

Environmental Impact Statement

This document has been reviewed in accordance with 7 CFR part 1940, subpart G, "Environmental Program." It is the determination of RHS that the proposed action does not constitute a major Federal action significantly affecting the quality of the environment and in accordance with the National Environmental Policy Act of 1969, Public Law 91-190, an Environmental Impact Statement is not required.

Executive Order 13132, Federalism

The policies contained in this rule do not have any substantial direct effect on States, on the relationship between the National Government and the States, or on the distribution of power and responsibilities among the various levels of government. Nor does this rule impose a substantial direct compliance cost on State and local governments. Therefore, consultation with the States is not required.

List of Subjects in Part 1955

Government acquired property, Government property management. ■ Accordingly, Chapter XVIII, Title 7, Code of Federal Regulations, is amended as follows:

PART 1955—PROPERTY MANAGEMENT

■ 1. The authority citation for part 1955 continues to read as follows:

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

Subpart B—Management of Property

■ 2. Section 1955.65 is amended by revising paragraph (c)(3) to read as follows:

§ 1955.65 Management of inventory and/or custodial real property.

* * * * *
(c) * * *

(3) *Specification of services.* All management contracts will provide for termination by either the contractor or the Government upon 30 days written notice. Contracts providing for management of multiple properties will also provide for properties to be added or removed from the contractor's assignment whenever necessary, such as when a property is acquired or taken into custody during the period of a contract or when a property is sold from inventory. If a contractor prepares repair specifications, that contractor will be excluded from the solicitation for making the repairs to avoid a conflict of interest.

If a management contract calls for specification writing services, a clause

must be inserted in the contract prohibiting the preparer or his/her associates from doing the repair work.

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Dated: April 4, 2005.

Gilbert Gonzalez,

Under Secretary, Rural Development.

Dated: April 11, 2005.

J.B. Penn,

Under Secretary, Farm and Foreign Agricultural Service.

[FR Doc. 05-7982 Filed 4-20-05; 8:45 am]

BILLING CODE 3410-XV-P

FEDERAL RESERVE SYSTEM

12 CFR Part 225

[Regulation Y]

Bank Holding Companies and Change in Bank Control

AGENCY: Board of Governors of the Federal Reserve System (Board).

ACTION: Final rule; correction.

SUMMARY: This correction amends a footnote reference in the text of 12 CFR part 225, Appendix A.

DATES: Effective on April 21, 2005.

FOR FURTHER INFORMATION CONTACT: John F. Connolly, Senior Supervisory Financial Analyst (202-452-3621 or *john.f.connolly@frb.gov*), Division of Banking Supervision and Regulation. For users of Telecommunications Device for the Deaf (TDD) only, contact 202-263-4869.

SUPPLEMENTARY INFORMATION:

■ In part 225, Appendix A, Section III, D.1.b., footnote reference 52 in the text should be redesignated as footnote reference 55. The correction reads as follows:

Appendix A to Part 225—Capital Adequacy Guidelines for Banking Holding Companies: Risk-Based Measure [Corrected]

III. * * *

D. * * *

1. * * *

b. * * * 55 * * *

By order of the Board of Governors of the Federal Reserve System, April 15, 2005.

Jennifer J. Johnson,

Secretary of the Board.

[FR Doc. 05-8020 Filed 4-20-05; 8:45 am]

BILLING CODE 6210-01-P

FEDERAL DEPOSIT INSURANCE CORPORATION

12 CFR Part 347

RIN 3064-AC85

International Banking

AGENCY: Federal Deposit Insurance Corporation (FDIC).

ACTION: Final rule; correction.

SUMMARY: The Federal Deposit Insurance Corporation published in the **Federal Register** of April 6, 2005, a final rule amending parts 303, 325, and 327 and revising subparts A and B of part 347. The regulations contained in subpart C of part 347 were not included in the publication. This document corrects the final rule by adding the regulations in subpart C of part 347 to the regulatory text.

DATES: Effective on July 1, 2005.

