

FEDERAL RESERVE SYSTEM**Change in Bank Control Notices; Acquisition of Shares of Bank or Bank Holding Companies**

The notificants listed below have applied under the Change in Bank Control Act (12 U.S.C. 1817(j)) and § 225.41 of the Board's Regulation Y (12 CFR 225.41) to acquire a bank or bank holding company. The factors that are considered in acting on the notices are set forth in paragraph 7 of the Act (12 U.S.C. 1817(j)(7)).

The notices are available for immediate inspection at the Federal Reserve Bank indicated. The notices also will be available for inspection at the office of the Board of Governors. Interested persons may express their views in writing to the Reserve Bank indicated for that notice or to the offices of the Board of Governors. Comments must be received not later than July 24, 2001.

A. Federal Reserve Bank of Chicago (Phillip Jackson, Applications Officer) 230 South LaSalle Street, Chicago, Illinois 60690-1414:

1. *Charles Weldon Morrison*, Dallas City, Illinois; to acquire additional voting shares of Lamoine Bancorp, Inc., La Harpe, Illinois, and thereby indirectly acquire voting shares of First State Bank of Western Illinois, La Harpe, Illinois.

B. Federal Reserve Bank of Kansas City (Susan Zubradt, Assistant Vice President) 925 Grand Avenue, Kansas City, Missouri 64198-0001:

1. *Mr. Arthur D. Hagan*, Stillwater, Oklahoma; to retain voting shares of Ameribanc Holdings, Durango, Colorado, and thereby indirectly retain voting shares of The Bank of Durango, Durango, Colorado.

Board of Governors of the Federal Reserve System, July 3, 2001.

Robert deV. Frierson

Associate Secretary of the Board.

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FEDERAL RESERVE SYSTEM**Formations of, Acquisitions by, and Mergers of Bank Holding Companies**

The companies listed in this notice have applied to the Board for approval, pursuant to the Bank Holding Company Act of 1956 (12 U.S.C. 1841 *et seq.*) (BHC Act), Regulation Y (12 CFR Part 225), and all other applicable statutes and regulations to become a bank holding company and/or to acquire the assets or the ownership of, control of, or

the power to vote shares of a bank or bank holding company and all of the banks and nonbanking companies owned by the bank holding company, including the companies listed below.

The applications listed below, as well as other related filings required by the Board, are available for immediate inspection at the Federal Reserve Bank indicated. The application also will be available for inspection at the offices of the Board of Governors. Interested persons may express their views in writing on the standards enumerated in the BHC Act (12 U.S.C. 1842(c)). If the proposal also involves the acquisition of a nonbanking company, the review also includes whether the acquisition of the nonbanking company complies with the standards in section 4 of the BHC Act (12 U.S.C. 1843). Unless otherwise noted, nonbanking activities will be conducted throughout the United States. Additional information on all bank holding companies may be obtained from the National Information Center website at www.ffiec.gov/nic/.

Unless otherwise noted, comments regarding each of these applications must be received at the Reserve Bank indicated or the offices of the Board of Governors not later than August 2, 2001.

A. Federal Reserve Bank of Minneapolis (JoAnne F. Lewellen, Assistant Vice President) 90 Hennepin Avenue, Minneapolis, Minnesota 55480-0291:

1. *Western Bancorporation, Inc.*, Duluth, Minnesota; to acquire 100 percent of the voting shares of Cass Lake Company, Cass Lake, Minnesota, and thereby indirectly acquire First National Bank of Cass Lake, Cass Lake, Minnesota.

In connection with this proposal, Western Bancorporation, Inc., has applied to acquire indirectly voting shares of Cass Lake Company, Cass Lake, Minnesota, and thereby engage in general insurance agency activities in a place with a population not exceeding 5,000 as set forth in section 225.28(b)(11)(iii) of Regulation Y.

B. Federal Reserve Bank of Kansas City (Susan Zubradt, Assistant Vice President) 925 Grand Avenue, Kansas City, Missouri 64198-0001:

1. *Centennial Bank Holdings, Inc.*, Eaton, Colorado; to acquire 100 percent of the voting shares of Farmers Bank, Ault, Colorado (in organization).

Board of Governors of the Federal Reserve System, July 3, 2001.

Robert deV. Frierson

Associate Secretary of the Board.

[FR Doc. 01-17141 Filed 7-9-01; 8:45 am]

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FEDERAL RESERVE SYSTEM**Federal Open Market Committee; Domestic Policy Directive of May 15, 2001.**

In accordance with § 271.5 of its rules regarding availability of information (12 CFR part 271), there is set forth below the domestic policy directive issued by the Federal Open Market Committee at its meeting held on May 15, 2001.¹

The Federal Open Market Committee seeks monetary and financial conditions that will foster price stability and promote sustainable growth in output. To further its long-run objectives, the Committee in the immediate future seeks conditions in reserve markets consistent with reducing the federal funds rate to an average of around 4 percent.

By order of the Federal Open Market Committee, July 2, 2001.

Donald L. Kohn,

Secretary, Federal Open Market Committee.

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DEPARTMENT OF HEALTH AND HUMAN SERVICES**Health Resources and Services Administration****Program Support Center; Statement of Organization, Functions and Delegations of Authority**

Part P, Program Support Center (PSC) of the Statement of Organization, Functions, and Delegations of Authority for the Department of Health and Human Services (HHS), as last amended at 60 FR 51480 dated October 2, 1995, and 66 FR 31240-41 dated June 11, 2001; and Part R, Health Resources and Services Administration (HRSA), Bureau of Primary Health Care (RC), Division of Federal Occupational Health (RCB) of the Statement of Organization, Functions, and Delegations of Authority of HHS as last amended at 60 FR 56605 dated November 6, 1995, are being amended to reflect the transfer of the Division of Federal Occupational Health from HRSA to the PSC as the Federal Occupational Health Service (FOHS). The FOHS will be headed by a Director who will report to the Director, Program Support Center.

¹ Copies of the Minutes of the Federal Open Market Committee meeting of May 15, 2001, which include the domestic policy directive issued at that meeting, are available upon request to the Board of Governors of the Federal Reserve System, Washington, D.C. 20551. The minutes are published in the Federal Reserve Bulletin and in the Board's annual report.

The changes are as follows:

I. Under Part R, Health Resources and Services Administration make the following changes:

A. Delete the Bureau of Primary Health Care (RC) in its entirety and replace with the following:

Bureau of Primary Health Care (RC): Serves as a national focus for efforts to assure the availability and delivery of health care services in medically underserved areas and to special service populations. To this end, the Bureau, through its Field staffs: (1) Assists States through program and clinical efforts to provide health care to underserved populations; (2) administers the Community Health Centers Program; (3) provides through project grants to State, local, voluntary, public and private entities, funds to help them meet the health needs of special populations such as migrants, the homeless, substance abuse problems, and victims of black lung disease; (4) provides leadership and direction for the Bureau of Prisons Medical Program, the National Hansen's Disease Program, the Coast Guard Medical Program CHAMPUS Program, and the Cuban and Haitian Refugee Program; and (5) administers the *National or Health Service Corps Program* which assures accessibility of health care in underserved areas.

B. Delete the Division of Federal Occupational Health (RCB) in its entirety.

II. Under Part B, Program Support Center, make the following changes:

1. Under Section P-10 Organization, add the following line: "6. Federal Occupational Health service."

II. Under Chapter P-20 Functions, add the following new clause: "(7) provides occupational and environmental health services."

III. Under Section P-20 Functions, add Chapter "PG" to establish the "Federal Occupational Health Service (PG)," to read as follows:

Federal Occupational Health Service (PG): (1) Provides consultation on, and stimulates the development of, improved occupational health and safety programs throughout the Federal Government; (2) provides evaluation, consultation, and direction to Federal managers concerning the management and delivery of the full scope of agency occupational health programs in relation to established standards; (3) provides nationwide assistance in planning, implementing and monitoring health programs for Federal agencies on a reimbursable basis including improved environmental, education, promotional, clinical and managerial services and the development and incorporation of automated information management systems; (4) conducts research studies, science and engineering ventures, training, and demonstration projects; (5) develops occupational health standards and criteria for occupational health programs; (6) conducts activities designed to promote productivity and reduce absenteeism, lost time and related

liability within the Federal work force; (7) provides mechanisms for the development and operation of shared services that promote joint contracting, cost comparison, analysis and program formulation; (8) plans, develops, implements, and operates occupational health programs, including Employee Assistance Programs (EAPs), fitness and wellness, environmental surveillance, medical monitoring, and disability management components; and (9) maintains relationships with health officials in other Federal and occupational health related policy and program development and implementation.

