

Act, and the Regulatory Flexibility Act, as appropriate;

(iv) A regulatory analysis. For information on the form and content of a regulatory analysis see NUREG/BR-0058¹ and NUREG/CR-3568;²

(v) Supporting information that responds to 10 CFR 50.109(c), the Backfit rule where applicable; and

(vi) A guidance document in the form of a Regulatory Guide when necessary (Note that a Regulatory Guide is usually provided for a performance based regulation).

(e) The petitioner may request the Commission to suspend all or part of any licensing proceeding to which the petitioner is a party pending disposition of the petition for rulemaking.

(f) If it is determined that the petition includes the information required by paragraphs (c) and, if petitioner elects, (d)(2) of this section and is complete, the Director, Division of Freedom of Information and Publications Services, or designee, will assign a docket number to the petition, will cause the petition to be formally docketed, and will deposit a copy of the docketed petition in the Commission's Public Document Room. Public comment may be requested by publication of a notice of the docketing of the petition in the **Federal Register**, or, in appropriate cases, may be invited for the first time upon publication in the **Federal Register** of a proposed rule developed in response to the petition. Publication will be limited by the requirements of section 181 of the Atomic Energy Act of 1954, as amended, and may be limited by order of the Commission.

(g) If it is determined by the Executive Director for Operations that the petition does not include the information required by paragraphs (c) and, if applicable, (d)(2) of this section and is incomplete, the petitioner will be notified of that determination and the respects in which the petition is

¹ NUREG/BR-0058, "Regulatory Analysis Guidelines of the U.S. Nuclear Regulatory Commission," Rev. 1, May 1984. A draft Rev. 2 of this report was issued for comment in August 1993, and should be published as final report in the near future.

² NUREG/CR-3568, "A Handbook for Value-Impact Assessment," December 1983. The document is currently undergoing revision and will tentatively be titled the "Regulatory Analysis Technical Evaluation Handbook."

Note: Copies of NUREG/BR-0058 and NUREG/CR-3568 may be purchased from the Superintendent of Documents, U.S. Government Printing Office, Mail Stop SSOP, Washington, DC 20402-9328. Copies are also available from the National Technical Information Service, 5285 Port Royal Road, Springfield, VA 22161. A copy is also available for inspection and copying for a fee in the NRC Public Document Room, 2120 L Street NW. (Lower Level), Washington, DC 20555-0001.

deficient and will be accorded an opportunity to submit additional data. Ordinarily this determination will be made within 30 days from the date of receipt of the petition by the Office of the Secretary of the Commission. If the petitioner does not submit additional data to correct the deficiency within 90 days from the date of notification to the petitioner that the petition is incomplete, the petition may be returned to the petitioner without prejudice to the right of the petitioner to file a new petition.

(h) The Director, Division of Freedom of Information and Publications Services, Office of Administration, will prepare on a semiannual basis a summary of petitions for rulemaking before the Commission, including the status of each petition. A copy of the report will be available for public inspection and copying for a fee in the Commission's Public Document Room, 2120 L Street NW. (Lower Level), Washington, DC.

Dated at Rockville, MD, this 22nd day of March 1995.

For the Nuclear Regulatory Commission.

Andrew L. Bates,

Acting Secretary of the Commission.

[FR Doc. 95-7563 Filed 3-27-95; 8:45 am]

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FEDERAL RESERVE SYSTEM

12 CFR Part 225

[Regulation Y; Docket No. R-0872]

Bank Holding Companies and Change in Bank Control

AGENCY: Board of Governors of the Federal Reserve System.

ACTION: Proposed rule.

SUMMARY: The Board is proposing to amend its Regulation Y to eliminate the need for a bank holding company to file a request with the Board for a determination under section 2(g)(3) of the Bank Holding Company Act that it no longer controls shares or assets that it has sold to a third party with financing if: The purchaser is not an affiliate or principal shareholder of the divesting holding company, or a company controlled by the principal shareholder; and there are no officers, directors, trustees or beneficiaries of the acquiror in common with or subject to control by the divesting company. The Board believes that the elimination of the requirement for a determination of control for these types of divestitures will reduce the regulatory burden on bank holding companies without

undermining the purposes of the Bank Holding Company Act. This proposal has been identified in connection with the Board's continuing effort to eliminate obsolete or unnecessary regulations or applications.

DATES: Comments must be submitted on or before April 28, 1995.

ADDRESSES: Comments should refer to Docket No. R-0872 and may be mailed to William W. Wiles, Secretary, Board of Governors of the Federal Reserve System, 20th Street and Constitution Avenue NW., Washington, DC 20551. Comments also may be delivered to Room B-2222 of the Eccles Building between 8:45 a.m. and 5:15 p.m. weekdays, or to the guard station in the Eccles Building courtyard on 20th Street NW. (between Constitution Avenue and C Street NW.) at any time. Comments may be inspected in Room MP-500 of the Martin Building between 9:00 a.m. and 5:00 p.m. weekdays, except as provided in 12 CFR 261.8 of the Board's rules regarding availability of information.

FOR FURTHER INFORMATION CONTACT:

Pamela G. Nardolilli, Senior Attorney (202/452-3289), Legal Division, Board of Governors of the Federal Reserve System. For the hearing impaired only, Telecommunication Device for the Deaf (TDD), Dorothea Thompson (202/452-3544), Board of Governors of the Federal Reserve System, 20th and C Streets NW., Washington, D.C. 20551.

SUPPLEMENTARY INFORMATION: Under section 2(g)(3) of the Bank Holding Company Act (12 U.S.C. 1841(g)), shares transferred by a bank holding company to any transferee where the transferee is indebted to the transferor or has one or more officers, directors, trustees, or beneficiaries in common with the transferor, are deemed to be controlled by the transferor unless the Board, after an opportunity for a hearing, determines that the transferor is not capable of controlling the transferee. The Board proposes to amend § 225.32 of the Board's Regulation Y (12 CFR 225.32) to exempt from the presumption of control those divestitures where a bank holding company is financing the sale of assets or shares that it acquired so long as (i) the property is not sold to an affiliate or principal shareholder of the divesting holding company, or a company controlled by such a principal shareholder; and (ii) there are no officers, directors, trustees, or beneficiaries of the acquiror in common with or subject to control by the divesting company.

A review of the 2(g)(3) determinations over the past ten years indicates that almost all control determinations under

that section have arisen from bank holding companies selling property they acquired in satisfaction of a debt previously contracted ("dpc property") where the bank holding company was trying to recoup its losses on a loan from the sale of the collateral. In these cases, the record indicates that the divestitures and financing arrangements have been conducted on an arm's-length basis, and there is no evidence of divesting companies exercising control of the assets after the sale. In other cases where a bank holding company sold an asset or subsidiary that it had acquired in the normal course of business and financed the sale of the asset or subsidiary, the assets were sold because, in most cases, the bank holding company was no longer interested in engaging in that business.

The elimination of the requirement to obtain a control determination will reduce the regulatory burden on bank holding companies without eliminating the Board's ability to supervise any attempt to control the divested asset in the future. Although the Board would no longer require a bank holding company to obtain a control determination, the Board, through the examination process, can review the authority under which a bank holding company controls the asset in question, and take appropriate supervisory action if any unlawful control is found to persist. In addition, the Board would continue to require a divesting company to obtain a 2(g)(3) determination if: (i) The asset were transferred to an affiliate or principal shareholder of the divesting holding company, or a company controlled by the principal shareholder; or (ii) an interlock existed between the divesting company and the acquiring person. In these cases, staff believes that there is a greater potential for continued control by the bank holding company that should be reviewed. The General Counsel will continue to review these divestitures on a case by case basis to determine if a control determination is appropriate.

Regulatory Flexibility Act Analysis

Pursuant to section 605(b) of the Regulatory Flexibility Act (5 U.S.C. 601 *et seq.*), the Board certifies that the proposed amendment will not have a significant adverse economic impact on a substantial number of small entities and that any impact on those entities should be positive. The amendments would reduce regulatory burdens imposed by Regulation Y, and the amendment would have no particular adverse effect on other entities.

Paperwork Reduction Act Analysis

No collection of information pursuant to section 3504(h) of the Paperwork Reduction Act (44 U.S.C. 3501, *et seq.*) is contained in these changes.

List of Subjects in 12 CFR Part 225

Administrative practice and procedure, Banks, banking, Federal Reserve System, Holding companies, Reporting and recordkeeping requirements, Securities.

For the reasons set forth in the preamble, the Board proposes to amend 12 CFR part 225 as set forth below:

PART 225—BANK HOLDING COMPANIES AND CHANGE IN BANK CONTROL (REGULATION Y)

1. The authority citation for 12 CFR part 225 continues to read as follows:

Authority: 12 U.S.C. 1817(j)(13), 1818, 1831i, 1831p-1, 1843(c)(8), 1844(b), 1972(l), 3106, 3108, 3310, 3331-3351, 3907, and 3909.

2. In § 225.32, paragraph (a)(2) is redesignated as paragraph (a)(3) and a new paragraph (a)(2) is added to read as follows:

§ 225.32 Divestiture proceedings.

(a) * * *

(2) The presumption of control in paragraph (a)(1)(i) of this section shall not apply to the sale or divestiture of assets or voting securities by a divesting company if:

(i) The acquiring person is not an affiliate or a principal shareholder of the divesting company, or a company controlled by such a principal shareholder; and

(ii) The acquiring person does not have any officer, director, trustee, or beneficiary in common with or subject to control by the divesting company.

* * * * *

By order of the Board of Governors of the Federal Reserve System, March 22, 1995.

William W. Wiles,

Secretary of the Board.

[FR Doc. 95-7518 Filed 3-27-95; 8:45 am]

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FEDERAL DEPOSIT INSURANCE CORPORATION

12 CFR Part 334

RIN 3064-AB06

Contracts Adverse to Safety and Soundness of Insured Depository Institutions

AGENCY: Federal Deposit Insurance Corporation.

ACTION: Proposed rule; withdrawal.

SUMMARY: The Federal Deposit Insurance Corporation (FDIC) is withdrawing its proposed rule which would have implemented the statutory prohibition on contracts that adversely affect the safety or soundness of insured depository institutions. The statutory provision remains in place and unchanged. The FDIC has decided to withdraw the proposed rule because the existence of adverse contracts involving insured institutions has decreased considerably since the proposed rule was issued for public comment on April 1, 1991, because of the overwhelmingly negative comments received from the industry to the proposal, and because of an FDIC policy statement that recommends the withdrawal of proposed rules that have not been acted upon by the FDIC Board of Directors within nine months of the date of proposal. Many of the negative comments received in response to the proposal expressed the view that such a regulation would create unnecessary regulatory burden and that the Federal banking agencies already possess the necessary supervisory authority to deal with adverse contracts. Since the type of activity that the proposed rule was intended to eliminate (*i.e.*, abuses involving contracts made by or on behalf of an insured institution that seriously jeopardize or misrepresent its safety and soundness) has been substantially reduced through greater industry awareness and use of alternative supervisory actions by the Federal banking agencies, there appears to be no need to promulgate such a regulation at this time. However, the FDIC may decide at a later date to publish a new proposal if it determines that the existence of adverse contracts has increased or that such action is otherwise necessary or appropriate.

DATES: The withdrawal of proposed Part 334 is made on March 28, 1995.

FOR FURTHER INFORMATION CONTACT: Robert F. Mialovich, Associate Director, Division of Supervision, (202) 898-6918; Michael D. Jenkins, Examination Specialist, Division of Supervision, (202) 898-6896; or Gwen E. Factor, Counsel, Legal Division, (202) 898-8522, Federal Deposit Insurance Corporation, 550 17th Street NW., Washington, D.C. 20429.

SUPPLEMENTARY INFORMATION:

Background

Section 225 of the Financial Institutions Reform, Recovery, and Enforcement Act of 1989 added new section 30 to the Federal Deposit