FOR FURTHER INFORMATION CONTACT: Rodney D. Ray, Counsel, Legal Division, (202) 898-3556 or *rroy@fdic.gov*, Federal Deposit Insurance Corporation, 550 17th Street, NW., Washington, DC 20429.

SUPPLEMENTARY INFORMATION: The Federal Deposit Insurance Corporation published in the **Federal Register** of April 6, 2005, a final rule amending parts 303, 325, and 327 and revising subparts A and B of part 347. Although the regulations in subpart C of part 347 were listed in the Table of Contents for part 347, the regulatory text of subpart C was not contained in the final rule. This document corrects the final rule by adding the regulations in subpart C of part 347 to the regulatory text.

■ In the final rule published on April 6, 2005, (70 FR 17550) make the following correction. On page 17572, in the third column after section 347.216, add Subpart C to read as follows:

Subpart C—International Lending

§ 347.301 Purpose, authority, and scope.

Under the International Lending Supervision Act of 1983 (Title IX, Pub. L. 98-181, 97 Stat. 1153) (12 U.S.C. 3901 *et seq.*) (ILSA), the Federal Deposit Insurance Corporation prescribes the regulations in this subpart relating to international lending activities of banks.

§ 347.302 Definitions.

For the purposes of this subpart: (a) *Administrative cost* means those costs which are specifically identified with negotiating, processing and consummating the loan. These costs include, but are not necessarily limited to: legal fees; costs of preparing and

processing loan documents; and an allocable portion of salaries and related benefits of employees engaged in the international lending function. No portion of supervisory and administrative expenses or other indirect expenses such as occupancy and other similar overhead costs shall be included.

(b) *Banking institution* means an insured state nonmember bank.

(c) *Federal banking agencies* means the Board of Governors of the Federal Reserve System, the Office of the Comptroller of the Currency, and the Federal Deposit Insurance Corporation.

(d) *International assets* means those assets required to be included in banking institutions' "Country Exposure Report" form (FFIEC No. 009).

(e) *International loan* means a loan as defined in the instructions to the "Report of Condition and Income" for the respective banking institution (FFIEC Nos. 031, 032, 033 and 034) and made to a foreign government, or to an individual, a corporation, or other entity not a citizen of, resident in, or organized or incorporated in the United States.

(f) *Restructured international loan* means a loan that meets the following criteria:

(1) The borrower is unable to service the existing loan according to its terms and is a resident of a foreign country in which there is a generalized inability of public and private sector obligors to meet their external debt obligations on a timely basis because of a lack of, or restraints on the availability of, needed foreign exchange in the country; and

(2) Either:

(i) The terms of the existing loan are amended to reduce stated interest or extend the schedule of payments; or

(ii) A new loan is made to, or for the benefit of, the borrower, enabling the borrower to service or refinance the existing debt.

(g) *Transfer risk* means the possibility that an asset cannot be serviced in the currency of payment because of a lack of, or restraints on the availability of, needed foreign exchange in the country of the obligor.

§ 347.303 Allocated transfer risk reserve.

(a) *Establishment of Allocated Transfer Risk Reserve.* A banking institution shall establish an allocated transfer risk reserve (ATRR) for specified international assets when required by the FDIC in accordance with this section.

(b) *Procedures and standards—(1) Joint agency determination.* At least annually, the federal banking agencies shall determine jointly, based on the

standards set forth in paragraph (b)(2) of this section, the following:

(i) Which international assets subject to transfer risk warrant establishment of an ATRR;

(ii) The amount of the ATRR for the specified assets; and

(iii) Whether an ATRR established for specified assets may be reduced.

(2) *Standards for requiring ATRR—(i) Evaluation of assets.* The federal banking agencies shall apply the following criteria in determining whether an ATRR is required for particular international assets:

(A) Whether the quality of a banking institution's assets has been impaired by a protracted inability of public or private obligors in a foreign country to make payments on their external indebtedness as indicated by such factors, among others, as whether:

(1) Such obligors have failed to make full interest payments on external indebtedness; or

(2) Such obligors have failed to comply with the terms of any restructured indebtedness; or

(3) A foreign country has failed to comply with any International Monetary Fund or other suitable adjustment program; or

(B) Whether no definite prospects exist for the orderly restoration of debt service.

(ii) *Determination of amount of ATRR.* (A) In determining the amount of the ATRR, the federal banking agencies shall consider:

(1) The length of time the quality of the asset has been impaired;

(2) Recent actions taken to restore debt service capability;

(3) Prospects for restored asset quality; and

(4) Such other factors as the federal banking agencies may consider relevant to the quality of the asset.

(B) The initial year's provision for the ATRR shall be ten percent of the principal amount of each specified international asset, or such greater or lesser percentage determined by the federal banking agencies. Additional provision, if any, for the ATRR in subsequent years shall be fifteen percent of the principal amount of each specified international asset, or such greater or lesser percentage determined by the federal banking agencies.

(3) *FDIC notification.* Based on the joint agency determinations under paragraph (b)(1) of this section, the FDIC shall notify each banking institution holding assets subject to an ATRR:

(i) Of the amount of the ATRR to be established by the institution for specified international assets; and

(ii) That an ATRR established for specified assets may be reduced.

(c) *Accounting treatment of ATRR—(1) Charge to current income.* A banking institution shall establish an ATRR by a charge to current income and the amounts so charged shall not be included in the banking institution's capital or surplus.

(2) *Separate accounting.* A banking institution shall account for an ATRR separately from the Allowance for Loan and Lease Losses, and shall deduct the ATRR from "gross loans and leases" to arrive at "net loans and leases." The ATRR must be established for each asset subject to the ATRR in the percentage amount specified.

(3) *Consolidation.* A banking institution shall establish an ATRR, as required, on a consolidated basis. For banks, consolidation should be in accordance with the procedures and tests of significance set forth in the instructions for preparation of Consolidated Reports of Condition and Income (FFIEC Nos. 031, 032, 033 and 034).

(4) *Alternative accounting treatment.* A banking institution need not establish an ATRR if it writes down in the period in which the ATRR is required, or has written down in prior periods, the value of the specified international assets in the requisite amount for each such asset. For purposes of this paragraph (c)(4), international assets may be written down by a charge to the Allowance for Loan and Lease Losses or a reduction in the principal amount of the asset by application of interest payments or other collections on the asset; provided, that only those international assets that may be charged to the Allowance for Loan and Lease Losses pursuant to generally accepted accounting principles may be written down by a charge to the Allowance for Loan and Lease Losses. However, the Allowance for Loan and Lease Losses must be replenished in such amount necessary to restore it to a level which adequately provides for the estimated losses inherent in the banking institution's loan and lease portfolio.

(5) *Reduction of ATRR.* A banking institution may reduce an ATRR when notified by the FDIC or, at any time, by writing down such amount of the international asset for which the ATRR was established.

§ 347.304 Accounting for fees on international loans.

(a) *Restrictions on fees for restructured international loans.* No banking institution shall charge, in connection with the restructuring of an international loan, any fee exceeding the administrative cost of the restructuring unless it amortizes the amount of the fee

exceeding the administrative cost over the effective life of the loan.

(b) *Accounting treatment.* Subject to paragraph (a) of this section, banking institutions shall account for fees on international loans in accordance with generally accepted accounting principles.

§ 347.305 Reporting and disclosure of international assets.

(a) *Requirements.* (1) Pursuant to section 907(a) of ILSA, a banking institution shall submit to the FDIC, at least quarterly, information regarding the amounts and composition of its holdings of international assets.

(2) Pursuant to section 907(b) of ILSA, a banking institution shall submit to the FDIC information regarding concentrations in its holdings of international assets that are material in relation to total assets and to capital of the institution, such information to be made publicly available by the FDIC on request.

(b) *Procedures.* The format, content and reporting and filing dates of the reports required under paragraph (a) of this section shall be determined jointly by the federal banking agencies. The requirements to be prescribed by the federal banking agencies may include changes to existing forms (such as revisions to the Country Exposure Report, Form FFIEC No. 009) or such other requirements as the federal banking agencies deem appropriate. The federal banking agencies also may determine to exempt from the requirements of paragraph (a) of this section banking institutions that, in the federal banking agencies' judgment, have *de minimis* holdings of international assets.

(c) *Reservation of Authority.* Nothing contained in this subpart shall preclude the FDIC from requiring from a banking institution such additional or more frequent information on the institution's holdings of international assets as the agency may consider necessary.

Dated: April 15, 2005.

Robert E. Feldman,

Executive Secretary.

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BILLING CODE 6714-01-P

DEPARTMENT OF TRANSPORTATION

Federal Aviation Administration

14 CFR Part 23

[Docket No. CE222; Special Conditions No. 23-162-SC]

Special Conditions: Garmin International Inc.; Cessna Model 182T/T182T Airplane; Installation of Electronic Flight Instrument System and the Protection of the System From High Intensity Radiated Fields (HIRF)

AGENCY: Federal Aviation Administration (FAA), DOT.

ACTION: Final special conditions; request for comments.

SUMMARY: These special conditions are issued for Garmin International Inc., 1200 E. 151st St., Olathe, KS 66062, for a Supplemental Type Certificate on the Cessna Model 182T/T182T airplanes. These airplanes, as modified by Garmin, will have a novel or unusual design feature(s) associated with the installation of a Garmin GFC-700 digital autopilot system. These special conditions address the protection of these systems from the effects of high intensity radiated field (HIRF) environments. The applicable airworthiness regulations do not contain adequate or appropriate safety standards for this design feature. These special conditions contain the additional safety standards that the Administrator considers necessary to establish a level of safety equivalent to that established by the existing airworthiness standards.

DATES: The effective date of these special conditions is April 8, 2005. Comments must be received on or before May 23, 2005.

ADDRESSES: Comments on these special conditions may be mailed in duplicate to: Federal Aviation Administration, Regional Counsel, ACE-7, Attention: Rules Docket CE222, 901 Locust, Room 506, Kansas City, Missouri 64106; or delivered in duplicate to the Regional Counsel at the above address. Comments must be marked: CE222. Comments may be inspected in the Rules Docket weekdays, except Federal holidays, between 7:30 a.m. and 4 p.m.

FOR FURTHER INFORMATION CONTACT: Mr. Wes Ryan, Federal Aviation Administration, Aircraft Certification Service, Small Airplane Directorate, ACE-114, 901 Locust, Room 301, Kansas City, Missouri, 816-329-4127, fax 816-329-4090.

SUPPLEMENTARY INFORMATION: The FAA has determined that notice and opportunity for prior public comment

hereon are impracticable because these procedures would significantly delay issuance of the approval and thus delivery of the affected aircraft. In addition, the substance of these special conditions has been subject to the public comment process in several prior instances with no substantive comments received. The FAA therefore finds that good cause exists for making these special conditions effective upon issuance.

Comments Invited

Interested persons are invited to submit such written data, views, or arguments as they may desire. Communications should identify the regulatory docket or special condition number and be submitted in duplicate to the address specified above. All communications received on or before the closing date for comments will be considered by the Administrator. The special conditions may be changed in light of the comments received. All comments received will be available in the Rules Docket for examination by interested persons, both before and after the closing date for comments. A report summarizing each substantive public contact with FAA personnel concerning this rulemaking will be filed in the docket. Commenters wishing the FAA to acknowledge receipt of their comments submitted in response to this notice must include a self-addressed, stamped postcard on which the following statement is made: "Comments to CE222." The postcard will be date stamped and returned to the commenter.

Background

On October 27, 2004, Garmin International Inc. applied for a Supplemental Type Certificate for the Cessna Model 182T and Model T182T to install a Garmin GFC-700 digital autopilot. The Cessna Model 182T and T182T are single engine, high wing airplanes capable of carrying four passengers. The proposed modification incorporates a novel or unusual design feature, such as a digital electronic autopilot system that may be vulnerable to HIRF external to the airplane.

Type Certification Basis

Under the provisions of 14 CFR part 21, Sec. 21.101, Garmin International, Inc. must show that the Cessna 182T and T182T aircraft meet the following original certification basis provisions or the applicable regulations in effect on the date of application for the change to the Cessna 182T and T182T: