(2) *Entitlement charge*. For awards to eligible children under chapter 35, the entitlement charge will be made on the same basis as measurement for payment purposes. For awards under chapter 34 and for wives, husbands, widows and widowers under chapter 35, no entitlement charge will be made for any noncredit deficiency course on a secondary school level.

* * * * *

12. In § 21.4274, paragraph (b) is revised to read as follows:

§ 21.4274 Law courses.

* * * * *

(b) *Nonaccredited*. A law course leading to a professional law degree, completion of which will satisfy State educational requirements for admission to legal practice, pursued in a nonaccredited law school which requires for admission to the course at least 60 standard semester units of credit or the equivalent in quarter units of credit, will be assessed on the basis of 12 class sessions per week for full-time attendance. If the course does not meet these requirements it will be assessed on the basis of clock hours of attendance per week.

13. In § 21.4279, paragraph (b)(1) is revised to read as follows:

§ 21.4279 Combination correspondence-residence program.

* * * * *

(b) The rate of educational assistance allowance payable shall be computed as set forth in §§ 21.4270 and 21.4136(a).

(1) The charges for that portion of the program pursued exclusively by correspondence will be in accordance with § 21.4136(a) with 1 month of entitlement charged for each $270 of cost reimbursed.

* * * * *

14. In § 21.4280, paragraph (a)(1) is revised to read as follows:

§ 21.4280 Independent study leading to a standard college degree.

(a) An eligible veteran or person may receive an educational assistance allowance for pursuit of an independent study course under the following conditions:

(1) The course is offered by a college or university which is fully accredited by one of the regional accrediting agencies;

* * * * *

[FR Doc.76-31868 Filed 10-29-76;8:45 am]

Title 47—Telecommunication

CHAPTER I—FEDERAL COMMUNICATIONS COMMISSION

[FCC 76-962]

PART 21—DOMESTIC PUBLIC RADIO SERVICES (OTHER THAN MARITIME MOBILE)

Special Application Information Required for Applicants in Chicago Region; Deletion

Adopted: October 21, 1976.

Released: October 27, 1976.

Order. In the matter of amendment of Part 21 of the Commission's rules to delete § 21.10 requiring applicants in the Domestic Public Land Mobile Radio Services located in the Chicago Region to submit special application information.

1. The Mobile Services Division of the Common Carrier Bureau has recently begun to computerize its licensing and data compilation to assist in the administrative handling and processing of all Domestic Public Land Mobile Radio Service applications. Although it will take some time until a complete data base is acquired, certain vital information of new applicants and existing licensees is presently available from our computerized data base. As new applications are filed additional information will then be available. The information presently available is similar to the information of that collected by the Chicago Regional Office of the Spectrum Management Task Force (CRO/SMTF) from FCC Form 425.

2. On June 25, 1976, the FCC voted to reconfirm its commitment to the regional spectrum management program, but has decided to make extensive changes to the prototype system. Many of the personnel in the CRO will be reassigned to Washington to implement a nationwide automated system for spectrum management. This office will be established as part of the Safety and Special Radio Services Bureau.

3. To eliminate the Commission's burdens of the duplication of the collection of the same information and to eliminate multiple filings of repetitive information by Domestic Public Land Mobile Radio Service applicants, with the concurrence of the Safety and Special Radio Service Bureau, the Commission has decided to delete the requirement for filing FCC Form 425 for Chicago area applicants. If at some future time the spectrum management group has need for updated data on Common Carrier spectrum utilization, it will be readily available.

4. *Accordingly, it is hereby ordered*, That pursuant to the authority contained in sections 4(i), 4(j) and 303 of the Communications Act of 1934 (47 U.S.C. 154(i), 154(j), 303), § 21.10 of the Commission's Rules and Regulations is deleted, see below effective December 3, 1976.

(Secs. 4, 303, 48 Stat., as amended, 1066, 1082; (47 U.S.C. 154, 303).)

FEDERAL COMMUNICATIONS COMMISSION,[1]
VINCENT J. MULLINS,
Secretary.

Part 21 of Chapter I, Title 47, of the Code of Federal Regulations is amended to read as follows:

1. Subpart B of the Table of Contents to Part 21 is revised to read as follows:

* * * * *

Subpart B—Applications and Licenses

* * * * *

Sec. 21.10 [Reserved]

[1] Commissioner Lee absent; Commissioner White not participating.

§ 21.10 [Deleted] and [Reserved].

2. Section 21.10 is deleted and reserved.

[FR Doc.76-31888 Filed 10-29-76;8:45 am]

[Docket No. 20834]

PART 73—RADIO BROADCAST SERVICES

FM Broadcast Stations, Muncie, Indiana

Adopted: October 18, 1976.

Released: October 28, 1976.

In the matter of amendment of § 73.202(b), Table of Assignments, FM Broadcast Stations. (Muncie, Indiana), Docket No. 20834, RM-2413.

Report and order—Proceeding Terminated.

1. The Commission has before it the notice of proposed rulemaking adopted in this proceeding on June 1, 1976 (41 FR 24186), and responsive filings from petitioner, Muncie Broadcasting Corporation ("MBC"), Booth American Company ("Booth"), Twin Cities Broadcasting, Inc. ("Twin Cities") and Three J. Radio Corp. ("Three J."). At issue was the proposed assignment of Channel 285A to Muncie, Indiana, and various other changes in the FM Table necessary in order to assign that channel to Muncie.[1] No counterproposals were filed. Thus, we examine (in sequence) the various changes in the FM Table which were proposed, finally turning to the proposed additional channel for Muncie.

