

Overtime rates (outside the employee's normal tour of duty)	Premium rate user fee—				
	Oct. 1, 1999– Sept. 30, 2000	Oct. 1, 2000– Sept. 30, 2001	Oct. 1, 2001– Sept. 30, 2002	Oct. 1, 2002– Sept. 30, 2003	Beginning Oct. 1, 2003
Premium hourly rate Monday through Saturday and holidays:					
Per hour	\$88.00	\$88.00	\$92.00	\$96.00	\$100.00
Per quarter hour	22.00	22.00	23.00	24.00	25.00
Premium hourly rate for Sundays:					
Per hour	100.00	104.00	104.00	108.00	112.00
Per quarter hour	25.00	26.00	26.00	27.00	28.00

(Approved by the Office of Management and Budget under control numbers 0579–0055 and 0579–0094)

13. In § 130.50, paragraph (b)(3)(ii) would be revised to read as follows:

§ 130.50 Payment of user fees.

* * * * *

(b) * * *

(3) * * *

(ii) What additional amount do I pay if I receive an hourly rate user fee service? Instead of paying the hourly rate user fee, you pay the rate listed in § 130.30(b) for each employee needed to get the work done.

* * * * *

Done in Washington, DC, this 24th day of September 1999.

Bobby R. Acord,

Acting Administrator, Animal and Plant Health Inspection Service.

[FR Doc. 99–25425 Filed 9–29–99; 8:45 am]

BILLING CODE 3410–34–P

NATIONAL CREDIT UNION ADMINISTRATION

12 CFR Part 701

Organization and Operations of Federal Credit Unions

AGENCY: National Credit Union Administration (NCUA).

ACTION: Proposed rule.

SUMMARY: NCUA is proposing to amend its lending regulation to permit federal credit unions to advance money to members to cover account deficits without having a credit application from the member on file if the credit union has a written overdraft policy.

DATES: The NCUA must receive comments on or before November 29, 1999.

ADDRESSES: Direct comments to Becky Baker, Secretary of the Board. Mail or hand-deliver comments to: National Credit Union Administration, 1775 Duke Street, Alexandria, Virginia 22314–3428, or you may fax comments

to (703) 518–6319. *Please send comments by one method only.*

FOR FURTHER INFORMATION CONTACT:

Michael J. McKenna, Senior Staff Attorney, or Regina M. Metz, Staff Attorney, in the Division of Operations, Office of General Counsel, at the above address or telephone: (703) 518–6540.

SUPPLEMENTARY INFORMATION:

A. Background

The Federal Credit Union Act does not specifically address a federal credit union's (FCU's) authority to pay or honor a share draft written that will result in an overdrawn account. NCUA's longstanding position has been that an FCU's payment of an overdraft as a financial accommodation to a member constitutes a loan or line of credit to a member.

When an FCU pays a member's overdraft, the FCU uses its money to pay a member's third party obligations. The overdraft is a debt that the FCU expects the member to repay. Because the FCU is making a loan, it must comply with the NCUA's lending regulation requiring a credit application to be on file for each borrower supporting the decision to make a loan or establish a line of credit. 12 CFR 701.21(c)(3).

A number of federal credit unions and trade associations contend that federal credit unions are at a competitive disadvantage because they are unable to cover a member's overdrafts absent a prearranged, written agreement for the extension of credit. The NCUA Board believes this argument has merit although there may be some safety and soundness concerns with extending credit to a member without a written lending agreement. Overdrafts which are unsupported by an agreement and for which there is no credit analysis represent an unsecured obligation of the member to the credit union. In general, a credit union undertakes a greater level of risk with this activity than with a loan which has undergone a thorough credit analysis. However, after careful review, the NCUA Board is proposing to

amend § 701.21(c)(3) to permit a credit union to advance money to a member to cover his or her account deficit without having a credit application from the borrower on file if the credit union has a written overdraft policy. The NCUA Board believes that a written overdraft policy will offset safety and soundness concerns and prevent insider abuses. The Board is proposing that a credit union's written overdraft policy must: (1) Address how the credit union will honor overdrafts; (2) set a cap on the total dollar amount of all overdrafts the credit union will honor; (3) establish a time limit not to exceed ten business days for a member either to deposit funds or obtain an approved loan from the credit union to cover each overdraft; (4) limit the number and dollar amount of overdrafts the credit union will honor per member; and (5) establish the fee and interest rate, if any, the credit union will charge members for honoring overdrafts.

The NCUA Board requests comments from the public on whether the regulation should impose additional restrictions on overdrafts by credit union employees or officials. The NCUA Board also requests comments on whether NCUA should set limits on the total dollar amount a credit union can lend to honor overdrafts as well as the total dollar amount per member. The NCUA Board is also requesting comments on whether the regulation should require a federal credit union to have in its overdraft policy a certain number of days after which it will write off any overdraft for which the member has not either repaid the credit union or obtained an approved loan. Finally, the NCUA Board requests comments on whether the ten-day requirement for the member to cover the overdraft is appropriate. The risk of nonpayment of an overdraft that is not covered by the member within such a time period increases dramatically.

While the proposed regulation is under consideration, the NCUA intends to continue its current supervisory approach to overdrafts that are paid as

an accommodation to members. The approach has been that it will not take exception to FCUs that permit overdrafts as long as there are no safety and soundness concerns or evidence that the practice is being abused or otherwise used as a means of circumventing other regulatory requirements or giving preferential treatment to insiders.

Finally, in proposing this rule, NCUA is not directing or encouraging credit unions to replace using written overdraft agreements with members with a written overdraft policy. In fact, because written overdraft agreements function essentially as a lending agreement that becomes operational in the event of an overdraft, they are a preferable way of addressing the safety and soundness concerns presented by overdrafts.

B. Regulatory Procedures

Regulatory Flexibility Act

The Regulatory Flexibility Act requires NCUA to prepare an analysis to describe any significant economic impact any proposed regulation may have on a substantial number of small entities (primarily those under \$1 million in assets). The NCUA has determined and certifies that this proposed rule, if adopted, will not have a significant economic impact on a substantial number of small credit unions. Accordingly, the NCUA has determined that a Regulatory Flexibility Analysis is not required.

Paperwork Reduction Act

The NCUA Board has determined that the proposed notice and disclosure requirements in § 701.21 constitute a collection of information under the Paperwork Reduction Act. NCUA is submitting a copy of this proposed rule to the Office of Management and Budget (OMB) for its review.

The proposed rule requires a federal credit union that advances money to a member to cover his or her account deficit without having the member's credit application on file to have a written overdraft policy. The policy must: (1) Address how the credit union will honor overdrafts; (2) set a cap on the total dollar amount of all overdrafts the credit union will cover; (3) establish time limits for a member to deposit funds to cover each overdraft; (4) limit the number and dollar amount of overdrafts the credit union will honor per member; and (5) establish the fee and interest rate, if any, the credit union will charge members for covering overdrafts.

The written policy requirement is necessary to insure safety and soundness in the credit union industry and protect the interests of credit union members where a federal credit union provides overdraft protection to a member without having his or her credit application on file.

The NCUA Board estimates that it will take an average of four hours to comply with this written policy requirement. The NCUA Board also estimates that 1000 federal credit unions will write overdraft policies so the total annual collection burden is estimated to be approximately 4000 hours.

The Paperwork Reduction Act of 1995 and OMB regulations require that the public be provided an opportunity to comment on information collection requirements, including an agency's estimate of the burden of the collection of information. The NCUA Board invites comment on: (1) Whether the collection of information is necessary; (2) the accuracy of NCUA's estimate of the burden of collecting the information; (3) ways to enhance the quality, utility, and clarity of the information to be collected; and (4) ways to minimize the burden of collection of information. Comments should be sent to: OMB Reports Management Branch, New Executive Office Building, Room 10202, Washington, D.C. 20503; Attention: Alex T. Hunt, Desk Officer for NCUA. Please send NCUA a copy of any comments you submit to OMB.

Executive Order 12612

Executive Order 12612 requires NCUA to consider the effect of its actions on state interests. This proposed rule makes no significant changes with respect to state credit unions and therefore, will not materially affect state interest.

C. Agency Regulatory Goal

NCUA's goal is clear, understandable regulations that impose a minimal regulatory burden. We request your comments on whether the proposed amendment is understandable and minimally intrusive if implemented as proposed.

List of Subjects in 12 CFR Part 701

Credit, Credit unions, Reporting and recordkeeping requirements

By the National Credit Union Administration Board on September 16, 1999.

Becky Baker,

Secretary of the Board.

For the reasons set forth in the preamble, the National Credit Union Administration proposes to amend 12 CFR part 701 as follows:

PART 701—ORGANIZATION AND OPERATION OF FEDERAL CREDIT UNIONS

1. The authority citation for part 701 continues to read as follows:

Authority: 12 U.S.C. 1752(5), 1755, 1756, 1757, 1759, 1761a, 1761b, 1766, 1767, 1782, 1784, 1787, and 1789.

Section 701.6 is also authorized by 15 U.S.C. 3717.

Section 701.31 is also authorized by 15 U.S.C. 1601 *et seq.*; 42 U.S.C. 1981 and 3601–3610.

Section 701.35 is also authorized by 42 U.S.C. 4311–4312.

2. Amend § 701.21 by revising paragraph (c)(3) to read as follows:

§ 701.21 Loans to members and lines of credit to members.

* * * * *

(c) * * *

(3) *Credit applications and overdrafts.* Consistent with policies established by the board of directors, the credit committee or loan officer shall ensure that a credit application is kept on file for each borrower supporting the decision to make a loan or establish a line of credit. A credit union may advance money to a member to cover an account deficit without having a credit application from the borrower on file if the credit union has a written overdraft policy. The policy must: address how the credit union will honor overdrafts; set a cap on the total dollar amount of all overdrafts the credit union will honor consistent with the credit union's ability to absorb losses; establish a time limit not to exceed ten business days for a member either to deposit funds or obtain an approved loan from the credit union to cover each overdraft; limit the number and dollar amount of overdrafts the credit union will honor per member; and establish the fee and interest rate, if any, the credit union will charge members for honoring overdrafts.

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[FR Doc. 99–25397 Filed 9–29–99; 8:45 am]

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COMMODITY FUTURES TRADING COMMISSION

17 CFR Part 146

Privacy Act of 1974; Implementation

AGENCY: Commodity Futures Trading Commission.

ACTION: Proposed rule.

SUMMARY: The Commission proposes to adopt a rule to exempt a new system of records, concerning, *inter alia*, complaints of sexual harassment, from