determined (by order or regulation) to be so closely related to banking or managing or controlling banks as to be proper incident thereto.'' This statutory test requires that two separate tests be met for an activity to be permissible for a bank holding company. First, the Board must determine that the activity is, as a general matter, ''closely related to banking.'' Second, the Board must find in a particular case that the performance of the activity by the applicant bank holding company may be reasonably be expected to produce public benefits that outweigh possible adverse effects.

Notificant maintains that the Board previously has determined that the proposed activities are ''so closely related to banking or managing or controlling banks as to be proper incident thereto.'' The Board previously has approved, by order, the proposed private placement and riskless principal activities, and Notificant has stated that it will continue to conduct the proposed activities using the same methods and subject to the prudential limitations established by the Board in its previous orders. *See J.P. Morgan & Co. Incorporated*, 76 Federal Reserve Bulletin 26 (1990); *Bankers Trust New York Corporation*, 75 Federal Reserve Bulletin 829 (1989).

The Board also has previously approved, by order, underwriting and dealing in, to a limited extent, all types of debt and equity securities. *See Canadian Imperial Bank of Commerce*, 76 Federal Reserve Bulletin 158 (1990); *J.P. Morgan & Co. Incorporated, et al.*, 73 Federal Reserve Bulletin 192 (1989) (1989 Section 20 Order), *aff'd sub nom. Securities Industry Association v. Board of Governors of the Federal Reserve System*, 900 F.2d 360 (D.C. Cir. 1990). Notificant has stated that it will continue to conduct the proposed underwriting and dealing activities using the same methods and procedures, and subject to the same prudential limitations established by the Board in the 1989 Section 20 Order, as modified by the *Order Approving Modifications to Section 20 Orders*, 75 Federal Reserve Bulletin 751 (1989), the *Order Approving Modifications to the Section 20 Orders*, 79 Federal Reserve Bulletin 226 (1993), and the *Supplement to Order Approving Modifications to Section 20 Orders*, 79 Federal Reserve Bulletin 360 (1993), including the Board's 10 percent revenue limitation on such activities.

Notificant also takes the position that the proposed acquisition will benefit the public. Notificant states that the expected benefits to the public include increased competition, expanded products and services, and gains in efficiency. The proposed acquisition also would allow Notificant to offer customers expanded services at competitive costs. Notificant also maintains that the proposed activities would not result in any adverse effects.

In publishing the proposal for comment, the Board does not take a position on issues raised by the proposal. Notice of the proposal is published solely in order to seek the views of interested persons on the issues presented by the notice, and does not represent a determination by the Board that the proposal meets or is likely to meet the standards of the BHC Act.

Any comments or requests for hearing should be submitted in writing and received by William W. Wiles, Secretary, Board of Governors of the Federal Reserve System, Washington, D.C. 20551, not later than July 7, 1995. Any request for hearing on this application must, as required by § 262.3(e) of the Board's Rules of Procedure (12 CFR 262.3(e)), be accompanied by a statement of the reasons why a written presentation would not suffice in lieu of a hearing, identifying specifically any questions of fact that are in dispute, summarizing the evidence that would be presented at a hearing, and indicating how the party commenting would be aggrieved by approval of the proposal.

This notice may be inspected at the offices of the Board of Governors or the Federal Reserve Bank of New York.

Board of Governors of the Federal Reserve System, June 19, 1995.

Jennifer J. Johnson,

Deputy Secretary of the Board.

[FR Doc. 95-15410 Filed 6-22-95; 8:45 am]

BILLING CODE 6210-01-F

FEDERAL TRADE COMMISSION

Telemarketing Sales Rule; Information Collection Under OMB Review

AGENCY: Federal Trade Commission (''FTC'').

ACTION: Notice of amended application to the Office of Management and Budget (''OMB'') under the Paperwork Reduction Act (44 U.S.C. 3501 *et seq.*) for clearance of information collection requirements contained in a revised proposed trade regulation rule pursuant to the Telemarketing and Consumer Fraud and Abuse Prevention Act.

SUMMARY: The FTC is seeking OMB clearance for information collection requirements contained in revised proposed regulations implementing the Telemarketing and Consumer Fraud and Abuse Prevention Act, 15 U.S.C. 6101–6108 (''Telemarketing Act'' or ''the Act'').

The Telemarketing Act requires the Commission to issue a rule prohibiting deceptive and abusive telemarketing acts and practices. In accordance with the statutory directive, the Commission issued a Notice of Proposed Rulemaking on February 14, 1995 (60 FR 8313). Since that time, the Commission has made revisions to the recordkeeping and disclosure requirements contained in the initially proposed rule.

Specifically, the Commission has reviewed the public comments and has incorporated many of the suggestions received from industry on how to minimize the recordkeeping burden. The revised proposed rule requires the following records to be kept for a twenty-four month period: advertising and promotional materials, and telemarketing scripts; information regarding prize recipients and prize distribution; sales information; and information regarding employees directly involved in telephone sales. The recordkeeping provisions will be helpful in preserving evidence of compliance with the rule.

Absent the recordkeeping requirements, Commission staff believes that this is the type of information that would be retained by these entities in any event during the normal course of business because this information would be useful in resolving private, non-governmental inquiries and disputes. The definition of ''burden'' for OMB purposes excludes any effort that would be expended regardless of a regulatory requirement. 5 C.F.R. § 1320.7(b)(1). Further, the revised proposed rule clarifies that records kept in the ordinary course of business need not be duplicated or separately maintained. Thus, the only burden would be for retaining the records for an additional period of time.

Nonetheless, the Commission is increasing the estimate of burden hours imposed by the recordkeeping requirements to take into account any time necessary to develop, modify, construct, or assemble any materials or equipment. Staff estimates that approximately 40,000 industry members could be affected by these recordkeeping requirements. Staff further estimates that no more than 100 companies would find it necessary to develop, modify, construct, or assemble materials or equipment in order to comply with the proposed rule. Staff further estimates that it would take these 100 entities approximately 100 hours each during the first year of

compliance to assemble the necessary equipment, for a total of 10,000 burden hours. Staff also estimates that the companies that already have recordkeeping systems would require only one hour to comply with the proposed recordkeeping requirements, for a total burden estimate of 49,900 hours. The Commission is requesting that this figure be rounded up to 50,000 hours. A burden estimate of 50,000 hours, which is a yearly estimate, would allow approximately 100 new companies to enter the industry during each succeeding year without requiring the Commission to modify the burden estimate.

The Commission's February 14, 1995 Application to OMB did not request clearance for the various disclosure requirements contained in the proposed Telemarketing Rule. The Commission is now submitting these disclosure requirements to OMB for clearance. The primary purpose of the rule's disclosure requirements is to assist in preventing deceptive and abusive telemarketing acts or practices by ensuring that customers are informed of the purpose of the call and the terms and conditions of the potential sale.

Specifically, the revised proposed rule requires sellers or telemarketers to disclose the identity of the seller; the purpose of the call; the nature of goods or services; and that no purchase is necessary to win if a prize promotion is offered in conjunction with a sales offer of goods or services. If requested, the telemarketer must also disclose the no-purchase entry method of the prize promotion.

Staff estimates that 40,000 industry members make approximately 9 billion calls per year, or 225,000 calls per year per company. However, sections 310.6(d) and (e) provide that if an industry member chooses to solicit consumers by using advertising media other than direct mail or by using direct mail solicitations that make certain required disclosures, they are exempted from complying with other disclosures required by the rule. Because the burden of complying with written disclosures is much lower than the burden of complying with all the rule's provisions, staff estimates that at least 9,000 firms will choose to adopt marketing methods that exempt them from oral disclosure requirements. Staff estimates that it will take 7 seconds for callers to disclose the required information. Staff also estimates that at least 60% result in ''hang-ups'' before the seller or telemarketer can make all the required oral disclosures. Staff estimates that hang-up calls last for only 2 seconds. Accordingly, staff estimates that the total disclosure burden of these requirements is approximately 250 hours per firm or 7.75 million hours.

The revised proposed rule also requires additional disclosures before the customer pays for goods or services. Specifically, the sellers or telemarketers must disclose the total costs to purchase, receive, or use the offered goods or services; all material restrictions; all material terms and conditions of the seller's refund, cancellation, exchange, or repurchase policies if a representation about the policy is part of the sales offer; and that no purchase is necessary to win if a prize promotion is offered in conjunction with a sales offer of goods or services. The telemarketer must disclose the non-purchase entry method for the prize promotion. Staff estimates that approximately 10 seconds is necessary to make these required disclosures. However, these disclosures need only be made where a call results in an actual sale. Staff estimates that sales occur in approximately 6 percent of telemarketing calls. Accordingly, the estimated burden for the disclosures is 37.5 hours per firm or 1.163 million hours.

Alternately, the disclosures required before the customer pays for goods or services may be *in writing.* As discussed above, staff estimates that approximately 9,000 firms will choose to comply with this optional written disclosure requirement. Although this burden estimate is difficult to quantify, mailing campaigns appear to be much less burdensome for firms than are individual oral disclosures. Staff also finds that these disclosure requirements are closely consistent with the ordinary business practices of most members of the industry. Nonetheless, staff has no reliable data from which to conclude that there is *no* separately identifiable burden associated with this provision. Therefore, staff estimates that a typical firm will spend approximately 10 hours per year engaged in activities ensuring compliance with this provision of the rule, for an estimated burden estimate of 90,000 hours.

Total Yearly Burden

Based on these figures, staff estimates the total yearly burden of the proposed rule to be 9,053,000 hours (50,000 recordkeeping hours + 9,003,000 disclosure hours). The basis for this estimate is described in more detail in the Supporting Statement submitted with the Amended Request for OMB Review.

DATES: Comments on this application must be submitted on or before June 30, 1995.

ADDRESSES: Send comments both to Office of Information and Regulatory Affairs, Office of Management and Budget, New Executive Office Building, Room 3228, Washington, DC 20503, ATTN: Desk Officer for the Federal Trade Commission, and to the Office of the Secretary, Room 159, Federal Trade Commission, Washington, DC 20580. Copies of the submission to OMB may be obtained from the Public Reference Section, Room 130, Federal Trade Commission, Washington, DC 20580.

FOR FURTHER INFORMATION CONTACT: David M. Torok, Attorney, Bureau of Consumer Protection, Division of Marketing Practices, Federal Trade Commission, Washington, DC 20580, (202) 326–3140.

Donald S. Clark,

Secretary.

[FR Doc. 95–15186 Filed 6–21–95; 8:45 am]

BILLING CODE 6750–01–M

DEPARTMENT OF HEALTH AND HUMAN SERVICES

Administration for Children and Families

Agency Information Collection Under OMB Review

Title: Monthly ''FLASH'' Report of Selected AFDC Program Data.

OMB No.: 0970–0071.

Description: The information collected by use of this form is used to monitor program trends and serves as advanced indicators of program activity and costs. The affected public is comprised of State and local agencies administering AFDC programs. The forms are completed by State agencies administering AFDC programs.

Respondents: State and Local governments.