*transmitter*, requiring the strict specifications and standards of the TV broadcast service" (paragraph 4, *Report and Order*, adopted November 30, 1966). Broadcast television transmitters require an operator on duty and complex monitoring equipment; translators have no monitoring requirements and are exempt by the Communications Act from operator requirements.

4. However, the NTA proposal suggests that there are individuals willing to meet the requirements for a system that employs its own modulator, and are willing to purchase and use the more expensive FM microwave equipment even if it is authorized only on a secondary, non-interference basis. AM modulation as now employed in the translator relay service has a basic disadvantage: rebroadcasting with AM modulation results in degradation of the television signal after several repetitions. FM microwave overcomes this limitation, and is able to produce a consistently high quality picture after numerous repetitions. There are, then, advantages to authorizing FM microwave and an associated modulator for use by translator stations. The outlying areas of the country could receive a picture of essentially the same quality as in the areas immediately surrounding television stations. This becomes especially important when the growth of color television is considered; signal degradation that is acceptable in black and white may be totally unacceptable in color. With an FM microwave and translator system, a quality picture could be viewed hundreds of miles from the primary station's transmitter location.

5. Upon examination, we find that this proposal warrants further consideration. A number of implications are raised by this proposal which require further study, and we therefore invite comments from interested parties on the various aspects of this matter: what impact the use of bands A, B and D by translator relays may have on present and future uses for these bands; what technical standards should be applicable to translator systems employing modulating equipment; under what criteria could unattended operation be authorized for translators employing modulators; whether television translator relay stations should continue to be authorized on a secondary, non-interference basis; whether the FM system should be authorized in addition to, or in lieu of, the AM heterodyne translator relay service. In addition to submitting comments in response to the specific questions set forth above, interested parties are urged to point out and discuss any other aspect of this matter which they believe should be considered herein.

6. If on the basis of the comments received, we believe the proposals should be implemented in whole or in part, we propose to amend the appropriate rules contained in Subparts F and G of Part 74, and Subpart B of Part 78. These would include §§ 74.602 (a) and (h), 74.604(a), 74.613(g), 74.637(a), 74.701 (a), 74.731(b), 74.750, 78.11 and 78.18.

7. Pursuant to applicable procedures set out in § 1.415 of the Commission's rules, interested parties may file comments on or before August 18 and reply comments on or before August 28, 1975. All relevant and timely comment and reply comments will be considered by the Commission before final action is taken in this proceeding. In reaching its decision in this proceeding, the Commission must also take into account other relevant information before it, in addition to the specific comments invited by this Notice.

8. In accordance with the provisions of § 1.419 of the rules, an original and 14 copies of all comments, replies, pleadings, briefs, and other documents shall be furnished the Commission. Responses will be available for public inspection during regular business hours in the Commission's Broadcast and Docket Reference Room at its Headquarters in Washington, D.C.

Adopted: July 2, 1975.

Released: July 11, 1975.

FEDERAL COMMUNICATIONS COMMISSION,
[SEAL] VINCENT J. MULLINS,
*Secretary.*

[FR Doc.75-19238 Filed 7-23-75;8:45 am]

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[47 CFR Part 76]

[Docket No. 20523]

## CABLE TELEVISION RELAY SERVICE

### Extending Time for Filing Reply Comments

1. On June 17, 1975, the Commission adopted a notice of proposed rule making in the above-captioned proceeding. Publication was made in the FEDERAL REGISTER on June 26, 1975, 40 FR 27051. The dates for filing comments and reply comments are July 11 and July 16, 1975, respectively.

2. On July 14, 1975, Greeley, Bernard and Tierney, a law firm which represents applicants for Cable Television Relay Service (CARS) authorizations, filed a "Motion for Extension of Time" requesting that the time for filing reply comments be extended from July 16 to July 30, 1975. The request states that the initial comments, filed on July 11, 1975, in the above-captioned proceeding were not available for public inspection as of July 14, 1975, and that the five days allocated for reply comments are not sufficient to permit full and detailed consideration of all comments filed.

