limited or has ended prior to the time specified in the notice, the distributor or broadcaster who has supplied the original notice shall, as soon as possible, inform each cable television system operator that has previously received the notice of all changes from the original notice. In the event the original notice specified contingent dates on which exclusivity is to begin and/or end, the distributor or broadcaster shall, as soon as possible, notify the cable television system operator of the occurrence of the relevant contingency. Notice to be furnished ''as soon as possible'' under this section shall be furnished by telephone, telegraph, facsimile, overnight mail or other similar expedient means.

Sections 76.94(e)(2) and 76.155(c)(2) states that if a cable television system asks a television station for information about its program schedule, the television station shall answer the request.

Sections 76.94(f) and 76.157 require a distributor or broadcaster exercising exclusivity to provide to the cable system, upon request, an exact copy of those portions of the contracts, such portions to be signed by both the network and the broadcaster, setting forth in full the provisions pertinent to the duration, nature, and extent of the non-duplication terms concerning broadcast signal exhibition to which the parties have agreed. Providing copies of relevant portions of the contracts is assumed to be accomplished in the notification process set forth in §§ 76.94 and 76.155.

Section 76.159 (requirements for invocation of protection) requires broadcasters to obtain amended contracts when existing contracts have ambiguous language. We assume all broadcasters that have enforceable syndicated rights in their contracts have by now amended their existing contracts. Any contracts entered into after August 18, 1988, would contain the required language set forth in this section.

Section 76.95(a) states that network non-duplication provisions of §§ 76.92 through 76.94 shall not apply to cable systems serving fewer than 1,000 subscribers. Within 60 days following the provision of service to 1,000 subscribers, the operator of each system shall file a notice to that effect with the Commission, and serve a copy of that notice on every television station that would be entitled to exercise network non-duplication protection against it.

Section 76.156(b) states that the provisions of §§ 76.151 through 76.155 shall not apply to a cable system serving fewer than 1,000 subscribers. Within 60 days following the provision of service to 1,000 subscribers, the operator of each such system shall file a notice to that effect with the Commission, and serve a copy of that notice on every television station that would be entitled to exercise syndicated exclusivity protection against it.

The purpose of the various notification and disclosure requirements accounted for in this collection is to protect broadcasters who purchase the exclusive rights to transmit syndicated programming in their recognized market areas. The Commission's syndicated exclusivity rules permit, but not require, broadcasters and program distributors to obtain the same enforceable exclusive distribution rights for syndicated programming that all other video programming distributors possess.

Federal Communications Commission.

William F. Caton,

Deputy Secretary.

[FR Doc. 98–22160 Filed 8–17–98; 8:45 am]

BILLING CODE 6712–01–F

FEDERAL MARITIME COMMISSION

[Docket No. 98–14]

Shipping Restrictions, Requirements and Practices of the People's Republic of China

AGENCY: Federal Maritime Commission.

ACTION: Notice of Inquiry.

SUMMARY: The Federal Maritime Commission has concerns about laws, rules, and policies of the Government of the People's Republic of China that appear to have an adverse impact on U.S. shipping, and which may merit Commission attention under section 19 of the Merchant Marine Act, 1920 or the Foreign Shipping Practices Act of 1988. The Commission is seeking information on a number of Chinese practices and restrictions and their effects on U.S. oceanborne trade from interested parties, including shippers, transportation intermediaries, vessel operators and others in the shipping industry.

DATES: Comments due on or before October 2, 1998.

ADDRESSES: Send comments (original and 20 copies) to: Joseph C. Polking, Secretary, Federal Maritime Commission, 800 North Capitol Street, NW, Washington, DC 20573–0001, (202) 523–5725.

FOR FURTHER INFORMATION CONTACT: Thomas Panebianco, General Counsel, Federal Maritime Commission, 800 North Capitol Street, NW, Washington, DC 20573–0001 (202) 523–5740.

SUPPLEMENTARY INFORMATION:

Background

In recent months, a number of sources have expressed concerns to the Federal Maritime Commission (''FMC'' or ''Commission'') about laws, rules, and policies of the Government of the People's Republic of China that appear to have an adverse impact on U.S. oceanborne commerce. The Commission has initiated this proceeding to compile a record on these matters in order to determine if further Commission action under section 19 of the Merchant Marine Act, 1920 (''section 19'') or the Foreign Shipping Practices Act of 1988 (''FSPA'') is warranted.[1] This Notice of Inquiry, directed at shippers, transportation intermediaries, vessel operators and other interested parties, inquires about the particular issues and restrictions they face in China, and the effects of those restrictions on their business operations.

