

Harwood Heights, Illinois, which is a suburban industrial area with surrounding residential and commercial areas. Single family homes adjacent to the east fence of the site are within approximately thirty feet of the property and multi-unit apartment buildings are adjacent to the north and east of the Site. The Harwood Heights United States Post Office is located to the east across Ronald Street. There is an elementary school located approximately 0.25 mile southeast of the Site and a high school located approximately 0.5 mile southwest of the Site. On March 13, 1998, U.S. EPA conducted a Removal Site Assessment and identified approximately 850 one gallon, 345 five gallon, 20 fifteen gallon, 3 thirty gallon, 144 fifty-five gallon containers and various gas cylinders throughout the building. Labels on many of the containers indicated the contents were flammable, organic peroxides, acids, and caustics. Analytical results from samples collected from four fifty-five gallon drums confirmed that the contents exhibit the RCRA characteristics for ignitability and corrosivity. In addition to the containers located within the building, two underground storage tanks which were used to store solvents are located under the south parking lot. Within the building is a small electroplating operation. Minor releases were observed inside the Carbographics building. The potential for fire and explosion appear to be the major threat of release due to the significant amount of flammable materials inside the building. Subsurface contamination has also been documented in the south parking lot area.

Though recently boarded up by the Village of Harwood Heights, the Site is accessible. Based on the presence of graffiti within the building, and notwithstanding past efforts to secure the building, it appears that the Site is routinely visited by gangs and children. Several windows are broken and the roof, which appears to have been damaged by fire, is unstable. After EPA had sampled and assessed the situation, EPA contacted the named Respondent parties (two officers and an employee of the now dissolved Carbographics Industries Incorporated) and negotiated an Administrative Order on Consent for the remainder of the removal action.

A 30-day period, beginning on the date of publication, is open pursuant to section 122(i) of CERCLA for comments on the proposed settlement.

Comments should be sent to Janet Pope of the Office of Public Affairs (P-19J), U.S. Environmental Protection

Agency, Region V, 77 W. Jackson Boulevard, Chicago, Illinois 60604.

**Brian A. Barwick,**

*Assistant Regional Counsel.*

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BILLING CODE 6560-50-P

## FEDERAL DEPOSIT INSURANCE CORPORATION

### Statement of Policy Regarding the National Environmental Policy Act of 1969

**AGENCY:** Federal Deposit Insurance Corporation (FDIC).

**ACTION:** Final Statement of Policy.

**SUMMARY:** As part of the FDIC's systematic review of its regulations and written policies under section 303(a) of the Riegle Community Development and Regulatory Improvement Act of 1994 (CDRI Act), the FDIC is revising its Statement of Policy on the National Environment Policy Act of 1969 (NEPA). The original Statement of Policy, issued on March 31, 1980, describes the FDIC's responsibility and procedures with respect to the NEPA.

The revised Statement of Policy reflects the FDIC's experience in applying the current NEPA Statement of Policy, and primarily affects applications for deposit insurance for de novo institutions, establishment of a domestic branch, and relocation of a domestic branch or main office. Categorical exclusions are established for all other filings submitted to the FDIC pursuant to 12 CFR part 303. In extraordinary circumstances, however, the NEPA procedures may also impact categorically excluded filings. The revision also makes the Statement of Policy more concise and understandable.

On July 15, 1998, the FDIC published for comment in the **Federal Register** its revised Statement of Policy (63 FR 38172-74). During the 45-day public comment period, no comments were received. Accordingly, the revised Statement of Policy has been adopted by the FDIC's Board of Directors.

**DATES:** The revised Statement of Policy will become effective December 14, 1998.

**FOR FURTHER INFORMATION CONTACT:** Marilyn Reddy, Review Examiner, Division of Supervision (202) 898-6772; A. Ann Johnson, Counsel, Legal Division (202) 898-3573; David Fisher, Counsel, Legal Division (202)-736-3103, Federal Deposit Insurance Corporation, Washington, DC 20429.

