

or the offices of the Board of Governors not later than March 25, 1998.

**A. Federal Reserve Bank of St. Louis**  
(Randall C. Sumner, Vice President) 411 Locust Street, St. Louis, Missouri 63102-2034:

1. *New Independent Bancshares, Inc.*, New Washington, Indiana; to engage *de novo* through its subsidiary, New Washington Reinsurance Company, Ltd., New Washington, Indiana, in the reinsurance of credit life, credit health, and accident insurance directly related to extensions of credit by its wholly owned subsidiary bank and limited to ensuring the repayment of the outstanding balance due on the extension of credit in the event of the death, disability, or involuntary unemployment of the debtor, pursuant to § 225.28(b)(11)(i) of the Board's Regulation Y.

Board of Governors of the Federal Reserve System, March 5, 1998.

**Jennifer J. Johnson,**

*Deputy Secretary of the Board.*

[FR Doc. 98-6106 Filed 3-9-98; 8:45 am]

BILLING CODE 6210-01-F

## FEDERAL RESERVE SYSTEM

[Docket No. R-0922]

### Federal Reserve Uniform Cash Access Policy

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

**ACTION:** Policy statement.

**SUMMARY:** The Board has revised its cash access policy to clarify the base level of free currency access to all depository institutions in an interstate branching environment. Each depository institution will be able to designate up to ten endpoints to receive free currency access from each Reserve Bank office. The revised policy provides flexibility to depository institutions to make the most cost-effective arrangements for obtaining cash services from Reserve Bank offices. The Board has also delegated authority to the director of the Division of Reserve Bank Operations and Payment Systems to interpret the cash access policy.

**EFFECTIVE DATE:** May 4, 1998.

**FOR FURTHER INFORMATION CONTACT:** Jon J. Cameron, Manager (202/452-2220) or Kathleen M. Connor, Senior Financial Services Analyst (202/452-3917), Cash Section, Division of Reserve Bank Operations and Payment Systems; for the hearing impaired *only*: Telecommunications Device for the Deaf, Diane Jenkins (202/452-3544).

## SUPPLEMENTARY INFORMATION:

### I. Background

In April 1996, the Board approved a new cash access policy that becomes effective on May 4, 1998 (61 FR 19062, April 30, 1996). The policy provides greater consistency in Reserve Bank cash service levels than currently exists. The policy provides for a base level of free currency access to all depository institutions, but restricts the number of offices served and the frequency of access. Depository institution offices that meet minimum volume thresholds will be able to obtain more frequent free access. Fees will be charged for additional access beyond the free service level. The policy applies only to currency deposits and orders, and does not include coin deposits and orders.

Since approval of the policy, issues have arisen regarding implementation in an interstate branching environment. The issues relate to the definition of endpoints eligible for free access. The April 1996 policy allowed each depository institution with a banking presence in a Federal Reserve office territory to designate up to ten offices to receive free cash access (deposit and order) from the local Reserve Bank office (i.e., the Reserve Bank office in whose territory the institution's office is located). Depository institutions asked Reserve Bank offices whether they could receive cash services from non-local Reserve Bank offices. It may be more economical for some depository institutions to use a non-local Reserve Bank office. For example, some depository institutions serve as correspondent banks for respondent banks in other Federal Reserve territories. There also are depository institutions that are geographically closer to non-local Reserve Bank offices. In addition, depository institutions asked if an automated teller machine (ATM) network or subset of a network could be designated as an office to receive free cash access.

In order to address these issues, the Board has revised the April 1996 policy.

### II. Discussion

The Board has revised its cash access policy within the following framework: (1) the policy continues to provide consistency in the cash service levels provided by Reserve Bank offices to depository institutions; (2) the base level of free cash services continues to be consistent with a wholesale role for the Reserve Banks, which implies that a large depository institution is responsible for servicing its own branch network; and (3) the policy provides flexibility to depository institutions to make the most cost-effective

arrangements for obtaining cash services from Reserve Bank offices.

Under the revised policy, each depository institution can designate up to ten endpoints to receive free cash access service from each Reserve Bank office. A depository institution may not designate an endpoint to receive free cash access from more than one Reserve Bank office. A designated endpoint may be a branch, head office, a money room and/or an armored carrier used by the depository institution to provide cash. Individual ATM locations are not eligible for designation as endpoints. If a depository institution uses an armored carrier to service ATMs, the armored carrier may be designated as an endpoint. Beyond the ten endpoints, Reserve Bank offices will continue to provide free cash access to large endpoints whose volumes exceed a specified threshold.

The revised policy provides flexibility to depository institutions to make the most cost-effective arrangements for obtaining cash services from Reserve Bank offices. For some depository institutions, it may be more economical to use a non-local Reserve Bank office.

The Board continues to believe that implementation of the policy will not materially affect the Reserve Banks' costs of providing cash services. Aggregate cash receipts and disbursements are expected to remain unchanged.

The Board has delegated authority to the director of the Division of Reserve Bank Operations and Payment Systems to interpret the cash access policy, and has permitted the director to further delegate this authority to the Reserve Banks' Financial Services Policy Committee. Other aspects of the policy remain unchanged.

### III. Effective Date

The revised cash access policy becomes effective on May 4, 1998.

### IV. Competitive Impact Analysis

The Board assesses the competitive impact of changes that may have a substantial effect on payment system participants. In particular, the Board assesses whether a proposed change would have a direct and material adverse effect on the ability of other service providers to compete effectively with the Federal Reserve Banks in providing similar services and whether such effects are due to legal differences or due to a dominant market position deriving from such legal differences.

It is highly unlikely that the revised policy will result in any significant shift to Federal Reserve cash services away from private-sector providers. Private-

sector providers offer an array of value-added cash services that the Federal Reserve Bank offices do not provide. The revised policy also clarifies that armored carriers may be designated as endpoints. The Board's revised policy, therefore, does not adversely affect the ability of depository institutions or service providers to compete with the Federal Reserve Banks to provide cash services.

#### V. Federal Reserve Cash Service Access Policy

The Board has adopted the following Federal Reserve cash access policy:

1. *Number of endpoints eligible for free cash access.* Each depository institution can designate up to ten endpoints to receive free cash access (deposit and order) service from each Reserve Bank office. A depository institution may not designate an endpoint to receive free cash access from more than one Reserve Bank office. A designated endpoint may be a branch, head office, a money room and/or an armored carrier used by the depository institution to provide cash services. Individual ATM locations are not eligible for designation as endpoints. If a depository institution uses an armored carrier to service ATMs, the armored carrier may be designated as an endpoint.

Beyond the ten endpoints, Reserve Bank offices will provide free cash access to endpoints whose volumes exceed a specified threshold. Each Reserve Bank office will set a "high bundle threshold," within the range of fifty to one hundred bundles, to accommodate the needs of the geographic area being serviced within that Federal Reserve office territory. If a depository institution receives free access for more than ten endpoints, each endpoint must meet the high bundle threshold.

2. *Frequency of access.* Normal free access for each designated endpoint of the depository institution will be one deposit and one order per week. Access more frequent than once per week will be available free of charge to each designated endpoint whose volume exceeds a twenty-bundle aggregate threshold and that satisfies the local Reserve Bank office's denomination bundle standard.

3. *Priced access.* Reserve Bank offices may choose to accommodate additional access where the demand exists subject to the constraints of the physical facilities at each Reserve Bank office. Reserve Banks must price access to cash services beyond the free service described above, if offered.

4. *Delegation of authority.* The director of the Division of Reserve Bank Operations and Payment Systems, under delegated authority, may (1) approve changes in the base number of free endpoints and the volume thresholds; (2) waive the policy for a limited period if warranted by special circumstances, such as a natural disaster or the introduction of new currency; and (3) interpret the cash access policy. The director may further delegate this authority to interpret the policy to the Federal Reserve Banks' Financial Services Policy Committee.

By order of the Board of Governors of the Federal Reserve System, March 5, 1998.

**William W. Wiles,**

*Secretary of the Board.*

[FR Doc. 98-6137 Filed 3-9-98; 8:45 am]

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#### DEPARTMENT OF HEALTH AND HUMAN SERVICES

##### Food and Drug Administration

##### Request for Nominations for Members on Public Advisory Committees; Pharmacy Compounding Advisory Committee

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

**ACTION:** Notice.

**SUMMARY:** The Food and Drug Administration (FDA) is requesting nominations for 15 members to serve on the Pharmacy Compounding Advisory Committee in the Center for Drug Evaluation and Research. Elsewhere in this issue of the **Federal Register**, FDA is publishing a final rule announcing the establishment of this committee.

FDA has special interest in ensuring that women, minority groups, and the physically challenged are adequately represented on advisory committees and, therefore, extends particular encouragement to nominations for appropriately qualified female, minority, or physically challenged candidates.

**DATES:** Nominations should be received on or before April 9, 1998.

**ADDRESSES:** All nominations for membership, except for the representative of a consumer organization, should be sent to Kimberly L. Topper (address below). All nominations for the representative of a consumer organization should be sent to Annette J. Funn (address below).

##### FOR FURTHER INFORMATION CONTACT:

Regarding all nominations for membership, except for the

representative of a consumer organization: Kimberly L. Topper, Center for Drug Evaluation and Research (HFD-21), Food and Drug Administration, 5600 Fishers Lane, Rockville, MD 20857, 301-443-5455.

Regarding all nominations for the representative of a consumer organization: Annette J. Funn, Office of Consumer Affairs (HFE-88), Food and Drug Administration, 5600 Fishers Lane, Rockville, MD 20857, 301-827-5006.

**SUPPLEMENTARY INFORMATION:** On November 21, 1997, the President signed the Food and Drug Administration Modernization Act of 1997 (Pub. L. 105-115) (the Modernization Act). Section 127 of the Modernization Act added section 503A to the Federal Food, Drug, and Cosmetic Act (21 U.S.C. 353a). Section 503A directs FDA to issue regulations relating to the application of Federal law to the practice of pharmacy compounding. To assist the agency in preparing these regulations, Congress directed FDA to convene and consult an advisory committee that will include representatives of the National Association of Boards of Pharmacy (NABP), the United States Pharmacopoeia (U.S.P.), pharmacy, physician, and consumer organizations, as well as other experts selected by the agency. Accordingly, FDA is requesting nominations for 15 members to serve on the Pharmacy Compounding Advisory Committee.

##### Function

The function of the committee is to provide advice on scientific, technical, and medical issues concerning drug compounding by licensed practitioners and to make appropriate recommendations to the Commissioner of Food and Drugs.

##### Criteria for Members

Persons nominated for membership should have expertise in one or more of the following fields: Pharmaceutical compounding, the practices of pharmacies specializing in compounding, the practices of general retail pharmacies, the practices of hospital pharmacies, fields of medicine in which compounding drugs or the use of compounded drugs is relatively common, pharmaceutical manufacturing, clinical toxicology, clinical pharmacology, chemistry, and related specialties. The committee will include one representative of the NABP, one representative of the U.S.P., one representative of a pharmacy organization, one representative of a