2. One proposal was to substitute Channel 228A at Hartford City, Indiana, for Channel 285A now assigned to Marion, Indiana. Since the Marion channel is already being used under the 10-mile rule at Hartford City, the change in location proposed would do no more than conform the FM Table to the actual pattern of usage. As to the change in frequency, the affected party (Three J.) indicates a willingness to change channels provided its costs in effecting the change are reimbursed. Three J. asks the Commission to order MBC to provide reimbursement and to enumerate the expenses which are properly reimbursable. Except as to the matter of reimbursement which is discussed further below, it is clear that there is no problem[2] raised in the substitution proposed at Hartford City.

3. The Notice also proposed the deletion of Channel 228A from Berne, Indiana. This is the only channel assigned there, and no replacement channel appeared to be available. Even so, the deletion was proposed since no

[1] In a separate proceeding, Channel 221A was assigned to Muncie, but it was reserved for educational use. MBC had sought to use that channel commercially, but that possibility was foreclosed when the channel was reserved. However, we promised prompt action here on MBC's long standing effort to obtain a second FM assignment for Muncie.

[2] None of the channel changes here considered would be expected to cause any problem by way of increased preclusion, either co-channel or on adjacent channels. (41 FR 32434, August 2, 1976).

interest in the channel had ever been shown after it originally had been assigned some years ago. Moreover, no filing in this proceeding opposed the deletion. After examining the facts we are of the belief that the channel should be deleted from this small community since only by doing so do we make other important changes possible.

4. A change in frequency of the Kokomo, Indiana, station now operating on Channel 288A would also be necessary in order to accommodate the Muncie assignment. Booth, licensee of the station, expressed a willingness to make the change to Channel 224A, provided it were reimbursed for the expenses of the change and provided provision were made for a possible future change in transmitter site even if thereby a possible short spacing were created. No specific proposal in this latter regard was advanced. Instead, Booth offered a showing that its choice of site in and around Kokomo would be more restricted on the proposed channel (224A) as contrasted with the existing channel (228A) on which the station now operates.

5. MBC responded to the Booth argument about choice of future transmitter site by stating that on the new channel Booth could change the station's site to a location anywhere in Kokomo or even move the site a mile or two outside of town in the direction of the pertinent co-channel station and still not create a shortage. That being the case, MBC saw no problem in this regard[3] being posed by the change in channel.

6. The only point at issue in regard to the Kokomo substitution is the acceptance of a possible future short-spacing on the new channel if Booth desires to pursue such a change in site. While we recognize that Booth would have somewhat less latitude in choice of site on the new channel, it has not shown that any severe or even serious restriction would result. Thus, even if waiver were appropriate to consider at this juncture, which it clearly is not, we have no facts before us to examine to see if waiver is warranted. No site has been proposed, and as a result we have no notion of the degree of shortage that might be involved. Nor do we know what benefits, if any, would attach to use of this site. Clearly, we have evidence on none of the important points we would need to consider in such a case. In their absence, no judgment about waiver could be reached. In any event, such a waiver request would have to be judged in the context in which it is made, the application to change site. Since we can now give no assurance in that regard, we read Booth's pleading as objecting to the proposed modification. However, the only basis offered for objection is the waiver issue, and we do not believe that it is sufficient to warrant refusing the relief sought by MBC. Thus, with the expiration of Booth's license, its right to continue use of the old channel expired, and the renewal of its license was conditioned on the outcome of this proceeding. Since all the affected stations received such conditioned renewals, the modifications can be effected promptly.

7. The final issue relates to the need for and amount of reimbursement required in connection with the proposed substitution of Channel 228A for 224A at Lafayette, Indiana. Twin Cities only recently became the licensee of the affected FM station, and it urges the need for special relief in connection with the costs which can be anticipated in connection with changing channels and for which reimbursement would be expected. According to Twin Cities, it is at an early and difficult stage of establishing the station under its tutelage as licensee. In its view, it is preferable for stations to make a channel change early rather than waiting, and with this point in mind it asks us to order MBC to reimburse the applicable expenses now and not wait until a permit is granted to MBC for a station in Muncie. Twin Cities argues that it is unfair to expect it to shoulder the burden of covering the expenses of the change and then be required to wait quite some time to recover these expenses. It asserts that the burden should be shifted to MBC, as movant in this proceeding, and as prospective applicant. Twin Cities also is concerned that if it proceeds immediately it may expend money for costs later disallowed.

8. MBC's view of the situation is different. It is not willing to reimburse now when it has no certainty that it will be the permittee on a Muncie channel. Unless and until it is permittee, MBC states that it has no obligation to provide reimbursement. Thus, it asserts, if the preference of Twin Cities is to make the change now, the costs would have to be borne by the licensee until a permittee is selected which would become responsible for reimbursement. It also points out that Twin Cities is under no obligation to proceed now, and it notes the Commission's observation that licensees may find it advantageous to wait to further establish their service rather than effecting an early change. This was premised on the view that more loyalty to the station would attach during the period of operation on the old channel and as a result more listeners would be expected to follow the station to its new frequency.

9. As to these arguments, the Commission need only offer a few observations now. The basic issues regarding reimbursement have long since been resolved. While the station required to change channel cannot be expected to do so without having an assurance that there is a party obliged to reimburse it, it is also true that a prospective applicant cannot be expected to commit itself to provide reimbursement before it has the assurance that it would be the one to become the responsible party. Twin Cities is not obliged to make the change now, and its preference for doing so cannot turn the process upside down as it apparently wishes were the case. Whether parties could properly agree in advance of the selection of a permittee is not the issue, as no such agreement exists in this case. Without such an agreement, there can be no doubt that a station's preference for dispatch cannot be controlling. While our decision does not rest on this point, we believe that Twin Cities' interests might well be better served by a delay until some time after a grant of a permit to the successful Muncie applicant. In any event, by virtue of our conclusion that reimbursement should not be ordered now, it is not necessary to deal with the remaining argument that Twin Cities would expend money in making the change only to discover that some of the items were not properly subject to reimbursement. Since it is not required to proceed, it neither has to worry about funding the costs without assurance of reimbursement nor about being caught in the middle by having paid for non-reimbursable items. No purpose would be served by an attempt to enumerate at this stage the items for which reimbursement would be proper. As is the customary practice, that is left to the parties to resolve, with the Commission's becoming involved only when a dispute arises which requires resolution. Such a point has not been reached, so our comments on this matter are premature.

10. The final point and the central one in this proceeding is the need for the proposed assignment at Muncie. Having established that the changes in other assignments which also are required would not be an impediment, we turn to an examination of Muncie's need. Our observations on this point which were made in the Notice have not been disputed. Muncie is a large city which could warrant as many as four channels but until now has only been able to have a single FM commercial assignment. MBC tried several approaches over the years to obtain a second channel, and only through the approach offered here has it become possible to find a method of doing so successfully. The need for the service is incontrovertible, and the loss of an assignment at Berne loses importance in view of the total lack of interest in activating the channel long assigned there. As to Muncie itself we do not believe that the intermixture of classes of channels involved in this Class A assignment is a problem when no Class B channel is available for use and the petitioner is willing to accept the risks of attempting to utilize the proposed Class A channel to serve the community. Since a willingness to reimburse has been indicated, it is clear that except for some inconvenience in the channel changes, the assignment can be made without serious problem. Overall, the facts support the proposal, and it will be adopted.

11. *Therefore it is ordered*, That effective December 2, 1976, the FM Table of Assignments (§ 73.202(b) of the Commission's rules) is amended as follows with regard to the communities listed below:

[3] Booth also mentioned the matter of reimbursement and MBC responded by reiterating its willingness to comply with Commission policy in this regard. The parties appear to be in agreement on this issue.

City:	Channel No.
Berne, Indiana	------
Hartford City, Indiana	228A
Kokomo, Indiana	224A
Lafayette, Indiana	228A
Marion, Indiana	------
Muncie, Indiana	[1] 221A, 281, 285A

[1] In a separate proceeding, Channel 221A was assigned to Muncie, but it was reserved for educational use. MBC had sought to use that channel commercially, but that possibility was foreclosed when the channel was reserved. However, we promised prompt action here on MBC's long standing effort to obtain a second FM assignment for Muncie.

12. *It is further ordered*, That pursuant to section 316(a) of the Communications Act of 1934, as amended, the outstanding license held by Three J. Radio Corporation for Station WWHC, Hartford City, Indiana, is modified effective December 2, 1976, to specify operation on Channel 228A instead of Channel 285A. The licensee shall inform the Commission in writing by no later than December 2, 1976, of its acceptance of this modification. Station WWHC may continue to operate on Channel 285A subject to the following conditions:

(a) At least 30 days before commencing operation on Channel 228A, the licensee of Station WWHC shall submit to the Commission the technical information normally required of an applicant for a construction permit on Channel 228A;

(b) At least 10 days prior to commencing operation on Channel 228A, the licensee of Station WWHC shall submit the measurement data required of an applicant for an FM broadcast station; and

(c) The licensee of Station WWHC shall not commence operation on Channel 228A without prior Commission authorization.

13. *It is further ordered*, That pursuant to section 316(a) of the Communications Act of 1934, as amended, the outstanding licensee held by Booth American Company for Station WKMO, Kokomo, Indiana, is modified effective December 2, 1976, to specify operation on Channel 224A instead of Channel 228A. The licensee shall inform the Commission in writing by no later than December 2, 1976, of its acceptance of this modification. Station WKMO may continue to operate on Channel 228A subject to the following conditions:

(a) At least 30 days before commencing operation on Channel 224A, the licensee of Station WKMO shall submit to the Commission the technical information normally requested of an applicant;

(b) At least 10 days prior to commencing operation on Channel 224A, the licensee of Station WKMO shall submit the measurement data required of an applicant for an FM broadcast station license; and

(c) The licensee of Station WKMO shall not commence operation on Channel 224A without prior Commission authorization.

14. *It is further ordered*, That pursuant to section 316(a) of the Communications Act of 1934, as amended, the outstanding licensee held by Twin Cities Broadcasting, Inc. for Station WXUS, Lafayette, Indiana, is modified effective December 2, 1976, to specify operation on Channel 228A instead of Channel 224A. The licensee shall inform the Commission in writing by no later than December 2, 1976, of its acceptance of this modification. Station WXUS may continue to operate on Channel 224A subject to the following conditions:

(a) At least 30 days before commencing operation on Channel 228A, the licensee of Station WXUS shall submit to the Commission the technical information normally requested of an applicant;

(b) At least 10 days prior to commencing operation on Channel 228A, the licensee of Station WXUS shall submit the measurement data required of an applicant for an FM broadcast station license; and

(c) The licensee of Station WXUS shall not commence operation on Channel 228A without prior Commission authorization.

15. Authority for the actions taken here is found in sections 4(i), 303 (g) and (r), 307(b), and 316(a) of the Communications Act of 1934, as amended, and § 0.281(b)(6) of the Commission's rules and regulations.

16. It is directed, That the Secretary of the Commission send a copy of this "Report and Order" by certified mail, return receipt requested to Three J. Radio Corporation, Station WWHC, Hartford City, Indiana, Booth American Company, Station WKMO, Kokomo, Indiana, and Twin Cities Broadcasting, Inc., Station WXUS, Lafayette, Indiana.

17. *It is further ordered*, That this proceeding is terminated.