**SUPPLEMENTARY INFORMATION:** The FDIC is conducting a systematic review of its

regulations and written policies. Section 303(a) of the CDRI Act, 12 U.S.C. 4803(a), requires the FDIC to streamline and modify its regulations and written policies in order to improve efficiency, reduce unnecessary costs, and eliminate unwarranted constraints on credit availability. Section 303(a) also requires the FDIC to remove inconsistencies and outmoded and duplicative requirements from its regulations and written policies.

As part of this review, the FDIC has determined that its Statement of Policy on the NEPA should be revised. The NEPA sets forth a national policy to promote preservation of the environment. It requires, in part, that all agencies of the Federal Government include in every recommendation or report on major Federal actions significantly affecting the quality of the human environment a detailed statement that addresses the environmental impact of the proposal. The Council on Environmental Quality (CEQ) has adopted regulations that implement this requirement. 40 CFR part 1500.

The FDIC issued its current Statement of Policy in 1980 to provide guidance on the NEPA and its implementing regulations. The Statement of Policy provides that the FDIC will consider relevant environmental factors and make a threshold determination that a proposed action does or does not significantly affect the environment. The determination is required for applications for deposit insurance, to establish a branch, to merge, or to move an office. The current Statement of Policy also provides detailed information on the preparation of an environmental impact statement.

Consistent with the goals of the CDRI Act review, the FDIC is modifying the Statement of Policy to enhance efficiency in implementing the NEPA requirements. Pursuant to the CEQ regulations (40 CFR 1507.3(b)), the revised Statement of Policy establishes categorical exclusions for all filings made by depository institutions pursuant to 12 CFR part 303 with the exception of applications for deposit insurance for de novo institutions, and applications for establishment of a domestic branch or relocation of a domestic branch or main office. Absent extraordinary circumstances, filings subject to a categorical exclusion require no further NEPA action.

For those applications that are categorically excluded, the revised Statement of Policy provides that the FDIC may request additional information from applicants if extraordinary circumstances indicate

that a normally excluded action may have a significant environmental effect. For example, additional information may be requested where filings involve real property with endangered or threatened species, wetlands or floodplains, cultural or historic sites, or where construction is proposed.

The revised Statement of Policy also describes the responsibilities of the applicant in submitting a part 303 filing and the FDIC in reviewing the filing. Before approving a filing that is not categorically excluded, the FDIC must prepare an environmental assessment (EA). The applicant is required to submit sufficient information for the FDIC to determine whether the application may affect the quality of the human environment.

If the EA prepared by the FDIC indicates that approval of the filing will not significantly affect the quality of the human environment, the NEPA process will conclude with a finding of no significant impact (FONSI) to document the FDIC's determination.

On the other hand, if the EA indicates that approval of the filing may significantly affect the quality of the human environment, the FDIC will prepare and circulate an environmental impact statement (EIS) in accordance with the CEQ regulations. Because cases that involve the preparation of an EIS are expected to be extremely rare, the revised Statement of Policy no longer includes detailed information on the preparation of an EIS. Instead, the revised Statement of Policy states that the FDIC will comply with the requirements of the CEQ regulations.

In addition, the revised Statement of Policy provides for public involvement in the FDIC's NEPA compliance activities.

According to the Paperwork Reduction Act (44 U.S.C. 3501 *et seq.*), the FDIC may not conduct or sponsor, and a person is not required to respond to, a collection of information unless it displays a currently valid Office of Management and Budget (OMB) control number. Although the revised Statement of Policy does not create or change any collection of information, OMB has approved the information collections referenced in the revised Statement of Policy as parts of a larger collection of information. OMB control numbers for the approved information collections specifically referenced in the revised Statement of Policy are OMB control number 3064-0001, expiring on July 31, 2000, for applications dealing with deposit insurance, and OMB control number 3064-0070, expiring on November 30, 2000, for applications dealing with establishment of a branch,

relocation of a main office, and relocation of a branch. Application requirements and procedures are located at 12 CFR part 303 *et seq.*

On July 15, 1998, the FDIC published for comment in the **Federal Register** its revised Statement of Policy (63 FR 38172-74). During the 45-day public comment period, no comments were received. Accordingly, the Board of Directors of the FDIC has adopted the revised Statement of Policy on the National Environmental Policy Act, as proposed in the **Federal Register** on July 15, 1998 and set forth below.

