from other lenders without the permission of their System funding banks. In contrast to the authorities vis-à-vis FCS institutions, the FCA lacks broad authority to: (1) Appoint a conservator or receiver for insolvent OFIs;[12] or (2) determine the priority of claims against OFIs in liquidation.[13]

The FCA requests comments and information that address the following questions:

I. Eligibility for OFI Status

A. Significant Involvement in Agricultural or Aquatic Lending

1. What criteria (such as assets, income, composition of the loan portfolio, or other factors) best determine whether an OFI is significantly involved in agricultural or aquatic lending as required by section 1.7(b)(4)(B)(i) of the Act and what specific threshold, if any, should new regulations use? Please explain your recommendation.

2. How should the FCA define an agricultural lender? Would the profiles of agricultural lenders established by other Federal agencies be useful? Please explain your recommendation.

B. An OFI's Need for Supplemental Sources of Funds

What criteria should be used to determine whether depository and non-depository OFIs demonstrate a continuing need for supplementary sources of funds to meet the credit requirements of their agricultural or aquatic borrowers, as required in section 1.7(b)(4)(B)(ii) of the Act? Please explain your recommendations.

C. OFI Access to National or Regional Capital Markets

1. Has the existing regulatory definition of ''national or regional capital markets'' in § 614.4540 become outmoded? If so, what factors in today's financial environment demonstrate that an OFI has limited access to ''national or regional capital markets?''

2. The Riegle-Neal Interstate Banking and Branching Efficiency Act of 1994 will enable bank holding companies and their commercial bank affiliates to expand, over time, their interstate banking and branching networks. How will this law affect the concept of limited access to ''national or regional capital markets'' in section 1.7(b)(4)(B)(iii) of the Act?

D. Mergers, Consolidations, and Acquisitions of OFIs

When an OFI merges, consolidates, or is acquired by another financial institution, the eligibility of the successor entity to borrow from an FCB or an ACB must be established anew. Under what conditions, if any, should a successor to an existing OFI be entitled to ''grandfather'' rights?

E. Parent and Affiliate Relationships

1. What factors should determine whether an OFI applicant is considered together with its parents and affiliates as a single entity?

2. Section 1.7(b)(4)(D) of the Act establishes specific criteria for FCA review of OFI application denials based on the OFI's subsidiary or affiliate relationships. Under §§ 614.4550 and 614.4555, the FCA creates a review procedure when an FCB or ACB rejects an OFI's request for financing for any reason. In the interest of eliminating unnecessary prior approvals and case-by-case reviews, the FCA requests comments on whether there is a compelling need for the regulations to continue to require an FCA review of all OFI applications that have been denied. Please explain your recommendation.

F. Eligibility of Major Financial Institutions

The statute and the legislative history indicate that agricultural lenders that do not meet the criteria of sections 1.7(b)(4)(B) (ii) and (iii) of the Act could still fund or discount certain loans with System banks. What restrictions, if any, should the regulations impose on System funding to these types of institutions?

II. Place of Discount

1. Should new regulations continue the territorial restrictions in existing § 614.4660 which require that an OFI must obtain financing from the FCB or ACB (designated System bank) in whose territory: (1) The OFI maintains its headquarters; or (2) more than 50 percent of the OFI's borrowers is concentrated? If not, what criteria should determine which Farm Credit bank should finance an OFI? Please explain your recommendation.

2. Under what circumstances, if any, should new regulations allow an FCB or ACB to extend financing to an OFI that does not operate in its chartered territory if the designated System bank does not approve the OFI's application?

3. Are there any aspects of the Riegle-Neal Interstate Banking and Branching Efficiency Act of 1994 that the FCA should consider as it develops new regulatory provisions that determine the place of discount for commercial banks and nonbank affiliates of bank holding companies whose networks operate in the chartered territories of more than one Farm Credit bank? Please explain your recommendation.

III. Safety and Soundness

A. Supplemental Collateral

Under what circumstances, if any, should OFIs be required by the new regulations to pledge cash and readily marketable securities or other assets as additional collateral for their loans from System banks?

B. OFI Lending Limit

Current regulations at § 614.4565 impose a lending limit on OFIs. Is this limit appropriate? If not, what alternatives do you suggest and why? How should concentration risk be addressed in a general financing agreement between an OFI and a Farm Credit bank?

C. Insolvency of an OFI

How should new regulations safeguard the interests of an FCB or ACB when an OFI is liquidated?

IV. Fair Treatment Between OFIs and Direct Lender Associations

1. Do current regulations adequately and appropriately ensure that FCBs and ACBs accord impartial and equitable treatment to both FCS associations and OFIs? If not, what changes should be made and why?

2. The regulations currently require, with certain limited exceptions, that OFIs must be treated in a manner that is comparable to direct lender associations. To the extent feasible, the FCA seeks to ensure that OFIs and FCS associations are treated equitably by their funding banks. What circumstances, if any, justify different standards concerning equity investment in the funding bank, interest rate charges, and servicing fees?

V. Other Issues

Are there other regulatory changes, not addressed above, that would improve an FCS bank's ability to serve an OFI and its agricultural customers? Please explain your recommendations.

Dated: May 13, 1996.

Floyd Fithian,

Secretary, Farm Credit Administration Board.

[FR Doc. 96–12411 Filed 5–16–96; 8:45 am]

BILLING CODE 6705–01–P

[12] Section 4.12(b) of the Act grants the FCA ''exclusive power and jurisdiction to appoint a conservator or receiver'' for FCS banks and associations.

[13] For the past 65 years, the Federal courts have interpreted various Farm Credit Acts as authorizing the FCA to determine the priority of claims for System institutions in liquidation. *See Wheeler v. Greene*, 280 US 49 (1929); *Knox National Farm Loan Associations v. Phillips*, 300 US 194 (1937); *Little v. First South Production Credit Association*, CA No. J890021 (W) (S.D. Miss. May 16, 1990).

DEPARTMENT OF VETERANS AFFAIRS

38 CFR Part 3

RIN 2900–AH51

Evidence of Dependents and Age

AGENCY: Department of Veterans Affairs.

ACTION: Proposed rule.

SUMMARY: The Department of Veterans Affairs (VA) proposes to amend its adjudication regulations concerning the evidence required to establish marriage, dissolution of a marriage, birth of a child, and death of a family member. This amendment would implement a provision of the ''Veterans' Benefits Improvements Act of 1994,'' which authorizes the Secretary to accept the written statement of a claimant as proof of the existence of these relationships. This amendment is intended to facilitate proof of the existence of these relationships.

DATES: Comments must be received on or before July 16, 1996.

ADDRESSES: Mail written comments to: Director, Office of Regulations Management (02D), Department of Veterans Affairs, 810 Vermont Avenue, NW., Washington, DC 20420; or hand-deliver written comments to: Office of Regulations Management, Room 1176, 801 Eye Street, NW., Washington, DC 20001. Comments should indicate that they are in response to ''RIN 2900–AH51.'' All written comments received will be available for public inspection in the Office of Regulations Management, Room 1176, 801 Eye Street, NW., Washington, DC 20001, between the hours of 8:00 a.m. and 4:30 p.m., Monday through Friday (except holidays).

FOR FURTHER INFORMATION CONTACT: Steven Thornberry, Consultant, Regulations Staff, Compensation and Pension Service, Veterans Benefits Administration, 810 Vermont Avenue, NW., Washington, DC 20420, telephone (202) 273–7210.

SUPPLEMENTARY INFORMATION: Section 301 of the ''Veterans' Benefits Improvements Act of 1994,'' Public Law 103–446, authorizes the Secretary of Veterans Affairs to accept the written statement of a claimant as proof of the existence of the following relationships between the claimant and another person: marriage, dissolution of a marriage, birth of a child, and death of any family member. The statute further authorizes the Secretary to require documentation in support of the claimant's statement if: (1) The claimant does not reside within a State; (2) the claimant's statement on its face raises a question of its validity; (3) there is conflicting information of record; or (4) there is reasonable indication, in the claimant's statement or otherwise, of fraud or misrepresentation.

The Secretary proposes to exercise this discretionary authority. Accordingly, we are proposing to amend 38 CFR 3.204. We are proposing to require that a claimant's written statement contain the date (month and year) and place of the event, the full name and relationship of the other person to the claimant, and, where the claimant's dependent child does not reside with the claimant, the name and address of the person who has custody of the child. It appears that we need this information, which currently must be supplied by an individual claiming additional dependency allowance, not only to make a proper determination of dependency, but also to determine whether or not the claimant's statement is valid or in conflict with other information of record. We are further proposing to require that a claimant seeking benefits on behalf of a dependent provide the social security number of the dependent in accordance with the provisions of 38 CFR 3.216.

We also propose to revise the heading of § 3.204 to reflect its contents more accurately. Finally, in §§ 3.204 and 3.213(a) we propose technical amendments to conform to the substantive changes proposed, and we propose technical changes in the ''Cross References'' following §§ 3.205 through 3.214 to conform to the heading revision of § 3.204.

Previously, we promulgated an amendment to our adjudication regulations to allow claimants to submit uncertified photocopies of documents to establish birth, death, marriage, or relationship (59 FR 46337 and 60 FR 46531). That amendment implemented a recommendation of VA's Blue Ribbon Panel on Claims Processing and was intended to reduce delays and improve efficiency in claims processing. This proposed rule would, we believe, further improve timeliness and efficiency.

Paperwork Reduction Act

The collection of information contained in this notice of proposed rulemaking has been submitted to the Office of Management and Budget for review in accordance with the Paperwork Reduction Act (44 U.S.C. 3504(h)). Comments on the collection of information should be sent to the Office of Management and Budget, Attention: Desk Officer for the Department of Veterans Affairs, Office of Information and Regulatory Affairs, Washington, DC 20503, with copies to the Director, Office of Regulations Management (02D), Department of Veterans Affairs, 810 Vermont Avenue, NW., Washington, DC 20420.

The collection of information included in proposed §§ 3.204 and 3.213 in this rulemaking proceeding merely concerns the quality of information that may be submitted to VA to establish marriage, dissolution of marriage, birth, death, or marriage of a child. The provisions of 38 U.S.C. 5124 contain specific authority to allow such information collection. The basic requirements for collection of information concerning marriage, dissolution of a marriage, birth, death, or marriage of a child for this rulemaking are set forth at §§ 3.205 through 3.211, 3.215, 3.216.

Title: Written statements concerning existence of dependents.

Summary of collection of information: See discussion above.

Description of the need for information and proposed use of information: See discussion above.

Description of likely respondents: claimants of VA benefits.

Estimated total annual reporting burden: 0 hours.

The estimated annual burden per respondent: 0 hours.

Estimated number of respondents: 541.054.

Estimated annual frequency of responses: 1.

The proposed rule will not increase the information collection burden on the public. This information is already collected on VA Forms 21–526, Veteran's Application for Compensation or Pension, 21–534, Application for Dependency and Indemnity Compensation, Death Pension and Accrued Benefits by a Surviving Spouse or Child and 21–686c, Declaration of Status of Dependents.

Regulatory Flexibility Act

The Secretary hereby certifies that this proposed rule will not have a significant economic impact on a substantial number of small entities as defined in the Regulatory Flexibility Act, 5 U.S.C. 601–612. This proposed rule would not directly affect small entities. Only VA beneficiaries would be directly affected. Therefore, pursuant to 5 U.S.C. 605(b), this proposed rule is exempt from the initial and final regulatory flexibility analysis requirements of sections 603 and 604.

Since this is a significant amendment, we have prepared a Costs and Benefits analysis in accord with Executive Order 12866 of September 30, 1993, and the

Office of Management and Budget has reviewed this analysis.

The Catalog of Federal Domestic Assistance program numbers are 64.104, 64.105, 64.109, and 64.110.

List of Subjects in 38 CFR Part 3

Administrative practice and procedure, Claims, Health care, Individuals with disabilities, Pensions, Veterans.

Approved: October 12, 1995.

Jesse Brown,

Secretary of Veterans Affairs.

Editorial Note: This document was received at the Office of the Federal Register on May 13, 1996.

For the reasons set forth in the preamble, VA proposes to amend 38 CFR part 3 as follows:

PART 3—ADJUDICATION

Subpart A—Pension, Compensation, and Dependency and Indemnity Compensation

1. The authority citation for part 3, subpart A continues to read as follows:

Authority: 38 U.S.C. 501(a), unless otherwise noted.

2. In § 3.204, the section heading is revised, current paragraphs (a) and (b) are redesignated as paragraphs (b) and (c), respectively, and a new paragraph (a) is added to read as follows:

§ 3.204 Evidence of dependents and age.

(a)(1) Except as provided in paragraph (a)(2) of this section, VA will accept, for the purpose of determining entitlement to benefits under laws administered by VA, the written statement of a claimant as proof of marriage, dissolution of a marriage, birth of a child, or death of a dependent, provided that the statement contains: the date (month and year) and place of the event; the full name and relationship of the other person to the claimant; and, where the claimant's dependent child does not reside with the claimant, the name and address of the person who has custody of the child. In addition, a claimant must provide the social security number of any dependent on whose behalf he or she is seeking benefits (see § 3.216).

(2) VA shall require the types of evidence indicated in §§ 3.205 through 3.211 where: the claimant does not reside within a state; the claimant's statement on its face raises a question of its validity; the claimant's statement conflicts with other evidence of record; or, there is a reasonable indication, in the claimant's statement or otherwise, of fraud or misrepresentation of the relationship in question.

(Authority: 38 U.S.C. 5124)

* * * * *

§ 3.204 [Amended]

3. In § 3.204, redesignated paragraph (b) is amended by removing the first sentence and adding in its place ''The classes of evidence to be furnished for the purpose of establishing marriage, dissolution of marriage, age, relationship, or death, if required under the provisions of paragraph (a)(2), are indicated in §§ 3.205 through 3.211 in the order of preference.''

§ 3.213 [Amended]

4. In § 3.213, paragraph (a) is amended by removing the first sentence and adding in its place ''For the purpose of establishing entitlement to a higher rate of pension, compensation, or dependency and indemnity compensation based on the existence of a dependent, VA will require evidence which satisfies the requirements of § 3.204.''

5. In the ''Cross References'' following §§ 3.205, 3.206, 3.207, 3.208, 3.209, 3.210, 3.211, 3.212, 3.213, and 3.214, remove the words ''Evidence other than evidence of service'' wherever they appear and add in their place the words ''Evidence of dependents and age.''

[FR Doc. 96–12365 Filed 5–16–96; 8:45 am]

BILLING CODE 8320–01–P

ENVIRONMENTAL PROTECTION AGENCY

40 CFR Parts 180 and 186

[PP 1E4020 and FAP 2H5619/P655; FRL–5364–2]

RIN 2070–AC18

Tau-fluvalinate; Pesticide Tolerance

AGENCY: Environmental Protection Agency (EPA).

ACTION: Proposed rule.

SUMMARY: EPA proposes to establish tolerances for residues of the insecticide tau-fluvalinate in or on the raw agriculture commodities (RAC) apples, oriental pears, and kiwi, to increase the tolerance for the insecticide tau-fluvalinate in or on the RAC fat of cattle and to change the chemical nomenclature in the tolerance. The proposed regulations to establish the maximum permissible levels for residues of the pesticide were requested pursuant to a petition submitted by Sandoz Agro, Inc.

DATES: Comments, identified by the docket control number [PP 1E4020/P655], must be received on or before June 17, 1996.

ADDRESSES: By mail, submit written comments to: Public Response and Program Resources Branch, Field Operations Division (7506C), Office of Pesticide Programs, Environmental Protection Agency, 401 M St., SW., Washington, DC 20460. In person, bring comments to: Rm. 1132 CM #2, 1921 Jefferson Davis Highway, Arlington, VA 22202.

Comments and data may also be submitted to OPP by sending electronic mail (e-mail) to: opp-docket@epamail.epa.gov. Electronic comments must be submitted as an ASCII file avoiding the use of special characters and any form of encryption. Comments and data will also be accepted on disks in WordPerfect 5.1 file format or ASCII file format. All comments and data in electronic form must be identified by the docket number [PP 1E4020/P655]. Electronic comments on this proposed rule may be filed online at many Federal Depository Libraries. Additional information on electronic submissions can be found below in this document.

Information submitted as a comment concerning this document may be claimed confidential by marking any part or all of that information as ''Confidential Business Information.'' CBI should not be submitted through e-mail. Information marked as CBI will not be disclosed except in accordance with procedures set forth in 40 CFR part 2. A copy of the comment that does not contain CBI must be submitted for inclusion in the public record. Information not marked confidential may be disclosed publicly by EPA without prior notice. All written comments will be available for public inspection in Rm. 1132 at the address given above, from 8 a.m. to 4 p.m., Monday through Friday, excluding legal holidays.

FOR FURTHER INFORMATION CONTACT: By mail: George T. LaRocca, Product Manager (PM) 13, Registration Division (7505C), Office of Pesticide Programs, Environmental Protection Agency, 401 M St., SW., Washington, DC 20460. Office location, telephone number, and e-mail address: Rm. 202, CM #2, 1921 Jefferson Davis Highway, Arlington, VA 22202, (703) 305-6100, e-mail: larocca.george.gov.epamail.epa.gov.

SUPPLEMENTARY INFORMATION: In the Federal Registers of December 13, 1991 (56 FR 65080) and June 10, 1992 (57 FR 24644), EPA issued rules that gave notice that Sandoz Agro., Inc. (formerly Sandoz Crop Protection Corp), 1300 East Touhy Ave., Des Plaines, Illinois 60018-