

# Proposed Rules

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This section of the FEDERAL REGISTER contains notices to the public of the proposed issuance of rules and regulations. The purpose of these notices is to give interested persons an opportunity to participate in the rule making prior to the adoption of the final rules.

## DEPARTMENT OF AGRICULTURE

### Rural Utilities Service

#### 7 CFR Part 1778

RIN 0572-AB90

#### Emergency and Imminent Community Water Assistance Grants

AGENCY: Rural Utilities Service, USDA.

ACTION: Proposed rule.

**SUMMARY:** The Rural Utilities Service (RUS) is amending its regulation governing Emergency Community Water Assistance Grants (ECWAG). This action is needed to comply with requirements set forth in the 2002 Farm Bill. The intended effect is to amend the regulation so that it allows eligibility for the program to be extended to situations where an emergency is considered imminent.

In the final rule section of this **Federal Register**, RUS is publishing this action as a direct final rule without prior proposal because RUS views this as a non-controversial action and anticipates no adverse comments. If no adverse comments are received in response to the direct final rule, no further action will be taken on this proposed rule and the action will become effective at the time specified in the direct final rule. If RUS receives adverse comments, a timely document will be published withdrawing the direct final rule and all public comments received will be addressed in a subsequent final rule based on this action.

**DATES:** Comments on this proposed action must be received by RUS via facsimile transmission or carry a postmark or equivalent no later than September 4, 2003.

**ADDRESSES:** Submit adverse written comments or notice of intent to submit adverse comments to F. Lamont Heppe, Jr., Program Development and Regulatory Analysis, Rural Utilities Service, U.S. Department of Agriculture, 1400 Independence Ave., SW., STOP

1522, Room 5168, South Building, Washington, DC 20250, telephone number (202) 720-9550 or via facsimile transmission to (202) 720-4120. RUS requires a signed original and three copies of all comments (7 CFR Part 1700). All comments received will be made available for inspection in room 4034, South Building, Washington, DC, between 8 a.m. and 4 p.m. (7 CFR part 1.27(b)).

**FOR FURTHER INFORMATION CONTACT:** Robin Pulkkinen, Loan Specialist, Water and Environmental Programs, Rural Utilities Service, Room 2229 South Building, Stop 1570, 1400 Independence Ave. SW, Washington, DC 20250-1570. Telephone: (202) 720-9636, FAX: (202) 690-0649, E-mail: [rpulkkin@rus.usda.gov](mailto:rpulkkin@rus.usda.gov).

**SUPPLEMENTARY INFORMATION:** See the Supplementary Information provided in the direct final rule located in the Rules and Regulations direct final rule section of this **Federal Register** for the applicable supplementary information on this action.

Dated: July 3, 2003.

Hilda Gay Legg,

Administrator, Rural Utilities Service.

[FR Doc. 03-19697 Filed 8-4-03; 8:45 am]

BILLING CODE 3410-15-P

## DEPARTMENT OF THE TREASURY

### Office of the Comptroller of the Currency

#### 12 CFR Parts 7 and 34

[Docket No. 03-16]

RIN 1557-AC73

#### Bank Activities and Operations; Real Estate Lending and Appraisals

AGENCY: Office of the Comptroller of the Currency, Treasury.

ACTION: Notice of proposed rulemaking.

**SUMMARY:** The Office of the Comptroller of the Currency (OCC) proposes to amend parts 7 and 34 of our regulations to add provisions clarifying the applicability of state law to national banks. These provisions would identify types of state laws that are preempted, as well as types of state laws that generally are not preempted, in the context of national bank lending,

deposit-taking, and other authorized activities.

**DATES:** Comments must be received by October 6, 2003.

**ADDRESSES:** Please direct your comments to: Office of the Comptroller of the Currency, 250 E Street, SW., Public Information Room, Mailstop 1-5, Washington, DC 20219, Attention: Docket No. 03-16, fax number (202) 874-4448; or Internet address: [regs.comments@occ.treas.gov](mailto:regs.comments@occ.treas.gov). Due to delays in paper mail delivery in the Washington area, we encourage the submission of comments by fax or e-mail whenever possible. Comments may be inspected and photocopied at the OCC's Public Information Room, 250 E Street, SW., Washington, DC. You can make an appointment to inspect comments by calling (202) 874-5043.

**FOR FURTHER INFORMATION CONTACT:** Andra Shuster, Counsel, or Mark Tenhundfeld, Assistant Director, Legislative and Regulatory Activities Division, (202) 874-5090.

#### SUPPLEMENTARY INFORMATION:

#### Scope of National Bank Preemption

##### A. Introduction

In recent years, the OCC has received numerous inquiries concerning the applicability of state law to national banks,<sup>1</sup> and the extent to which state law applies to a national bank's exercise of powers authorized by Federal law has been the subject of litigation in different contexts.<sup>2</sup> The number and variety of

<sup>1</sup> In response to such requests, the OCC has issued a number of interpretive opinions providing our views with respect to the applicability to national banks of various state laws. See, e.g., 67 FR 13405 (Mar. 22, 2002) (Massachusetts insurance sales law); 66 FR 51502 (Oct. 9, 2001) (West Virginia insurance sales law); see also *Cline v. Hawke*, No. 02-2100, 2002 WL 31557392 (4th Cir. Nov. 19, 2002), petition for review dismissed (upholding OCC opinion on the merits); 66 FR 28593 (May 23, 2001) (Michigan motor vehicle sales law); 66 FR 23977 (May 10, 2001) (Ohio automobile dealer licensing law); 65 FR 15037 (Mar. 20, 2000) (Pennsylvania law governing auctioneers and the conduct of auctions); OCC Interpretive Letter No. 866 (Oct. 8, 1999) (multi-state fiduciary operations); OCC Interpretive Letter No. 872 (Oct. 28, 1999) (California restrictions on the exercise of fiduciary powers); and OCC Interpretive Letter No. 695 (Dec. 8, 1995) (multi-state fiduciary operations).

<sup>2</sup> See, e.g., *Bank of America v. City & County of San Francisco*, 309 F.3d 551 (9th Cir. 2002), cert. denied, 123 S.Ct. 2220 (2003), 2003 U.S. LEXIS 4253 (May 27, 2003) (the National Bank Act and OCC regulations together preempt conflicting state limitations on the authority of national banks to

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