

applications were being accepted from individuals outside its own workforce. These veterans may be promoted, demoted, or reassigned, as appropriate, to other positions within the agency but would remain employed under this excepted authority as long as there is no break in service. No new appointments may be made under this authority after November 30, 1999.

## PART 315—CAREER AND CAREER CONDITIONAL EMPLOYMENT

3. The authority citation for part 315 is revised to read as follows:

**Authority:** 5 U.S.C. 1302, 3301, and 3302; E.O. 10577, 3 CFR, 1954–1958 Comp. P. 218, unless otherwise noted. §§ 315.601 and 315.609 also issued under 22 U.S.C. 3651 and 3652. §§ 315.602 and 315.604 also issued under 5 U.S.C. 1104. § 315.603 also issued under 5 U.S.C. 8151. § 315.605 also issued under E.O. 120034, 3 CFR, 1978 Comp. p. 111. § 315.606 also issued under E.O. 11219, 3 CFR, 1964–1965 Comp. p. 303. § 315.607 also issued under 22 U.S.C. 2506. § 315.608 also issued under E.O. 12721, 3 CFR, 1990 Comp., p. 293. § 315.610 also issued under 5 U.S.C. 3304(d). § 315.611 also issued under Section 511, Pub. L. 106–117. § 315.710 also issued under E.O. 12596, 3 CFR, 1987, Comp., p. 229. Subpart I also issued under 5 U.S.C. 3321, E.O. 12107, 3 CFR, 1978 Comp., p. 264.

### § 315.611 [Added]

4. A new section 315.611 is added to subpart F to read as follows:

#### Subpart F—Career or Career-Conditional Appointment Under Special Authorities

\* \* \* \* \*

### § 315.611 Appointment of certain veterans who have competed under agency merit promotion announcements.

(a) *Agency authority.* An agency may appoint a preference eligible or a veteran who has substantially completed at least 3 years of continuous active military service provided

(1) The veteran was selected from among the best qualified following competition under a merit promotion announcement open to candidates outside the agency's workforce; and

(2) The veteran's most recent separation from the military was under honorable conditions.

(b) *Definitions.* "Agency" in this context means an executive agency as defined in 5 U.S.C. 105. The agency determines in individual cases whether a candidate was released "shortly before" completing the required 3 years and should therefore be eligible for appointment.

### § 315.801 [Revised]

5. In § 315.801 paragraph (a) is revised and a new paragraph (e) is added to read as follows:

#### Subpart H—Probation on Initial Appointment to a Competitive Position

### § 315.801 Probationary period; when required.

(a) The first year of service of an employee who is given a career or career-conditional appointment under this part is a probationary period when the employee:

(1) Was appointed from a competitive list of eligibles established under subpart C of this part;

(2) Was reinstated under subpart D of this part unless during any period of service which affords a current basis for reinstatement, the employee completed a probationary period or served with competitive status under an appointment which did not require a probationary period.

\* \* \* \* \*

(e) A person who is appointed to the competitive service either by special appointing authority or by conversion under subparts F or G of this part serves a 1-year probationary period unless specifically exempt from probation by the authority itself.

## PART 335—PROMOTION AND INTERNAL PLACEMENT

6. The authority citation for part 335 is revised to read as follows:

**Authority:** 5 U.S.C. 3301, 3302, 3330; E.O. 10577, 3 CFR 1954–1958 Comp., p. 218; 5 U.S.C. 3304 (f), and Pub.L. 106–117.

### § 335.106 [Revised]

7. Section 335.106 is revised to read as follows:

### § 335.106 Special selection procedures for certain veterans under merit promotion.

Preference eligibles or veterans who have been separated under honorable conditions from the armed forces after completing (as determined by the agency) 3 or more years of continuous active military service may compete for vacancies under merit promotion when an agency accepts applications from individuals outside its own workforce. Those veterans selected will be given career or career conditional appointments under § 315.611 of this chapter.

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## DEPARTMENT OF AGRICULTURE

### Farm Service Agency

### 7 CFR Parts 761 and 762

RIN 0560–AF69

### Streamlining of Regulations for Real Estate and Chattel Appraisals; Correction

**AGENCY:** Farm Service Agency, USDA.

**ACTION:** Correcting amendments to final rule.

**SUMMARY:** This document contains corrections to the final regulations which were published in the **Federal Register** on Wednesday, November 17, 1999, (64 FR 62566–62569). The final rule removed administrative provisions and moved the regulations regarding appraisals pertaining to the Farm Service Agency's Farm Loan Programs from Chapter XVIII to Chapter VII.

**DATE:** Effective on March 17, 2000.

**FOR FURTHER INFORMATION CONTACT:** Chris L. Greenwalt, Senior Loan Officer, Program Development and Economic Enhancement Division, USDA/FSA/PDEED/STOP 0521, 1400 Independence Avenue, S.W., Washington DC 20250–0521, telephone (202)690–0431, facsimile (202)720–8474, e-mail: chris—greenwalt@wdc.fsa.usda.gov.

### SUPPLEMENTARY INFORMATION:

#### Background

The final regulations that are the subject of these corrections removed administrative provisions and clarified the requirement that Agency real estate appraisals must comply with the guidelines and standards contained in the Uniform Standards of Professional Appraisal Practice (USPAP). In addition, the requirement that specific Agency formats be used when completing appraisals was eliminated.

#### Need for Correction

As published, the final rule (64 FR 62566–62569) contains several errors which may prove to be misleading if not corrected. Section 761.7 is being corrected to clarify that its general requirements apply to direct loan appraisals and all appraisal reviews. Guaranteed loan appraisals will still be governed by part 762. Section 762.127 is being amended accordingly.

