

(ii) The Fund discloses in its prospectus the specific criteria used by the Fund to select these investments; and

(iii) Either the policy described in paragraph (a)(3)(i) of this section is a fundamental policy under section 8(b)(3) of the Act (15 U.S.C. 80a-8(b)(3)), or the Fund has adopted a policy to provide the Fund's shareholders with at least 60 days prior notice of any change in the policy described in paragraph (a)(3)(i) of this section that meets the requirements of paragraph (c) of this section.

(4) *Tax-exempt Funds.* A name suggesting that the Fund's distributions are exempt from federal income tax or from both federal and state income tax, unless the Fund has adopted a fundamental policy under section 8(b)(3) of the Act (15 U.S.C. 80-8(b)(3)):

(i) To invest, under normal circumstances, at least 80% of the value of its Assets in investments the income from which is exempt, as applicable, from federal income tax or from both federal and state income tax; or

(ii) To invest, under normal circumstances, its Assets so that at least 80% of the income that it distributes will be exempt, as applicable, from federal income tax or from both federal and state income tax.

(b) The requirements of paragraphs (a)(2) through (a)(4) of this section apply at the time a Fund invests its Assets, except that these requirements shall not apply to any unit investment trust (as defined in section 4(2) of the Act (15 U.S.C. 80a-4(2))) that has made an initial deposit of securities prior to July 31, 2002. If, subsequent to an investment, these requirements are no longer met, the Fund's future investments must be made in a manner that will bring the Fund into compliance with those paragraphs.

(c) A policy to provide a Fund's shareholders with notice of a change in a Fund's investment policy as described in paragraphs (a)(2)(ii) and (a)(3)(iii) of this section must provide that:

(1) The notice will be provided in plain English in a separate written document;

(2) The notice will contain the following prominent statement, or similar clear and understandable statement, in bold-face type: "Important Notice Regarding Change in Investment Policy"; and

(3) The statement contained in paragraph (c)(2) of this section also will appear on the envelope in which the notice is delivered or, if the notice is delivered separately from other communications to investors, that the statement will appear either on the

notice or on the envelope in which the notice is delivered.

(d) For purposes of this section:

(1) *Fund* means a registered investment company and any series of the investment company.

(2) *Assets* means net assets, plus the amount of any borrowings for investment purposes.

Dated: January 17, 2001.

By the Commission.

Jonathan G. Katz,

Secretary.

[FR Doc. 01-1967 Filed 1-31-01; 8:45 am]

BILLING CODE 8010-01-P

DEPARTMENT OF EDUCATION

34 CFR Part 606

Developing Hispanic-Serving Institutions Program; Delay of Effective Date

AGENCY: Department of Education.

ACTION: Final regulations; delay of effective date.

SUMMARY: In accordance with the memorandum of January 20, 2001, from the Assistant to the President and Chief of Staff, entitled "Regulatory Review Plan," this regulation temporarily delays the effective date of the regulations entitled Developing Hispanic-Serving Institutions Program published in the **Federal Register** on January 8, 2001 (66 FR 1262).

EFFECTIVE DATE: The effective date of the regulations amending 34 CFR Part 606 published at 66 FR 1262, January 8, 2001, is delayed 60 days until April 8, 2001.

FOR FURTHER INFORMATION CONTACT: Kenneth C. Depew, Acting Assistant General Counsel for Regulations, Office of the General Counsel, U.S. Department of Education, 400 Maryland Avenue, SW., room 6E227, FB-6, Washington, DC 20202-2241. Telephone: (202) 401-8300.

If you use a telecommunications device for the deaf (TDD), you may call the Federal Information Relay Service (FIRS) at 1-800-877-8339.

Dated: January 24, 2001.

Rod Paige,

Secretary of Education.

[FR Doc. 01-2779 Filed 1-31-01; 8:45 am]

BILLING CODE 4000-01-P

FEDERAL COMMUNICATIONS COMMISSION

47 CFR Part 51

[FCC 01-21]

Procedures for Arbitrations Conducted in Accordance With the Communications Act of 1934

AGENCY: Federal Communications Commission.

ACTION: Final rule.

SUMMARY: The Commission amends on its own motion a section of the rules in which FCC arbitrators are granted additional discretion when arbitrating interconnection disputes.

DATES: Effective February 1, 2001.

FOR FURTHER INFORMATION CONTACT: William Kehoe, Special Counsel, Common Carrier Bureau, Policy and Program Planning Division, (202) 418-1580.

SUPPLEMENTARY INFORMATION: This is a summary of the amendment to 47 CFR 51.807 in the Commission's *Order*, FCC 01-21, adopted January 17, 2001 and released January 19, 2001. The complete text of this Order is available for inspection and copying during regular business hours in the FCC Reference Information Center, Courtyard Level, 445 12th Street, SW., Washington, DC, and also may be purchased from the Commission's copy contractor, International Transcription Services (ITS, Inc.), CY-B400, 445 12th Street, SW., Washington, DC.

Synopsis of the Amendment to Section 51.807

1. The Commission adopted an interim rule in the Local Competition Order establishing a scheme of "final offer" arbitration for section 252(e)(5) proceedings. This rule provides that, in issuing an arbitration award, the arbitrator "shall use final offer arbitration," which may take the form of either entire package final offer arbitration or issue-by issue final offer arbitration." 47 CFR 51.807(d)(1). If the parties' offers do not meet the standards of section 251, the arbitrator may require the parties to submit additional final offers or may adopt a result offered by neither party. 47 CFR 51.807(f)(3) (1999).

2. Experience gained by states in arbitrating numerous interconnection disputes over the past five years suggest that "final offer" arbitration may not always afford the arbitrator sufficient flexibility to resolve complex interconnection issues. Accordingly, the Commission amends § 51.807(f)(3) to