

Proposed Rules

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This section of the FEDERAL REGISTER contains notices to the public of the proposed issuance of rules and regulations. The purpose of these notices is to give interested persons an opportunity to participate in the rule making prior to the adoption of the final rules.

DEPARTMENT OF AGRICULTURE

Food Safety and Inspection Service

9 CFR 308, 310, 318, 320, 325, 326, 327, and 381

[Docket No. 93-016E]

Pathogen Reduction; Hazard Analysis and Critical Control Point (HACCP) Systems—Extension of Comment Period

AGENCY: Food Safety and Inspection Service, USDA.

ACTION: Proposed rule; extension of comment period.

SUMMARY: The Food Safety and Inspection Service (FSIS) is extending the comment period for the proposed rule, "Pathogen Reduction; Hazard Analysis and Critical Control Point (HACCP) Systems" (60 FR 6774, February 3, 1995) until Monday, November 13, 1995, so that the transcript of the Secretary's Food Safety Forum, announced elsewhere in this issue of the Federal Register, can be added to the rulemaking record.

DATES: Comments must be received on or before November 13, 1995.

ADDRESSES: Send an original and two copies of written comments to: FSIS Docket Clerk, Docket #93-016P, Docket Room 4352, South Agriculture Building, Food Safety and Inspection Service, U.S. Department of Agriculture, Washington, DC 20250.

FOR FURTHER INFORMATION CONTACT: Dr. Paula Cohen, Director, Regulations Development, Policy Evaluation and Planning Staff, FSIS, USDA, Room 3801, South Building, Washington, DC 20250, (202) 720-7164.

Done at Washington, DC, on October 20, 1995.

Michael R. Taylor,

Acting Under Secretary for Food Safety.

[FR Doc. 95-26614 Filed 10-23-95; 1:38 pm]

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DEPARTMENT OF THE TREASURY

Office of the Comptroller of the Currency

12 CFR Part 24

[Docket No. 95-26]

RIN 1557-AB46

Community Development Corporation and Project Investments

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

ACTION: Notice of proposed rulemaking.

SUMMARY: The Office of the Comptroller of the Currency (OCC) is proposing to amend its regulation regarding Community Development Corporation and Project Investments. The proposal removes a provision that requires banks to reinvest profits, dividends and other distributions from community development investments in activities that promote the public welfare and is intended to encourage public welfare investments by national banks.

DATES: Comments must be received by November 27, 1995.

ADDRESSES: Comments should be directed to: Communications Division, Office of the Comptroller of the Currency, 250 E Street, SW., Washington, DC 20219. Fax # 202-874-5274. Attention: Docket No. 95-26. In addition, comments may be sent by electronic mail to REG.COMMENTS@OCC.TREAS.GOV. Comments will be available for public inspection and photocopying at the same location.

FOR FURTHER INFORMATION CONTACT: Matthew Roberts, Director, Community and Consumer Law Division, 202/874-5750; Janice Booker, Director, Community Development Division, 202/874-4940.

SUPPLEMENTARY INFORMATION:

Introduction

The OCC is currently reviewing 12 CFR part 24 as another component of its Regulation Review Program. Part 24 permits public welfare investments by national banks, subject to certain limitations. As part of the review of 12 CFR part 24, the OCC is proposing to change one provision immediately. Currently, part 24 requires a bank to reinvest the profits, dividends and other

distributions from its equity and debt investments in a community development corporation (CDC) or community development (CD) project in activities that primarily promote the public welfare. This proposal would remove that requirement.

Background

National banks are authorized under 12 U.S.C. 24 (Eleventh) to make investments that are designed primarily to promote the public welfare, including the welfare of low- and moderate-income families and communities (such as through the provision of housing, services, or jobs) consistent with safe and sound banking practices.¹ Pursuant to this authority, the OCC issued part 24 on December 27, 1993, to establish various requirements for permissible public welfare investments. These requirements include a provision, codified at 12 CFR 24.4(a)(4), that prescribes how a bank may use certain proceeds from its 12 U.S.C. 24(Eleventh) investments. This provision requires that the profits, dividends, tax credits, and other distributions from equity investments, or interest income from debt investments, received by a bank from a CDC or CD project investment be devoted to activities that primarily promote the public welfare. Further, in the case of an investment in a for-profit CDC subsidiary, the profits, dividends and other distributions must be reinvested in the CDC during its first three years of operation.

Section 24(Eleventh) does not require reinvestment of proceeds. The OCC included this provision in part 24 based on its practice in implementing 12 U.S.C. 24(Eighth), which was enacted prior to 12 U.S.C. 24(Eleventh). Under 12 U.S.C. 24(Eighth), as construed in former Interpretive Ruling 7.7480, (12 CFR 7.7480), national banks were authorized to contribute to community funds, or to charitable, philanthropic, or benevolent instrumentalities conducive to the public welfare.² In 1971, the OCC revised Interpretive Ruling 7.7480 to permit banks to make "investments," as long as the investments were predominantly civic, community or

¹ The Eleventh paragraph was added to section 24 by the Depository Institutions Disaster Relief Act of 1992, enacted on October 23, 1992. Pub.L. 102-485, Section 6(a), 106 Stat. 2774 (1992).