Executive Branch Agencies' Assessment

On July 22, 1998, John E. Graykowski, Acting Maritime Administrator, U.S. Department of Transportation, wrote to Commission Chairman Creel on behalf of the Departments of Transportation, State, and Commerce, to provide the Commission with a description of the maritime relationship between the United States and China. The Executive Branch agencies first described in broad terms the apparent policy differences that underlie many of the particular points of contention in U.S.-Sino maritime relations:

The focal point for non-Chinese companies interested in maritime trade with China and

[1] Section 19 of the Merchant Marine Act, 1920, 46 U.S.C. app. sec. 876, authorizes the Commission, inter alia, to: make rules and regulations affecting shipping in the foreign trade not in conflict with law in order to adjust or meet general or special conditions unfavorable to shipping in the foreign trade * * * which arise out of or result from foreign laws, rules, or regulations or from competitive methods or practices employed by owners, operators, agents, or masters of vessels of a foreign country; * * *.

The Foreign Shipping Practices Act of 1988, 46 U.S.C. app. sec. 1710a, authorizes the Commission to investigate whether any laws, rules, regulations, policies, or practices of foreign governments, or any practices of foreign carriers or other persons providing maritime or maritime related services in a foreign country result in the existence of conditions that (1) adversely affect the operations of United States carriers in the United States oceanborne trade; and (2) do not exist for foreign carriers of that country in the United States under the laws of the United States or as a result of acts of United States carriers or other persons providing maritime or maritime-related services in the United States. If the Commission determines that such adverse conditions exist, it may take actions including limitations on sailings, suspension of tariffs, suspension of agreements, or fees not to exceed $1,000,000 per voyage.

accustomed to operating in a free market is the apparent Chinese policy of seeking to control the trade rather than allow market forces to operate. In practice, this policy has been characterized by increasing restrictions imposed unilaterally by the Chinese government on foreign carriers' operations. Efforts to expand the scope of their business operations required extended intergovernmental negotiations. * * * An important aspect of this policy is a general lack of transparency. We believe U.S. carriers in the China trade, as global intermodal transportation companies, feel acutely the effects of Chinese restrictions. In addition, the limitation, restriction or prevention of efficient shipping and intermodal services by foreign companies negatively affects users of shipping services as well.

In recent years, the Executive Branch agencies have met repeatedly with their Chinese counterparts, led by the Ministry of Communications (''MOC''), ''to persuade them to remove the restrictions that U.S. carriers face in the China trade and, in so doing, to achieve operating conditions for them in China that are equivalent to the open, market-oriented treatment enjoyed by Chinese carriers in the United States.'' The Acting Maritime Administrator attached to this letter a copy of the Agreed Minutes of the most recent negotiating rounds, in Beijing, June, 25–28, 1997, and in Washington, December 3–11, 1997. The talks covered ten main areas: access by U.S. carriers to Chinese ports on 24-hour approval; Shanghai Shipping Exchange; Chinese multimodal regulation; shipping between Hong Kong, China, and mainland China; shipping across the Taiwan Strait; limitations on carriers' branch offices in China; exclusion of foreign carriers from vessel agency operations in China; the Port of Tianjin/Sea-Land joint venture to operate a marine terminal; the Controlled Carrier Act (section 9 of the Shipping Act of 1984); and COSCO's efforts to lease a marine terminal at a former U.S. Navy facility in Long Beach, California.

The Executive Branch agencies also reported on an unwritten agreement the U.S. and Chinese delegation came to in December, 1997. This agreement reportedly had three parts:

- The Maritime Administration and the U.S. carriers would support in writing a China Ocean Shipping (Group) Company, Inc. (''COSCO'') petition to the Commission for permission to match competitors' rates on 24 hours' notice (as opposed to the statutory 30-day period for controlled carriers);
- The MOC would approve American President Lines, Ltd. and Sea-Land Service, Inc.'s pending port access requests and would act expeditiously (i.e., within 10 days) on their future requests; and
- The MOC would approve Sea-Land's joint venture with the Port of Tianjin.

