1100 reporting companies that satisfy the definition of ''small business'' under Exchange Act Rule 0–10, but there is no reliable way to determine the impact of the rule on these entities, because it cannot be determined how many of these entities may raise capital, thereby benefiting from the rule. The Commission does not expect that significant changes to reporting, recordkeeping and compliance burdens will result from the rule, inasmuch as the substantive effects of the changes to Section 18 are controlled primarily by the terms of the legislation, and not by the terms of this definition. The purpose of the definition is to give guidance with regard to the meaning of a statutory term.

The Commission considered whether there are any appropriate steps available to minimize the economic impact of rule on small businesses and determined that establishing different requirements for small entities or exempting them from all or part of the definition would not serve the public interest, nor would it aid small businesses. The definition is purposefully crafted to give small entities equal footing with large companies with respect to the benefits of state preemption that Congress envisioned when it enacted revised Section 18.

V. Effective Date

The effective date for Rule 146 is May 6, 1997, the **Federal Register** publication date. In accordance with the Administrative Procedure Act 5 U.S.C. 553(d)(3), the Commission finds that the statutory mandate to adopt a rule within six months of the statute's effective date provides good cause to establish an effective date less than 30 days after publication of these rules. The early effective date will also allow affected persons to begin relying on the new definition immediately by eliminating confusion in the marketplace over whether a document is ''prepared by or on behalf of the issuer'' for purposes of the statute. Finally, because the definition does not impose any new burdens, the public would derive no benefit from the time provided by a delayed implementation date.

VI. Statutory Basis

Rule 146 is being adopted pursuant to Sections 18 and 19 of the Securities Act.

List of Subjects in Part 230

Reporting and recordkeeping requirements, Securities.

Text of the Amendment

In accordance with the foregoing, Title 17, chapter II of the Code of Federal Regulations is amended as follows:

PART 230—GENERAL RULES AND REGULATIONS, SECURITIES ACT OF 1933

1. The general authority citation for part 230 is revised to read as follows:

Authority: 15 U.S.C. 77b, 77f, 77g, 77h, 77j, 77r, 77s, 77sss, 78c, 78d, 78*l*, 78m, 78n, 78o, 78w, 78*ll*(d), 79t, 80a-8, 80a-29, 80a-30, and 80a-37, unless otherwise noted.

* * * * *

2. By adding § 230.146, to read as follows:

§ 230.146 Definition of ''prepared by or on behalf of the issuer'' for purposes of Section 18 of the Act.

Prepared by or on behalf of the issuer. An offering document (as defined in Section 18(d)(1) of the Act [15 U.S.C. 77r(d)(1)]) is ''prepared by or on behalf of the issuer'' for purposes of Section 18 of the Act, if the issuer or an agent or representative:

(a) Authorizes the document's production, and

(b) Approves the document before its use.

Dated: April 30, 1997.

By the Commission.

Margaret H. McFarland,

Deputy Secretary.

[FR Doc. 97–11692 Filed 5–5–97; 8:45 am]

BILLING CODE 8010–01–P

DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

24 CFR Part 573

[Docket No. FR–4108–C–06]

RIN 2506–AB87

Loan Guarantee Recovery Fund; Technical Amendment to Final Rule

AGENCY: Office of the Assistant Secretary for Community Planning and Development, HUD.

ACTION: Technical amendment to final rule.

SUMMARY: On September 6, 1996 (61 FR 47404), HUD published a final rule implementing section 4 of the Church Arson Prevention Act of 1996. Specifically, the September 26, 1996 final rule established the procedures, terms, and conditions by which HUD will guarantee loans to assist nonprofit organizations in financing activities designed to rebuild and rehabilitate structures, to replace and restore personal property, and to finance other eligible activities as provided for in the final rule. The September 6, 1996 final rule inadvertently omitted from the list of eligible activities the refinancing of

[9] As provided by statute, the definition is applicable only to Section 18 of the Securities Act. As noted in the Proposing Release, in the case of a registered investment company, an agent of the issuer would include, without limitation, the issuer's investment adviser, attorney, underwriter, depositor or any other agent that performs administrative functions on behalf of the company.

existing indebtedness secured by a property which has been constructed, rehabilitated, or reconstructed. The purpose of this document is to make the necessary correction.

EFFECTIVE DATE: October 7, 1996.

SUPPLEMENTARY INFORMATION: On July 3, 1996, President Clinton signed into law the ''Church Arson Prevention Act of 1996'' (Pub. L. 104–155) (the Act). The Act provides Federal, State and local law-enforcement agencies with the needed additional tools to address violent crimes against places of worship, strengthens the penalties for these crimes, and authorizes Federal assistance for rebuilding efforts. Section 4 of the Act, entitled ''Loan Guarantee Recovery Fund,'' authorizes the Secretary of HUD to guarantee loans made by financial institutions to assist certain nonprofit organizations (organizations described in section 501(c)(3) of the Internal Revenue Code of 1986) that have been damaged as a result of acts of arson or terrorism.