3. Although § 1.46(b) of the Commission's rules provides that motions for extension of time to file reply comments in rule making proceedings shall be filed at least seven days prior to the filing date, we feel that good cause has been shown for acceptance of the "Motion for Extension of Time" and for extending the deadline for filing replies in this proceeding. We are of the view, however, that the requested extension to July 30, 1975, is unwarranted. It would appear that an additional five days would permit all parties ample time to analyze the comments submitted and formulate replies.

Accordingly, *it is ordered*, That the date for filing reply comments in the above-captioned proceeding is extended to July 21, 1975.

This action is taken by the Chief, Cable Television Bureau, pursuant to authority delegated by § 0.288(a) of the Commission's rules.

Adopted: July 16, 1975.

Released: July 17, 1975.

FEDERAL COMMUNICATIONS COMMISSION,
[SEAL] DAVID D. KINLEY,
*Chief, Cable Television Bureau.*

[FR Doc.75-19239 Filed 7-23-75;8:45 am]

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## FEDERAL RESERVE SYSTEM

[12 CFR Part 226]

[Reg. Z]

## TRUTH IN LENDING

### Fair Credit Billing Amendments

On May 5, 1975, the Board of Governors published for comment in the FEDERAL REGISTER (40 FR 19489-19495) proposed regulations implementing the Fair Credit Billing Act (Title III of Pub. L. 93-495). The comment period on this proposal was initially set to terminate on May 30 and was subsequently extended through June 20, 1975. Approximately 300 comments were received regarding these proposed regulations. Several issues within the proposed rules were the subject of extensive comment, primarily focusing on the expense or burden to creditors of implementing procedures required under the proposals. The Board herewith announces its intent to schedule informal hearings on issues arising out of the proposed regulations, particularly those outlined below, for August 5 and 6, 1975. The Board also plans to publish revised proposed regulations in advance of the hearing which would indicate proposed treatment of the issues described below, as well as proposed solutions to certain substantive and technical problems raised by the comments. Comments on the revised proposal will be received through August 12, 1975.

Among the issues on which the hearings are designed to solicit comment are the following:

1. The Fair Credit Billing Act provides that one type of billing error is "a reflection on the statement of goods or services not accepted by the obligor or his designee or not delivered to the obligor or his designee in accordance with the agreement made at the time of the transaction" (Sec. 161(b)(3)). The proposed rule of May 5, 1975, included within the definition of billing error goods "not accepted" (§ 226.2(j)(3)) in the sense that the term "accepted" is defined in the Uniform Commercial Code. Comments suggested that the use of this UCC term may allow disputes over the quality of goods to be alleged as billing errors—for example, a toaster that does not work. Numerous comments suggested

that Congress intended only to refer to the question of whether there has been delivery or physical acceptance and taking of possession. Creditors claimed that to include in the definition of billing error disputes as to the quality of goods beyond the initial delivery would result in a conflict with Sec. 170 of the Fair Credit Billing Act, which grants the customer limited remedies in certain specific circumstances in regard to defective products for which the customer is billed on his credit card account. It is now proposed to delete reference to the UCC definition of acceptance. Instead, the term "not accepted" would include, among other things, goods or services which were not delivered, which differ from those described in the greement, or which are delivered late, to the wrong location or in the wrong quantity; disputes as to quality of merchandise in the physical possession of the customer would not be included.

2. Section 164 of the Fair Credit Billing Act requires creditors to post payments received under an open end consumer credit plan "promptly" and states that the Board's regulations "shall prevent a finance charge from being imposed on an obligor if the creditor has received the obligor's payment in a readily identifiable form in the amount, manner, location, and time indicated by the creditor" to prevent the imposition of finance charges. The proposed regulation § 226.7 (g) of May 5 would have implemented this language by requiring creditors to credit payments as of the date of receipt, regardless of when physical posting occurs. Creditors objected to this proposal because of the practical operational problems imposed. The problems cited include those encountered when payment is received at a branch or other remote location and may not reach the computer billing center for several days. Some comments also suggested that there can be delays in getting payments from a central location, for example, a bank's main office, to the central processing center, as well as delays within the central processing center itself. In addition, it was suggested that additional time subsequent to the October 28, 1975, effective date of the Fair Credit Billing Act may be needed to revise procedures to accommodate crediting as of the date of receipt.

It is now proposed to provide the following with respect to prompt posting of payments:

a. The creditor would specify at least one location at which all payments received at that location would be credited to the customer's account as of the day of receipt. The Board understands that a number of practical problems may be involved in implementing this requirement on October 28, 1975, and therefore desires comments to be directed at the time frame which should be allowed to permit creditors to make this transition. During the transition period, creditors would be required to post payments promptly, but in no event later than three full business days from the day of receipt.

b. In connection with accounts that are paid in full by a specified date to avoid additional finance charges, the creditor would be required to credit the payment so that no additional finance charges are imposed. If a creditor should fail to post the customer's payment in time to avoid the imposition of finance charges, the creditor would be required to adjust the customer's account so that the finance charges would be credited to the account during the next billing cycle.

c. Payments received at branches and other remote locations would be required to be posted promptly but in no event later than three business days, provided that it was clearly and conspicuously disclosed to the customer that there would be such a delay.

3. The May 5 proposals specified that no finance charges could be imposed on any disputed amount during the period a billing dispute remained unresolved, regardless of whether the creditor or customer was correct. This initial proposal for adjustments of finance charges for the dispute period has evoked widespread creditor criticism.

It is now proposed that finance charges would be adjusted whenever there has been an actual error in the customer's account, including improper dates or descriptions of transactions or failure to send the customer's bill to his current address, as well as errors in dollar amounts. A mere request for information concerning the customer's bill without such an error on the creditor's part would not, however, result in adjustment of finance charges.

4. The Fair Credit Billing Act prescribes that a form of notice be given to consumers of their rights to obtain correction of billing errors (Sec. 304 of Pub. L. 93-495). The proposed regulations of May 5 contain such a notice which has been the subject of numerous creditor complaints that it is too long and will not be read by consumers. Creditors have requested that a shortened notice be permitted, with a fuller statement of consumer rights available upon consumer request. Consumers on the other hand have suggested that additional language be included on the form notice. The statute appears to require that a full statement of rights be delivered to customers semiannually, and therefore, it would not be proposed to permit a shortened form of notice. The notice could, however, be printed on both sides of a single sheet.

5. Section 167 of the Fair Credit Billing Act amends the provision of the Truth in Lending Act which presently requires that merchants make finance charge disclosures when they allow cash customers to pay a lower price than credit card purchasers. In addition, many existing contracts between merchants and card issuers forbid the merchant to offer such lower prices. Congress provided in § 167 of the Act that contracts forbidding the offering of discounts for cash would be unlawful and that discounts up to 5 per cent for cash payment need not be considered as part of the finance charge. The proposed regulations of May 5 followed the literal language of the statute and provided that only discounts from the posted prices for cash payment would be exempted from the requirement of being disclosed as part of the finance charge. Surcharges added to the cash price for use of a credit card would still have to be disclosed as finance charges. Some comments objected to this different treatment of surcharges and suggested that both types of two-tiered pricing systems, whether by discount or by surcharge, should be included within the statutory concept of discount. It was urged that merchants should be free to select either the discounts or surcharge method, whichever best fits their merchandising plans. Consumer groups also suggested that card issuers be required to notify their participating merchants that any clauses within their contracts prohibiting the offering of a discount or surcharge are no longer valid.

The Board desires additional comments on the question of whether surcharges should be treated in the same way as discounts under this provision and the question of whether creditors should be required to notify merchants of any invalid clauses in contracts relating to prohibition of lower prices on cash purchases than on credit card purchases.