Although the Commission granted the relief sought by COSCO,[2] the Executive Branch agencies reported, MOC has not yet given the necessary approval for the Sea-Land terminal venture in Tianjin. The agencies said that some U.S. carrier applications now have been approved, some have not yet been acted upon, and at least one has been rejected.

The Executive Branch agencies noted new Chinese regulations prescribing penalties for operators of unapproved liner services, including fines and confiscation of revenues and business licenses. They also observed that ''access by foreign vessels to ostensibly open ports in China is now solely at the discretion of MOC,'' and ''a variety of normal commercial activities, including, for example, rate-setting and use of intermodal through bills of lading, are subject to monitoring, approval or denial by MOC.''

Other Recent Communications Regarding China Maritime Policy

The Commission received a letter, dated June 24, 1998, from Owen G. Glenn, Chairman of Direct Container Line, an U.S.-based non-vessel-operating common carrier (''NVOCC''), raising the issue of Chinese restrictions on foreign NVOCCs. Mr. Glenn took note of the Commission's efforts in support of Direct's successful attempts to enter the Korean market,[3] and the Commission's support for Executive Branch agencies' efforts to open the Brazilian market to U.S. NVOCCs, and asked what action the Commission might consider taking with regard to current Chinese restrictions.

FMC Chairman Creel also received a letter, dated June 16, 1998, from Senator Ernest F. Hollings, expressing his concern for the deterioration of the U.S.-China maritime relationship and the limitations imposed by MOC on U.S. carriers in the Chinese trade. Specifically, the Senator observed that U.S. carriers are subject to a cumbersome approval process for routine vessel and itinerary changes, restrictions on number and location of their branch offices in China, limits on their intermodal services to inland customers in China, and a complete prohibition on their operation of vessel agency services. Senator Hollings reminded the Chairman that COSCO, now one of the largest and most successful carriers in the U.S. trades, does not face these same restrictions in the United States.

The Senator further recounted the making of the unwritten ''Gentlemen's Agreement'' between U.S. and Chinese negotiators in December 1997, and the U.S. side's actions to honor that agreement. The Chinese, he noted, had still failed to act on their agreement to approve vessel registration applications and U.S. carrier port access, and to approve a U.S. carrier's port operating joint venture. Senator Hollings urged the Commission to investigate these matters and act to encourage China to remove restrictions on U.S. carriers so they may compete freely and openly in China.

The Commission also has been approached on a number of occasions by U.S.-flag vessel operators, who have complained informally about the matters raised by the Executive Branch agencies, and underscored their desire for improvements.

COSCO's Recent Statements

COSCO issued a public statement addressing the criticism of Chinese shipping policies by U.S. officials. The thrust of COSCO's position is that it is subject to the same restrictions as U.S. carriers in China, and that it is subject to discriminatory treatment under the controlled carrier provisions of the Shipping Act. COSCO stated, in part:[4]

Earlier this year, talks were held in both the United States and China to try to reciprocally lessen regulations for Chinese carriers in the U.S. and for U.S. carriers in China. The spirit and intent of these talks were to enhance and encourage a more free and open trade environment for the two

[2] By Final Order dated March 27, 1998, in Petition No. P1–98, the Commission granted COSCO an exemption from the statutory waiting period for rate changes for a controlled carrier under the Controlled Carrier Act. COSCO's petition was supported in writing by U.S. carriers Sea-Land Service, Inc. and American President Lines, Ltd., MARAD, and a number of shippers. The Commission granted COSCO's request for an exemption from the 30-day delay in tariff effectiveness on the basis that such an exemption met the four criteria in section 16 of the 1984 Act. Despite COSCO's representations in that proceeding that the expedited filing was important to their ability to compete, it has not once used the authority granted it in the exemption.

[3] See Docket No. 92–42, *Actions to Adjust or Meet Conditions Unfavorable to Shipping in the United States/Korea Trade*, 26 S.R.R. 591. In response to a Petition (No. P2–92) filed by Direct Container Line, the Commission issued a Final Rule on November 13, 1992, under section 19(1)(b) of the Merchant Marine Act, 1920. The Commission found that the Korean Maritime Transportation Business Act created conditions which, inter alia, precluded or tended to preclude non-Korean NVOCCs and freight forwarders from competing in the U.S./Korean trade, and denied NVOCCs and freight forwarders owned and operated by non-Korean nationals equal access to cargo moving from Korea to the United States.

[4] ''COSCO's Response and Clarifications to Allegations Made by the Honorable Senators: E. Hollings, C. Thomas, J. Helms, G. Smith and J. Breaux,'' www.cosco-usa.com/ie4/news/sale.htm.

important trading partners. Recent comments made would lead public opinion to believe that Chinese flag carriers receive complete freedom to operate without any restrictions in the U.S. while U.S. carriers are severely restricted in China. These statements are inaccurate, as Chinese flag carriers operate under controlled carrier restrictions in the United States. Although U.S. flag carriers may be facing some restrictions in China, these restrictions are universally applied and do not single out certain carriers. Pursuant to the memorandum of U.S.-Sino Maritime discussions signed in June of 1996, U.S. flag carriers were granted important trade concessions not available to other countries. Additional concessions were granted to the U.S. carriers recently including permission to establish 6 additional shipping routes in China.

Earlier this year, Chinese carriers were granted a limited exemption from the controlled carrier restrictions by allowing them to meet a filed rate of a competing ocean shipping line on one day's notice. While we saw this as a good first step, most of the progress that was made with this exemption would be negated if the current deregulation bill S–414 is passed. COSCO will lose its flexibility in tariff pricing if the current deregulation bill is passed. We will be deprived our current right to file rates in China/Hong Kong-US bilateral trade on one day's notice, thus making COSCO's competitiveness reduced dramatically. The intent of the talks between the two nations were to reduce restrictions on both sides, granting Chinese shipping lines matching ability on the cross trades while introducing new regulations on the bilateral trades contradicts the intent of the discussions.

Discussion and Request for Comments

The Commission, in order to determine whether any of a number of Chinese laws, rules, regulations, policies or practices merit further Commission action under section 19 or the Foreign Shipping Practices Act, is collecting information on the following specific areas at this time.

1. NVOCC and Freight Forwarder Operations

As noted by Direct Container Line, U.S. NVOCCs and ocean freight forwarders appear to face serious restrictions in obtaining the necessary licenses and permissions to do business in China. Indeed, it appears that wholly foreign-owned NVOCCs such as Direct Container Line are barred from engaging in a number of commercial activities, such as offering through transportation as an NVOCC. Other types of services appear to be permitted, but only if a foreign firm enters a joint venture with a Chinese entity. The Commission is seeking to establish a clear record of what types of services U.S. NVOCCs or forwarders are permitted to perform in China, what activities are prohibited, and what requirements or prerequisites are imposed. We note that Chinese forwarders and NVOCCs, in contrast, face no nationality-based restrictions doing business in this country.

Therefore, it would be useful for the Commission to receive comments describing, in detail, what types of transportation intermediary activities are permitted, what are prohibited, and in what instances are joint ventures or similar arrangements required. What conditions, requirements or restrictions are placed on ocean transportation intermediary activities (e.g., arranging inland or ocean transportation, preparing documentation and issuing bills of lading, consolidation, warehousing, cargo agency, logistics services, etc.)? What types of licenses are required, and what restrictions are placed on their issuance? Who issues the necessary licenses and permissions, and what are the legal standards and procedures for granting them? Also, what commercial partners are available in China for joint ventures, and under what commercial conditions?

Individual companies' accounts of their efforts, successful or otherwise, to establish operations in China, and their dealings with Chinese authorities, would be useful. Any supporting documentation would be welcomed.

The Commission also seeks to determine the effects on shippers of any such restrictions; that is, do restrictions on foreign transportation intermediaries have any adverse effects on shippers' ability to secure efficient and economical intermodal transportation services in U.S. oceanborne commerce?

2. Port Access and Licensing of Liner Services

The Commission has concerns about apparent Chinese restrictions on port access or the licensing of liner services. Despite the fact that the U.S.-China bilateral agreement authorizes vessel calls on 24 hours' notice for national flag vessels, it appears that MOC requires foreign carriers to obtain licenses or pre-approvals to offer liner services at Chinese ports. It appears that this licensing procedure can take up to 90 days or more. Details of the approval process are not apparent; it is unclear whether permissions are granted by service string, by port, by company or consortium, or by vessel. Moreover, it is not clear what the criteria are by which requests can be withheld or denied, and what, if any, appeal rights carriers enjoy.

By separate order, the Commission has requested more information on these matters from U.S. and Chinese shipping lines. However, the Commission would welcome comments from any other carrier, shipper, or other party that could shed light on these practices and their effects on U.S.-China oceanborne trade.

3. Carrier Branch Offices and Multimodal Transport Operations

U.S. carriers appear to face a number of restrictions in operating branch offices in China. Chinese authorities have denied carrier requests to increase the number of branch offices in China. The addition of branch offices for foreign carriers apparently has required direct government-to-government appeals and negotiations; such impediments certainly do not exist for Chinese lines. For the branch offices that do exist, it appears that there may be serious restrictions on their operations, both in terms of the geographic area they may serve and the scope of services they may offer. A number of these may be the same as, or similar to, the restrictions faced by NVOCCs and forwarders in China, as described above. Apparently, there are certain narrowly prescribed business areas in which U.S. carriers are allowed to operate; however, it is unclear just what those areas are.

We are particularly concerned about restrictions that may limit carriers' ability to offer multimodal transportation services. It is our understanding that new regulations over such services have been proposed, and carriers wishing to offer them are required, or may soon be required, to seek central government permission. The Commission requires more information on such restrictions on carriers' branch office or multimodal operations.

Chinese authorities have advocated a ''most-favored-nation'' approach to shipping regulation. Under such an approach, the subject country treats all foreign business concerns operating therein the same in terms of rights and restrictions. It would appear, however, that the most-favored-nation approach advocated by Chinese authorities bestows on Chinese shipping lines an extraordinary commercial advantage; they (unlike their competitors) can reap the benefits of the important and expanding Chinese market with a more extensive and unrestricted network of branch offices and multimodal operations, while taking advantage of the relative lack of restrictions on offices, marketing, and inland transport in the United States.[5]

[5] Indeed, it is no defense under section 19 and the FSPA to suggest that U.S. companies are treated no worse than other foreign firms. Under section 19,

Continued

The Commission would welcome comments from any carrier, shipper, or other party on the details or effects of these issues.

4. Vessel Agency Services

The Commission would also benefit from comments on the apparent Chinese restriction on foreign firms offering vessel agency services. It appears that China requires U.S. carriers to deal with PENAVICO (a subsidiary of COSCO) or China Marine Service (a subsidiary of China National Foreign Trade Transportation (Group) Corporation (''Sinotrans'')). The fact that ''[f]oreign shipping companies may select freely any shipping agencies for services, provided that these agencies are entitled to perform their services for foreign vessels,'' as the Chinese delegation remarked, appears to be of little consequence if only Chinese government-owned vessel agency services have such approval. Similarly, our concerns are not allayed by the Chinese assertions in bilateral maritime discussions that Chinese vessel agency companies are ''entirely independent from their parent companies,'' as Chinese carriers face no similar restrictions in the United States.

It would be beneficial to determine exactly what the legal bases are for the exclusion of U.S. carriers from this market in China; what specific services are at issue; what the commercial impact of the restrictions may be; and whether Chinese carriers perform such services for themselves in this country.

Now Therefore, it is Ordered, that this Notice of Inquiry be published in the **Federal Register**.

By the Commission.

Joseph C. Polking,

Secretary.

[FR Doc. 98–22112 Filed 8–17–98; 8:45 am]

BILLING CODE 6730–01–P

FEDERAL RESERVE SYSTEM

Formations of, Acquisitions by, and Mergers of Bank Holding Companies

The companies listed in this notice have applied to the Board for approval, pursuant to the Bank Holding Company Act of 1956 (12 U.S.C. 1841 *et seq.*) (BHC Act), Regulation Y (12 CFR Part 225), and all other applicable statutes and regulations to become a bank holding company and/or to acquire the assets or the ownership of, control of, or the power to vote shares of a bank or bank holding company and all of the banks and nonbanking companies owned by the bank holding company, including the companies listed below.

