

Designated agencies are agencies granted authority under the USGSA to provide official inspection service, or Class X or Class Y weighing services or both, at locations other than export port locations. Most (88 percent) of these agencies are designated for inspection services only. The reason is that before 1976, most grain inspection agencies were already providing weighing as an additional service to grain inspection. These agencies were affiliated with and supervised by the then existing weighing and inspection bureaus under the direction of the Association of American Railroads, local grain exchanges, boards of trade, and various State programs. After the 1976 amendment to the USGSA, weighing performed by the grain inspection agencies became unofficial weighing. Most agencies continued their unofficial weighing and applied for inspection designations only.

However, since 1976, many inspection and weighing bureaus, boards of trade, and the Association of American Railroads have ceased providing supervision of the unofficial weighing services. Unofficial weighing services are currently still available from a variety of industry sources, including many of the agencies already designated by GIPSA for inspection services only.

However, we believe that there is a need for more access to Class X or Class Y weighing services. If allowed to provide both types of service, many more agencies who are now designated for inspection only could also provide official weighing service. Generally, designated agencies can provide Class X and Class Y weighing at a lower cost than GIPSA field offices due to their proximity to the grain facilities. Since 1991, after receiving official weighing requests in several areas, GIPSA's Administrator (under § 800.2 of the regulations) has experimentally allowed designated official agencies to provide both official and unofficial weighing.

Comment Review

GIPSA received one comment in response to its proposal in the March 30, 1998 **Federal Register** (60 FR 15104) to allow official agencies to provide both official and unofficial weighing within their assigned area of responsibility, but not on the same mode of conveyance at the same facility. The commenter, a national association representing grain, feed and processing companies, supports the proposed change to allow official and unofficial weighing within their assigned areas but not on the same mode of conveyance at the same facility. The commenter

believed that providing both types of service would not lead to confusion in the marketplace because: (1) official agencies should have little difficulty distinguishing between official and unofficial weighing, and (2) GIPSA oversight conducted by the field offices and appropriate headquarters units should be able to detect any problems arising from the change.

It is found that good cause exists for not postponing the effective date of this rule until 30 days after publication in the **Federal Register** (5 U.S.C. 533) because: (1) Implementation could be beneficial to the agencies and the grain industry as a whole; (2) the effective date will allow the agencies to be able to provide this service to their customers at the beginning of any local harvest seasons.

Final Action

FGIS is amending the regulations to allow the official agencies to provide official and unofficial weighing services in their assigned areas of responsibility, but not on the same mode of conveyance at the same location. This will allow the official agencies the flexibility in delivering the weighing services needed by the domestic grain market.

List of Subjects in 7 CFR Part 800

Administrative practice and procedure, Conflict of interests, Intergovernmental relations, Penalties, Reporting and recordkeeping requirements.

For reasons set forth in the preamble, 7 CFR Part 800 is amended as follows:

Part 800 General Regulations

1. The authority citation for Part 800 continues to read as follows:

Authority: Pub. L. 94-582, 90 Stat. 2867, as amended (7 U.S.C. 71 *et seq.*)

2. Section 800.76(a) is revised to read as follows:

§ 800.76 Prohibited services; restricted services.

(a) *Prohibited services.* No agency shall perform any inspection function or provide any inspection service on the basis of unofficial standards, procedures, factors, or criteria if the agency is designated or authorized to perform the service or provide the service on an official basis under the Act. No agency shall perform official and unofficial weighing on the same mode of conveyance at the same facility.

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3. Section 800.186(c)(3) introductory text is revised to read as follows:

§ 800.186 Standards of conduct.

* * * * *

(c) * * *

(3) Except as provided in § 800.76(a), engage in any outside (unofficial) work or activity that:

* * * * *

4. Section 800.196(g)(6)(ii) is revised to read as follows:

§ 800.196 Designations.

* * * * *

(g) * * *

(6) * * *

(ii) *Unofficial activities.* Except as provided in § 800.76(a), the agency or personnel employed by the agency shall not perform any unofficial service that is the same as the official services covered by the designation.

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Dated: August 20, 1998.

James R. Baker,

Administrator.

[FR Doc. 98-22953 Filed 8-26-98; 8:45 am]

BILLING CODE 3410-EN-M

DEPARTMENT OF AGRICULTURE

Rural Utilities Service

7 CFR Parts 1735 and 1753

RIN 0572-AB43

Year 2000 Compliance, Telecommunications Program

AGENCY: Rural Utilities Service, USDA.

ACTION: Interim rule.

SUMMARY: This interim rule adds a new regulation to clarify that RUS will consider telecommunications systems feasible when writing and processing loans only if the system, in addition to being feasible in all other respects, is year 2000 compliant. The interim rule is being published to further ensure that RUS-financed projects pass the year 2000 date changeover without service or revenue disruption. By clarifying feasibility considerations for loan processing, RUS lays the foundation for requests to be made in response to applications submitted to satisfy year 2000 compliance demands.

DATES: Effective August 27, 1998.

FOR FURTHER INFORMATION CONTACT:

Orren E. Cameron III, Acting Assistant Administrator, Telecommunication Program, Rural Utilities Service, 1400 Independence Ave., SW., STOP 1590, Room 4056, South Building, Washington, DC. Telephone: (202) 720-9554. Facsimile: (202) 720-0810.

SUPPLEMENTARY INFORMATION:**Justification for Interim Rule**

It is the policy of RUS that rules relating to loans, grants, benefits, or contracts shall be published for comments notwithstanding the exemption of 5 U.S.C. 553, with respect to such rules. However, exemptions are permitted where RUS finds, for good cause, that compliance would be impracticable, unnecessary, or contrary to the public interest.

RUS finds that good cause exists to publish this rule for effect without first soliciting public comment. Some computer-based systems are not programmed to handle the change of date from December 31, 1999, to January 1, 2000. These "non-compliant" systems may adopt an incorrect date which can change operating conditions of the system, causing it to malfunction with potentially catastrophic results. Telecommunications switches could quit processing calls, utility billing systems could lose revenue records, and maintenance and administration systems could become corrupted. RUS believes it would be contrary to the public interest to delay the effectiveness of the rule, since it will merely clarify procedures already in effect for determining feasibility by seeking assurance that, before loan funds are provided, borrowers' systems are year 2000 compliant or will be year 2000 compliant within a reasonable time frame. Through this interim rule, RUS is undertaking to address with its telecommunications borrowers year 2000 compliance issues that may affect the operations of RUS-financed rural telecommunications systems, thereby potentially affecting telecommunications services that are critical to public health and safety and to borrowers' feasibility. RUS believes that this program, part of an effort by all USDA Rural Development agencies to prevent year 2000 problems, is not controversial and, therefore, does not signal a necessity for advance public comment. For these reasons, RUS believes that an interim rulemaking is justified.

Classification

This interim rule has been determined to be not significant, and therefore has not been reviewed by the Office of Management and Budget under Executive Order 12866.

Civil Justice Reform

This interim rule has been reviewed under Executive Order 12988, Civil Justice Reform. RUS has determined that this interim rule meets the

applicable standards provided in Sec. 3 of the Executive Order.

Regulatory Flexibility Act

Pursuant to § 605(b) of the Regulatory Flexibility Act, 5 U.S.C. 605(b), RUS certifies that this interim rule will not have a significant economic impact on a substantial number of small entities as distinguished from large entities. The rule does not place any mandates on small entities.

The Regulatory Flexibility Act is intended to encourage Federal agencies to utilize innovative administrative procedures in dealing with individuals, small businesses, small organizations, and small governmental bodies that would otherwise be unnecessarily adversely affected by Federal regulations. The provision included in this rule will not impact a substantial number of small entities to a greater extent than large entities. Therefore, no regulatory flexibility analysis under the Regulatory Flexibility Act is necessary.

Paperwork Reduction Act

This interim rule does not impose new information collection requirements for purposes of the Paperwork Reduction Act of 1995 (44 U.S.C. Chapter 35, as amended) (OMB control number 0572-0079).

Environmental Impact

RUS has determined that this interim rule will not significantly affect the quality of the human environment as defined by the National Environmental Policy Act of 1969 (42 U.S.C. 4321 *et seq.*). Therefore, this action does not require an environmental impact statement or assessment.

