meeting and participate in Committee deliberations on all issues. Like all Committee meetings, the February 17, 1998, meeting was a public meeting and all entities, both large and small, were able to express views on this issue.

This rule imposes no additional reporting or recordkeeping requirements on either small or large Walla Walla sweet onion handlers. As with all Federal marketing order programs, reports and forms are periodically reviewed to reduce information requirements and duplication by industry and public sector agencies.

The Department has not identified any relevant Federal rules that duplicate, overlap, or conflict with this rule.

A proposed rule concerning this action was published in the **Federal Register** on April 8, 1998 (63 FR 17125). A copy of the proposed rule was also sent via facsimile to the administrative office of the Committee, which in turn notified Committee members and industry members. The proposal was also made available through the Internet by the Government Printing Office.

A 30-day comment period ending May 8, 1998, was provided to allow interested persons the opportunity to respond to the request for information and comments. No comments were received in response to the proposal.

After consideration of all relevant material presented, including the information and recommendation submitted by the Committee and other available information, it is hereby found that this rule, as hereinafter set forth, will tend to effectuate the declared policy of the Act.

Pursuant to 5 U.S.C. 553, it also found and determined that good cause exists for not postponing the effective date of this rule until 30 days after publication in the **Federal Register** because: (1) The Committee needs to have sufficient funds to pay its expenses which are incurred on a continuous basis; (2) the Committee's 1998–99 fiscal period begins June 1, 1998, and the order requires that the assessment rate apply to all assessable sweet onions handled during that fiscal period; (3) the 1998 sweet onion harvest is expected to begin in early June due to unseasonably warm temperatures experienced in early Spring; (4) handlers are aware of this action which was recommended by the Committee at a public meeting; and (5) a 30-day comment period was provided for in the proposed rule, and no comments were received.

List of Subjects in 7 CFR Part 956

Sweet onions, Marketing agreements, Reporting and recordkeeping requirements.

For the reasons set forth in the preamble, 7 CFR part 956 is amended as follows:

PART 956—SWEET ONIONS GROWN IN THE WALLA WALLA VALLEY OF SOUTHEAST WASHINGTON AND NORTHEAST OREGON

1. The authority citation for 7 CFR part 956 continues to read as follows:

Authority: 7 U.S.C. 601–674.

2. Section 956.202 is revised to read as follows:

§ 956.202 Assessment rate.

On and after June 1, 1998, an assessment rate of $0.21 per 50-pound bag or equivalent is established for Walla Walla Sweet Onions.

Dated: May 21, 1998.

Robert C. Keeney,

Deputy Administrator, Fruit and Vegetable Programs.

[FR Doc. 98–14017 Filed 5–27–98; 8:45 am]

BILLING CODE 3410–02–P

DEPARTMENT OF AGRICULTURE

Rural Housing Service

Rural Business-Cooperative Service

Rural Utilities Service

Farm Service Agency

7 CFR Parts 1806, 1910, 1922, 1944, 1951, 1955, 1956, 1965, and 3550

RIN 0575–AB99

Reengineering and Reinvention of the Direct Section 502 and 504 Single Family Housing (SFH) Programs; Reopening of Comment Period

AGENCIES: Rural Housing Service, Rural Business-Cooperative Service, Rural Utilities Service, and Farm Service Agency, USDA.

ACTION: Reopening of comment period on interim final rule.

SUMMARY: The Rural Housing Service (RHS) is reopening the comment period on proposed revisions to the Agency's standards for modest housing in the direct Single Family Housing (SFH) program. The Agency published proposed changes to these standards in the **Federal Register** on April 8, 1996 (61 FR 15395), and subsequently published an interim final rule on November 22, 1996 (61 FR 59762). This current action is being taken to solicit additional comments from the public. The intended effect is to ensure that the Agency has regulations in effect which best define modest housing, and provide homeownership opportunities to the maximum number of families within allocated resources.

DATES: Written comments must be received June 29, 1998.

ADDRESSES: Written comments may be submitted, in duplicate, to the Chief, Regulations and Paperwork Management Branch, U.S. Department of Agriculture, Stop 0742, 1400 Independence Avenue, SW, Washington, D.C. 20250–0742. Comments may be submitted via the Internet by addressing them to ''comments@rus.usda.gov'' and must contain the word ''modest'' in the subject. All written comments will be available for public inspection at 300 E Street, SW, Third Floor, Washington, D.C. 20546 during normal working hours.

FOR FURTHER INFORMATION CONTACT: David J. Villano, Special Assistant to the Administrator, RHS, U.S. Department of Agriculture, Room 5017–S, Stop 0701, 1400 Independence Avenue, SW, Washington, D.C. 20250–0701, telephone (202) 720–1628.

SUPPLEMENTARY INFORMATION:

Background

On April 8, 1996, the Agency published a proposed rule in the **Federal Register** (61 FR 15395) to reinvent and reengineer the direct SFH programs. An interim final rule was subsequently published in the **Federal Register** (61 FR 59762) on November 22, 1996. The interim final rule requested additional comments on four sections of the rule. One of these sections [7 CFR 3550.57(a)] dealt with the Agency's standards for modest housing in the direct SFH program. In brief, the primary factor for determining whether a house is modest is whether the cost is below the section 203(b) maximum loan limits established by the Department of Housing and Urban Development. Use of the section 203(b) limits are not required by statute in the direct SFH program; however, they were adopted by the Agency in 1995 as the primary factor for determining whether a house was modest. Prior to 1995, the Agency used square footage and amenity standards to make such a determination. Different square footage requirements existed for different family sizes, and the regulations contained an extensive list of amenities which were not permitted in houses to be financed by the Agency. These standards were overly cumbersome, especially for

families seeking to purchase an existing home, and did not provide sufficient flexibility. The Agency received tremendous support when the previous standards were eliminated.