### Statement of Policy

#### National Environmental Policy Act Procedures Relating to Filings Made With the FDIC

This Statement of Policy addresses the FDIC's compliance with the National Environmental Policy Act of 1969, 42 U.S.C. 4331, *et seq.* (NEPA), with respect to applications, notices, and requests (filings) submitted to the FDIC in accordance with governing regulations at 12 CFR part 303. The procedures in this Statement of Policy primarily affect applications for deposit insurance for de novo institutions, establishment of a domestic branch, and relocation of a domestic branch or main office. There may be extraordinary circumstances where these NEPA procedures also impact other filings submitted pursuant to part 303.

#### A. Responsibility of the FDIC

The NEPA sets forth a national policy to promote preservation of the environment. Section 102(2)(C) of the NEPA requires, in part, that all agencies of the Federal Government include in every recommendation or report on major Federal actions significantly affecting the quality of the human environment a detailed statement that addresses the environmental impact of the proposal. The Council on Environmental Quality (CEQ) has adopted regulations that implement section 102(2)(C) of the NEPA. 40 CFR part 1500.

The FDIC believes that its decisions on part 303 filings will rarely have a significant effect on the human environment. Nevertheless, it is the policy of the FDIC to evaluate fully its regulatory actions, as necessary, in accordance with the requirements of the NEPA. This Statement of Policy supplements, and shall be used by the FDIC in conjunction with, the CEQ regulations.

#### B. Background

NEPA and the implementing CEQ regulations require a Federal agency to

prepare an "environmental impact statement" (EIS) to analyze the effects of, and discuss alternatives for, any proposed major Federal action (including approval of a filing) significantly affecting the quality of the human environment. Often, to determine whether an EIS must be prepared, an agency will prepare an "environmental assessment" (EA). The EA will result in either a finding that an EIS must be prepared, or a finding of no significant impact (FONSI).

#### C. Definitions

As used in this statement of policy:

- *Major Federal action* includes actions with effects that may be major and which are potentially subject to Federal control and responsibility.
- *Environmental impact statement* (EIS) means a detailed written statement as required by section 102(2)(C) of the NEPA which analyzes the environmental impact of the FDIC's approval of a filing.
- *Environmental assessment* (EA) means a concise document that sets forth sufficient information for the FDIC to determine whether to prepare an EIS.
- *Finding of no significant impact* (FONSI) means a determination that approval of the filing will not have a significant effect on the quality of the human environment and therefore no further NEPA analysis is required.
- *Categorical exclusion* means a category of filings that do not individually or cumulatively have a significant effect on the human environment, and which require no NEPA analysis.

#### D. Categorical Exclusions

The CEQ regulations require Federal agencies to develop categorical exclusions as part of the agencies' NEPA procedures. 40 CFR 1507.3(b)(2)(ii). Accordingly, the FDIC is establishing categorical exclusions for all filings made by depository institutions pursuant to part 303 with the exception of applications for:

- (1) Deposit insurance for de novo institutions.
- (2) Establishment of a domestic branch, or relocation of a domestic branch or main office.

All other part 303 filings are subject to categorical exclusions and, therefore, require no further NEPA action. Consistent with the CEQ regulations, however, the FDIC may request additional information from applicants if extraordinary circumstances indicate that a normally categorically excluded action may have a significant environmental effect. Such extraordinary circumstances may exist,

for example, where filings involve real property where endangered or threatened species, wetlands or floodplains may be present, where the applicant's proposed activity impacts cultural or historic sites, or where construction is proposed.

#### E. FDIC Procedure

In reviewing a part 303 filing, the FDIC will determine whether the filing falls within the categorical exclusions established by this statement of policy. If the filing falls within the categorical exclusions, the FDIC will determine whether the proposal involves any extraordinary circumstances that require NEPA analysis. If necessary, the FDIC may request additional information from an applicant to aid in this determination.