IV. *Continuation of Policy:* Except as inconsistent with this reorganization, all statements of policy and interpretations with respect to the Health Resources and Services Administration and the Program Support Center that relate to this reorganization heretofore issued and in effect prior to this reorganization continue in full force and effect.

V. *Delegations of Authority:* All delegations and redelegations of authority made to officials and employees of affected organization components will continue in them or their successors pending further redelegation, provided they are consistent with this reorganization.

VI. *Funds, Personnel, and Equipment:* Transfer of organizations and functions affected by this reorganization shall be accompanied by direct and support funds, positions, personnel, records, equipment, supplies and other resources.

This reorganization is effective upon date of signature.

Dated: July 3, 2001.

Tommy G. Thompson,
Secretary.

[FR Doc. 01-17213 Filed 7-9-01; 8:45 am]

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DEPARTMENT OF HEALTH AND HUMAN SERVICES

Office of the Secretary

Findings of Scientific Misconduct

AGENCY: Office of the Secretary, HHS.
ACTION: Notice.

SUMMARY: Notice is hereby given that the Office of Research Integrity (ORI) and the Assistant Secretary for Health have taken final action in the following case:

David R. Jacoby, M.D., Ph.D., Harvard Medical School (HMS) and Massachusetts General Hospital (MGH): Based on the report of an investigation conducted by HMS and MGH and additional analysis carried out by ORI in its oversight review, the U.S. Public

Health Service (PHS) found that Dr. Jacoby, former Instructor, Department of Neurology, MGH, engaged in 15 acts of scientific misconduct by plagiarizing and falsifying research data taken from another scientist's different experiment in a published journal article for use in a program project grant application submitted to, and funded by, the National Institutes of Health (NIH).

Specifically, Dr. Jacoby plagiarized an image of a Southern blot analysis of genomic DNA that appeared as Figure 3A in Balagué, C., Kalla, M., & Zhang, W.-W. "Adeno-Associated Virus Rep78 Protein and Terminal Repeats Enhance Integration of DNA Sequences into the Cellular Genome." *J. Virology* 71:3299-3306, 1997. Dr. Jacoby first falsified the image by adding molecular weight markers and lane labels that misrepresented the image as his own experimental data. He further falsified the image using computer software to intensify a band he claimed was a site-specific integration and to remove identifiable background spots present in the original image. The effect of Dr. Jacoby's falsifications was to misrepresent the image as data from his own experimental analysis of clonal cell lines derived from the infection of a human cell line with a recombinant hybrid virus incorporating two transgenes and adeno-associated virus genes into a herpes simplex virus amplicon. Dr. Jacoby's falsified image was material to his research because it supported his claim that the transgene DNA had integrated into the cell genome at a specific site. These plagiarized and falsified results were reported in:

1. Appendix material supporting an application for a Program Project Grant, Molecular Etiology of Early Onset Torsion Dystonia, 1 P01 NS37409-01A1, submitted by Dr. Jacoby's supervisor; Dr. Jacoby's supervisor relied upon falsified written and oral information provided to her by Dr. Jacoby in her description of his recent research progress;

2. Three presentations by Dr. Jacoby's supervisor to colleagues at MGH in May 1998 regarding the status of the research in her laboratory; Dr. Jacoby's supervisor relied upon falsified written and oral information provided to her by Dr. Jacoby in her description of his recent research progress; and

3. A grant application to NIH for continuation of Dr. Jacoby's Clinical Investigator Award grant, 5 K08 NS01887-03, signed by Dr. Jacoby on May 29, 1998.

In addition, Dr. Jacoby subsequently altered the falsified image described above further by changing the location