

available information, it is hereby found that this rule, as hereinafter set forth, will tend to effectuate the declared policy of the Act.

List of Subjects in 7 CFR Part 993

Dried prunes, Marketing agreements, Reporting and recordkeeping requirements.

PART 993—DRIED PRUNES PRODUCED IN CALIFORNIA

Accordingly, the interim final rule amending 7 CFR part 993 which was published at 62 FR 41808 on August 4, 1997, is adopted as a final rule without change.

Dated: September 17, 1997.

Robert C. Keeney,

Director, Fruit and Vegetable Division.

[FR Doc. 97-25275 Filed 9-23-97; 8:45 am]

BILLING CODE 3410-02-P

DEPARTMENT OF AGRICULTURE

Rural Housing and Community Development Service

Rural Business and Cooperative Development Service

Rural Utilities Service

Consolidated Farm Service Agency

7 CFR Part 1924

Construction and Repair

CFR Correction

In Title 7 of the Code of Federal Regulations, parts 1900 to 1939, revised as of January 1, 1997, make the following correction:

1. On page 97, in § 1924.5(h), in the fourth line, "103-354ing" should read "103-354, prior to beginning".

BILLING CODE 1505-01-D

FARM CREDIT ADMINISTRATION

12 CFR Part 615

RIN 3052-AB75

Funding and Fiscal Affairs, Loan Policies and Operations, and Funding Operations; Cumulative Voting

AGENCY: Farm Credit Administration.

ACTION: Final rule.

SUMMARY: The Farm Credit Administration (FCA), through the FCA Board (Board), issues a final rule amending § 615.5230 of its regulations to provide that a Farm Credit Bank (FCB or bank) may eliminate cumulative

voting in director elections with the consent of 75 percent of the bank's association shareholders. This rule is necessary because the existing requirement of unanimous consent was unduly burdensome, complicated, and provided questionable benefits. The effect of this rule is to ease the unanimous consent requirement while maintaining significant protection for the minority interests.

DATES: This regulation shall become effective October 24, 1997, during which either or both houses of Congress are in session. Notice of the effective date will be published in the **Federal Register**.

FOR FURTHER INFORMATION CONTACT:

Gaylon J. Dykstra, Policy Analyst, Office of Policy Development and Risk Control, Farm Credit Administration, McLean, VA 22102-5090, (703) 883-4498;

or

Rebecca S. Orlich, Senior Attorney, Office of General Counsel, Farm Credit Administration, McLean, VA 22102-5090, (703) 883-4020, TDD (703) 883-4444.

SUPPLEMENTARY INFORMATION: The FCA proposed to amend § 615.5230 of its regulations on April 25, 1997 (62 FR 20131), to provide that an FCB may eliminate the cumulative voting requirement for the election of directors by a vote of 75 percent of the bank's association shareholders.¹ The proposed rule was in response to petitions from several Farm Credit System (System) institutions requesting that the FCA revise the existing unanimous consent requirement for eliminating cumulative voting. The 30-day comment period expired on May 27, 1997.

The FCA received a total of eight comment letters. Five of the letters represented seven associations (some commented jointly). The other three were from the FCB of Wichita (transmitting comments of 10 of its affiliated associations); the FCB of Texas; and the Tenth District Federation of Production Credit Associations (Federation), whose members are affiliated with the FCB of Texas.

Nine associations and the Federation supported the proposed amendment; seven associations opposed the proposed amendment. One association requested that the FCA reconsider the recommendation of a two-thirds majority made by several petitioners but

supported the proposed amendment if the FCA could not support the two-thirds majority. The FCB of Texas stated that it believed that a simple majority vote of all associations should control cumulative voting, but that alternatively, the supermajority requirement should be based on the number of associations that actually vote. Two institutions specifically endorsed the proposal to accord each association one vote in a vote to eliminate cumulative voting.

The associations that supported the proposed amendment generally commented that the existing regulation was unduly burdensome, complicated, and provided questionable benefits. One commenter stated that the current regulation "allows only one vote to void the wishes of the remainder of the District who support a less restrictive consent for change."

Four associations that opposed the proposed amendment supported the continuation of the existing regulation. They commented that the original intent of the regulation was to provide smaller associations a meaningful vote by allowing them to cumulate their votes in elections and that this is now even more paramount because of the mergers, consolidations, and proposed joint management agreements at the district level. They further stated that it was important for all stockholders in the district banks to have the maximum opportunity to voice their respective votes and that there was "no valid reason for an association located in a smaller geographic size to forfeit this right."

After careful consideration of the comments, the FCA adopts the rule as proposed. The FCA continues to believe that cumulative voting provides important protection to minority interests and, consequently, should not be subject to elimination by a two-thirds majority. The 75-percent supermajority provides the proper balance among the differing opinions by easing the unanimous requirement for eliminating cumulative voting while maintaining significant protection for the minority interests.

As noted above, one commenter stated that a supermajority requirement should be a percentage of only the shareholders that participate in the vote, rather than the total number of voting shareholders. The effect of such a change would be the possibility that a smaller number of shareholders would be able to eliminate cumulative voting if some shareholders abstain. The FCA is not persuaded that such a change is appropriate.

¹ Farm Credit System associations that are shareholders of an FCB include Federal land bank associations, Federal land credit associations, production credit associations, and agricultural credit associations.

One respondent requested that the FCA clarify whether a 75-percent vote is needed to reinstate cumulative voting. The FCA does not require a supermajority to reinstate cumulative voting. The FCA believes that such a vote should be subject to the amendment procedures established by the FCB's bylaws.

List of Subjects in 12 CFR Part 615

Accounting, Agriculture, Banks, Banking, Government securities, Investments, Rural areas.

For the reasons stated in the preamble, part 615 of chapter VI, title 12 of the Code of Federal Regulations is amended as follows:

PART 615—FUNDING AND FISCAL AFFAIRS, LOAN POLICIES AND OPERATIONS, AND FUNDING OPERATIONS

1. The authority citation for part 615 continues to read as follows:

Authority: Secs. 1.5, 1.7, 1.10, 1.11, 1.12, 2.2, 2.3, 2.4, 2.5, 2.12, 3.1, 3.7, 3.11, 3.25, 4.3, 4.3A, 4.9, 4.14B, 4.25, 5.9, 5.17, 6.20, 6.26, 8.0, 8.3, 8.4, 8.6, 8.7, 8.8, 8.10, 8.12 of the Farm Credit Act (12 U.S.C. 2013, 2015, 2018, 2019, 2020, 2073, 2074, 2075, 2076, 2093, 2122, 2128, 2132, 2146, 2154, 2154a, 2160, 2202b, 2211, 2243, 2252, 2278b, 2278b-6, 2279aa, 2279aa-3, 2279aa-4, 2279aa-6, 2279aa-7, 2279aa-8, 2279aa-10, 2279aa-12); sec. 301(a) of Pub. L. 100-233, 101 Stat. 1568, 1608.

Subpart I—Issuance of Equities

2. Section 615.5230 is amended by revising paragraph (a)(2)(ii) to read as follows:

§ 615.5230 Implementation of cooperative principles.

- (a) * * *
- (2) * * *

(ii) Have the right to vote in the election of each director and be allowed to cumulate such votes and distribute them among the candidates in the shareholder's discretion, except that cumulative voting for directors may be eliminated if 75 percent of the associations that are shareholders of the Farm Credit Bank vote in favor of elimination. In a vote to eliminate cumulative voting, each association shall be accorded one vote.

* * * * *

Dated: September 16, 1997.

Floyd Fithian,

Secretary, Farm Credit Administration Board.

[FR Doc. 97-25262 Filed 9-23-97; 8:45 am]

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DEPARTMENT OF HEALTH AND HUMAN SERVICES

Food and Drug Administration

21 CFR Part 177

Indirect Food Additives: Polymers

CFR Correction

In Title 21 of the Code of Federal Regulations, parts 170 to 199, revised as of April 1, 1997, make the following correction:

On page 263, in § 177.1520, in the paragraph (b) table, the third entry under the heading "Substance" is corrected to read "Polymethylsilsesquioxane (CAS Reg. No. 68554-70-1)".

BILLING CODE 1505-01-D

DEPARTMENT OF LABOR

Occupational Safety and Health Administration

29 CFR Part 1952

Oregon State Plan; Approval of Plan Supplements; Changes in Level of Federal Enforcement, Including Umatilla Indian Reservation

AGENCY: Occupational Safety and Health Administration (OSHA), U.S. Department of Labor.

ACTION: Final rule.

SUMMARY: This document gives notice of the approval of a State-initiated plan change and assumption of Federal OSHA enforcement authority in the State of Oregon over all private sector establishments, including tribal and Indian-owned enterprises, on all Indian and non-Indian lands within the currently established boundary of the Umatilla Indian Reservation, and on lands outside the reservation that are held in trust by the Federal government for the Confederated Tribes of the Umatilla (Umatilla Tribes). Oregon OSHA will retain its enforcement jurisdiction over public sector (State and local government) employees working on these lands.

This document also gives notice of the approval of several other changes in the level of Federal enforcement in the State of Oregon. A 1991 addendum to Oregon's operational status agreement contained four changes to the circumstances under which Federal enforcement jurisdiction may be exercised within the State, including situations where Oregon is refused entry to an establishment. In addition, Oregon

has assumed responsibility for worker protection at Superfund sites (except on military bases) and with regard to private contractors working on U.S. Army Corps of Engineers dam construction projects, as reflected in a 1992 Memorandum of Understanding between Federal OSHA and the State of Oregon.

OSHA is hereby amending its regulation on approved plans to reflect these changes to the level of Federal enforcement authority in Oregon, and correcting a few typographical errors.

EFFECTIVE DATE: September 24, 1997.

FOR FURTHER INFORMATION CONTACT: Bonnie Friedman, Director, Office of Public Affairs, Occupational Safety and Health Administration, Room N3647, 200 Constitution Avenue, N.W., Washington, D.C. 20210, Telephone (202) 219-8148.

SUPPLEMENTARY INFORMATION:

A. Background

Section 18 of the Occupational Safety and Health Act of 1970 (the Act), 29 U.S.C. 667, provides that States which wish to assume responsibility for developing and enforcing their own occupational safety and health standards may do so by submitting, and obtaining Federal approval of, a State plan. State plan approval occurs in stages which include initial approval under section 18(c) of the Act and, ultimately, final approval under section 18(e). In the interim, between initial approval and final approval, there is a period of concurrent Federal/State jurisdiction within a State operating an approved plan. See 29 CFR 1954.3 for guidelines and procedures.

The Oregon Occupational Safety and Health State plan was approved under section 18(c) of the Act and part 1902 of this chapter on December 28, 1972 (37 FR 28628). On January 23, 1975, OSHA and the State of Oregon entered into an Operational Status Agreement which suspended the exercise of Federal concurrent enforcement authority in all except specifically identified areas. The agreement was amended on December 12, 1983 and on November 27, 1991. Except for this last amendment, the pertinent provisions concerning level of Federal enforcement in Oregon are codified at 29 CFR 1952.105.

By letters of April 29, 1997 and July 14, 1997 from Peter DeLuca, Administrator, Oregon Occupational Safety and Health Division (OR-OSHA) to Richard Terrill, Acting Regional Administrator, the State of Oregon has requested that Federal OSHA assume enforcement authority in Oregon over