The applications listed below, as well as other related filings required by the Board, are available for immediate inspection at the Federal Reserve Bank indicated. The application also will be available for inspection at the offices of the Board of Governors. Interested persons may express their views in writing on the standards enumerated in the BHC Act (12 U.S.C. 1842(c)). If the proposal also involves the acquisition of a nonbanking company, the review also includes whether the acquisition of the nonbanking company complies with the standards in section 4 of the BHC Act. Unless otherwise noted, nonbanking activities will be conducted throughout the United States.

Unless otherwise noted, comments regarding each of these applications must be received at the Reserve Bank indicated or the offices of the Board of Governors not later than September 11, 1998.

A. Federal Reserve Bank of Atlanta (Lois Berthaume, Vice President) 104 Marietta Street, N.W., Atlanta, Georgia 30303-2713:

1. The George Family Partnership, Ltd., Bonifay, Florida; to become a bank holding company by acquiring 100 percent of the voting shares of Bonifay Holding Company, Bonifay, Florida, and thereby indirectly acquire The Bank of Bonifay, Bonifay, Florida.

2. South Alabama Bancorporation, Inc., Mobile, Alabama; to acquire 100 percent of the voting shares of Commercial National Bank of Demopolis, Demopolis, Alabama.

B. Federal Reserve Bank of Dallas (W. Arthur Tribble, Vice President) 2200 North Pearl Street, Dallas, Texas 75201-2272:

1. Sterling Bancshares, Inc., Houston, Texas, and Sterling Bancorporation, Inc., Wilmington, Delaware; to acquire 100 percent of the voting shares of Hometown Bancshares, Inc., Houston, Texas, and thereby indirectly acquire Clear Lake National Bank, Houston, Texas.

Board of Governors of the Federal Reserve System, August 13, 1998.

Robert deV. Frierson,

Associate Secretary of the Board.

[FR Doc. 98–22218 Filed 8–17–98; 8:45 am]

BILLING CODE 6210–01–F

FEDERAL RESERVE SYSTEM

Sunshine Act Meeting

AGENCY HOLDING THE MEETING: Board of Governors of the Federal Reserve System.

TIME AND DATE: 11:00 a.m., Monday, August 24, 1998.

PLACE: Marriner S. Eccles Federal Reserve Board Building, 20th and C Streets, NW., Washington, D.C. 20551.

STATUS: Closed.

MATTERS TO BE CONSIDERED:

1. Personnel actions (appointments, promotions, assignments, reassignments, and salary actions) involving individual Federal Reserve System employees.

2. Any items carried forward from a previously announced meeting.

CONTACT PERSON FOR MORE INFORMATION: Lynn S. Fox, Assistant to the Board; 202–452–3204.

SUPPLEMENTARY INFORMATION: You may call 202–452–3206 beginning at approximately 5 p.m. two business days before the meeting for a recorded announcement of bank and bank holding company applications scheduled for the meeting; or you may contact the Board's Web site at http://www.bog.frb.fed.us for an electronic announcement that not only lists applications, but also indicates procedural and other information about the meeting.

Dated: August 14, 1998.

Jennifer J. Johnson,

Secretary of the Board.

[FR Doc. 98–22344 Filed 8–14–98; 3:34 pm]

BILLING CODE 6210–01–P

FEDERAL TRADE COMMISSION

Submission for OMB Review; Comment Request

AGENCY: Federal Trade Commission.

ACTION: Notice.

SUMMARY: In compliance with the Paperwork Reduction Act (44 U.S.C. 3501 *et seq.*), the FTC has forwarded the Information Collection Request (ICR) abstracted below, involving a survey of rent-to-own customers, to the Office of Management and Budget (OMB) for review and comment. The ICR describes the nature of the information collection and its expected cost and burden.

The FTC published a **Federal Register** notice soliciting comments from the public concerning the information collection requirements of the survey and providing the information required by 5 CFR 1320.5(a)(1)(iv). *See* 63 FR

the Commission is directed to address conditions unfavorable to shipping in the foreign trade; that all non-Chinese carriers in the trade are subject to the same unfavorable conditions would appear to augment rather than lessen the effect of those conditions. Under the FSPA, the Commission is specifically directed to compare the treatment of U.S. carriers in a foreign country to the treatment of that country's carriers in the U.S., not to the treatment of other foreign lines abroad.