

(b) *Electronic fund transfer.* The term electronic fund transfer means any transfer of funds that is initiated through an electronic terminal, telephone, computer, or magnetic tape for the purpose of ordering, instructing, or authorizing a financial institution to debit or credit an account. The term includes, but is not limited to:

- (1) Point-of-sale transfers;
  - (2) Automated teller machine transfers;
  - (3) Direct deposits or withdrawals of funds;
  - (4) Transfers initiated by telephone;
- [and]
- (5) Transfers resulting from debit card transactions, whether or not initiated through an electronic terminal [.]▶;

and  
(6) Balance inquiries at automated teller machines for purposes of § 205.16.◀

\* \* \* \* \*

3. Under § 205.7—Initial Disclosures, new paragraph (b)(11) would be added to read as follows:

**§ 205.7 Initial disclosures.**

\* \* \* \* \*

(b) Content of disclosures. \* \* \*

▶(11) *ATM surcharge.* A notice that a fee may be imposed by an automated teller machine operator as defined in § 205.16(a)(1), when the consumer initiates an electronic fund transfer or makes a balance inquiry at an automated teller machine operated by a non-accountholding financial institution, and by any network used to complete the transaction.◀

\* \* \* \* \*

4. A new § 205.16—Disclosures at Automatic Teller Machines, would be added to read as follows:

**▶§ 205.16 Disclosures at automatic teller machines.**

(a) *Definitions.* (1) *Automated teller machine operator* means any person that operates an automated teller machine at which a consumer initiates an electronic fund transfer as defined in § 205.3(b), and that does not hold the account from which the transfer is made.

(2) *Balance inquiry as EFT.* For purposes of this section, the term *electronic fund transfer* includes a transaction that involves a balance inquiry initiated by a consumer.

(b) *General.* An automated teller machine operator that imposes a fee on a consumer for initiating an electronic fund transfer shall:

- (1) Provide notice that a fee will be imposed; and
- (2) Disclose the amount of the fee.

(c) *Notice requirement.* (1) *On the machine.* Notice required by paragraph (b)(1) of this section shall be posted in a prominent and conspicuous location on or at the automatic teller machine.

(2) *Screen or paper notice.* The notice required by paragraph (b) of this section shall be given to the consumer, either by showing it on the screen of the automatic teller machine or by printing out a paper notice, before the consumer is irrevocably committed to completing the transaction.

(d) *Temporary exemption.* The notice requirement in paragraph (c)(2) of this section does not apply to any automated teller machine that lacks the technical capability to provide such information until December 31, 2004.

(e) *Imposition of fee.* An automated teller machine operator may impose a fee on a consumer for initiating an electronic fund transfer only if

(1) The consumer receives the notice required under paragraph (c) of this section, and

(2) The consumer elects to continue the transaction after receiving such notice.◀

\* \* \* \* \*

5. Under Appendix A, in A-2 a new paragraph (j) would be added to read as follows:

**Appendix A to Part 205—Model Disclosure Clauses and Forms**

\* \* \* \* \*

**A-2—Model Clauses for Initial Disclosures (§ 205.7(b))**

\* \* \* \* \*

▶(j) *ATM surcharges* (§ 205.7(b)(11)).

When you use an ATM not owned by us, you may be charged a fee by the ATM operator or any network used to complete the transfer (and you may be charged a fee for a balance inquiry).◀

\* \* \* \* \*

6. In Supplement I to Part 205, under Section 205.9—Receipts at Electronic Terminals; Periodic Statements, under Paragraph 9(a)(1)—Amount, paragraph 1. would be revised to read as follows:

**Supplement I to Part 205—Official Staff Interpretations**

*Section 205.9—Receipts at Electronic Terminals; Periodic Statements*

\* \* \* \* \*

**Paragraph 9(a)(1)—Amount**

1. *Disclosure of transaction fee.* The required display of a fee amount on or at the terminal may be accomplished by displaying the fee on a sign at the terminal or on the terminal screen for a reasonable duration. Displaying the fee on a screen provides adequate notice, as long as consumers are given the option to cancel the transaction after receiving notice of a fee. ▶(See § 205.16(c) for the notice requirements

applicable to ATM operators that impose a fee for providing EFT services.)◀

\* \* \* \* \*

By order of the Board of Governors of the Federal Reserve System, July 7, 2000.

**Jennifer J. Johnson,**

*Secretary of the Board.*

[FR Doc. 00-17674 Filed 7-17-00; 8:45 am]

**BILLING CODE 6210-01-P**

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**FEDERAL TRADE COMMISSION**

**16 CFR Part 436**

**Trade Regulation Rule on Disclosure Requirements and Prohibitions Concerning Franchising and Business Opportunity Ventures**

**AGENCY:** Federal Trade Commission.

**ACTION:** Proposed Rule; Commission Solicits Demonstration Projects for Electronic Pre-Sale Disclosure.

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**SUMMARY:** The Federal Trade Commission (the “Commission”) solicits proposals to conduct demonstration projects implementing the proposed instructions for electronic dissemination of disclosure documents set forth in § 436.7 of the Commission’s October 22, 1999, Notice of Proposed Rulemaking.

**DATES:** Proposals to conduct demonstration project start on July 18, 2000.

**ADDRESSES:** Petitions for permission to implement a demonstration projects should be addressed to: Federal Trade Commission, Office of the Secretary, Room 159, 600 Pennsylvania Ave., NW., Washington, DC 20580.

**FOR FURTHER INFORMATION CONTACT:** Steven Toporoff, (202) 326-3135, Division of Marketing Practices, Bureau of Consumer Protection, Federal Trade Commission, Washington, DC 20580.

**SUPPLEMENTARY INFORMATION:** On October 22, 1999, the Commission published a Notice of Proposed Rulemaking (“NPR”), soliciting comment on a wide-range of proposed amendments to the Franchise Rule. One proposal would permit franchisors to comply with the Franchise Rule by furnishing prospective franchisees with disclosures electronically, including through the Internet. Among other things, the proposal would: (1) Require franchisors to obtain a prospective franchisee’s prior consent to receive disclosure electronically; (2) permit a prospective franchisee the right to obtain a paper disclosure document until the time of sale; and (3) require franchisors to provide a prospective franchisee with a paper summary

document, which among other things, includes the disclosure document's table of contents, as well as an admonition to download or otherwise preserve document's table of contents, as well as an admonition to download or otherwise preserve the electronic disclosure document. The proposed instructions would also specify the general formal for an electronic disclosure document, ensuring that the disclosure document could be downloaded or otherwise preserved, and that the disclosures are clear, conspicuous, and do not contain extraneous or distracting features (such as animation or pop-up screens). The proposal would permit franchisors to insert navigational tools that aid in the reviewing a disclosure document, including scroll bars, search features, and internal links.

The NPR comment period closed at the end of January, 2000. Forty comments, including five rebuttal comments, were submitted, several of which address the Commission's proposed Internet compliance instructions. Commission staff are currently analyzing the various comments and are preparing recommendations to the Commission on Internet compliance and other disclosure issues.

The Commission recognizes that, to date, few franchisors have sought to use the Internet or other electronic technologies to comply with the Franchise Rule. One reason is that the Rule itself requires franchisors to "furnish" a "written" disclosure document. Arguably, these requirements would preclude the use of the Internet until such time as the Commission clarifies the term "furnish" and revises the definition of "written" to include electronic communications. Another reason is fear of liability. Franchisors appear unwilling to incur the costs associated with developing an online disclosure mechanism without some assurances that their mechanism will pass Commission muster. This reluctance is understandable in light of the Commission's evolving policy in this area, as developed through the ongoing Franchise Rule amendment process.

The Commission believes that demonstration projects of the NPR's proposed Internet instructions would be in the public interest. In light of the franchise community's lack of practical experience with Internet disclosure, it is critical to probe the strengths and weaknesses of the NPR proposed instructions before they are incorporated into the final revised Rule. Through demonstration projects, the

Commission can be alerted to any technological problems with the proposed instructions, receive feedback on whether franchisors are able to comply with the proposed instructions efficiently, as well as to identify areas where the proposed instructions might need fine-tuning. As a result, the final Rule's Internet instructions are likely to be much more precise, enabling franchisors to comply with the Rule efficiently and with significant cost reductions.

Accordingly, the Commission solicits all interested parties to submit petitions to the Commission for permission to implement a demonstration project, consistent with proposed section 436.7 of the NPR. The Commission will consider all such petitions on a case-by-case basis. To gain approval, the interested party must be able to demonstrate that its proposal meets the standards specified in proposed section 436.7 of the NPR. All demonstration projects will be on a trial basis only, and the Commission specifically reserves its right to terminate any demonstration project for any reason. To enable the Commission and the public to benefit from a demonstration project, an approved party must file written reports to appropriate Commission staff of its progress on at least a quarterly basis, describing any problems it has encountered with the proposed Internet instructions, any complaints from franchisors and franchisees, as well as any suggested improvements. Such reports will be placed on the public record.

#### List of Subjects in 16 CFR Part 436

Advertising, Business and industry, Franchising, Trade practices.

**Authority:** 15 U.S.C. 41-58.

By direction of the Commission.

**Benjamin I. Berman,**

*Acting Secretary.*

[FR Doc. 00-17994 Filed 7-17-00; 8:45 am]

**BILLING CODE 6750-01-M**

## DEPARTMENT OF HEALTH AND HUMAN SERVICES

### Food and Drug Administration

#### 21 CFR Part 1271

[Docket No. 00N-1380]

#### **Human Bone Allograft: Manipulation and Homologous Use in Spine and Other Orthopedic Reconstruction and Repair; Public Meeting**

**AGENCY:** Food and Drug Administration, HHS.

**ACTION:** Notice of public meeting.

**SUMMARY:** The Food and Drug Administration (FDA), Center for Biologics Evaluation and Research (CBER) and Center for Devices and Radiological Health (CDRH), is announcing a public meeting entitled "Human Bone Allograft: Manipulation and Homologous Use in Spine and Other Orthopedic Reconstruction and Repair." The purpose of the meeting is to provide a public forum for gathering scientific information and views from the public to help FDA in clarifying the regulation of human bone allograft.

**DATES:** The public meeting will be held on Wednesday, August 2, 2000, from 8:30 a.m. to 5 p.m. Submit registration information by July 24, 2000. Submit written comments by September 1, 2000.

**ADDRESSES:** The public meeting will be held at the National Institutes of Health (NIH), NIH Clinical Center, Bldg. 10, Jack Masur Auditorium, 9000 Rockville Pike, Bethesda, MD. Submit written comments to the Dockets Management Branch (HFA-305), Food and Drug Administration, 5630 Fishers Lane, rm. 1061, Rockville, MD 20852. Comments are to be identified with the docket number found in brackets in the heading of this document. Submit registration information to Kathy A. Eberhart (address below).

**FOR FURTHER INFORMATION CONTACT:** For registration and meeting information: Kathy A. Eberhart, Center for Biologics Evaluation and Research (HFM-49), Food and Drug Administration, 1401 Rockville Pike, suite 200N, Rockville, MD 20852-1448, 301-827-1317, FAX 301-827-3079, e-mail: eberhart@cber.fda.gov.

For information about presentations: Martha A. Wells, Center for Biologics Evaluation and Research (HFM-305), Food and Drug Administration, 1401 Rockville Pike, suite 200N, Rockville, MD 20852-1448, 301-827-6106.

For information about this notice: Nathaniel L. Geary, Center for Biologics Evaluation and Research (HFM-17), Food and Drug Administration, 1401 Rockville Pike, suite 200N, Rockville, MD 20852-1448, 301-827-6210.

#### **SUPPLEMENTARY INFORMATION:**

##### **I. Background**

FDA began regulating tissue establishments in 1993 when it issued an interim rule entitled "Human Tissue Intended for Transplantation" that was codified in 21 CFR 1270 (58 FR 65514, December 14, 1993). In 1997 the agency replaced the interim rule with a final rule entitled "Human Tissue Intended