

Utilities Commission (Minnesota PUC) has filed a petition, pursuant to § 54.207 of the Commission's rules, requesting the Commission's consent to its proposed alternative "service area" definition for Frontier Communications of Minnesota, Inc. (Frontier). The Minnesota PUC proposes to adopt a definition of service area that differs from Frontier's "study area" for the purpose of determining universal service obligations and support mechanisms. Specifically, the Minnesota PUC proposes to classify each of the 45 individual exchanges served by Frontier as separate service areas. The Minnesota PUC contends that, without a redefinition of Frontier's service area, the Minnesota PUC will be unable to designate another carrier as an eligible telecommunications carrier (ETC) to serve any portion of Frontier's study area, even if such designation is in the public interest. The Minnesota PUC contends that it has taken into account the recommendations of the Federal-State Joint Board, as required by the Communications Act of 1934, as amended (the Act), and Commission rules.

Commission Rules

For areas served by a rural telephone company, section 214(e)(5) of the Act provides that the company's service area will be its study area "unless and until the Commission and the States, after taking into account the recommendations of a Federal-State Joint Board instituted under section 410(c) of the Act, establish a different definition of service area for such company." Section 54.207 of the Commission's rules and the *Universal Service Order*, 62 FR 32862, June 17, 1997, set forth the procedures for consideration of petitions filed by state commissions seeking to designate service areas for rural telephone companies that are different from such companies' study areas. Specifically, § 54.207(c)(1) provides that such a petition shall contain: (i) the definition proposed by the state commission; and (ii) the state commission's ruling or other official statement presenting the state commission's reason for adopting its proposed definition, including an analysis that takes into account the recommendations of any Federal-State Joint Board convened to provide recommendations with respect to the definition of a service area served by a rural telephone company.

The Petition

On October 27, 1999, the Minnesota PUC issued an order granting preliminary approval to Minnesota

Cellular Corporation, now known as Western Wireless Corporation (Western Wireless), for designation as an ETC under section 214(e) of the Act. In this order, the Minnesota PUC found that it was in the public interest to designate Western Wireless as an ETC in service areas served by rural telephone companies. At that time, the Minnesota PUC rejected the claim of Frontier that it was a rural telephone company.

On February 10, 2000, the Minnesota PUC issued an order on reconsideration finding, among other things, that Frontier was a rural telephone company under the Act. As a rural telephone company, section 214(e)(5) of the Act defines Frontier's service area as its study area, until and unless the Commission and the state establish a different definition. Accordingly, Frontier's study area would include all of Frontier's 45 existing exchanges in Minnesota. Pursuant to section 214(e)(1) of the Commission's rules, a carrier designated as an ETC must offer and advertise the services supported by the federal universal service mechanism throughout the entire service area. Because Western Wireless is licensed to serve only 29 of the 45 exchanges comprising Frontier's Minnesota study area, the Minnesota PUC rescinded its preliminary designation of Western Wireless as an ETC in areas served by Frontier.

On September 1, 2000, the Minnesota PUC issued an order concluding that Frontier's service area should be "disaggregated on an exchange by exchange basis as this would allow CLECs [competitive local exchange carriers] which are designated a federal ETC to receive future federal high-cost funds, if any, for those exchanges in which they serve." The Minnesota PUC noted that Frontier's study area is comprised of 45 non-contiguous exchanges located throughout Minnesota and concluded that Frontier's service area should be redefined into 45 separate service areas based on those individual exchanges. The Minnesota PUC reasoned that this redefinition would promote competition by allowing CLECs that are designated ETCs to receive federal high-cost funds to provide service in part or all of Frontier's current service area. The Minnesota PUC therefore authorized a petition to be filed with the Commission requesting consent to its proposed alternative service area definition for Frontier's Minnesota service territory.

Status

Section 54.207(c)(3) of the Commission's rules provides that the Commission may initiate a proceeding

to consider a petition to redefine the service area of a rural telephone company within ninety days of the release date of a Public Notice. If the Commission initiates a proceeding to consider the petition, the proposed definition shall not take effect until both the state commission and the Commission agree upon the definition of a rural service area, in accordance with section 214(e)(5) of the Act. If the Commission does not act on the petition within 90 days of the release date of the Public Notice, the definition proposed by the state commission will be deemed approved by the Commission and shall take effect in accordance with state procedures. Under § 54.207(e) of the Commission's rules, the Commission delegates its authority under § 54.207(c) to the Chief of the Common Carrier Bureau.

Federal Communications Commission.

Katherine L. Schroder,

Chief, Accounting Policy Division.

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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 January 4, 2001.

A. Federal Reserve Bank of Dallas (W. Arthur Tribble, Vice President) 2200 North Pearl Street, Dallas, Texas 75201-2272:

1. *Bryan Family Management Trust*, Bryan, Texas, and Bryan Heritage Limited Partnership, Bryan, Texas; to acquire 51 percent of the voting shares of The First National Bank of Bryan, Bryan, Texas.

B. Federal Reserve Bank of San Francisco (Maria Villanueva, Consumer Regulation Group) 101 Market Street, San Francisco, California 94105-1579:

1. *Frontier Financial Corporation*, Everett, Washington; to merge with Interbancorp, Inc., Duvall, Washington, and thereby indirectly acquire Inter Bank, Duvall, Washington.

