

Proposed Rules

Federal Register

Vol. 64, No. 1

Monday, January 4, 1999

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.

NUCLEAR REGULATORY COMMISSION

10 CFR Part 50

Domestic Licensing of Production and Utilization Facilities; Public Workshop Meeting Cancellation

AGENCY: Nuclear Regulatory Commission.

ACTION: Cancellation of public workshop meeting.

SUMMARY: On December 3, 1998, 63 FR 66772 stated: "The Commission has requested the staff to develop and assess options on incorporating risk insights in the Code of Federal Regulations 10 CFR 50.59. This regulation permits licensees to implement certain changes that do not require prior NRC approval. On or about December 19, 1998, the staff will place in the Public Document Room (PDR) a draft report that identifies options for incorporating risk insights into the existing 10 CFR 50.59 process. At the same time that the document is placed in the PDR, the staff will issue a notice to hold a public workshop on January 19, 1999, at the NRC auditorium, in Rockville, Maryland. That notice will also solicit comments on this program."

This notice makes the following three changes to that previous notice: (1) The draft report that identifies options for incorporating risk insights into the existing 10 CFR 50.59 process will be placed in the PDR during the week of December 21, 1998, (2) the public workshop on January 19, 1999, is canceled, and (3) a future notice will be issued regarding the incorporation of risk insights into application of the requirements of 10 CFR Part 50. That future notice will incorporate the previous separately planned public comments and public meetings regarding the 10 CFR 50.59 process.

FOR FURTHER INFORMATION CONTACT: Jack Guttman, 301-415-7732.

Dated at Rockville, Maryland, this 22nd day of December, 1998.

For the Nuclear Regulatory Commission.

Mary Drouin,

Acting Branch Chief, Probabilistic Risk Analysis Branch, Division of Systems Technology, Office of Nuclear Regulatory Research.

[FR Doc. 98-34790 Filed 12-31-98; 8:45 am]

BILLING CODE 7590-01-P

NATIONAL CREDIT UNION ADMINISTRATION

12 CFR Part 701

Organization and Operation of Federal Credit Unions

AGENCY: National Credit Union Administration (NCUA).

ACTION: Proposed rule.

SUMMARY: The NCUA Board proposes removing its rule governing safe deposit box service. This revision will eliminate an unnecessary section from the regulations.

DATES: Comments must be received on or before March 5, 1999.

ADDRESSES: Direct comments to Becky Baker, Secretary of the Board. Mail or hand-deliver comments to: National Credit Union Administration, 1775 Duke Street, Alexandria, Virginia 22314-3428. You may fax comments to (703) 518-6319. *Please send comments by one method only.*

FOR FURTHER INFORMATION CONTACT: Regina M. Metz, Staff Attorney, Division of Operations, Office of General Counsel, at the above address or telephone: (703) 518-6540.

SUPPLEMENTARY INFORMATION:

A. Background

NCUA has a policy of continually reviewing its regulations to "update, clarify and simplify existing regulations and eliminate redundant and unnecessary provisions." Interpretive Rulings and Policy Statement (IRPS) 87-2, Developing and Reviewing Government Regulations. Our review of § 701.30 of NCUA's regulations has revealed that this section is an unnecessary provision.

B. Proposed Rule

The proposed rule removes the section of the regulations regarding safe deposit box service. 12 CFR 701.30. The NCUA Board proposes removing this section to streamline the publication of

the regulations. The deletion of § 701.30 does not affect the authority of federal credit unions to offer safe deposit box service.

C. Section 701.30 Analysis

Section 701.30 of NCUA's regulations provides that a federal credit union may lease safe deposit boxes to its members. The Board recommends removing § 701.30 because it is no longer necessary. Under the Federal Credit Union Act (the Act), federal credit unions have the power to exercise incidental powers that are necessary or requisite to enable them to carry on effectively the business for which they are incorporated. 12 U.S.C. 1757(17). Federal credit unions may lease safe deposit boxes to their members as part of routine services that federal credit unions can provide. The removal of § 701.30 would not affect this incidental authority.

D. Regulatory Procedures

1. Regulatory Flexibility Act

The Regulatory Flexibility Act requires NCUA to prepare an analysis to describe any significant economic impact any proposed regulation may have on a substantial number of small entities (primarily those under \$1 million in assets). NCUA has determined and certifies that this proposed rule will not have a significant economic impact on a substantial number of small credit unions. Accordingly, NCUA has determined that a Regulatory Flexibility analysis is not required.

2. Paperwork Reduction Act

This proposed rule to remove § 701.30 does not involve a collection of information under the Paperwork Reduction Act. Accordingly, NCUA has determined that a Paperwork Reduction analysis is not required.

3. Executive Order 12612

Executive Order 12612 requires NCUA to consider the effect of its actions on state interests. The proposed rule is to remove a current regulation that applies to federal credit unions, not federally insured state chartered credit unions. Therefore, NCUA has determined that the proposed rule does not constitute a "significant regulatory action" for purposes of the Executive Order.

List of Subjects in 12 CFR Part 701

Credit unions, Safe deposit box service.

By the National Credit Union Administration Board on December 17, 1998.

Becky Baker,

Secretary of the Board.

For the reasons set forth in the preamble, the National Credit Union Administration proposes to amend 12 CFR part 701 as follows:

PART 701—ORGANIZATION AND OPERATION OF FEDERAL CREDIT UNIONS

1. The authority citation for part 701 continues to read as follows:

Authority: 12 U.S.C. 1752(5), 1755, 1756, 1757, 1759, 1761a, 1761b, 1766, 1767, 1782, 1784, 1787, and 1789. Section 701.6 is also authorized by 31 U.S.C. 3717. Section 701.31 is also authorized by 15 U.S.C. 1601 *et seq.*, 42 U.S.C. 1861 and 42 U.S.C. 3601–3610. Section 701.35 is also authorized by 42 U.S.C. 4311–4312.

§ 701.30 [Removed]

2. Part 701 is amended to remove § 701.30.

[FR Doc. 98–34030 Filed 12–31–98; 8:45 am]

BILLING CODE 7535–01–U

NATIONAL CREDIT UNION ADMINISTRATION**12 CFR Parts 701, 713, 741****Organization and Operations of Federal Credit Unions; Fidelity Bond and Insurance Coverage for Federal Credit Unions; Requirements for Insurance**

AGENCY: National Credit Union Administration (NCUA).

ACTION: Notice of proposed rulemaking.

SUMMARY: The NCUA is proposing to update, clarify, revise and redesignate its regulation that addresses the requirements for surety bond coverage for losses caused by credit union employees and officials and for general insurance coverage for losses caused by persons outside of the credit union, e.g., losses due to theft, holdup or vandalism. The proposed rule recasts the rule in plain English format and adds several previously approved bond forms to the regulation.

DATES: Submit comments on or before March 5, 1999.

ADDRESSES: Direct comments to Becky Baker, Secretary of the Board. Mail or hand-deliver comments to: National Credit Union Administration, 1775 Duke Street, Alexandria, VA 22314–

3428. Fax comments to (703) 518–6319. *Please send comments by one method only.*

FOR FURTHER INFORMATION CONTACT:

Robert M. Fenner, General Counsel, or Allan Meltzer, Associate General Counsel, at the above address, or telephone (703) 518–6540.

SUPPLEMENTARY INFORMATION: The Federal Credit Union Act sets forth statutory requirements for the bonding of credit union employees and appointed and elected officials. 12 U.S.C. 1761a, 1761b(2) and 1766(h). The NCUA Board is directed to promulgate regulations setting forth both the amount and character of bond requirements for employees and officials. The NCUA Board is also granted the following powers concerning bonding:

- To approve bond forms;
- To set minimum requirements for bond coverage;
- To require such other surety coverage as the Board may determine to be reasonably appropriate;
- To approve a blanket bond in lieu of individual bonds; and
- To approve bond coverage in excess of minimum surety coverage.

In addition, NCUA's general rulemaking authority provides a statutory basis for both the bonding requirements of Section 701.20 and the insurance coverage requirements related to losses caused by persons outside the credit union. 12 U.S.C. 1766(a), 1789(a)(11).

NCUA has a policy of periodically reviewing its regulations to "update, clarify and simplify existing regulations and eliminate redundant and unnecessary provisions." IRPS 87–2, Developing and Reviewing Government Regulations. As part of its regulatory review program, NCUA reviewed § 701.20 to determine whether the language of the regulation was clear and effective. As a result of that review, these amendments are proposed to increase regulatory effectiveness by making it easier for credit unions to understand the requirements regarding surety bonds and other insurance. The proposed rule also adds a number of bond forms which have been approved by the NCUA for use by federal credit unions.

In addition, when the original surety bond regulation was issued, no surety bond policy provided for an aggregate limit of liability. Most approved policies now provide for such a limit. The minimum required bond coverage provision of the proposed rule has been modified to clarify that the required dollar amount of coverage is for a single

loss under the bond. Any aggregate limit of liability provided for in the policy must be for at least twice the single loss limit of liability.

Regulatory Procedures*Regulatory Flexibility Act*

The Regulatory Flexibility Act requires NCUA to prepare an analysis to describe any significant economic impact any proposed regulation may have on a substantial number of small entities (primarily those under \$1 million in assets). The NCUA Board has determined and certifies that the proposed amendment, if adopted, will not have a significant economic impact on a substantial number of small credit unions. Accordingly, the Board has determined that a Regulatory Flexibility Analysis is not required.

Paperwork Reduction Act

NCUA has determined that the proposed amendment does not increase paperwork requirements under the Paperwork Reduction Act of 1995 and regulations of the Office of Management and Budget.

Executive Order 12612

The NCUA Board has determined that the proposed rule will not have a substantial direct effect on the States, on the relationship between the national government and the States, or on the distribution of power and responsibilities among various levels of government.

List of Subjects*12 CFR Part 701*

Credit, Credit unions, Reporting and recordkeeping requirements.

12 CFR Part 713

Credit unions, Surety bonds.

12 CFR Part 741

Bank deposit insurance, Credit unions, Reporting and recordkeeping requirements.

By the National Credit Union Administration Board this 17th day of December, 1998.

Becky Baker,

Secretary of the Board.

For the reasons set forth in the preamble, it is proposed that 12 CFR chapter VII be amended as follows:

PART 701—ORGANIZATION AND OPERATION OF FEDERAL CREDIT UNIONS

1. The authority citation for part 701 continues to read as follows: