

DC, and the remaining meetings will be held at regional locations. The first meeting of the negotiating committee will be organizational in nature, focusing on dates, times, locations, and procedures for future meetings. The Commission also intends to sponsor a one day training session on the principles of negotiation for the committee as part of this first meeting. Negotiating sessions would begin approximately one month after the initial organizational meeting and continue monthly thereafter. The Commission is prepared to provide detailed information to the negotiating committee on the legal and technical aspects of the rulemaking during the initial sessions.

### 7. Notice of Proposed Rulemaking

The negotiating committee's specific objective will be to reach consensus on the terms of a notice of proposed rulemaking. To the extent that the negotiations are successful, the committee will prepare a report describing the factual basis on which the committee developed its proposals. The Commission will provide drafting assistance to the committee in this regard. If consensus is not reached on some issues, the report should identify the areas of consensus, the areas in which consensus could not be reached, and the reasons for non-agreement.

The Commission agrees to issue for comment any proposed rule prepared by the negotiating committee unless the Commission finds that the proposed rule is inconsistent with its statutory authority or is not appropriately justified. In that event, the Commission would explain the reasons for its decision. Adoption of any final rule will be based on consideration of any comments received on the proposed rule and other materials constituting the rulemaking record.

### 8. Failure to Reach Consensus

The Commission plans to dissolve the negotiating committee if the participants do not reach consensus within eight months after the first committee meeting. The Commission retains the discretion to dissolve the committee of an earlier time if the Commission determines that the committee's activities are being carried out in the public interest. If the negotiating committee is unable to reach consensus on any of the issues raised for discussion, the committee will prepare a report identifying the reasons for failure to achieve consensus. In the absence of consensus, the Commission has directed the NRC Staff to develop a proposed rule on an expedited basis.

### 9. Issues for Negotiation

The Commission has identified a number of issues appropriate for consideration by the committee. The convenor/facilitators will also be soliciting the views of potential parties on additional issues that may be appropriate for discussion. In addition, the Commission invites any interested person to suggest issues relevant to this rulemaking. The Commission anticipates that additional issues will be considered by the committee as they arise. The following is a preliminary list of issues and is not intended to be a rigid agenda for the committee's deliberations—

- What categories of information will be relevant to the HLW licensing decision, and therefore should be placed in the LSS?
- What timeframe should be used for the identification of relevant documents?
- How should drafts, handwritten notes, and handwritten annotations be handled?
- What rules should apply to privileged information i.e. what documents are privileged and at what point in time should they be placed in the LSS?
- At what time will parties, or potential parties, to the licensing proceeding be required to enter documents into the LSS? How can the early entry of data be encouraged?
- What organization will be responsible for administering the LSS?
- What procedures should be established to ensure that all relevant documents are entered into the LSS?
- What procedures will apply to any documents that are incorrectly excluded from the LSS?
- What measures, including sanctions, will be used to ensure that all relevant documents are entered into the LSS?
- How will the authentication of documents be handled?
- What security measures are necessary to protect the information in the LSS?
- What format should be used for the entry of documents into the LSS?
- Should all documents be entered in full text?
- Where will system access terminals be located and what types of assistance will be available on using the system?
- How will the electronic submission of documents be handled?

### Final Notice

After evaluating the comments on this announcement, including requests for representation on the committee, the Commission will make a determination

on whether to establish a negotiating committee under the Federal Advisory Committee Act. If the Commission decides that a committee should be formed, the Commission will announce its decision in the *Federal Register*.

Dated at Washington, DC, this 12th day of December 1986.

For the Nuclear Regulatory Commission.

Samuel J. Chilk,

*Secretary of the Commission.*

[FR Doc. 86-28400 Filed 12-17-86; 8:45 am]

BILLING CODE 7590-01-M

## FEDERAL RESERVE SYSTEM

### 12 CFR Part 226

[Reg. Z; R-0577]

### Truth in Lending; Proposed Update to Official Staff Commentary

**AGENCY:** Board of Governors of the Federal Reserve System.

**ACTION:** Proposed official staff interpretation.

**SUMMARY:** The Board is publishing for comment a proposed revision to the official staff commentary to Regulation Z (Truth in Lending) regarding the right of rescission in the refinancing of a closed-end credit transaction. The revision relates to an amendment to Regulation Z recently adopted by the Board that redefines what constitutes a new advance of money in a refinancing that is exempt from the rescission provisions. (The regulatory amendment is contained elsewhere in this issue.) The proposed commentary provision would revise existing comment 23(f)-4 which explains what constitutes a new advance of money in a refinancing by the original creditor that would require the creditor to give a consumer the opportunity to rescind an extension of additional credit.

**DATE:** Comments must be received on or before January 30, 1987.

**ADDRESS:** Comments should be mailed to William W. Wiles, Secretary, Board of Governors of the Federal Reserve System, Washington, DC 20551, or delivered to the 20th Street mail service courtyard entrance, 20th Street between C Street and Constitution Avenue, NW., Washington, DC, between 8:45 a.m. and 5:15 p.m. weekdays. Comments should include a reference to R-0577. Comments may be inspected in Room B-1122 between 8:45 a.m. and 5:15 p.m. weekdays.

**FOR FURTHER INFORMATION:** Contact Adrienne Hurt or Leonard Chanin, Staff Attorneys, Division of Consumer and

Community Affairs, at (202) 452-3867 or (202) 452-3667; for the hearing impaired only, Telecommunications Device for the Deaf (TDD) Earnestine Hill or Dorothea Thompson, at (202) 452-3544, Board of Governors of the Federal Reserve System, Washington, DC 20551.

#### SUPPLEMENTARY INFORMATION:

##### (1) General

The Truth in Lending Act (TILA) provides that, in a consumer credit transaction in which the consumer's principal dwelling secures an extension of credit, the consumer has three business days, generally from the date of consummation of the credit transaction, in which to rescind the transaction. This right of rescission was created to allow consumers time to reexamine their credit contracts and cost disclosures and to reconsider whether they want to place an important asset—the home—at risk by offering it as security for the credit.

Not all credit transactions secured by a consumer's principal dwelling are subject to the right of rescission. Under section 125(e) of the TILA a refinancing by the same creditor (the original creditor) is not subject to the right of rescission if no new advances of money are made to the consumer. The Board has recently adopted an amendment to Regulation Z to redefine what constitutes a new advance of money obtained by a consumer for purposes of the rescission exemption for refinancings. The regulatory amendment is contained elsewhere in this issue. The amendments redefine a new advance of money as only amounts above the costs attributable to the refinancing that are in the amount financed.

Comment 23(f)-4 would be revised to incorporate the revised definition of a new advance of money in a refinancing and to further explain what amounts are included in determining what constitutes a new advance. In addition, a minor editorial change would be made in the first sentence of comment 23(f)-4 to clarify that a consolidation is a type of refinancing. No substantive change is intended.

It is expected that revisions to comment 23(f)-4 will be adopted in final form in March 1987 (along with the final version of the sixth general update to the commentary to Regulation Z, a proposal of which was published at 51 FR 43372 on December 2, 1986). Compliance would be optional until the uniform effective date of October 1, 1987, for mandatory compliance. Certain conventions have been used to highlight the proposed revision. New language is shown inside bold-faced arrows, while

language that would be deleted is set off with brackets.

Pursuant to authority granted in section 105 of the Truth in Lending Act (15 U.S.C. 1604 as amended), the Board proposes to amend the official staff commentary to Regulation Z (12 CFR Part 226 Supp. I) as follows:

#### List of Subjects in 12 CFR Part 226

Advertising, Banks, Banking, Consumer protection, Credit, Federal Reserve System, Finance, Penalties, Truth in Lending.

#### PART 226—[AMENDED]

For the reasons set forth above, the Board proposes to amend 12 CFR Part 226 as follows:

1. The authority citation for Part 226 continues to read as follows:

Authority: Sec. 105, Truth in Lending Act, as amended by sec. 605, Pub. L. 96-221, 94 Stat. 170 (15 U.S.C. 1604 *et seq.*).

2. *Text of revisions.* The proposed revisions to the Official Staff Commentary (12 CFR Part 226, Supp. I) read as follows:

#### Supplement I—Official Staff Interpretations

\* \* \* \* \*

#### Section 226.23—Right of Rescission

\* \* \* \* \*

#### 23(f) Exempt Transactions

\* \* \* \* \*

4. *New advances.* The exemption in § 226.23(f)(2) applies only to refinancing [or consolidations] ► (including consolidations) ◄ by the original creditor. [If the transaction involves the advance of new money, then only the amount of the new money is rescindable. For example, if the sum of the outstanding principal balance plus the earned finance charge is \$1,000 and the new amount financed is \$1,000, then the refinancing would be exempt. On the other hand, if the new amount financed exceeds \$1,000, then the amount in excess of that \$1,000 would be rescindable.] ► If the refinancing involves a new advance of money, the amount of the new advance is rescindable. For purposes of the right of rescission, a new advance does not include amounts attributable to the costs of the refinancing. These amounts would include § 226.4(c)(7) charges (such as attorneys fees and title examination and insurance fees, if bona fide and reasonable in amount), as well as insurance premiums and other charges that are not finance charges. (Finance charges on the new transaction—points, for example—would not be considered in determining whether there is a new advance of money in a refinancing since finance charges are always excluded from the amount financed.) To illustrate, if the sum of the outstanding principal balance plus the earned unpaid finance charge is \$50,000 and

the new amount financed is \$51,000, then the refinancing would be exempt if the extra \$1,000 is attributed solely to costs financed in connection with the refinancing that are not finance charges. Of course, if new advances of money are made (for example, to pay for home improvements) and the consumer exercises the right of rescission, the consumer must be placed in the same position as he or she was prior to entering into the new credit transaction. Thus, if applicable, all amounts of money (which would include all the costs of the refinancing) already paid by the consumer to the creditor or to a third party as part of the refinancing would have to be redefined to the consumer. (See the commentary to § 226.23(d)(2) for discussion of refunds to consumers.) ◄ A model rescission notice applicable to transactions involving new advances appears in Appendix H.

Board of Governors of the Federal Reserve System, December 11, 1986.

William W. Wiles,

Secretary of the Board.

[FR Doc. 86-28316 Filed 12-17-86; 8:45 am]

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#### DEPARTMENT OF TRANSPORTATION

##### Federal Aviation Administration

##### 14 CFR Parts 27 and 29

[Docket Nos. 25010 and 23485; Notice Nos. 86-7 and 86-13]

#### Helicopter Instrument Flight; Rotorcraft Structural Fatigue and Damage Tolerance

AGENCY: Federal Aviation Administration (FAA), DOT.

ACTION: Notice of public meeting, date change; and extension of comment periods.

SUMMARY: This notice announces that the public meeting previously scheduled to discuss Notice of Proposed Rulemaking (NPRM) No. 86-7, Helicopter Instrument Flight (51 FR 21488; June 12, 1986) and NPRM No. 86-13, Rotorcraft Structural Fatigue and Damage Tolerance (51 FR 33704; September 22, 1986) has been rescheduled from February 24, 1987, to March 5-6, 1987, to permit additional time for comment by the public. In addition, the comment periods for both NPRM Nos. 86-7 and 86-13 are being extended.

DATES: The public meeting will begin at 9 a.m. on March 5, 1987, and conclude on March 6, 1987.

The public comment periods for NPRM Nos. 86-7 and 86-13 are extended to April 3, 1987.

ADDRESS: The meeting will be held in the Training Room (Room 167), Building