6. Section 171(a) of the Fair Credit Billing Act preempts certain State laws. Those State laws that provide greater protection than do the Federal provisions are not preempted. The proposed regulation of May 5 in § 226.12(a) reflected the language of the Act. Numerous comments were received from creditors indicating that they were uncertain as to which law to follow—State or Federal—when there is an apparent inconsistency or a conflict. Recommendations by interested parties as to possible solutions to this problem are invited.

7. The proposed regulations published on May 5 provided that if the creditor received a billing error notice subsequent to his having reported the delinquency of the account to a third party, the creditor must notify any such third party of the dispute and its subsequent resolution. Such a requirement would assure that a consumer's credit rating was not damaged merely because payment was withheld on a disputed item. Creditors objected to this proposal because of the burden of maintaining records reflecting the parties to whom reports were given. It is now proposed that, in the case where a billing error notification is received after the creditor has reported adversely on the account, the creditor must send a correction only to those parties who had received a report of delinquency and who are in the business of collecting and disseminating information about the creditworthiness or credit standing of customers. Up to one full billing cycle would be allowed to provide such correction.

This notice is published pursuant to section 553(b) of Title 5, United States Code, and section 262.2(a) of the rules of procedure of the Board of Governors of the Federal Reserve System (12 CFR § 262.2(a)).

To aid in consideration of this proposal, a hearing will be held before available members of the Board in its building on 20th and Constitution Avenue, NW., Washington, D.C., on August 5 and 6, 1975, beginning at 10 a.m. The proceeding will consist of presentations of statements in oral and written form.

Any persons desiring to give testimony, present evidence, or otherwise participate in the hearing should file with the Secretary of the Board of Governors of the Federal Reserve System, Washington, D.C. 20551, to be received by July 30, 1975, a written request containing a statement of the nature of the petitioner's interest in the proceedings, the extent of participation desired, a summary of the matters concerning which petitioner wishes to give testimony or submit evidence, and the names and affiliation of witnesses who propose to appear. All such communications will be made available for inspection and copying in Room 1118 of the Board Building.

All parties will be given until August 12, 1975, to submit such additional material related to the issues raised at the hearing, or any other issues in the proposed regulations, as they desire. Interested persons need not participate in the oral presentation to have their views considered but may submit their views in writing to be received by the Secretary no later than August 12, 1975. Comments on the proposed revised regulations, soon to be published, should also be received by the Secretary no later than August 12, 1975. Written comments, as they are received, will be made available for inspection and copying in Room 1118 of the Board Building.

By order of the Board of Governors, July 22, 1975.

[SEAL] THEODORE E. ALLISON, *Secretary of the Board.*

[FR Doc.75-19390 Filed 7-23-75;8:45 am]

## FEDERAL TRADE COMMISSION

[16 CFR Part 255]

### ENDORSEMENTS AND TESTIMONIALS IN ADVERTISING

#### Proposed Guides Concerning Use; Notice of Additional Opportunity To Present Views

On May 21, 1975, there was published in the FEDERAL REGISTER (40 FR 22187) a notice of proposed guides concerning use of endorsements and testimonials in advertising. Interested parties were afforded the opportunity to present to the Commission their written views concerning the guides, including such pertinent information, suggestions, or objections as they may desire to submit. Such views were to be submitted not later than July 21, 1975, to the Assistant Director for National Advertising, Bureau of Consumer Protection, Federal Trade Commission, Pennsylvania Avenue at 6th Street, N.W., Washington, D.C. 20580.

The Commission has determined that additional opportunity for the presentation of written views is warranted. Accordingly, the Commission extends the time during which such views may be submitted, as provided, to not later than August 20, 1975.

Issued: July 21, 1975.

By direction of the Commission.

[SEAL] CHARLES A. TOBIN, *Secretary.*

[FR Doc.75-19317 Filed 7-23-75;8:45 am]

## NATIONAL TRANSPORTATION SAFETY BOARD

[49 CFR Part 802]

### PRIVACY ACT OF 1974

#### Exemption

On July 17, 1975, at 40 FR 30130, the National Transportation Safety Board (NTSB) issued a proposed rule to implement the Privacy Act of 1974 (Act), designated as Part 802, Chapter VIII, Title 49, Code of Federal Regulations.