Section 761.7 also needs to be corrected with regards to when an existing real estate appraisal will be used. The Agency inadvertently failed to address the situation where an appraisal is over 12 months old but has been updated by the same appraiser or

appraisal firm within the previous 12 months in accordance with USPAP. In such case, the existing updated real estate appraisal may be used to make or service a loan.

#### List of Subjects

##### 7 CFR Part 761

Accounting, Accounting servicing, Loan programs—Agriculture, Real property—Appraisals, Rural Areas.

##### 7 CFR Part 762

Agriculture, Loan programs—Agriculture.

Accordingly, 7 CFR parts 761 and 762 are corrected by making the following correcting amendments:

#### PART 761—GENERAL AND ADMINISTRATIVE

1. The authority citation for part 761 continues to read as follows:

**Authority:** 7 U.S.C. 1989.

2. Revise paragraphs (a) and (d) of § 761.7 to read as follows:

##### §761.7 Appraisals

(a) *General.* This section describes requirements for:

(1) real estate and chattel appraisals made in connection with the making and servicing of direct Farm Loan Program and nonprogram loans; and,

(2) appraisal reviews conducted on appraisals made in connection with the making and servicing of direct and guaranteed Farm Loan Program and nonprogram loans.

\* \* \* \* \*

(d) *Use of an existing real estate appraisal.* The Agency may use an existing real estate appraisal to reach a loan making or servicing decision under either of the following conditions:

(1) The appraisal was completed within the previous 12 months and the Agency determines that:

(i) The appraisal meets the provisions of this section and the applicable Agency loan making or servicing requirements, and

(ii) Current market values have remained stable since the appraisal was completed; or

(2) The appraisal was not completed in the previous 12 months, but has been updated by the appraiser or appraisal firm that completed the appraisal, and both the update and original appraisal were completed in accordance with USPAP.

\* \* \* \* \*

#### PART 762—GUARANTEED FARM LOANS

4. The authority citation for part 762 continues to read as follows:

**Authority:** 5 U.S.C. 301; 7 U.S.C. 1989; 42 U.S.C. 1480.

5. Revise paragraph (d) of § 762.127 by adding the following at the end of the introductory text:

##### §762.127 Appraisal requirements.

(d) \* \* \* Agency officials may accept an appraisal that is not current if there have been no significant changes in the market or on the subject real estate and the appraisal was either completed within the past 12 months or updated by a qualified appraisal if not completed within the past 12 months.

\* \* \* \* \*

Signed in Washington, D.C., on March 7, 2000.

**Parks Shackelford,**

*Acting Administrator Farm Service Agency.*

[FR Doc. 00-6429 Filed 3-16-00; 8:45 am]

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#### FEDERAL RESERVE SYSTEM

##### 12 CFR Part 225

[Regulation Y; Docket No. R-1062]

#### Bank Holding Companies and Change in Bank Control

**AGENCY:** Board of Governors of the Federal Reserve System.

**ACTION:** Interim rule with request for public comments.

**SUMMARY:** The Board of Governors of the Federal Reserve System is amending its Regulation Y on an interim basis effective March 11, 2000, to include a list of the financial activities permissible for a financial holding company under the Gramm-Leach-Bliley Act. The Board also is adopting procedures a financial holding company must follow in order to engage in listed financial activities, as well as activities that are complementary to a financial activity. In addition, the Board is adopting procedures by which a financial holding company or any other interested party may make requests that the Board determine that activities not listed in the Gramm-Leach-Bliley Act are permissible for a financial holding company. The Board is promulgating this rule on an interim basis in order to make a list of permissible activities and the applicable notification procedures for engaging in those activities available to financial holding companies on the effective date of the financial holding

company provisions of the Gramm-Leach-Bliley Act.

The interim rule adds five sections to Subpart I of Regulation Y. The first two sections list the financial activities in which the Gramm-Leach-Bliley Act permits a financial holding company to engage and explain that Board approval generally is not required to engage in those activities. The third section explains the post-commencement notice procedures applicable to listed activities. The fourth section establishes a procedure by which any interested party may request that the Board find an activity that is not listed in the Gramm-Leach-Bliley Act or the rule to be financial in nature or incidental to a financial activity. The fifth section establishes a procedure by which a financial holding company may seek a Board determination that a particular activity is complementary to a financial activity and receive approval to engage in that activity.

The Board solicits comments on all aspects of the interim rule and will amend the rule as appropriate in response to comments received.

**DATES:** This interim rule is effective on March 11, 2000. Comments must be received by May 12, 2000.

**ADDRESSES:** Comments should refer to docket number R-1062 and should be sent to Ms. Jennifer J. Johnson, Secretary, Board of Governors of the Federal Reserve System, 20th Street and Constitution Avenue, N.W., Washington, D.C., 20551 or mailed electronically to [regs.comments@federalreserve.gov](mailto:regs.comments@federalreserve.gov). Comments addressed to Ms. Johnson also may be delivered to the Board's mail room between the hours of 8:45 a.m. and 5:15 p.m. and, outside those hours, to the Board's security control room. Both the mail room and the security control room are accessible from the Eccles Building courtyard entrance, located on 20th Street between Constitution Avenue and C Street, N.W. Members of the public may inspect comments in room MP-500 of the Martin Building between 9 a.m. and 5 p.m. on weekdays.

**FOR FURTHER INFORMATION CONTACT:** Scott G. Alvarez, Associate General Counsel (202/452-3583) or Adrienne G. Threatt, Attorney (202/452-3554); Legal Division; Board of Governors of the Federal Reserve System, 20th Street and Constitution Avenue, N.W., Washington, D.C., 20551. For users of Telecommunications Device for the Deaf ("TDD"), contact Janice Simms at 202/452-4984.