

side territory under U.S. jurisdiction; and traffic transported statistics on any domestic service segment that is immediately preceded by a service segment whose originating point is outside territory under U.S. jurisdiction) shall only be disclosed as follows:

(1) To an air carrier currently submitting service-segment data pursuant to the requirements of this Part 241 and to a legal or consulting firm or other organization designated by such air carrier to use on its behalf such data in connection with a specific assignment by such carrier.

(2) To foreign governments and foreign users as provided in formal reciprocal arrangements between the foreign and U.S. governments for the exchange of comparable service-segment data.

(3) To parties to any proceeding before the Board to the extent that such data are relevant and material to the issues in the proceeding upon a determination to this effect by the administrative law judge assigned to the case or by the Board. Any data to which access is granted pursuant to this section may be introduced into evidence, subject to the normal rules of admissibility of evidence.

(4) To agencies and other components of the U.S. Government for their internal use only.

(5) To such persons and in such circumstances as the Board determines to be in the public interest or consistent with its regulatory functions and responsibilities.

(6) The Board may, from time to time, publish summary information compiled from the international service-segment data, in a form which would not identify individual carrier data.

(b) Data relating to operations during a specified time period shall not be subject to general public disclosure until the data for that time period have been received from all reporting carriers and processed by the Board.

[FR Doc. 76-7171 Filed 3-11-76; 8:45 am]

LEGAL SERVICES CORPORATION

[45 CFR Part 1604]

OUTSIDE PRACTICES OF LAW

Guidelines for Participation

The Legal Services Corporation was established pursuant to the Legal Services Corporation Act of 1974, Pub. L. 93-355, 88 Stat. 378, 42 U.S.C. 2996-2996f, ("The Act"). Section 1007(a)(4), 42 U.S.C. 2996f(a)(4) provides that the Corporation shall issue guidelines concerning the outside practice of law by attorneys employed full time in legal assistance activities.

Pursuant to section 1008(e) of the Act, the Corporation hereby affords notice and publishes for comment the following proposed regulations concerning the outside practice of law. Public comment will be received by the Corporation at its headquarters offices, Suite 700, 733 15th Street, N.W., Washington, D.C. 20005 on or before April 11, 1976. Comments may be accompanied by a memorandum or

brief in support thereof. Comments received may be seen at the above offices during business hours Monday through Friday.

Final regulations will be issued by the Corporation after the Board of Directors has reviewed and considered public comment pursuant to this notice.

Part 1604 is added in proposed form as set forth below:

PART 1604—OUTSIDE PRACTICE OF LAW

Sec.

1604.1 Purpose.

1604.2 Definitions.

1604.3 Compensated outside practice.

1604.4 Uncompensated outside practice.

AUTHORITY: Sec. 1007(a)(4), 42 U.S.C. 2996f(a)(4).

§ 1604.1 Purpose.

The purpose of this part is to implement Section 1007(a)(4) of the Legal Services Corporation Act of 1974, 42 U.S.C. 2996f(a)(4) which provides for guidelines to be promulgated by the Corporation concerning outside practice of law by attorneys employed full time in legal assistance activities.

§ 1604.2 Definitions.

As used in this part the term:

(a) "Act" means the Legal Services Corporation Act of 1974, Pub. L. 93-355, 88 Stat. 378, 42 U.S.C. 2996 and 2996(f)(a)(4);

(b) "Legal services program" means any grantee, contractor or recipient of financial assistance described in clause (A) of Section 1006(a)(1) of the Act;

(c) "Outside practice of law" means the legal representation of a client who is not eligible for legal assistance from the legal services program but does not include, among things, teaching, consulting or performing evaluations.

§ 1604.3 Compensated outside practice.

A legal services program attorney employed full time shall not engage in compensated outside practice of law except if such attorney (a) is newly employed and has the ethical and professional responsibility to close cases from a previous law practice and does so as expeditiously as possible, or (b) is acting pursuant to a court rule or practice having equal applicability to all attorneys practicing in that jurisdiction and remits to the program all compensation received therefrom.

§ 1604.4 Uncompensated outside practice.

A legal services program may permit an attorney employed full time by that program to engage in the uncompensated outside practice of law if such practice is consistent with the attorney's full time professional responsibilities to the program and

(a) legal assistance is rendered pursuant to a court appointment or rule having equal applicability to all attorneys practicing in that jurisdiction;

(b) legal assistance is rendered to the attorney's family or friends; or

(c) legal assistance is rendered to religious, civic, community or charitable groups.

THOMAS EHRLICH,

President,

Legal Services Corporation.

[FR Doc. 76-7182 Filed 3-11-76; 8:45 am]

[45 CFR Part 1605]

REVIEW OF APPEALS

Guideline Provisions

The Legal Services Corporation was established pursuant to the Legal Services Corporation Act of 1974, Pub. L. 93-355, 88 Stat. 378, 42 U.S.C. 2996-2996f, ("The Act"). Section 1007(a)(7), 42 U.S.C. 2996f(a)(7) provides that recipients shall establish guidelines, consistent with regulations promulgated by the Corporation, for the review of appeals in order to insure the efficient utilization of resources.

Pursuant to section 1008(e) of the Act, the Corporation hereby affords notice and publishes for comment the following proposed regulations regarding appeals by recipients. Public comment will be received by the Corporation at its headquarters offices, Suite 700, 733 15th Street, N.W., Washington, D.C. 20005 on or before April 11, 1976. Comments may be accompanied by a memorandum or brief in support thereof. Comments received may be seen at the above offices during business hours Monday through Friday.

Final regulations will be issued by the Corporation after the Board of Directors has reviewed and considered public comment pursuant to this notice.

Part 1605 is added in proposed form as set forth below:

PART 1605—APPEALS ON BEHALF OF CLIENTS

Sec.

1605.1 Purpose.

1605.2 Definitions.

1605.3 Procedure for taking appeals.

AUTHORITY: Sec. 1007(a)(7), 42 U.S.C. 2996f(a)(7).

§ 1605.1 Purpose.

The purpose of this part is to implement Section 1007(a)(7) of the Legal Services Corporation Act of 1974, 42 U.S.C. 2996f(a)(7) which provides for regulations to be promulgated by the Corporation so that recipients can establish guidelines for a system for review of appeals.

§ 1605.2 Definitions.

As used in this part the term:

(a) "Act" means the Legal Services Corporation Act of 1974, Pub. L. 93-355, 88 Stat. 378, 42 U.S.C. 2996 and 2996(f)(a)(7);

(b) "Legal services program" means any grantee, contractor or recipient of financial assistance described in clause (A) of Section 1006(a)(1) of the Act;

(c) "Appeal" means any appellate proceeding in a civil action as defined

PROPOSED RULES

by law or usage in the jurisdiction in which the action is filed.

§ 1605.3 Procedures for taking appeals.

An appeal undertaken on behalf of an eligible client of a legal services program must be in accordance with procedures approved by the governing body of that program. In establishing those procedures the governing body shall the following take into account:

- (a) The needs of the eligible clients served by the legal services program;
- (b) The efficient utilization of the resources of the program; and
- (c) The likelihood of success of the appeal.

THOMAS EHRLICH,
President,
Legal Services Corporation.

[FR Doc. 76-7183 Filed 3-11-76; 8:45 am]

[45 CFR Part 1606]

NON-CRIMINAL PROCEEDINGS

Legal Assistance Provisions

The Legal Services Corporation was established pursuant to the Legal Services Corporation Act of 1974, Pub. L. 93-355, 88 Stat. 378, 42 U.S.C. 2996-2998 ("The Act"), for the purpose of providing financial support for legal assistance in non-criminal proceedings or matters to persons financially unable to afford legal assistance. Section 1011 of the Act, 42 U.S.C. 2996j, requires that the Corporation prescribe procedures to ensure that, among other things, applications for refunding are not denied unless the grantee, contractor, or person or entity receiving financial assistance has been afforded reasonable notice and an opportunity for a timely, full, and fair hearing.

Pursuant to section 1008(e) of the Act, 42 U.S.C. 2996g(e), the Corporation hereby affords notice of and publishes for comment the following proposed temporary regulations for processing applications for refunding of assistance under section 1006(a)(1)(A) of the Act. Public comment will be received by the Corporation at its headquarters offices, Suite 700, 733 15th Street, N.W., Washington, D.C. 20005, on or before April 11, 1976. Comments must be in writing and may be supported by a memorandum or brief. Comments received may be seen at the above offices during business hours, Monday through Friday.

Final temporary regulations will be issued by the Corporation after the Board of Directors has reviewed and considered public comment received pursuant to this notice.

These proposed regulations are temporary. Final regulations regarding the denial of applications for refunding will be proposed for notice and public comment as soon as practicable and in conjunction with proposed regulations pursuant to Section 1011 regarding suspensions and terminations.

Part 1606 is added in proposed form as set forth below:

PART 1606—APPLICATIONS FOR REFUNDING

Subpart A—General

Sec.	
1606.1	Purpose.
1606.2	Definitions.
Subpart B—Application Process; Preliminary Determination; Interim Funding	
1606.3	Applications for refunding.
1606.4	Preliminary determinations.
1606.5	Interim funding.
1606.6	Temporary funding.
Subpart C—Review Procedures; Final Determinations	
1606.7	Request for review.
1606.8	Review in general.
1606.9	Review notice.
1606.10	Pre-hearing conference.
1606.11	Written submissions.
1606.12	Hearing.
1606.13	Additional authorized participants.
1606.14	Recommended final determinations.
1606.15	Final determinations.
1606.16	Right to counsel.
1606.17	Modifications.
1606.18	Notices.

AUTHORITY: Sec. 1008(a)(1)(A), 88 Stat. 381 (42 U.S.C. 2996g(a)(1)(A)); Sec. 1007(a)(9), 88 Stat. 384 (42 U.S.C. 2996f(a)(9)); Sec. 1011, 88 Stat. 388 (42 U.S.C. 2996j).

Subpart A—General

§ 1606.1 Purpose.

These temporary regulations establish procedures for processing applications for refunding by the Legal Services Corporation of financial assistance provided by the Office of Legal Services of the Community Services Administration or any other applications for refunding of financial assistance under section 1006(a)(1)(A) of the Legal Services Corporation Act of 1974.

§ 1606.2 Definitions.

As used in this part,

(a) "Act" means the Legal Services Corporation Act of 1974, Pub. L. 93-355, 88 Stat. 378 (42 U.S.C. 2996-2998);

(b) "Corporation" means the Legal Services Corporation established by section 1003 of the Act (42 U.S.C. 2996b);

(c) "Applicant" means any grantee or contractor receiving funds for the provision of legal assistance;

(1) From the Office of Legal Services of the Community Services Administration, or

(2) From the Corporation under section 1006(a)(1)(A) of the Act,

and any subgrantee, subcontractor or delegate agency thereof through which legal assistance is provided;

(d) "Responsible Corporation official" means the President of the Corporation or the President's designee, provided that such designee shall not be any person directly involved in the preliminary determination described in § 1606.4;

(e) "Application for refunding" means a request by any applicant seeking financial assistance beyond the term of its existing grant or contract;

(f) "Denial" of an application for refunding means:

(1) A determination by the Corporation not to provide financial assistance

beyond the term of a current grant or contract to an applicant which has filed an application for refunding, or

(2) A determination to provide financial assistance beyond the term of a current grant or contract to an applicant which has filed an application for refunding when the determination:

(i) Reduce the applicant's annual rate of financial support under its existing grant or contract, *Provided*, That a "denial" shall not mean any reduction in funding which is necessitated by a reduction in the Corporation's appropriation which is uniformly applied to all applicants of the same class, or

(ii) Imposes new conditions or restrictions which would prevent the applicant from maintaining its current level of legal services to eligible clients.

Subpart B—Application Process; Preliminary Determination; Interim Funding

§ 1606.3 Applications for refunding.