Pursuant to 5 U.S.C. 552a(k), each Federal agency that maintains any system of records retrievable by name or identifying number, symbol, or other identifying particular assigned to an individual may promulgate rules to exempt any such system of records from certain provisions of the Act.

NTSB maintains among its systems of records one designated as "Security Records." With respect to each employee or prospective employee of NTSB, or potential contractor with NTSB, the Security Records contain loyalty checks, and/or Federal Bureau of Investigation records, evaluations, and similar records.

NTSB plans to amend proposed Part 802 by exempting the Security Records from the provisions of subsections (d) (Access to Records), (e) (1), and (e) (4) (H) and (I) (Agency Requirements) of 5 U.S.C. 552a. The purpose of the amendment is to avoid disclosure of material, and NTSB handling thereof, which would reveal the identity of a source furnishing the information under a promise that his identity would be held in confidence.

Any person interested in the amendment herein may participate in this proposed rulemaking by submitting written data, views, or arguments, addressed to the General Counsel, National Transportation Safety Board, 800 Independence Avenue, SW., Washington, D.C. 20594, on or before August 18, 1975.

Accordingly, the National Transportation Safety Board hereby proposes to amend Part 802, Chapter VIII, Title 49, Code of Federal Regulations, by adding a new subpart, as follows:

Subpart H—Specific Exemptions

Sec.
802.20 Security records.

AUTHORITY: Privacy Act of 1974, Pub. L. 93-579, 88 Stat. 1896 (5 U.S.C. 552a); Independent Safety Board Act of 1974, Pub. L. 93-633, 88 Stat. 2166 (49 U.S.C. 1901 et seq.); and Freedom of Information Act, Pub. L. 93-502, November 21, 1974, amending 5 U.S.C. 552.

Subpart H—Specific Exemptions

§ 802.20 Security Records.

Pursuant to, and limited by, 5 U.S.C. 552a(k)(5), the NTSB's system of records, which contains the Security Records of NTSB employees, prospective employees, and potential contractors, shall be exempt from disclosure of the material and the NTSB's handling thereof under subsections (d), (e)(1) and (e)(4) (H) and (I) of 5 U.S.C. 552a.

Signed at Washington, D.C., on July 18, 1975.

[SEAL] JOHN H. REED, *Chairman.*

[FR Doc.75-19282 Filed 7-23-75;8:45 am]

## POSTAL SERVICE

[39 CFR Parts 262, 266, 267]

### RECORDS AND INFORMATION MANAGEMENT

#### Revised Policies and Procedures

Notice is hereby given of a proposed amendment to Postal Service regulations to establish revised policies and procedures relating to records and information management practices within the U.S. Postal Service, and in particular those practices dealing with information Privacy and Security as required by the provisions of the Privacy Act of 1974 (Pub. L. 93-579).

The Postal Service proposes to adopt new Parts 262, containing definitions, 266, relating to personal information, and 267, relating to the security of information. Part 266 will replace Part 263, relating to employee information.

Part 262 is a new part and is intended to provide a comprehensive set of definitions of terms used in subsequent Records and Information Management parts. Part 266 is a new part and consists of a set of rules which establish the general Postal Service policy regarding the subject of information privacy. The issues addressed within this part are primarily intended to satisfy the requirements of the Privacy Act of 1974. Part 267 is a new part and establishes the general policy for information security within the Postal Service. The intent of this Part is to provide for information security for personal information as required by the Privacy Act as well as for other types of sensitive information maintained by the Postal Service.

Any person interested in the amendments herein may participate in this proposed rulemaking by submitting written data, views or arguments on these proposed amendments to the USPS Records Officer, 475 L'Enfant Plaza West, S.W., Washington, D.C. 20260, on or before August 18, 1975.

Accordingly, the Postal Service proposes the following amendment:

In 39 CFR Part 263 is revoked, and new Parts 262, 266 and 267 are adopted to read as follows: