

Federal Reserve System, Washington, D.C. 20551, not later than September 8, 1995. Any request for a hearing on this proposal 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. The notice may be inspected at the offices of the Board of Governors or the Federal Reserve Bank of Richmond.

Board of Governors of the Federal Reserve System, August 10, 1995.

William W. Wiles,

Secretary of the Board.

[FR Doc. 95-20232 Filed 8-15-95; 8:45 am]

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evidence that would be presented at a hearing, and indicating how the party commenting would be aggrieved by approval of the proposal.

Unless otherwise noted, comments regarding each of these applications must be received at the Reserve Bank indicated for the application or the offices of the Board of Governors not later than August 30, 1995.

A. Federal Reserve Bank of New York (William L. Rutledge, Senior Vice President) 33 Liberty Street, New York, New York 10045:

1. National Westminster Bank PLC, London, England; Natwest Holdings Inc., New York, New York; and National Westminster Bancorp Inc., Jersey City, New Jersey; to acquire Natwest Leasing Corporation, New York, New York

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#### National Westminster Bank PLC, et al.; Acquisitions of Companies Engaged in Permissible Nonbanking Activities

The organizations listed in this notice have applied under § 225.23(a)(2) or (f) of the Board's Regulation Y (12 CFR 225.23(a)(2) or (f)) for the Board's approval under section 4(c)(8) of the Bank Holding Company Act (12 U.S.C. 1843(c)(8)) and § 225.21(a) of Regulation Y (12 CFR 225.21(a)) to acquire or control voting securities or assets of a company engaged in a nonbanking activity that is listed in § 225.25 of Regulation Y as closely related to banking and permissible for bank holding companies. Unless otherwise noted, such activities will be conducted throughout the United States.

Each application is available for immediate inspection at the Federal Reserve Bank indicated. Once the application has been accepted for processing, it will also be available for inspection at the offices of the Board of Governors. Interested persons may express their views in writing on the question whether consummation of the proposal can reasonably be expected to produce benefits to the public, such as greater convenience, increased competition, or gains in efficiency, that outweigh possible adverse effects, such as undue concentration of resources, decreased or unfair competition, conflicts of interests, or unsound banking practices." Any request for a hearing on this question must be accompanied by a statement of the reasons a written presentation would not suffice in lieu of a hearing, identifying specifically any questions of fact that are in dispute, summarizing the

Commission considered comments filed in response to the Commission's "Policy Statement With Request for Public Comment Regarding Duration of Competition Orders and Request for Public Comment Regarding Duration of Consumer Protection Orders," published in the Federal Register on September 1, 1994. 59 Fed. Reg. 45286.

supersede the Policy Statement Regarding Duration of Competition Orders adopted on July 22, 1994. In

and seeking comment on a Notice of Proposed Rulemaking to implement its policy with respect to existing administrative orders. The Commission

Policy Statement.

DATES: Comments must be received on or before September 15, 1995.

ADDRESSES: Written comments should be directed to: FTC/Office of the Secretary, Room 159, 600 St. & Pa. Ave. N.W., Washington, D.C. 20580.

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<sup>1</sup> Core provisions prohibit practices that would be unlawful whether used by parties subject to the order at issue or by other similarly situated persons or entities.

<sup>2</sup> Supplemental provisions are intended to prevent a respondent or defendant from repeating a law violation or to mitigate the effects of prior illegal conduct. Such provisions either prohibit or restrict conduct that would be lawful if engaged in by parties not subject to the order at issue or impose an affirmative obligation not otherwise required by law.

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<sup>3</sup> The filing of such a complaint will not affect the duration of the order if the complaint is dismissed or the court rules that the respondent did not violate any provision of the order and the dismissal or ruling is appealed.

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<sup>4</sup> Competition administrative orders may include types of relief that are not addressed in this statement because they have no further effect once the actions they require have been taken. For example, some orders require divestitures, revisions to bylaws, or publication of the administrative compliant and order.

<sup>5</sup> See, e.g., *FTC v. Colgate-Palmolive Co.*, 380 U.S. 374, 392±95 (1965); *FTC v. National Lead Co.*, 352 U.S. 419, 428±30 (1957); *FTC v. Ruberoid Co.*, 343 U.S. 470, 473 (1952); *FTC v. Cement Inst.*, 333 U.S. 683, 726 (1948); *Jacob Siegel Co. v. FTC*, 327 U.S. 608, 611±13 (1946).

<sup>6</sup> See *FTC v. Mandel Bros., Inc.*, 359 U.S. 385, 393 (1959); *Consumers Products of America, Inc. v. FTC*, 400 F.2d 930 (3d Cir. 1968), cert. denied, 393 U.S. 1088 (1969); *Nirsk Indus. v. FTC.*, 278 F.2d 337, 343 (7th Cir.), cert. denied, 364 U.S. 883 (1960). For example, in *FTC v. Colgate-Palmolive Co.*, 380 U.S. 374, 395 (1965), the Supreme Court reviewed a Commission order that prohibited a particular advertising practice not only for the product at issue in the case, but also for any other product. The Court sustained the scope of the order provision, stating that

[t]he Commission is not limited to prohibiting the illegal practice in the precise form in which it is found to have existed in the past. Having been caught violating the Act, respondents `must expect some fencing in.'

*Id.* at 395, quoting *FTC v. National Lead Co.*, 352 U.S. at 431, and *FTC v. Ruberoid Co.*, 343 U.S. at 473.

<sup>7</sup> Only in an exceptional case will the Commission adopt a sunset period longer or shorter than twenty years for core provisions. The Commission does not intend to change, in general, the expiritation periods of particular types of supplemental provisions that, as a matter of policy, have been set to expire by their own terms after periods of up to ten years.

<sup>8</sup> To implement this policy, new Commission administrative orders will include a provision similar to the following:

This order will terminate twenty years from the date of its issuance, or twenty years from the most recent date that the United States or the Federal Trade Commission files a complaint (with or without an accompanying consent decree) in federal court alleging any violation of the order, whichever comes later; provided, however, that the filing of such a complaint will not affect the duration of:

A. Any paragraph in this order that terminates in less than twenty years;

B. This order's application to any respondent that is not named as a defendant in such complaint; and

C. This order if such complaint is filed after the order has terminated pursuant to this paragraph.

Provided further, that if such complaint is dismissed or a federal court rules that the respondent did not violate any provision of the order, and the dismissal or ruling is either not

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U.S.C. 1601±1667, and the Wool Products Labeling Act, 15 U.S.C. 68.

Second, orders may require those subject to them to keep records, distribute the order, or file reports with the Commission to facilitate

Commission efforts to monitor or

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<sup>13</sup> The Commission may also impose or seek types of relief in administrative orders that are not addressed in this statement because they have no further effect once the actions they require have been taken. For example, some orders require the payment of redress to consumers, the payment of disgorgement to the United States Treasury, or the dissemination of corrective advertising for a limited time.

<sup>14</sup> Although it is true, as some comments point out, that respondents subject to orders containing over-regulatory provisions can petition the Commission to reopen and vacate such orders, the filing of petitions entails costs for both respondents and the Commission.

<sup>15</sup> This is not true of those competition orders based on per se violations, such as price-fixing. However, a much larger proportion of consumer protection orders are based on core concepts that remain valid despite changes in market conditions.

<sup>16</sup> See comments of NAAG, AARP, and CSPI.

<sup>17</sup> Supplemental relief in consumer protection orders tends to be more detailed in its prohibitions than core relief, and thus more potentially burdensome. However, that is equally true of supplemental relief in competition orders.

<sup>18</sup> Only in an exceptional case will the Commission adopt a sunset period longer or shorter than twenty years for core provisions. The Commission does not intend to change, in general, the expiration periods of particular types of supplemental provisions that, as a matter of policy, have been set to expire by their own terms after periods of up to ten years such as: (1) Administrative boilerplate ( e.g., recordkeeping, order distribution, and reporting requirements); and (2) some types of disclosure requirements ( e.g., informercial disclosures that sunset after ten years; See TV Inc., Docket No. C±3296 (1990)).

<sup>19</sup> The termination under the policy Statement of an order issued in connection with a determination by the Commission that the respondent had engaged in an unfair or deceptive practice would not affect the ability of the Commission to recover a civil penalty based on that determination pursuant to Section 5(m)(1)(B) of the FTCA, 15 U.S.C. 45(n)(1)(B).

<sup>20</sup> The Commission notes that it does not have the power to unilaterally sunset federal court orders. Every federal court order must be entered by federal court to become effective. In order to sunset an existing federal court order, one or more parties thereto would have to file a motion with the court seeking termination of the order.

and some supplemental provisions in these orders.

In addition, many consumer protection federal court orders simply prohibit violations of Commission trade regulation rules ( e.g., Disclosure Requirements and Prohibitions Concerning Franchising and Business Opportunity Ventures, 16 CFR 436) or statutes other than the FTCA enforced by the Commission ( e.g., Equal Credit Opportunity Act, 15 U.S.C. 1691). The core provisions in such orders are presumptively valid beyond twenty years in that they require adherence to regulations and statutes that are already binding on the defendants as well as their competitors. Moreover, many of these order do not contain supplemental provisions other than those that, as a matter of Commission policy, normally terminate after up to ten years. Therefore, there is no compelling reason to sunset such orders.

Finally, most competition and some consumer protection federal court orders simply prohibit violations of Commission administrative orders. These federal court orders will cease to have any effect once the underlying administrative orders are terminated pursuant to this Policy Statement. Therefore, there is no compelling reason to sunset these federal court orders.

By direction of the Commission.

Issued: August 7, 1995

Donald S. Clark,  
Secretary.

Concurring Statement of Commissioner  
Mary L. Azcuenaga Concerning Revised  
Statement of Policy On Duration of  
Commission Orders

August 1995.

The Commission today has approved a revised statement issued in July, 1994, that applied only prospectively and did not apply to consumer protection orders. In 1994, when the Commission issued its statement, I wrote separately to say that the Commission should apply a sunset policy to all its administrative orders, both consumer protection and competition orders and existing and future orders. I also expressed the view that the Commission need not issue individual orders modifying or vacating existing orders but easily could accomplish the same goal through publication of an appropriate notice in the Federal Register. I am gratified that today's statement is fully consistent with myv laws of a year ago and now, I am pleased to join the Commission in its current decision.

[FR Doc. 95±20144 Filed 8±15±95; 8:45 am]

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## DEPARTMENT OF HEALTH AND HUMAN SERVICES

### Administration for Children and Families

Aid to Families With Dependent  
Children Program: Demonstration  
Projects Under Section 1115(a) of the  
Social Security Act

AGENCIES: Office of the Secretary;  
Administration for Children and  
Families (ACF), HHS.

ACTION: Public Notice.

SUMMARY: This public notice invites States to submit demonstration project applications under section 1115(a) of the Social Security Act to test welfare reform strategies in various areas. It further advises that the Department would commit to approving applications that comply with the demonstration components within 30 days of receipt.

FOR FURTHER INFORMATION CONTACT:  
Howard Rolston, Administration for  
Children and Families, Department of  
Health and Human Services, 370  
L'Enfant Promenade, 7th Floor, West  
Wing, Washington, DC 20447, (202)  
401±9220.

#### SUPPLEMENTARY INFORMATION:

##### I. General

Under Section 1115, the Department of Health and Human Services (HHS) is given latitude, subject to the requirements of the Social Security Act, to consider and approve demonstration proposals that are likely to assist in promoting the objectives of titles IV±A and B and XIX of the Act. The Department believes that State experimentation provides valuable knowledge that will help lead to improvements in achieving the purposes of the Act. Since January 1993, HHS has approved 33 welfare reform demonstration projects testing a broad range of strategies designed to promote the objectives of title IV.

The Department has reviewed the provisions of these projects, as well as those of prior projects, data from completed and continuing projects, other literature evaluating the welfare system, and the welfare reform proposals being considered by Congress. Based on this review, and our commitment to transform the Aid to Families With Dependent Children system into one that provides maximum opportunities and incentives for families to achieve financial independence, we have identified five strategies for improving the efficacy of the welfare system in helping recipients

become self-sufficient for which we believe additional experimentation would be especially useful. We have concluded that demonstrations testing these strategies are likely to provide important new information on ways to accomplish the objectives of the Social Security Act more effectively and efficiently. This information can guide the development of both national and state policy.

These strategies are: (1) Work requirements, including limited exemptions from such requirements; (2) time-limited assistance for those who can work; (3) improving payment of child support by requiring work for those owing support; (4) requirements for minor mothers to live at home and stay in school; and (5) public-private partnerships under which AFDC grants are diverted to private employers to develop jobs and training programs. These areas, and approvable demonstration project provisions, are discussed in detail in section II below.

To date, the Department has approved a number of demonstration projects including components using one or more of these strategies. We have reviewed comments submitted regarding each of these strategies. Our overall judgment is that testing additional demonstrations in each of these areas would likely promote financial security for dependent children within a stable family and, thus, further the objectives of the Social Security Act. (Specific rationales justifying demonstrations in each policy area are set out in section II.) Moreover, in view of every state's unique circumstances, the Department believes that it is critically important that each state be given the opportunity to test combination(s) of these strategies that are designed to address the needs of the recipients in that state.

Accordingly, we plan to approve within 30 days of receipt demonstration project applications that States submit which would implement, on a statewide or substate basis, any (or any combination) of the provisions discussed in section II. Further, because such projects may incorporate only the provisions already announced in this notice, which have been found by the Secretary to further the objectives of the Social Security Act, the Department will not apply its "Federal Notice" procedures generally applicable to demonstration projects. 59 Fed. Reg. 49250 (1994). Other policies and procedures stated in that notice remain applicable, including state public notice requirements, rigorous evaluation, and cost neutrality, except that the application and review process with