Board of Governors of the Federal Reserve System, December 5, 2000.

Robert deV. Frierson

Associate Secretary of the Board.

[FR Doc. 00-31323 Filed 12-7-00; 8:45 am]

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FEDERAL RESERVE SYSTEM

Notice of Proposals to Engage in Permissible Nonbanking Activities or to Acquire Companies that are Engaged in Permissible Nonbanking Activities

The companies listed in this notice have given notice under section 4 of the Bank Holding Company Act (12 U.S.C. 1843) (BHC Act) and Regulation Y, (12 CFR Part 225) to engage de novo, or to acquire or control voting securities or assets of a company, including the companies listed below, that engages either directly or through a subsidiary or other company, in a nonbanking activity that is listed in § 225.28 of Regulation Y (12 CFR 225.28) or that the Board has determined by Order to be closely related to banking and permissible for bank holding companies. Unless otherwise noted, these activities will be conducted throughout the United States.

Each notice is available for inspection at the Federal Reserve Bank indicated. The notice also will be available for inspection at the offices of the Board of Governors. Interested persons may express their views in writing on the question whether the proposal complies with the standards of section 4 of the BHC Act. 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 the applications must be received at the Reserve Bank indicated or the offices of the Board of Governors not later than December 22, 2000.

A. Federal Reserve Bank of New York (Betsy Buttrill White, Senior Vice President) 33 Liberty Street, New York, New York 10045-0001:

1. *Bayerische Hypo- und Vereinsbank AG*, Munich, Germany; to acquire Bank Austria Securities, Inc., New York, New York; and thereby indirectly acquire CAIB Securities (New York) Inc., New York, New York; Creditanstalt International Asset Management, Inc., New York, New York; Bank Austria Creditanstalt Corporate Finance, Inc., Greenwich, Connecticut; Bank Austria Commercial Paper, LLC, Greenwich, Connecticut; Bank Austria Creditanstalt Community Development, Inc., Greenwich, Connecticut; Bank Austria Creditanstalt Holdings Corporation (Railcar Leasing), Greenwich, Connecticut; Bank Austria Creditanstalt Equipment Leasing, Inc., Greenwich, Connecticut; and Bank Austria Creditanstalt Property Corporation (Leasing), Greenwich, Connecticut, and thereby engage in corporate finance and commercial lending activities, pursuant to § 225.28(b)(1) of Regulation Y; investment advisory activities, pursuant to § 225.28(b)(6) of Regulation Y; securities brokerage, private placement and riskless principal activities, pursuant to § 225.28(b)(7) of Regulation Y; community development activities, pursuant to § 225.28(b)(12) of Regulation Y; and in equipment leasing activities, pursuant to § 225.28(b)(3) of Regulation Y. These activities will be conducted worldwide.

Board of Governors of the Federal Reserve System, December 4, 2000.

Robert deV. Frierson

Associate Secretary of the Board.

[FR Doc. 00-31282 Filed 12-7-00; 8:45 am]

BILLING CODE 6210-01-S

FEDERAL RESERVE SYSTEM

Sunshine Act Meeting

AGENCY HOLDING THE MEETING: Board of Governors of the Federal Reserve System.

TIME AND DATE: 10 a.m., Wednesday, December 13, 2000.

PLACE: Marriner S. Eccles Federal Reserve Board Building, C Street entrance between 20th and 21st Streets, NW., Washington, DC 20551

STATUS: Open.

MATTERS TO BE CONSIDERED:

Summary Agenda

Because of its routine nature, no discussion of the following item is anticipated. This matter will be voted on without discussion unless a member of the Board requests that the item be moved to the discussion agenda.

1. Proposed amendments to Regulation Y (Bank Holding Companies and Change in Bank Control) to authorize financial holding companies to act as a "finder" by bringing buyers and sellers together for transactions that the parties themselves negotiate and consummate (proposed earlier for public comment; Docket No. R-1078).

Discussion Agenda

2. Publication for comment of proposed amendments to Regulation Z (Truth in Lending) related to potentially abusive practices in home mortgage lending. (Comments were solicited earlier on possible revisions; Docket No. R-1075.)

3. Consideration of a proposal for comment to amend Regulation Y (Bank Holding Companies and Change in Bank Control) to (a) increase the amount of nonfinancial data processing permissible for bank and financial holding companies and (b) allow financial holding companies to own companies engaged in certain data processing activities in connection with the provision of financial products and services.

4. Publication for comment of proposed amendments to Regulation Y (Bank Holding Companies and Change in Bank Control) that would permit financial holding companies to provide general real estate brokerage and real estate management services.

5. Proposed 2001 Federal Reserve Bank budgets.

6. Any items carried forward from a previously announced meeting.

Note: This meeting will be recorded for the benefit of those unable to attend.

Cassettes will then be available for listening in the Board's Freedom of Information Office, and copies can be ordered for \$6 per cassette by calling 202-452-3684 or by writing to: Freedom of Information Office, Board of Governors of the Federal Reserve System, Washington, DC 20551.

CONTACT PERSON FOR MORE INFORMATION: Lynn S. Fox, Assistant to the Board; 202-452-3204.

SUPPLEMENTARY INFORMATION: You may call 202-452-3206 for a recorded announcement of this meeting; or you may contact the Board's Web site at