

national bank to extend credit for the purpose of protecting personal property that secures a loan from the bank.

#### List of Subjects in 12 CFR Part 32

National banks, Reporting and recordkeeping requirements.

#### Authority and Issuance

For the reasons set out in the preamble, part 32 of chapter I of title 12 of the Code of Federal Regulations is proposed to be amended as set forth below:

### PART 32—LENDING LIMITS

1. The authority citation for part 32 continues to read as follows:

Authority: 12 U.S.C. 1 *et seq.*, 84, and 93a.

2. In § 32.2, paragraphs (b) and (j)(2)(i) are revised to read as follows:

#### § 32.2 Definitions.

\* \* \* \* \*

(b) *Capital and surplus* means—

(1) A bank's Tier 1 and Tier 2 capital calculated under the OCC's risk-based capital standards set out in Appendix A to part 3 of this chapter as reported in the bank's Consolidated Report of Condition and Income as filed under 12 U.S.C. 161; plus

(2) The balance of a bank's allowance for loan and lease losses not included in the bank's Tier 2 capital, for purposes of the calculation of risk-based capital under Appendix A to part 3 of this chapter, as reported in the bank's Consolidated Report of Condition and Income as filed under 12 U.S.C. 161.

\* \* \* \* \*

(j) \* \* \*

(2) \* \* \*

(i) Additional funds advanced for the benefit of a borrower by a bank for payment of taxes, insurance, utilities, security, and maintenance and operating expenses to the extent necessary to preserve real or personal property securing the loan, consistent with safe and sound banking practices, but only if the advance is for the protection of the bank's interest in the collateral, and provided that such amounts must be treated as an extension of credit if a new loan or extension of credit is made to the borrower;

\* \* \* \* \*

#### § 32.3 [Amended]

3. Paragraph (c)(4)(ii)(B) of § 32.3 is amended in the last sentence by removing the term "take over" and adding in lieu thereof "pay on the obligation".

4. Paragraph (c)(6)(ii)(B) of § 32.3 is amended by adding the word "periodically" before the word "revalue".

5. Section 32.4 is revised to read as follows:

#### § 32.4 Calculation of lending limits.

(a) *Calculation date.* For purposes of determining compliance with 12 U.S.C. 84 and this part, a bank shall determine its lending limit as of the most recent of the following dates—

(1) The last day of the preceding calendar quarter; or

(2) The date on which there is a change in the bank's capital category for purposes of 12 U.S.C. 1831o and § 6.3 of this chapter.

(b) *Effective date.* (1) A bank's lending limit calculated in accordance with paragraph (a)(1) of this section will be effective as of the earlier of the following dates—

(i) The date on which the bank's Consolidated Report of Condition and Income (Call Report) is submitted; or

(ii) The date on which the bank's Call Report is required to be submitted.

(2) A bank's lending limit calculated in accordance with paragraph (a)(2) of this section will be effective on the date that the limit is to be calculated.

(c) *More frequent calculations.* If the OCC determines for safety and soundness reasons that a bank should calculate its lending limit more frequently than required by paragraph (a) of this section, the OCC may provide written notice to the bank directing the bank to calculate its lending limit at a more frequent interval, and the bank shall thereafter calculate its lending limit at that interval until further notice.

Dated: June 24, 1996.

Eugene A. Ludwig,

Comptroller of the Currency.

[FR Doc. 96-18021 Filed 7-16-96; 8:45 am]

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## FEDERAL RESERVE SYSTEM

### 12 CFR Part 205

[Regulation E; Docket No. R-0919]

#### Electronic Fund Transfers

**AGENCY:** Board of Governors of the Federal Reserve System.

**ACTION:** Proposed rule; Extension of comment period.

**SUMMARY:** On May 2, 1996, the Board requested comment on a proposal to amend Regulation E, which implements the Electronic Fund Transfer Act, to address the use of electronic communication in home-banking services for providing disclosures and other documentation; error resolution procedures for new accounts; and the treatment of stored-value cards (imposing modified Regulation E

requirements on stored-value products in systems that track individual transactions, cards, or consumers; providing an exemption for cards on which a maximum value of \$100 can be stored; and providing that other stored-value cards are not covered by Regulation E). In response to requests for an extension of the comment period, the Secretary of the Board, acting pursuant to delegated authority, has extended the comment period from August 1, 1996, to September 6, 1996, to give the public additional time to provide comments.

**DATES:** Comments must be received on or before September 6, 1996.

**ADDRESSES:** Comments should refer to Docket No. R-0919 and be mailed to William W. Wiles, Secretary, Board of Governors of the Federal Reserve System, Washington, DC 20551. They may also be delivered to the guard station in the Eccles Building Courtyard on 20th Street, N.W. (between Constitution Avenue and C Street) between 8:45 a.m. and 5:15 p.m. weekdays. Except as provided in the Board's rules regarding the availability of information (12 CFR 261.8), comments will be available for inspection and copying by members of the public in the Freedom of Information Office, Room MP-500 of the Martin Building, between 9:00 a.m. and 5:00 p.m. weekdays.

**FOR FURTHER INFORMATION CONTACT:** Regarding the proposed amendments on electronic communications, Michael Hentrel, Staff Attorney, and regarding the other proposed amendments, Jane Jensen Gell, Natalie Taylor, or Obrea Poindexter, Staff Attorneys, Division of Consumer and Community Affairs, at (202) 452-3667 or (202) 452-2412. For the hearing impaired *only*, Telecommunications Device for the Deaf (TDD), Dorothea Thompson, at (202) 452-3544.

**SUPPLEMENTARY INFORMATION:** The Board is extending the comment period on the proposed amendments to Regulation E (Electronic Fund Transfers) published on May 2, 1996 at 61 FR 19696 to give the public additional time to comment on the proposal.

By order of the Secretary of the Board, acting pursuant to delegated authority for the Board of Governors of the Federal Reserve System, July 10, 1996.

William W. Wiles,

Secretary of the Board.

[FR Doc. 96-18011 Filed 7-16-96; 8:45 am]

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**FARM CREDIT ADMINISTRATION****12 CFR Part 614**

RIN 3052-AB67

**Loan Policies and Operations; Other Financing Institutions****AGENCY:** Farm Credit Administration.**ACTION:** Advance notice of proposed rulemaking; comment period extension.

**SUMMARY:** On May 17, 1996, the Farm Credit Administration (FCA) published for public comment an Advance Notice of Proposed Rulemaking (ANPRM) concerning potential revisions to the regulations in subpart P of part 614 that govern the funding and discount relationship between Farm Credit System (Farm Credit, FCS, or System) banks that operate under title I of the Farm Credit Act of 1971, as amended (Act), and non-System other financing institutions (OFIs). See 61 FR 24907, May 17, 1996. The comment period expired on July 16, 1996. In order to allow interested parties additional time to respond, the FCA extends the comment period until August 30, 1996, and invites public comment on the questions in the ANPRM.

**DATES:** Written comments should be received on or before August 30, 1996.**ADDRESSES:** Comments may be mailed or delivered to Patricia W. DiMuzio, Associate Director, Regulation Development, Office of Examination, Farm Credit Administration, 1501 Farm Credit Drive, McLean, Virginia 22102-5090 or sent by facsimile transmission to the FAX number at (703) 734-5784. Copies of all communications received will be available for review by interested parties in the Office of Examination, Farm Credit Administration.**FOR FURTHER INFORMATION CONTACT:** Eric Howard, Policy Analyst, Regulation Development, Office of Examination, Farm Credit Administration, McLean, VA 22102-5090, (703) 883-4498, or

Richard A. Katz, Senior Attorney, Regulatory Enforcement Division, Office of General Counsel, Farm Credit Administration, McLean, VA 22102-5090, (703) 883-4020, TDD (703) 883-4444.

**SUPPLEMENTARY INFORMATION:** On May 17, 1996, the FCA published an ANPRM in the Federal Register that sought information and guidance from the public about how to revise regulations in subpart P of part 614 that govern the funding and discount relationship between System banks that operate under title I of the Farm Credit Act of

1971, as amended (Act), and non-System OFIs. Farm Credit Banks (FCBs) and agricultural credit banks (ACBs) are authorized to fund and discount certain short- and intermediate-term loans for non-System lenders, such as commercial banks, savings associations, credit unions, trust companies, agricultural credit corporations, and other agricultural and aquatic lenders as part of their mission to finance agriculture, aquaculture, and other specified rural credit needs. External developments, such as the consolidation of the commercial banking industry, the advent of interstate banking and branching, the gradual reduction of Federal assistance to agriculture and rural communities, and the increased interest of non-System financial institutions in additional sources of funding and liquidity may necessitate revisions to the regulations in subpart P of part 614 so that System banks can fulfill their obligation to meet demands in rural communities for short- and intermediate-term credit. The purpose of any future rulemaking would be to ensure that eligible and creditworthy farmers, ranchers, aquatic producers and harvesters, processing and marketing operators, farm-related businesses, and rural homeowners will continue to have access to affordable, dependable, and stable short- and intermediate-term credit through both System and non-System lenders. Specifically, the ANPRM sought comments regarding the FCA's OFI regulations and how they may be revised to better implement the statutory provisions. Several interested parties have advised the FCA that they need additional time to prepare thoughtful responses to the questions in the ANPRM. For this reason, the FCA hereby extends the comment period until August 30, 1996.

Dated: July 11, 1996.  
Floyd Fithian,  
Secretary, Farm Credit Administration Board.  
[FR Doc. 96-18132 Filed 7-16-96; 8:45 am]  
BILLING CODE 6705-01-P

**DEPARTMENT OF TRANSPORTATION****Federal Aviation Administration****14 CFR Part 71****[Airspace Docket No. 96-ASO-15]****Proposed Amendment to Class D Airspace; Smyrna, TN****AGENCY:** Federal Aviation Administration (FAA), DOT.**ACTION:** Notice of proposed rulemaking.

**SUMMARY:** This notice proposes to amend Class D surface area airspace at Smyrna, TN. Due to the relocation of the Nashville VORTAC, an airspace review of the Smyrna, TN, Class D airspace area was conducted. As a result of the airspace review, it was determined that the Smyrna Class D airspace area for the Smyrna Airport requires redefinition by removing a small exclusion and reducing the height from 3,000 feet to 2,000 feet MSL in the northwest quadrant of the Smyrna Class D airspace area.

**DATES:** Comments must be received on or before August 26, 1996.**ADDRESSES:** Send comments on the proposal in triplicate to: Federal Aviation Administration, Docket No. 96-ASO-15, Manager, Operations Branch, ASO-530, P.O. Box 20636, Atlanta, Georgia 30320.

The official docket may be examined in the Office of the Assistant Chief Counsel for Southern Region, Room 550, 1701 Columbia Avenue, College Park, Georgia 30337, telephone (404) 305-5586.

**FOR FURTHER INFORMATION CONTACT:** Benny L. McGlamery, Operations Branch, Air Traffic Division, Federal Aviation Administration, P.O. Box 20636, Atlanta, Georgia 30320; telephone (404) 305-5570.**SUPPLEMENTARY INFORMATION:**

Comments Invited

Interested parties are invited to participate in this proposed rulemaking by submitting such written data, views or arguments as they may desire. Comments that provide the factual basis supporting the views and suggestions presented are particularly helpful in developing reasoned regulatory decisions on the proposal. Comments are specifically invited on the overall regulatory, aeronautical, economic, environmental, and energy-related aspects of the proposal. Communications should identify the airspace docket and be submitted in triplicate to the address listed above. Commenters wishing the FAA to acknowledge receipt of their comments on this notice must submit with those comments a self-addressed, stamped postcard on which the following statement is made: "Comments to Airspace Docket No. 96-ASO-15." The postcard will be date/time stamped and returned to the commenter. All communications received before the specified closing date for comments will be considered before taking action on the proposed rule. The proposal contained in this notice may be changed in light of the comments received. All