On September 6, 1996 (61 FR 47404), HUD published a final rule implementing section 4 of the Act by establishing a new 24 CFR part 573. Part 573 describes the procedures, terms, and conditions by which HUD will guarantee loans to assist eligible nonprofit organizations. Under § 573.3, eligible borrowers may use guaranteed loan funds for a wide range of activities. Paragraph (i) of § 573.3 permits the use of guaranteed loan funds to refinance existing indebtedness secured by a property to be constructed, rehabilitated, or reconstructed.

Unfortunately, § 573.3(i) inadvertently omitted to include the refinancing of existing indebtedness secured by a property for which construction, rehabilitation, or reconstruction has already begun. As evidenced by the preamble to the September 6, 1996 final rule, HUD intended to include such refinancings in the list of eligible activities. For example, the summary of eligible activities set forth in the preamble provided that guaranteed loan funds may be used for the ''refinancing of existing indebtedness'' (61 FR 47404). The summary did not limit such refinancings to indebtedness secured by properties where rebuilding was a future event.

Further, in justifying the need for final rulemaking without prior public comment, HUD noted that the Department of Justice had identified more than 40 eligible organizations whose properties had been damaged or destroyed by acts of arson or terrorism and that those organizations were in immediate need of loan guarantee assistance (61 FR 47404). It was known to HUD that some of these organizations had already rebuilt their damaged properties with loans carrying interest rates that might have been lower with HUD loan guarantee assistance.

List of Subjects in 24 CFR Part 573

Loan programs—housing and community development, Nonprofit organizations, Reporting and recordkeeping requirements.

Accordingly, in title 24 of the Code of Federal Regulations, part 573 is amended as follows:

1. The authority citation for part 573 continues to read as follows:

Authority: Pub. L. 104–155, 110 Stat. 1392, 18 U.S.C. 241 note; 42 U.S.C. 3535(d).

2. In § 573.3, paragraph (i) is revised to read, as follows:

§ 573.3 Eligible activities.

* * * * *

(i) Loans for refinancing existing indebtedness secured by a property which has been or will be acquired, constructed, rehabilitated or reconstructed, if such financing is determined to be appropriate to achieve the objectives of the Act and this part.

* * * * *

Dated: May 1, 1997.

Camille E. Acevedo,

Assistant General Counsel for Regulations.

[FR Doc. 97–11729 Filed 5–5–97; 8:45 am]

BILLING CODE 4210–29–P

ENVIRONMENTAL PROTECTION AGENCY

40 CFR Part 52

[CA 192–0037a; FRL–5816–9]

Approval and Promulgation of Implementation Plans; California State Implementation Plan Revision, South Coast Air Quality Management District

AGENCY: Environmental Protection Agency (EPA).

ACTION: Direct final rule.

SUMMARY: EPA is taking direct final action granting limited approval and limited disapproval of revisions to the California State Implementation Plan (SIP). The revisions concern two rules from the South Coast Air Quality Management District (SCAQMD). This final action will incorporate these rules into the federally approved SIP. The intended effect of finalizing this action is to regulate emissions of volatile organic compounds (VOCs) in accordance with the requirements of the Clean Air Act, as amended in 1990 (CAA or the Act). The rules control VOC emissions from active and inactive landfills. Thus, EPA is finalizing a simultaneous limited approval and limited disapproval of the rules under CAA provisions regarding EPA action on SIP submittals and general rulemaking authority because the rules, while strengthening the SIP, also do not fully meet the CAA provisions regarding plan submissions and plan requirements for nonattainment areas.

DATES: This action is effective on July 7, 1997 unless adverse or critical comments are received by June 5, 1997. If the effective date is delayed, a timely notice will be published in the **Federal Register**.

ADDRESSES: Copies of the rules and EPA's evaluation report for the rules are available for public inspection at EPA's Region IX office during normal business hours. Copies of the submitted rules are also available for inspection at the following locations:

Environmental Protection Agency, Air Docket (6102), 401 ''M'' Street, S.W., Washington, D.C. 20460

South Coast Air Quality Management District, 21865 E. Copley Drive, Diamond Bar, CA 91765–4182

California Air Resources Board, Stationary Source Division, Rule Evaluation Section, 2020 ''L'' Street, Sacramento, CA 95814.

FOR FURTHER INFORMATION CONTACT: Patricia A. Bowlin, Rulemaking Office (AIR–4), Air Division, U.S. Environmental Protection Agency, Region IX, 75 Hawthorne Street, San Francisco, CA 94105–3901, Telephone: (415) 744–1188.

SUPPLEMENTARY INFORMATION:

Applicability

The rules being incorporated into the California SIP are SCAQMD Rule 1150.1, Control of Gaseous Emissions from Active Landfills, and SCAQMD Rule 1150.2, Control of Gaseous Emissions from Inactive Landfills. The rules were submitted by the California Air Resources Board (CARB) to EPA on October 16, 1985 and February 10, 1986, respectively.

Background

On March 3, 1978, EPA promulgated a list of ozone nonattainment areas under the provisions of the Clean Air Act, as amended in l977 (1977 Act or pre-amended Act), that included the Los Angeles-South Coast Air Basin Area. 43 FR 8964, 40 CFR 81.305. The 1977 Act required that nonattainment areas adopt, at a minimum, reasonably available control technology (RACT) for all significant sources of emissions.