

C. Suspension or revocation of a license will apply to an individual human being as well as the corporation or other person who held the license, such that an individual may not simply form a new corporation or partnership and obtain a new license.

(c) The imposition of civil penalties is not exclusive, and licensees may be liable for criminal sanctions in the event that criminal statutes are violated.

(d) Reports not submitted in a timely manner will subject the licensee to civil penalties. The civil penalties for reports submitted after the proper filing date will be:

(1) Fifty (50) dollars, if the report is submitted within the first month after the applicable deadline; and

(2) If more than one month late, an additional fifty (50) dollars for each week after the end of the first month.

(e) Reports that are incorrect subject the licensee to civil penalties. The civil penalty for:

(1) Incorrect reports, where the error is not material, will be \$50.00;

(2) The first materially incorrect report submitted will be \$300.00; and

(3) Subsequent materially incorrect reports, where the prior materially incorrect submission occurred in the last 12 months, will be \$500.00.

(f) Exceeding license limits will subject licensees to loss of credit or civil penalties.

(1) Where license credits are greater than license charges by more than the maximum license balance limit, licensees shall forfeit credit in excess of the maximum license balance limit.

(2) Where license charges are greater than license credits by more than the license balance, licensees shall pay a civil penalty of 15 cents per pound.

(g) Not crediting a license against prior charges within the time limits set forth in §§ 1530.102 (c), (d) and (f) will subject the licensee to civil penalties of 15 cents per pound.

#### **§ 1530.111 Administrative appeals.**

(a) This section provides for administrative appeal of a determination by the Licensing Authority to revoke a credit on a license, or impose civil penalties. The decision on such appeal shall be made by the Director, Import Policies and Programs Division, Foreign Agricultural Service ("Director"), or his or her designee. Appeals for suspension and debarment will be governed by § 3017.515 of this title.

(b) The licensee may appeal the Licensing Authority's determination by filing a written notice of appeal, signed by the licensee or the licensee's agent, with the Director. The appeal may be

filed in the office of the Director, or by mail with a postmark dated, not later than 30 days after the date of the Licensing Authority's determination. The licensee should submit a written argument in support of its position at the time it files its appeal. If the licensee does not make a timely appeal, any license credit revocation, civil penalty, or other proposed administrative determination will take effect in accordance with the Licensing Authority's determination. If the licensee seeks an informal hearing, it shall so request in its notice of appeal. The licensee may request that the informal hearing be scheduled within 30 days of the filing date of its notice of appeal.

(c)(1) Ordinarily, informal hearings will be held only at the request of the licensee. If no informal hearing is requested, the Director will make his or her determination on the basis of the written submission and any other available information. The hearing shall be held at the place and time determined by the Director, except that it shall be held within 30 days of the filing date of the notice of appeal if the licensee so requests.

(2) Hearings will be conducted by the Director in a manner as informal as practicable, consistent with the principles of fundamental fairness.

(3) The licensee may be represented by counsel.

(4) The licensee shall have a full opportunity to present any relevant evidence, documentary or testimonial, and to make arguments in support of its position. The Director may permit other individuals to present evidence at the hearing, and the licensee shall have an opportunity to question those witnesses.

(5) A verbatim transcript of the hearing may be made at the direction of the Director, or at the request of the licensee. If the licensee requests a transcript be made, it shall be responsible for arranging for a professional reporter and shall pay all attendant expenses.

(d) The Director shall make the determination on appeal, and may affirm, reverse, modify or remand the Licensing Authority's determination. The Director shall notify the licensee in writing of the determination on appeal and of the basis thereof. The determination on appeal exhausts the licensee's administrative remedies.

#### **§ 1530.112 Waivers.**

(a) Upon written application of the licensee or at the discretion of the Licensing Authority and for good cause, the Licensing Authority may extend the period for transfer or export, may

temporarily increase the maximum license balance limit, may extend the period for submitting regularly scheduled reports and certifications, or may temporarily waive or modify any other requirement imposed by this part if the Licensing Authority determines that such a waiver will not undermine the purpose of the relevant program or adversely affect domestic sugar policy objectives. The Licensing Authority may specify additional requirements or procedures in place of the requirements or procedures waived or modified.

(b) Waivers of civil penalties will be disfavored and only issued under extraordinary circumstances.