Unfunded Mandates

This interim rule contains no Federal mandates (under the regulatory provisions of Title II of the Unfunded Mandate Reform Act) for State, local, and tribal governments or the private sector. Thus today's rule is not subject to the requirements of sections 202 and 205 of the Unfunded Mandate Reform Act.

Intergovernmental Review

This program is excluded from the scope of Executive Order 12372, Intergovernmental Consultation. A Notice of Final Rule entitled Department Programs and Activities Excluded from Executive Order 12372 (50 FR 47034) exempts RUS loans and loan guarantees and Rural Telephone Bank loans to governmental and non-governmental entities from coverage under this Order.

Catalog of Federal Domestic Assistance

The program described by this interim rule is listed in the Catalog of Federal Domestic Assistance Programs under 10.851, Rural Telecommunications Loans and Loan Guarantees, and 10.852, Rural Telephone Bank Loans. This catalog is available on a subscription basis from the Superintendent of Documents, the United States Government Printing Office, Washington, DC 20402.

List of Subjects**7 CFR Part 1735**

Accounting, Loan programs—communications, Reporting and recordkeeping requirements, Rural areas, Telecommunications.

7 CFR Part 1753

Communications equipment, Loan programs—communications, Reporting and recordkeeping requirements, Rural areas, Telecommunications.

For the reasons set forth in the preamble, and under the authority of 7 U.S.C. 901 *et seq.*, chapter XVII of Title 7 of the Code of Federal Regulations is amended as follows:

PART 1735—GENERAL POLICIES, TYPES OF LOANS, LOAN REQUIREMENTS—TELECOMMUNICATIONS PROGRAM

1. The authority citation for part 1735 continues to read as follows:

Authority: 7 U.S.C. 901 *et seq.*, 1921 *et seq.*; Pub. L. 103-354, 108 Stat. 3178 (7 U.S.C. 6941 *et seq.*).

2. In § 1735.22, two new sentences are added at the end of paragraph (e) to read as follows:

§ 1735.22 Loan security.

* * * * *

(e) * * * In addition, RUS considers a system to be feasible only if the system, in addition to being feasible in all other respects, is year 2000 compliant or if the borrower provides RUS with a certification, satisfactory to RUS, that the system will be year 2000 compliant at a reasonable time before December 31, 1999. *Year 2000 compliant* means that product performance and function are not affected by dates before, during, and after the year 2000.

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PART 1753—TELECOMMUNICATIONS SYSTEM CONSTRUCTION POLICIES AND PROCEDURES

1. The authority citation for part 1753 continues to read as follows:

Authority: 7 U.S.C. 901 *et seq.*, 1921 *et seq.*

2. In § 1753.6, a new sentence is added at the end of paragraph (c) to read as follows:

§ 1753.6 Standards, specifications, and general requirements.

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(c) * * * The materials and equipment must be year 2000 compliant, as defined in 7 CFR 1735.22(e).

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Dated: August 12, 1998.

Jill Long Thompson,

Under Secretary, Rural Development.

[FR Doc. 98-22931 Filed 8-26-98; 8:45 am]

BILLING CODE 3410-15-P

FEDERAL ELECTION COMMISSION

11 CFR Parts 9003 and 9033

[Notice 1998-13]

Electronic Filing of Reports by Publicly Financed Presidential Primary and General Election Candidates

AGENCY: Federal Election Commission.

ACTION: Final rule and transmittal of regulations to Congress.

SUMMARY: The Commission is issuing regulations concerning the electronic filing of reports by publicly financed Presidential primary and general election candidates. The rules specify that if Presidential candidates and their authorized committees have computerized their campaign finance records, they must agree to participate in the Commission's recently established electronic filing program as a condition of voluntarily accepting federal funding. These regulations implement the provisions of the Presidential Election Campaign Fund Act ("Fund Act") and the Presidential Primary Matching Payment Account Act ("Matching Payment Act"), which establish eligibility requirements for Presidential candidates seeking public financing, as well as Public Law 104-79, which amended the reporting provisions of the Federal Election Campaign Act of 1971 ("FECA"). Further information is provided in the supplementary information which follows.