(Secs. 4, 303, 307, 48 Stat., as amended, 1066, 1082, 1083; (47 U.S.C. 154, 303, 307).)

FEDERAL COMMUNICATIONS COMMISSION,
WALLACE E. JOHNSON,
Chief, Broadcast Bureau.

[FR Doc.76-31889 Filed 10-29-76;8:45 am]

Title 49—Transportation

CHAPTER V—NATIONAL HIGHWAY TRAFFIC SAFETY ADMINISTRATION

PART 501—ORGANIZATION AND DELEGATION OF POWERS AND DUTIES

Miscellaneous Amendments

• *Purpose*. The purpose of this notice is to amend Part 501 of Title 49, Code of Federal Regulations, to reflect changes in organization and delegation of powers and duties within the National Highway Traffic Safety Administration, resulting from the passage of the Energy Policy and Conservation Act (Pub. L. 94-163; 89 Stat. 871). Title III of Public Law 94-163 amended the Motor Vehicle Information and Cost Savings Act of 1972 (49 U.S.C. 1902 et. seq.), by providing for a new Title V, Part A, Automotive Fuel Economy. The powers and duties for administering this title, with the exception of section 512, were delegated by the Secretary to the National Highway Traffic Safety Administrator in section 150(f) of Title 49, Code of Federal Regulations, by FR Doc. No. 76-18060, Volume 41, No. 121, page 25015, June 22, 1976. •

The notice also incorporates recent changes in delegations of authority from the Administrator to other officials in the agency.

The amendment set forth in this notice relates solely to the organization and assignment of duties within the agency and has no substantive regulatory effect. Notice and public procedure are, therefore, not required and the amendment may be made effective in less than 30 days after publication.

In consideration of the foregoing, Part 501 of Title 49, Code of Federal Regulations is amended as set forth below:

1. In § 501.2, *General*, substitute the following new wording for paragraph (f):

§ 501.2 General.

* * * * *

(f) Carry out the functions vested in the Secretary by the Motor Vehicle Information and Cost Savings Act of 1972, as amended (49 U.S.C. 1902 et. seq.) except section 512.

* * * * *

2. Section 501.3 is amended as follows:

a. In the introductory paragraph, after the second parenthesis, the following lines below are substituted;

b. In paragraph (a)(1)(i), after the second semicolon, the following lines below are substituted; and

c. Designate paragraph (b)(6) as paragraph (C) and add a new paragraph (b)(6); as amended parts of the introductory paragraph; paragraphs (a)(1)(i) and (b)(6) of § 501.3 reads as follows:

§ 501.3 Organization and general responsibilities.

* * *, the offices of the Associate Administrators, the Chief Counsel, and the Director, Office of Automotive Fuel Economy, are as follows:

(a) * * *

(1) * * *

(i) * * *; to motor vehicle and consumer information functions under the Motor Vehicle Information and Cost Savings Act of 1972, as amended; and to such other authorities as delegated by the Secretary of Transportation (49 CFR 1.51):

* * * * *

(b) * * *

(6) Director, Office of Automotive Fuel Economy. Acts as principal advisor to the Administrator and Deputy Administer on all matters as they relate to fuel economy for new passenger and non-passenger vehicles. Directs programs relating to mandatory automotive fuel economy standards for both passenger and non-passenger automobiles less than 10,000 pounds gross vehicle weight for model years 1978 and beyond.

* * * * *

3. Section 501.7 (c)(2) and (c)(3) is renumbered (c)(3) and (c)(4) and new paragraphs (c), (c)(1), and (c)(2) are added as follows:

§ 501.7 Administrator's reservations of authority.

* * * * *

(c) The authority under the Motor Vehicle Information and Cost Savings

Act of 1972, as amended (49 U.S.C. 1902 et. seq.), to:

(1) Establish, amend, revoke, or grant exemptions from the final motor vehicle standards;

(2) Establish, amend, revoke, or grant exemptions from final automotive fuel economy standards;

4. In § 501.8 substitute the following for paragraphs (e)(1) and (f)(2):

§ 501.8 Delegations.

* * * * *

(e) * * *

(1) Develop and conduct research and development programs and projects necessary to support the purposes of the National Traffic and Motor Vehicle Safety Act of 1966, as amended, the Highway Safety Act of 1966, as amended, and the Motor Vehicle Information and Cost Savings Act, as amended, in coordination with the appropriate Associate Administrators, the Chief Counsel, and the Director, Office of Automotive Fuel Economy;

* * * * *

(f) * * *

(1) * * *

(2) Develop, manage, and conduct impact analyses of regulatory, grant, legislative, and program proposals for integrated program planning and evaluation throughout the NHTSA.

* * * * *

Effective date: This amendment is effective as of September 22, 1976.

(Sec. 9(e), Department of Transportation Act (49 U.S.C. 1657(c)).)

Issued on: October 22, 1976.

CHARLES E. DUKE,
Acting Administrator, National Highway Traffic Safety Administration.

[FR Doc.76-31898 Filed 10-29-76;8:45 am]

Title 12—Banks and Banking

CHAPTER I—COMPTROLLER OF THE CURRENCY, DEPARTMENT OF THE TREASURY

[Parts 4, 5 and 9]

PROCEDURES FOR CORPORATE ACTIVITIES

Description of Office, Procedures, Public Information; Supplemental Application Procedures for Charters, Branches, Mergers and Relocations; Fiduciary Powers of National Banks and Collective Investment Funds

These amendments are issued under authority of the National Bank Act and related statutes, 12 U.S.C. 1 et seq., pursuant to the requirement of 5 U.S.C. 552 that each agency publish in the FEDERAL REGISTER, for the guidance of the public, both a description of the methods employed by its central and field organization so that the public may make submissions or requests or obtain decisions, and a description of the formal procedures used by the agency.

The amendments establish revised Office procedures regarding charters, branches, conversions, mergers, fiduciary powers, operating subsidiaries, title changes, relocations, and changes in capital structure.

The purposes of the amendments are to clarify and consolidate into Part 4 of the application procedures relating to the various activities subject to the approval of the Comptroller; to expand the scope of Part 5 to include additional activities within the hearing procedures; and to conform Part 9 to the revised Office procedures.

The Administrative Procedure Act does not require public procedures and delayed effectiveness in connection with rules of agency organization, procedure or practice. The amendments will therefore become effective November 1, 1976.

PART 4—DESCRIPTION OF OFFICE, PROCEDURES, PUBLIC INFORMATION

The following is a brief description of the major changes to 12 CFR Part 4:

1. §§ 4.2 trhough 4.8 have been revised to provide that the Regional Administrator will furnish to the applicant appropriate forms for all corporate activity applications. The Regional Administrator will accept all applications, except merger applications.

2. §§ 4.2, 4.5 and 4.6 have been revised to provide for a time period of 18 months from the date of approval of the charter, branch or relocation application within which the new office must have commenced business.

3. §§ 4.2, 4.3, 4.5, 4.6, 4.7 and 4.8 have been revised to include a new paragraph outlining the procedures and practices in the event an application has been disapproved.

4. § 4.3 has been revised to include both conversions of state banks into national banks and national banks tinto state banks by incorporating into it the former § 4.8.

5. §§ 4.3 and 4.4 have been revised to provide that if an examination of a state-chartered institution is conducted in connection with a conversion or merger application the cost of such examination shall be paid by the applicant.

6. § 4.6 has been revised to include reference to three new application forms in connection with relocations.

7. § 4.7a has been added outlining the procedures and practices with regard to changes in capital structure.

8. § 4.7b has been added outlining the procedures and practices with regard to requests to exercise fiduciary powers.

9. A new § 4.8 has been added outlining procedures with regard to the establishment or acquisition of domestic operating subsidiaries.

PART 5—SUPPLEMENTAL APPLICATION PROCEDURES FOR CHARTERS, BRANCHES, MERGERS AND RELOCATIONS

The following is a brief description of the major changes to 12 CFR Part 5:

1. § 5.1 has been revised to include within the scope of Part 5 applications to convert state-chartered institutions to national banks, to establish or acquire domestic operating subsidiaries, to exercise fiduciary powers, and to change corporate title.

2. § 5.2 has been revised to provide that the applicant shall furnish the Regional Administrator with an affidavit evidencing the required publication of notice.

3. § 5.2 has been revised to provide that notice of a pending application will also be given to all other interested parties as determined by the Regional Administrator within his sole discretion.

4. § 5.4 has been revised to provide for 21 days (instead of the former 10 days) by which interested persons may submit written comments and/or a written request for an opportunity to be heard.

5. § 5.8 has been revised to provide that each person desiring to attend a hearing shall notify the Regional Administrator within 10 days (instead of the former 5 days) of his intention to attend; and shall submit to the designated persons the names of witnesses and a copy of each exhibit he wishes to present, such information to be received at least 5 days prior to the hearing.

6. § 5.11 has been revised to provide that upon request the public file shall remain open for 15 days (instead of the former 5 days).

PART 9—FIDUCIARY POWERS OF NATIONAL BANKS AND COLLECTIVE INVESTMENT FUNDS

The following is a brief description of the changes to 12 CFR Part 9:

1. § 9.2 has been revised to refer applicants desiring to apply for trust powers to Part 4 of the Comptroller's regulations.

2. § 9.2 has also been revised by deleting paragraphs (b) and (c), the provisions of which have been incorporated into the new application forms and procedures.

3. §§ 9.5 and 9.6 have been deleted as a result of their provisions being incorporated into the new application forms and procedures.

PART 4—DESCRIPTION OF OFFICE, PROCEDURES, PUBLIC INFORMATION

12 CFR Part 4 is amended by revising the table of contents and §§ 4.2 through 4.8 to read as follows:

Sec.

AUTHORITY: 12 U.S.C. 1 et seq.

§ 4.2 Organization of national bank.

(a) *Application.* Persons desiring to organize a national bank should submit to the Regional Administrator of National Banks for the region in which the proposed bank is to be located, an "Application to Organize a National Bank." This application, instructions and supporting documents are furnished by the Regional Administrator upon request.

(b) *Investigation.* An investigation may be conducted to the extent necessary including the gathering of information as provided in Part 5 of this chapter.

(c) *Preliminary approval.* The Comptroller of the Currency determines whether or not preliminary approval of the application should be granted. If preliminary approval is granted, the Comptroller may, if it is determined that such action is necessary or desirable for the protection of the public interest, at any time withdraw such approval or provide that the issuance of a charter shall be subject to the fulfillment of specified conditions. The time allowed to open for business normally will be 18 months from the date of preliminary approval. Preliminary approval ordinarily will be rescinded if the bank is not open for business within this 18-month period.

(d) *Corporate organization.* If preliminary approval is granted the applicants will be furnished with suggested forms and documents necessary for the corporate organization of a national banking association and instructions for their preparation and filing. The proposed bank does not become a body corporate until certain of these documents have been accepted for filing by the Regional Administrator.

(e) *Commencement of business.* The Comptroller of the Currency determines whether or not the national banking association is entitled to commence the business of banking. If the Comptroller's determination is favorable, a certificate, known as a charter, will be issued which provides that the national banking association is authorized to commence the business of banking.