#### **§ 1530.113 Paperwork Reduction Act assigned number.**

Licensees are not required to respond to requests for information unless the form for collecting information displays a currently valid Office of Management and Budget control number. The Office of Management and Budget has approved the information collection requirements contained in this part in accordance with 44 U.S.C. chapter 35 and OMB number 0551-0015 has been assigned and will expire August 31, 1997.

Signed at Washington, DC on July 17, 1996.

Timothy J. Galvin,

*Acting Administrator, Foreign Agricultural Service.*

[FR Doc. 96-19521 Filed 8-5-96; 8:45 am]

BILLING CODE 3410-10-P

## **FEDERAL DEPOSIT INSURANCE CORPORATION**

### **12 CFR Part 357**

**RIN 3064-AB08**

#### **Determination of Economically Depressed Regions**

**AGENCY:** Federal Deposit Insurance Corporation (FDIC).

**ACTION:** Proposed rule and withdrawal of proposed rule.

**SUMMARY:** As part of the FDIC's systematic review of its regulations under section 303(a) of the Riegle Community Development and Regulatory Improvement Act of 1994 (CDRI), the FDIC is amending its regulation on economically depressed regions to reflect changes in the marketplace, update and streamline the regulation, improve efficiency, and reduce unnecessary costs. The FDIC also is withdrawing a previous proposed amendment to the regulation which was published December 18, 1992.

The FDIC is required by statute to consider proposals for direct financial assistance by Savings Association Insurance Fund (SAIF) members having offices located in an economically depressed region and meeting certain other specified criteria, before grounds exist for the appointment of a conservator or receiver for the institution. The FDIC is proposing to amend this regulation, which designates certain economically depressed regions, by adding guidance to enable applicants to evaluate their situations before formally applying for assistance. Rather than periodically designating specific regions in light of current economic conditions, the proposed rule provides the criteria that the FDIC will use to determine which regions are economically depressed.

**DATES:** Comments must be received by October 7, 1996.

**ADDRESSES:** Send comments to Jerry L. Langley, Executive Secretary, FDIC, 550 17th Street, N.W., Washington, DC 20429. Comments may be hand-delivered to room F-400, 1776 F Street, N.W., Washington, DC 20429, on business days between 8:30 a.m. and 5:00 p.m.; or sent by facsimile: (202) 898-3838; or by Internet: COMMENTS@FDIC.GOV. Comments may be inspected and photocopied in the FDIC Public Information Center, room 100, 801 17th Street, N.W., Washington, DC 20429, between 9:00 a.m. and 5:00 p.m. on business days.

**FOR FURTHER INFORMATION CONTACT:** James L. Freund, Chief, Economic Analysis Section, Division of Research and Statistics, (202) 898-3960, FDIC, 550 17th Street, N.W., Washington, DC 20429; Michael Phillips, Counsel, Legal Division, (202) 898-3581, FDIC, 550 17th Street, N.W., Washington, DC 20429; or Sandra Comenetz, Counsel, Legal Division, (202) 898-3582, FDIC, 550 17th Street, N.W., Washington, DC 20429.

#### **SUPPLEMENTARY INFORMATION:**

##### **Paperwork Reduction Act**

The proposed rule does not require any collections of paperwork pursuant to section 3504(h) of the Paperwork Reduction Act (44 U.S.C. 3501 *et seq.*). Accordingly, no information has been submitted to the Office of Management and Budget for review.

##### **Regulatory Flexibility Act**

Pursuant to section 605(b) of the Regulatory Flexibility Act (5 U.S.C. 601 *et seq.*), it is certified that the proposed rule will not have a significant economic impact on a substantial number of small entities. The rule *per*

se does not impose regulatory compliance requirements on depository institutions of any size beyond that imposed by the underlying statute. Moreover, no institutions have filed assistance proposals since 1990 when the rule was first promulgated.

##### **Discussion**

The FDIC is conducting a systematic review of its regulations and written policies. Section 303(a) of the CDRI (12 U.S.C. 4803(a)) requires each federal banking agency to streamline and modify its regulations and written policies in order to improve efficiency, reduce unnecessary costs, and eliminate unwarranted constraints on credit availability. Section 303(a) also requires each federal banking agency to remove inconsistencies and outmoded and duplicative requirements from its regulations and written policies.

As part of this review, the FDIC has determined that part 357 of its rules and regulations (12 CFR part 357) should be amended to minimize the cost of implementing the regulation, make it more flexible regarding market standards, and give institutions more opportunity to establish that they are located in an economically depressed region.

The FDIC has authority under section 13(c) of the Federal Deposit Insurance Act (FDI Act) (12 U.S.C. 1823(c)) to provide financial assistance to prevent the default of an insured depository institution. Under section 13(k)(5) of the FDI Act (12 U.S.C. 1823(k)(5)), the FDIC must consider proposals for eligible SAIF member institutions to receive assistance pursuant to section 13(c) before grounds exist for the appointment of a conservator or receiver for the institution. Section 13(k)(5) establishes nine criteria for such eligibility. One of the criteria is that an institution's offices must be located in an economically depressed region. In addition, for purposes of assistance proposals under section 13(k)(5), SAIF member applicants must separately meet the criteria set by the FDIC for purposes of section 13(c) assistance. However, assistance proposals with respect to SAIF member institutions under section 13(k)(5) that do not meet all nine of the criteria set forth in that section may nevertheless be submitted to the FDIC for consideration under section 13(c). Thus, institutions whose offices are not located in an economically depressed region under section 13(k)(5) are not precluded from proposing and receiving open institution assistance.

The term "economically depressed region" is defined in section 13(k)(5)(c)

to mean any geographical region which the [FDIC] determines by regulation to be a region within which real estate values have suffered serious decline due to severe economic conditions, such as a decline in energy or agricultural values or prices.

On September 17, 1990, the FDIC issued a final rule (55 *FR* 38043) codified at 12 CFR 357.1, which determined that certain geographical regions were economically depressed regions for purposes of section 13(k)(5) of the FDI Act. In determining which regions were economically depressed, the FDIC considered the following factors: (1) The ratio of poor quality real estate assets to total assets in the portfolios of BIF members; (2) the ratio of poor quality real estate assets to total assets in the portfolios of SAIF members; and (3) unemployment figures. The statewide percentages of impaired real estate assets for BIF and SAIF members and unemployment rates were analyzed with reference to national levels. These factors are subject to periodic review and application by the FDIC in light of changing economic conditions.

The FDIC's final rule designated eight individual states as economically depressed regions for purposes of section 13(k)(5) of the FDI Act. They were: Alaska, Arizona, Arkansas, Colorado, Louisiana, New Mexico, Oklahoma, and Texas.

Two years later, having reexamined real estate and employment conditions based on the most recent information, the FDIC determined that the eight states previously designated as economically depressed regions should no longer receive that designation. The FDIC concluded that the following nine states and the District of Columbia should be classified as economically depressed regions: California, Connecticut, Maine, Massachusetts, New Hampshire, New Jersey, New York, Rhode Island, and Vermont. In December 1992, the FDIC published this list of states in a proposed rule (57 *FR* 60140, December 18, 1992). The FDIC had considered, as before, the ratio of poor quality real estate assets to total assets in the portfolios of BIF and SAIF members, and the labor market situation. The FDIC considered both the overall unemployment rate and non-farm employment growth trends.

The December 1992 proposed rule was never adopted, and will be withdrawn pursuant to an FDIC policy statement which provides that any proposed rule that has not been the subject of final Board action within nine months generally should be withdrawn. Statement of Policy on Development

and Review of FDIC Rules and Regulations, 49 FR 7288 (Feb. 28, 1984).

Rather than periodically revisiting the criteria used to identify regions for designation as economically depressed regions, and listing regions so designated, the FDIC is proposing to revise part 357 to provide guidance to enable applicants to evaluate their situations before formally applying for assistance. The proposed rule provides the criteria the FDIC will use to determine which regions are economically depressed. Adoption of the rule would mean that the FDIC will no longer periodically designate specific regions in light of current economic conditions.

Under the proposed rule, for the purpose of determining economically depressed areas, the FDIC generally will consider states as the defined geographical unit. The FDIC will determine whether an institution qualifies as being located in an economically depressed region on a case-by-case basis. That determination will be based on four criteria: (1) high unemployment rates; (2) declines in non-farm employment; (3) high levels of problem real estate assets at insured depository institutions; and (4) where a sufficient number of observations are reported, evidence indicating declining real estate values from the FDIC's Survey of Real Estate Trends. All data used will be from statistical sources available to the public. A list of these data sources is provided in the attached Appendix. Because there are significant industrial and labor market structural differences across areas of the United States, national or state benchmarks are not provided with respect to each of the aforementioned four criteria. This enables the FDIC to more accurately determine whether a region is depressed based on specific criteria relevant to an institution's market area at any time. For example, the FDIC will consider relevant information provided by institutions on local real estate prices and on the institution's market area, whether limited to a part of a state or covering more than one state.

In consideration of the foregoing, the FDIC hereby withdraws the proposed rule published at 57 FR 60140, December, 18, 1992.

#### List of Subjects in 12 CFR Part 357

Bank deposit insurance, Grant programs—housing and community development, Savings associations.

For the reasons set forth in the preamble, part 357 of chapter III of title 12 of the Code of Federal Regulations is proposed to be amended as follows:

### PART 357—DETERMINATION OF ECONOMICALLY DEPRESSED REGIONS

1. The authority citation for part 357 is revised to read as follows:

Authority: 12 U.S.C. 1819, 1823(k)(5).

2. Section 357.1 is amended by revising paragraph (b) to read as follows:

#### § 357.1 Economically depressed regions.

\* \* \* \* \*

(b) *Economically depressed regions.*

(1) For the purpose of determining economically depressed areas, the FDIC in general shall consider states as the defined geographical unit. The FDIC shall determine whether an institution qualifies as being located in an economically depressed area on a case-by-case basis. That determination will be based on four criteria:

- (i) High unemployment rates;
- (ii) Significant declines in non-farm employment;
- (iii) High delinquency rates of real estate assets at insured depository institutions; and
- (iv) Where a sufficient number of observations are reported, evidence indicating declining real estate values from the FDIC's Survey of Real Estate Trends.

(2) All data sources used are in the public record. The appendix to this part contains a list of such data sources. In addition, the FDIC will consider relevant information provided by institutions on local real estate prices and on the institution's market area, whether limited to a part of a state or covering more than one state.

3. Appendix A to part 357 is added to read as follows:

#### Appendix A to Part 357—Data Sources Used by the FDIC To Determine "Economically Depressed Regions"

- 1. *Non-farm employment and unemployment rates.* U.S. Department of Labor, Bureau of Labor Statistics, "Employment and Earnings," Table B.7, Employees on Non-Farm Payrolls by State and Major Industry; "Labor Force Status by State," Table C.2. Washington, DC (monthly).
- 2. *Problem real estate assets (noncurrent real estate loans and leases plus other real estate owned).* Federal Financial Institutions Examination Council, "FFIEC Call Report." Washington, DC (quarterly).
- 3. *Regional real estate values.* Federal Deposit Insurance Corporation, "Survey of Real Estate Trends." Washington, DC (quarterly).

By order of the Board of Directors.

Dated at Washington, DC, this 16th day of July 1996.

Federal Deposit Insurance Corporation.

Jerry L. Langley,

*Executive Secretary.*

[FR Doc. 96-19810 Filed 8-5-96; 8:45 am]

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### DEPARTMENT OF TRANSPORTATION

#### Federal Aviation Administration

#### 14 CFR Part 39

[Docket No. 96-NM-12-AD]

RIN 2120-AA64

#### Airworthiness Directives; Boeing Model 757 Series Airplanes

AGENCY: Federal Aviation Administration, DOT.

ACTION: Notice of proposed rulemaking (NPRM).

**SUMMARY:** This document proposes the adoption of a new airworthiness directive (AD) that is applicable to all Boeing Model 757 series airplanes. This proposal would require the replacement of certain discrepant ram air turbine (RAT) deployment actuator assemblies with units that have been modified and shipped in a specific fashion prior to installation. This proposal is prompted by reports that the RAT deployment actuators have failed to deploy upon command, due to interference in the actuator locking mechanism, which was caused by damage incurred during shipping of the actuator assembly. The actions specified by the proposed AD are intended to ensure that the RAT is deployed when commanded to do so. Failure of the RAT to deploy, specifically during a dual engine failure, would result in loss of hydraulic power, which would adversely affect the continued safe flight and landing of the airplane.

**DATES:** Comments must be received by September 16, 1996.

**ADDRESSES:** Submit comments in triplicate to the Federal Aviation Administration (FAA), Transport Airplane Directorate, ANM-103, Attention: Rules Docket No. 96-NM-12-AD, 1601 Lind Avenue, SW., Renton, Washington 98055-4056. Comments may be inspected at this location between 9:00 a.m. and 3:00 p.m., Monday through Friday, except Federal holidays.

The service information referenced in the proposed rule may be obtained from Boeing Commercial Airplane Group, P.O. Box 3707, Seattle, Washington 98124-2207. This information may be examined at the FAA, Transport