As mentioned, the new standards for modest housing became effective in 1995. As the Agency began the process of reinventing and reengineering the program in 1996, we became aware of concerns which impacted our ability to provide financing on modest homes for very-low and low-income families in rural America. For example, in some rural areas, the section 203(b) loan limit is higher than the cost of housing the Agency financed under previous standards. This is evidenced by an increase in the average cost of a house financed by the Agency under the previous standards and the average cost of a house financed under the section 203(b) standards, even when the rise in construction costs is taken into account. This limits our ability to provide the maximum number of homeownership opportunities in rural America within allocated funds. Concomitantly, in other areas of rural America, the section 203(b) limits are too low for the Agency to finance the cost of constructing a modest home. The percentage of newly constructed homes financed by the Agency has dropped significantly since the Agency began utilizing the section 203(b) limits. This severely limits our ability to provide homeownership opportunities for families in many growing rural communities which are in dire need of new housing.

For these reasons, when the Agency published the aforementioned interim final rule comments were solicited on alternative methods the Agency could utilize to ensure that only modest housing was financed. Seven comments were received. None of the commentors wanted the Agency to return to its previous standards and most supported continuing with the section 203(b) limits. No additional criteria were provided by the commentors. In retrospect, the Agency believes that at the time of publication of the interim final rule, most of the commentors were not fully aware of the impact of the use of the 203(b) loan limits in the direct SFH program. The Agency is again seeking recommendations on alternative methods for establishing a standard for modest housing. The Agency is currently considering two options.

The first option being considered is to utilize a multiple of the median income for the area to establish the maximum loan amount. In this manner, the income of the area would assist in determining a typical modest home for the area. RHS is considering establishing a maximum loan amount of 2.5 times the median income for a family of four. For example, if the median income for a family of four was $30,000 in a given county, the maximum loan would be $75,000 ($30,000 times 2.5). For families in excess of four, the loan limit would be 2.5 times the median income for that family size.

The second option being considered is a square footage limitation. The Agency has no intention of reconsidering the previous standards in which amenities were considered and square footage maximums were set by specific family size. The proposed standard is simple and straightforward. The maximum square footage allowable would be 1300 square feet of finished living area. This standard would apply to existing homes and new construction. For family sizes in excess of four, the square footage standard may be increased by 150 square feet for each family member over four. The Agency also proposes to allow the State Director the authority to provide exceptions on a case-by-case basis provided the proposed housing is modest and alternative homes within the square footage standards are not readily available in the market. There would be no amenity standards except for the existing requirements that the property may not have an in-ground pool or be used for income producing purposes.

Under this option, the Agency is particularly interested in comments on how to further satisfy our statutory mandate to finance only modest housing, without the need to establish specific amenity standards. In addition, the Agency is proposing only one square footage standard; whereas in the past, different square footage standards for existing homes and new construction existed. The Agency wants comments on whether a single standard is appropriate, or whether and why separate standards should be established. Also, if two standards are recommended, what square footage standards should be established for existing homes and new construction? And finally, how should the Agency define ''finished'' living area?

The Agency would appreciate comments on these two options, together with any recommended enhancements or changes. In addition, the Agency is also interested in other potential standards by which to determine that housing is modest provided such standards are simple, straightforward and not overly burdensome to our customers.

The Agency generally provides a 60-day comment period for proposed changes. However, since the Agency is only requesting comments on one standard, a 30-day comment period is provided. It is the Agency's objective to publish a final rule with the proposed change by September 1, 1998, with an effective date of October 1, 1998. The rule would be effective for any current applicant who had not submitted a sales contract for the purchase of a home to the Agency.

Dated: May 21, 1998.

Jan E. Shadburn,

Administrator, Rural Housing Service.

[FR Doc. 98–14149 Filed 5–27–98; 8:45 am]

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DEPARTMENT OF THE TREASURY

Office of the Comptroller of the Currency

12 CFR Part 10

[Docket No. 98–08]

RIN 1557–AB62

Municipal Securities Dealers

AGENCY: Office of the Comptroller of the Currency, Treasury.

ACTION: Final rule.

SUMMARY: The Office of the Comptroller of the Currency (OCC) is issuing a final rule to revise its Municipal Securities Dealers regulation to remove unnecessary provisions. This change would not have any substantive effect on the operations of national banks, but would simplify the OCC's rule regarding bank municipal securities dealers (MSDs) by removing a redundant restatement of rules found elsewhere.

DATES: The final rule is effective June 29, 1998.

FOR FURTHER INFORMATION CONTACT: Joseph W. Malott, National Bank Examiner, Treasury and Market Risk (202) 874–5670; Donald Lamson, Assistant Director, Securities and Corporate Practices (202) 874–5210; or Ursula Pfeil, Attorney, Legislative and Regulatory Activities (202) 874–5090.

SUPPLEMENTARY INFORMATION:

Background and Discussion of Final Rule

The OCC is issuing a final rule to revise its Municipal Securities Dealers regulation to remove unnecessary provisions. The OCC had previously published a notice of proposed rulemaking on January 16, 1998, and at that time requested comment on the