(f) *Disapproval.* (1) When a charter application is disapproved, a written statement of the reasons for the disapproval will be furnished the applicant. Opinions will be published when the Comptroller determines that the decision represents a new or changed policy or presents issues of general importance to the public or the banking industry.

(2) Requests for reconsideration of disapproved applications will not be accepted. A new application may be filed at any time by submitting substantive new or additional information to the Regional Administrator. To the extent relevant, the Comptroller will consider and incorporate the prior administrative record. The normal filing fee will be required.

§ 4.3 Conversion.

(a) State-chartered to national bank. (1) *Application.* A state-chartered institution desiring to become a national bank should submit to the Regional Administrator an "Application to Convert to a National Bank." This application, instructions and supporting documents are furnished by the Regional Administrator upon request.

(2) *Examination and investigation.* An examination and investigation may be conducted to the extent deemed necessary including the gathering of information as provided in Part 5 of this chapter. The cost of any such examination shall be paid by the applicant.

(3) *Approval.* The Comptroller of the Currency determines whether or not approval of the application should be granted.

(4) *Corporate documents.* If approval is granted, the applicant is furnished with suggested forms of documents necessary to complete its conversion into a national banking association and instructions for their preparation and filing.

(5) *Commencement of business as national bank.* When the Comptroller of the Currency determines that all statutory requirements have been complied with, a certificate, known as a charter, will be issued, which provides that the institution is authorized to commence the business of banking as a national bank as of a specified date.

(6) *Disapproval.* (i) When a conversion application is disapproved, a written statement of the reasons for the disapproval will be furnished the applicant. Opinions will be published when the Comptroller determines that the decision represents a new or changed policy or presents issues of general importance to the public or the banking industry. In such instances, identification of the applicant will not be disclosed.

(ii) Requests for reconsideration of disapproved applications will not be accepted. A new application may be filed at any time by submitting substantive new or additional information to the Regional Administrator. To the extent relevant, the Comptroller will consider and incorporate the prior administrative record. The normal filing fee will be required.

(b) *National bank to a state bank.* A national bank desiring to become a state bank should submit to the Regional Administrator notification of its intent to convert. The bank will be furnished with instructions regarding steps to be followed to terminate its status as a national bank.

§ 4.4 Merger, consolidation, purchase and assumption.

(a) *Definition.* For purposes of this section, the term merger includes a merger, consolidation or purchase of assets in which the resulting bank is a national bank.

(b) *Application.* National banks desiring to merge should submit to the Comptroller of the Currency, Washington, D.C., an "Application for Approval to Merge, Consolidate, or Purchase." This application, instructions and supporting documents are furnished by the Regional Administrator upon request.

(c) *National bank as seller.* In the case of a purchase and assumption, if the selling bank is a national bank, it will be furnished with suggested forms of documents and instructions for the voluntary liquidation of the bank. See § 4.9.

(d) *Examination and investigation.* An examination and investigation may be conducted to the extent deemed necessary including the gathering of information as provided in Part 5 of this chapter. When the merger involves a state bank, the Comptroller may conduct an examination into the condition of the state bank to the extent deemed necessary. The cost of such examination shall be charged to the applicants in addition to the normal merger fee.

(e) *Approval and disapproval.* The Comptroller of the Currency determines whether or not approval of the application should be granted. Opinions are published by the Comptroller in all merger decisions.

(f) *Certification.* If the determination of the Comptroller of the Currency is favorable, the following will be issued:

(1) *Merger.* Certificates to the resulting bank to evidence approval of the merger and to authorize operation of permitted branches incident thereto, or

(2) *Purchase and assumption.* A certificate to the purchasing bank to authorize operation of permitted branches incident to the purchase and assumption.

§ 4.5 Establishment of domestic branches and seasonal agencies.

(a) *Application.* A national bank desiring to establish and operate a domestic branch or seasonal agency should submit to the Regional Administrator of National Banks for the region in which the bank is located an "Application to Establish a Branch." This application, instructions and supporting documents are furnished by the Regional Administrator upon request.

(b) *Investigation.* An investigation may be conducted to the extent deemed necessary including the gathering of information as provided in Part 5 of this chapter.

(c) *Approval.* The Comptroller of the Currency determines whether or not approval of the application should be granted. An approval will ordinarily be rescinded if the branch has not commenced business within 18 months from the date of approval.

(d) *Certification.* If the determination of the Comptroller of the Currency is favorable, a certificate will be issued evidencing approval for the establishment and operation of the branch or seasonal agency at the designated location.

(e) *Disapproval.* (1) When a branch application is disapproved, a written statement of the reasons for the disapproval will be furnished the applicant. Opinions will be published when the Comptroller determines that the decision represents a new or changed policy or presents issues of general importance to the public or the banking industry. Where the Comptroller deems it to be in the public interest the name of the bank will not be disclosed.

(2) Requests for reconsideration of disapproved applications will not be accepted. A new application may be filed at any time by submitting substantive new or additional information to the Regional Administrator. The the extent relevant, the Comptroller will consider and incorporate the prior administrative record. The normal filing fee will be required.

§ 4.6 **Change of location of head office or domestic branch.**

(a) *Application.* A national bank desiring to relocate its head office or domestic branch should submit to the Regional Administrator an "Application for a Change in Location of Head Office or Branch", an "Application for a New Head Office (New Primary Service Area)", or an "Application for a Branch Relocation," as appropriate. This application, instructions and supporting documents are furnished by the Regional Administrator upon request.

(b) *Investigation.* An investigation may be conducted to the extent deemed necessary including the gathering of information as provided in Part 5 of this chapter.

(c) *Approval.* The Comptroller of the Currency determines whether or not approval of the application should be granted. An approval will ordinarily be rescinded if the new office has not commenced business within 18 months from the date of approval.

(d) *Certification.* If the determination of the Comptroller of the Currency is favorable, certification evidencing approval of the change of location will be made.

(e) *Disapproval.* (1) When a relocation application is disapproved, a written statement of the reasons for the disapproval will be furnished the applicant. Opinions will be published when the Comptroller determines that the decision represents a new or changed policy or presents issues of general importance to the public or the banking industry. Where the Comptroller deems it to be in the public interest the name of the bank will not be disclosed.

(2) Requests for reconsideration of disapproved applications will not be accepted. A new application may be filed at any time by submitting substantive new or additional information to the Regional Administrator. To the extent relevant, the Comptroller will consider and incorporate the prior administrative record. The normal filing fee will be required.

§ 4.7 **Change of corporate title.**

(a) *Application.* A national bank desiring to change its corporate title should submit to the Regional Administrator an "Application for a Change in Corporate Title." This application, instructions and supporting documents are furnished by the Regional Administrator upon request.

(b) *Investigation.* An investigation may be conducted to the extent deemed necessary including the gathering of information as provided in Part 5 of this chapter.

(c) *Approval.* The Comptroller of the Currency determines whether or not approval of the application should be granted.

(d) *Certification.* If the determination of the Comptroller of the Currency is favorable, a certificate will be issued evidencing approval for the change of corporate title.

(e) *Disapproval.* Requests for reconsideration of disapproved applications will not be accepted. A new application may be filed at any time by submitting substantive new or additional information to the Regional Administrator. To the extent relevant, the Comptroller will consider and incorporate the prior administrative record. The nomal filing fee will be required.

§ 4.7a **Change in capital structure.**

(a) *Application.* A national bank desiring to change its capital structure should submit to the Regional Administrator the appropriate application depending on the type of capital change desired. This application, instructions and supporting documents are furnished by the Regional Administrator upon request.

(b) *Investigation.* An investigation may be conducted to the extent deemed necessary including the gathering of information as provided in Part 5 of this chapter.

(c) *Approval.* The Comptroller of the Currency determines whether or not approval of the application should be granted.

(d) *Certification.* If the determination of the Comptroller of the Currency is favorable, a certificate will be issued evidencing approval for a change of capital structure.

§ 4.7b **Fiduciary powers.**

(a) *Application.* A national bank desiring to exercise fiduciary powers should submit to the Regional Administrator an "Application for Fiduciary Powers". This application, instructions and supporting documents are furnished by the Regional Administrator upon request.

(b) *Investigation.* An investigation may be conducted to the extent necessary including the gathering of information as provided in Part 5 of this chapter.

(c) *Approval.* The Comptroller of the Currency determines whether or not approval of an application to exercise fiduciary powers should be granted. An approval will ordinarily be rescinded if the trust department has not commenced business within 12 months from the date of approval.

(d) *Certification.* If the determination of the Comptroller of the Currency is favorable a certificate will be issued evidencing approval to exercise fiduciary powers.

(e) *Disapproval.* (1) When an application to exercise fiduciary powers is disapproved, a written statement of the reasons for the disapproval will be furnished the applicant. Opinions will be published when the Comptroller determines that the decision represents a new or changed policy or presents issues of general importance to the public or the banking industry. Where the Comptroller deems it to be in the public interest the name of the bank will not be disclosed.

(2) Requests for reconsideration of disapproved applications will not be accepted. A new application may be filed at any time by submitting substantive new or additional information to the Regional Administrator. To the extent relevant, the Comptroller will consider and incorporate the prior administrative record. The normal filing fee will be required.

§ 4.8 **Domestic operating subsidiaries.**

(a) *Application.* A national bank desiring to establish or acquire a domestic operating subsidiary should submit to the Regional Administrator an "Application to Establish an Operating Subsidiary" or an "Application to Acquire an Operating Subsidiary" as appropriate. This application, instructions and supporting documents are furnished by the Regional Administrator upon request.

(b) *Examination and Investigation.* An examination and investigation may be conducted to the extent necessary including the gathering of information as provided in Part 5 of this chapter. The cost of such examination into the condition of the operating subsidiary proposed to be acquired shall be paid by the applicant.

(c) *Approval.* (1) The Regional Administrator determines whether or not the approval of an application to establish a domestic operating subsidiary for activities previously authorized by the Comptroller should be granted.

(2) The Comptroller of the Currency determines whether or not approval of all other applications for domestic operating subsidiaries should be granted.

(d) *Disapproval.* (1) When an operating subsidiary application is disapproved, a written statement of the reasons for the disapproval will be furnished the applicant. Opinions will be published when the Comptroller determines that the decision represents a new or changed policy or presents issues of general importance to the public or the banking industry. Where the Comptroller deems it to be in the public interest the name of the bank will not be disclosed.

(2) Requests for reconsideration of disapproved applications will not be accepted. A new application may be filed at any time by submitting substantive new or additional information to the Regional Administrator. To the extent relevant, the Comptroller will consider and incorporate the prior administrative record. The normal filing fee will be required.

PART 5—SUPPLEMENTAL APPLICATION PROCEDURES FOR CHARTERS, DOMESTIC BRANCHES, MERGERS, RELOCATIONS, CONVERSIONS, DOMESTIC OPERATING SUBSIDIARIES, FIDUCIARY POWERS AND TITLE CHANGES

12 CFR Part 5 is amended by revising the heading and §§ 5.1, 5.2, 5.4, 5.8, 5.11 and 5.13 to read as follows:

§ 5.1 **Scope of Part.**

This Part contains procedures by which the Comptroller of the Currency may reach informed decisions with respect to applications to charter national banks, to establish domestic branches of national banks, to merge or consolidate with or purchase the assets of another bank where the resulting bank is a national bank, to relocate offices of national banks, to establish or acquire domestic operating subsidiaries, to exercise fiduciary powers, to change corporate title, and in other such cases as the Comptroller in his sole discretion shall deem appropriate. These procedures provide a method by which all persons interested in the subject matter of such applications may present their views. Nothing contained herein shall be construed to prevent interested persons from presenting their views in a more informal manner when deemed appropriate by the Comptroller, his deputy, or by the Regional Administrator of National Banks, or to prevent the Comptroller or the Regional Administrator from conducting such other investigations as may be deemed appropriate.

§ 5.2 Notice of filing of application.

(a) Applications described in § 5.1 of this Part shall be filed as provided in 12 CFR Part 4.

(b) *By publication.* Except in the case of proposed transactions where notice by publication is governed by statute, the applicant shall, within 15 days after receipt of a notice in writing that an application has been accepted for filing, publish one time in a newspaper of general circulation in the community in which the applicant's head office is located and in a newspaper of general circulation in the community in which the applicant proposes to engage in business (or engages in business in the case of a title change) a notice containing the name of the applicant or applicants, the subject matter of the application, and the date upon which the application was accepted for filing. Immediately thereafter, the applicant shall furnish the Regional Administrator with an affidavit evidencing such publication.

(c) *By the Regional Administrator.* The Regional Administrator shall give timely notice to the state official who supervises commercial banks in the state in which the applicant is or will be located, and to any other person requesting such written notification. Notice may also be given to other parties who the Regional Administrator believes, in his sole discretion, might have an interest in the pending application.

* * * * *

§ 5.4 Written comments and requests for an opportunity to be heard.

Within 21 days after the notice by publication described in § 5.2(b) of this Part, any interested person may submit to the Regional Administrator written comments concerning the application and/or a written request for an opportunity to be heard before the Regional Administrator or his designee. This time may be extended by the Regional Administrator in his sole discretion if the applicant has failed to file all required supporting data in time to permit review by interested persons or for other extenuating circumstances. In the absence of a request, the Regional Administrator or the Comptroller of the Currency, when either believes it to be in the public interest, may order a hearing to be held.

* * * * *

§ 5.8 Attendance at hearing.

Each person who wishes to be heard shall notify the Regional Administrator within 10 days after the date of the notice described in § 5.7 of this Part of his intention to attend; and shall submit to the Regional Administrator, the applicant(s) and the protestant(s) the number and names of witnesses and a copy of each exhibit he wishes to present, such information to be received at least 5 days prior to the hearing.

* * * * *

§ 5.11 Closing of the public file.

If requested by any participant, the public file shall remain open for 15 days following receipt of the transcript by the Regional Administrator during which time the applicant and protestants may submit additional written statements. A copy of any statement so submitted during this period of time shall also be sent simultaneously to the other persons represented at the hearing.

* * * * *

§ 5.13 Comptroller's decision.

The applicant and all persons so requesting in writing shall be notified of the final disposition of the application.

PART 9—FIDUCIARY POWERS OF NATIONAL BANKS AND COLLECTIVE INVESTMENT FUNDS

12 CFR Part 9 is amended by revising the table of contents and § 9.2 and by rescinding §§ 9.5 and 9.6 to read as follows:

AUTHORITY: 12 U.S.C. 1 et seq.

* * * * *

§ 9.2 Applications.

A national bank desiring to exercise fiduciary powers shall file an application with the Comptroller of the Currency pursuant to 12 CFR 4.7b.

* * * * *

§ 9.5 [Reserved]

§ 9.6 [Reserved]

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Effective date: These amendments are effective November 1, 1976.

Dated: October 26, 1976.

ROBERT BLOOM,
Acting Comptroller of the Currency.

[FR Doc.76-31912 Filed 10-29-76;8:45 am]

PART 9—FIDUCIARY POWERS OF NATIONAL BANKS AND COLLECTIVE INVESTMENT FUNDS

Funds Operated by Affiliated Banks; Investment of Gifts to Minors

Recent amendments to section 584(a) of the Internal Revenue Code of 1954, (26 U.S.C. 584(a)) (relating to common trust funds) provide the necessary authority in the tax law to permit (1) affiliated banks to invest trust funds in a common trust fund operated by one or more of their number (Sec. 1, Pub. L. 94-414, Approved September 17, 1976); and (2) banks to invest funds held as custodian under a uniform gifts to minors act in a common trust fund (Sec. 2708, Pub. L. 94-455, Approved Oct. 4, 1976). The Comptroller of the Currency is making the necessary corresponding amendments in Part 9 which contains the regulations relating to investments in and the operation of collective investment funds by national banks (issued under sec. 1, 76 Stat. 668; 12 U.S.C. 92a; and R.S. 5240, as amended; 12 U.S.C. 481).

Since this amendment provides the necessary fiduciary rules to permit banks to do what the tax law now authorizes, further notice, public participation and delayed effectiveness would not be in the public interest. This amendment, therefore, will become effective October 4, 1976.

12 CFR Part 9 is amended by:

1. Adding at the end of § 9.1, two new paragraphs (l) and (m), and
2. Revising subparagraph (1) of paragraph (a) of § 9.18.

The amended text is as follows:

§ 9.1 Definitions.

* * * * *

(l) "Bank" shall include two or more banks which are members of the same affiliated group with respect to any fund established pursuant to § 9.18 of which any of such affiliated banks is trustee, or two or more of such affiliated banks are co-trustees.

(m) "Custodian under a uniform gifts to minors act" means an account established pursuant to a state law which is substantially similar to the Uniform Gifts to Minors Act as published by the