An application for refunding must be filed with the Corporation at least 120 days before the expiration of the applicant's current grant or contract, unless the Corporation agrees to a later filing. Applications shall be filed in accordance with instructions which may from time to time be issued by the Corporation.

§ 1606.4 Preliminary determinations.

The Corporation shall act upon applications for refunding as soon as practicable. If the Corporation makes a preliminary determination that an application for refunding should be denied, the Corporation shall give written notice to the applicant. The notice shall include a detailed statement of supporting reasons and facts and shall be accompanied by copies of all relevant documents. The notice shall also advise the applicant of its right to request review of the preliminary determination pursuant to subpart C, and shall state that the applicant must request review in writing within 15 days of receiving such notice.

§ 1606.5 Interim funding.

When the Corporation issues a preliminary determination to deny an application for refunding pursuant to § 1606.4, or fails to act upon an application by the end of the term of the applicant's current grant or contract, the Corporation shall provide the applicant with interim funding necessary to maintain its current level of legal assistance activities under section 1006(a)(1)(A) of the Act until (a) the application for refunding has been approved and funds pursuant thereto received or (b) a final determination has been made under Subpart C of the Part.

§ 1606.6 Temporary funding.

Where an application for refunding has been finally denied in accordance with subpart C of this Part, the Corporation may authorize temporary funding in order to ensure that current matters for existing clients are closed or transferred in accordance with attorneys' professional responsibilities.

Subpart C—Review Procedures; Final Determinations**§ 1606.7 Request for review.**

An applicant receiving notice that a preliminary determination has been made to deny its application for refunding shall advise the Corporation in writing within 15 days of receipt of such notice whether it requests a review pursuant to this subpart. If an applicant advises the Corporation that it will not request a review or if it fails to request a review within the prescribed period the Corporation's preliminary determination shall become final.

§ 1606.8 Review in general.

A review under this subpart shall afford a full and fair opportunity for the applicant to demonstrate that its application for refunding should not be denied or that the preliminary determination was based on erroneous information or was arbitrary or capricious. The review shall also provide an opportunity for determining whether temporary funding shall be provided in accordance with § 1606.6.

§ 1606.9 Review notice.

Within 10 days of receiving a request from an applicant for review the Corporation shall notify the applicant in writing of:

(a) The name of the responsible Corporation official;

(b) The date and place of the pre-hearing conference described in § 1606.10; and

(c) The time within which written submissions described in § 1606.11 shall be filed.

§ 1606.10 Pre-hearing conference.

The responsible Corporation official shall preside over a pre-hearing conference which shall take place within 10 days of the issuance of the notice required by § 1606.9 and shall be held, whenever possible, at a place convenient to the applicant and the community affected. The purpose of the pre-hearing conference shall be to identify the issues and to attempt to resolve such issues by informal means. At the pre-hearing conference a determination shall be made whether a hearing under § 1606.12 is necessary, and, if so, the responsible Corporation official shall set the date, time and place of such hearing.

§ 1606.11 Written submissions.

Written submissions by the applicant shall be filed with the responsible Corporation official within 20 days of the issuance of the notice required by § 1606.9. Written submissions shall include a detailed response to the Corporation's preliminary determination and may, in addition, include documentary evidence, briefs, memoranda or any other materials. Upon their own initiative or at the request of the responsible Corporation official, employees or agents of the Corporation may submit additional written materials.

§ 1606.12 Hearing.

A hearing, if any, shall be held within 30 days of the issuance of the notice required by § 1606.9 and shall be held, whenever possible, at a place convenient to the applicant and the community affected. The hearing shall be conducted as follows:

(a) The presiding officer at the hearing shall be the responsible Corporation official. The presiding officer shall conduct a full and fair hearing, avoid delay, maintain order, and make a record sufficient for a full disclosure of the facts and issues. The hearing shall be open to the public unless the presiding officer for good cause shown shall otherwise determine.

(b) The applicant shall have the right to present oral testimony and written evidence pertaining to contested issues of fact and briefs and oral arguments on questions of law and policy. The applicant shall also have the right to examine Corporation employees or agents involved in the Corporation's preliminary determination provided that good cause is shown and that prior arrangement have been made. Upon their own initiative or at the request of the responsible Corporation official, employees or agents of the Corporation may present oral testimony and submit written materials as are appropriate and relevant.

(c) Technical rules of evidence shall not apply. The presiding officer shall make all procedural and evidentiary rulings necessary to ensure admission of relevant evidence and to subject testimony to such cross-examination as may be required for a full disclosure of the facts. Opportunity shall be given to refute all facts and arguments advanced by all parties. The presiding officer may exclude irrelevant, immaterial or unduly repetitious evidence.

(d) The hearing shall be recorded in a manner determined by the presiding officer and such record shall be made available upon payment of any prescribed costs. All documents and other evidence submitted shall be open to examination.

(e) The applicant may waive a hearing, in which case the recommended and final determinations described in §§ 1606.14 and 1606.15 shall be based on all available evidence.

§ 1606.13 Additional authorized participants.

The responsible Corporation official may authorize the participation in review proceedings under this subpart by such persons or organizations as may be necessary for a proper determination of the issues involved.

(a) Any person or organization wishing to participate in review proceedings pursuant to this subpart may request permission to do so from the responsible Corporation official. This request shall state the participant's interest in the proceedings, the evidence or arguments the participant intends to contribute, and the necessity for the introduction of such evidence or arguments.

(b) The responsible Corporation official shall permit or deny such participation and shall give notice of his decision to the participant, the applicant, and the Corporation and, in the case of denial, shall include a brief statement of the reasons therefor.

(c) Authorized participants under this section may be limited to participation in those issues or activities that the responsible Corporation official believes will meet the needs of the review proceedings, and may be limited to the filing of written materials.

§ 1606.14 Recommended final determination.

If the responsible Corporation official is not the President of the Corporation the official shall issue a recommended final determination within 10 days of the conclusion of review proceedings described in §§ 1606.8 through 1606.12. The recommended final determination shall conform with the requirements for a final determination described in § 1606.15(b). Within 10 days of receiving a copy of the recommended final determination, the applicant and others authorized to participate pursuant to § 1606.13 may submit written comments to the President. Within 20 days of issuance of the recommended final determination, the President shall issue a final determination as described in § 1606.15(b).

§ 1606.15 Final determination.

(a) If the responsible Corporation official is the President of the Corporation the President shall issue a final written determination within 20 days of the conclusion of review proceedings described in §§ 1606.8 through 1606.12.

(b) The final determination shall either:

(1) Grant the application for refunding, subject to such modifications, terms or conditions as the President shall determine to be necessary, or

(2) Deny the application for refunding indicating:

(i) Reasons for such denial, including responses to the specific arguments made in the course of review proceedings described in this subpart, and

(ii) Whether, in what amount, and under what conditions temporary funding shall be made available pursuant to § 1606.6.

§ 1606.16 Right to counsel.

In review proceedings under this subpart the applicant and the Corporation shall have the right to be represented by counsel or other authorized representatives. The applicant is authorized to designate a staff attorney to represent it in such review proceedings or to retain outside counsel who may be compensated by the applicant at the reasonable and customary rate for an attorney practicing in the locality of the counsel so retained. The applicant is authorized to pay for normal and customary travel and per diem expenses for counsel and necessary witnesses.

PROPOSED RULES**§ 1606.17 Modifications.**

The responsible Corporation official may alter, eliminate or modify any of the provisions of this subpart with the consent of the applicant. All time limitations may be modified, except that in no event shall the proceedings described in §§ 1606.9 through 1606.12 be completed later than 45 days from the issuance of the notice required by § 1606.9.

§ 1606.18 Notices.

All notices required to be sent by the Corporation or the responsible Corporation official shall be sent to the chairperson of the governing body and the project director of the applicant affected.

THOMAS EHRlich,
President, Legal Services Corporation.

[FR Doc.76-7184 Filed 3-11-76;8:46 am]