DATES: Further action, including the publication of a document in the **Federal Register** announcing an effective date, will be taken after these regulations have been before Congress for 30 legislative days pursuant to 26 U.S.C. 9009(c) and 9039(c).

FOR FURTHER INFORMATION CONTACT: Ms. Susan E. Propper, Assistant General Counsel, or Ms. Rosemary C. Smith, Senior Attorney, 999 E Street, N.W., Washington, D.C. 20463, (202) 694-1650 or toll free (800) 424-9530.

SUPPLEMENTARY INFORMATION: The Commission is publishing today the final text of revisions to its regulations at 11 CFR 9003.1(b)(11) and 9033.1(b)(13), which set forth conditions that Presidential candidates agree to abide by in exchange for receiving public financing for their campaigns. The amendments indicate that Presidential candidates and their authorized committees must agree to file their campaign finance reports electronically. On June 17, 1998, the Commission issued a Notice of Proposed Rulemaking (NPRM) in which it sought comments on proposed revisions to these regulations. 63 F.R. 33012 (June 17, 1998). Written comments were received from the Internal Revenue Service and Bob DeWeese of Seattle, Washington in response to the NPRM. Other aspects of the public financing process for Presidential primary and general elections will be addressed separately in a forthcoming Notice of Proposed Rulemaking.

Since these rules are not major rules within the meaning of 5 U.S.C. 804(2), the Fund Act and Matching Payment Act control the legislative review process. See 5 U.S.C. 801(a)(4), Small Business Regulatory Reform Enforcement Fairness Act, Pub. L. No. 104-121, section 251, 110 Stat. 857, 869 (1996). Section 9009(c) and 9039(c) of Title 26, United States Code, require that any rules or regulations prescribed by the Commission to carry out the provisions of Title 26 of the United States Code be transmitted to the Speaker of the House of Representatives and the President of the Senate 30 legislative days before they are finally promulgated. These regulations were transmitted to Congress on August 21, 1998.

Explanation and Justification

§ 9003.1 Candidate and committee agreements; and § 9033.1 Candidate and committee agreements

Recently, the Federal Election Commission implemented a system permitting political committees and other persons to file reports of campaign finance activity via computer diskettes and direct transmission of electronic data. See Explanation and Justification of 11 CFR 104.18, 61 F.R. 42371 (Aug. 15, 1996). The Commission was required to make the electronic filing

option available for all "report[s], designation[s], or statement[s] required by this Act to be filed with the Commission." Public Law 104-79, 109 Stat. 791 (1995) (adding 2 U.S.C. 434(a)(11)). The goals of the new system include the enhancement of on-line access to reports on file with the Commission, the reduction of paper filing and manual processing, and the promotion of more efficient and more cost-effective methods of operation for the filers and for the Commission. While the Commission encourages all political committees and other persons to file their reports electronically, under Public Law 104-79, participation in the Commission's electronic filing program is voluntary.

With the advent of the first Presidential election cycle since the implementation of the new electronic filing system, the Commission published a NPRM seeking comments on modifying its candidate agreement regulations at 11 CFR 9003.1 and 9033.1 to provide that certain Presidential committees must agree to file their campaign finance reports electronically as a condition of voluntarily accepting public funding.

Two comments were received in response to the NPRM. The Internal Revenue Service stated that it does not anticipate that the changes to the FEC's rules will conflict with the Internal Revenue Code or any rules or regulations thereunder. The other comment strongly urged the Commission to adopt the proposed changes to greatly improve the Commission's ability to provide timely and useful disclosure data to the public and to ensure ongoing campaign compliance by candidates throughout the campaign. This commenter pointed out that when the House of Representatives debated another portion of H.R. 2527 (Public Law 104-79), several members extolled the bill's elimination of the three day delay for paper filings traveling from the Clerk of the House to the Commission, thereby demonstrating the importance of timeliness in the public availability of campaign finance reports. This commenter also believed that change in the Commission's rules would enhance the accuracy and usefulness of the information disclosed, improve the news media's ability to file timely stories on candidates' finances, and assist Commission staff in monitoring compliance with campaign finance laws during the campaign.

The Commission has decided to proceed with the changes to the candidate agreement regulations that were described in the NPRM.