² 12 U.S.C. 24(Eighth). The interpretive ruling was replaced by 12 CFR part 24 in 1993. 58 FR 68464 (December 27, 1993).

public in nature. At that time, the OCC concluded that it may be inconsistent with the underlying charitable purposes of 12 U.S.C. 24(Eighth) for a bank to retain profits on these investments. Interpretive Ruling 7.7480 therefore required banks to reinvest profits, dividends and other distributions in public purpose activities.

Although part 24 was drafted under the authority of 12 U.S.C. 24(Eleventh), which provides direct authority for public welfare "investments," it retained the reinvestment provision as one means of furthering the public welfare nature of investments made pursuant to this authority.

Discussion

The OCC proposes to remove the reinvestment provision, 12 CFR 24.4(a)(4). The statute does not restrict institutions from earning and retaining profits on investments made pursuant to 12 U.S.C. 24(Eleventh), as long as such investments are designed primarily to promote the public welfare. Reactions to the current rule indicate, however, that in some instances the reinvestment provision discourages banks from making such investments. For example, the requirement that banks reinvest low-income housing tax credits in restricted activities can diminish a bank's economic incentive for participating in that type of low-income housing development. The OCC believes that removal of the reinvestment provision will further the basic objective of 12 U.S.C. 24(Eleventh) by helping to encourage banks to make more investments.

The OCC also believes that the proposal is consistent with bank safety and soundness. The proposal will enable banks to retain profits, dividends and other distributions from CDC subsidiaries and CD projects or to redeploy such proceeds to the CDC or other public welfare investments based upon an overall assessment by a bank's management of its financial needs and public welfare investment objectives. While the proposal will encourage banks to make investments to promote the public welfare, it will not constrain a bank's use of investment proceeds nor hamper a bank's ability to ensure the sound operation of the bank as a whole.

Commenters are invited to address with as much specificity as possible:

(1) The extent to which removal of the provision will encourage public welfare investments;

(2) whether there are safety and soundness reasons to retain or remove the provision; and

(3) any other reasons why the current requirement should be retained or eliminated.

Regulatory Flexibility Act

It is hereby certified that this notice of proposed rulemaking, if adopted as a final rule, will not have a significant economic impact on a substantial number of small entities. Accordingly, a regulatory flexibility analysis is not required. This notice of proposed rulemaking, if adopted as a final rule, will reduce somewhat the regulatory burden on national banks, regardless of size, by removing a requirement for making public welfare investments.

Executive Order 12866

The OCC has determined that this proposal is not a significant regulatory action under Executive Order 12866.

Unfunded Mandates

The OCC has determined that this proposal will not result in expenditures by State, local, and tribal governments, or by the private sector, of more than \$100 million in any one year. Accordingly, a budgetary impact statement is not required under section 202 of the Unfunded Mandates Reform Act of 1995.

List of Subjects in 12 CFR Part 24

Community development, Credit, Investments, National banks, Reporting and recordkeeping requirements.

Authority and Issuance

For the reasons set forth in the preamble, part 24 of title 12, chapter I, of the Code of Federal Regulations is proposed to be amended as set forth below:

PART 24—COMMUNITY DEVELOPMENT CORPORATION AND PROJECT INVESTMENTS

1. The authority citation for part 24 continues to read as follows:

Authority: 12 U.S.C. 24(Eleventh), 93a, 161, 481, and 1818.

§ 24.4 [Amended]

2. Paragraph (a)(2) of § 24.4 is amended by adding "and" at the end of the paragraph.

3. Paragraph (a)(3) of § 24.4 is amended by removing the "; and" at the end of the paragraph and adding a period.

4. Paragraph (a)(4) of § 24.4 is removed.

Dated: October 2, 1995.

Eugene A. Ludwig,

Comptroller of the Currency.

[FR Doc. 95-26556 Filed 10-25-95; 8:45 am]

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DEPARTMENT OF TRANSPORTATION

Federal Aviation Administration

14 CFR Part 39

[Docket No. 95-NM-156-AD]

Airworthiness Directives; Airbus Model A300, A300-600, A310, A330, and A340 Series Airplanes

AGENCY: Federal Aviation Administration, DOT.

ACTION: Notice of proposed rulemaking (NPRM).

SUMMARY: This document proposes the superseding of an existing airworthiness directive (AD), applicable to all Airbus Model A300, A300-600, A310, A330, and A340 series airplanes, that currently requires an inspection of the sliding side windows in the cockpit to identify the part number of the windows. For airplanes on which a certain suspect window is installed, that AD also requires either deactivation of the sliding window defogging system; or installation of thermo-sensitive indicators, daily inspections of those indicators, and deactivation of the defogging system, if necessary; or replacement of the window with a serviceable window. The actions specified by the proposed AD are intended to prevent rupture of a cockpit sliding window and subsequent rapid decompression of the fuselage due to fracture of the window as a result of thermal stress created by overheating of the wires of the heating element in a localized area. This action would require replacement of certain windows with serviceable windows, which, when accomplished, terminates the requirements of the AD.

DATES: Comments must be received by December 6, 1995.

ADDRESSES: Submit comments in triplicate to the Federal Aviation Administration (FAA), Transport Airplane Directorate, ANM-103, Attention: Rules Docket No. 95-NM-156-AD, 1601 Lind Avenue, SW., Renton, Washington 98055-4056. Comments may be inspected at this location between 9 a.m. and 3 p.m., Monday through Friday, except Federal holidays.

The service information referenced in the proposed rule may be obtained from