#### 1. Environmental Assessment

The FDIC must prepare an EA before approving a filing for (1) deposit insurance for a de novo institution, or (2) establishment of a domestic branch, or relocation of a domestic branch or main office. The applicant must provide sufficient information for the FDIC to determine whether the application may affect the quality of the human environment.

The applicant shall provide information on compliance with local zoning laws and regulations, and effects on traffic patterns (including, for example, adequacy of roads and parking places, increase or decrease of traffic hazards and congestion, and favorable impacts such as potential decrease in pollution or fuel consumption). The FDIC may request additional information, as warranted, on other matters. Based on its evaluation of this information, the FDIC will prepare the EA.

#### 2. Finding of No Significant Impact

If the EA indicates that approval of the filing will not significantly affect the quality of the human environment, the NEPA process will conclude with a FONSI to document the FDIC's determination of no significant effect on the human environment.

#### 3. Environmental Impact Statement

If the EA indicates that approval of the filing may significantly affect the quality of the human environment, the FDIC will prepare an EIS in accordance with the CEQ regulations.

#### F. Public Involvement

Pursuant to the CEQ regulations, the FDIC will make diligent efforts to involve the public in its NEPA compliance activities. In addition to the

public notice requirements set forth in part 303, the FDIC will apprise the public of the availability of any environmental impact statements it prepares and will provide opportunity for public comment prior to the finalization of those documents.

#### G. Summary and Conclusion

Most of the filings made by depository institutions pursuant to part 303 will fall within the categorical exclusions established by this Statement of Policy. For those filings not falling within the categorical exclusions, or involving extraordinary circumstances, the FDIC will analyze relevant information with respect to environmental factors and incorporate it into the FDIC's environmental assessment. Filings that require the FDIC's preparation of an environmental impact statement are expected to be extremely rare. When those instances arise, the FDIC will comply with the requirements of the CEQ regulations regarding the preparation and processing of environmental impact statements.

#### H. Information Requests

Inquiries regarding specific filings and requests for documents and information should be directed to the appropriate regional director of the FDIC's Division of Supervision.

By order of the Board of Directors.

Dated at Washington, DC, this 27th day of October, 1998.

Federal Deposit Insurance Corporation.

**Robert E. Feldman,**

*Executive Secretary.*

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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. Unless otherwise noted, nonbanking activities will be conducted throughout the United States.

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 December 7, 1998.

**A. Federal Reserve Bank of Atlanta** (Lois Berthaume, Vice President) 104 Marietta Street, N.W., Atlanta, Georgia 30303-2713:

1. *Alabama National Bancorporation*, Birmingham, Alabama; to acquire 100 percent of the voting shares of Community Bank of Naples, N.A., Naples, Florida.

**B. Federal Reserve Bank of St. Louis** (Randall C. Sumner, Vice President) 411 Locust Street, St. Louis, Missouri 63102-2034:

1. *Port William Bancshares, Inc.*, Carrollton, Kentucky; to become a bank holding company by acquiring 100 percent of the voting shares of The First National Bank of Carrollton, Carrollton, Kentucky.

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

1. *Bryan Family Management Trust, and Bryan Heritage Limited Partnership*, both of Bryan, Texas, to acquire The First National Bank of Bryan, Bryan, Texas.

2. *Diboll State Bancshares, Inc.*, Diboll, Texas; to merge with First Bancorporation of Cleveland, Inc., Cleveland, Texas, and thereby indirectly acquire First Cleveland Delaware Financial Corporation, Dover, Delaware, and First Bank & Trust, Cleveland, Texas.

3. *Sulphur Springs Bancshares*, Sulphur Springs, Texas; Sulphur Springs Delaware Financial Corporation, Dover, Delaware; and The City National Bank of Sulphur Springs, Sulphur Springs, Texas; to acquire 100 percent of the voting shares of First National Bank, Sulphur Springs, Texas.

**D. Federal Reserve Bank of San Francisco** (Maria Villanueva, Manager of Analytical Support, Consumer Regulation Group) 101 Market Street, San Francisco, California 94105-1579: