

ing, but may continue to provide representation unless relieved by the court.

THOMAS EHRLICH,  
President,  
Legal Services Corporation.

[FR Doc.76-16966 Filed 6-10-76;8:45 am]

[45 CFR Part 1615]

**RESTRICTIONS ON ACTIONS  
CHALLENGING CRIMINAL CONVICTIONS**

The Legal Services Corporation ("the 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"), 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 1007(b) (1) of the Act restricts the use of Corporation funds in civil actions challenging criminal convictions.

Pursuant to section 1008(e) of the Act, the Corporation hereby affords notice and publishes for comment the following proposed regulations concerning restrictions on actions challenging criminal convictions. Public comment will be received by the Corporation at its headquarters office, Suite 700, 733 15th Street, NW., Washington, D.C. 20005 on or before July 12, 1976. Comments must be in writing and 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 review and consideration of public comments received pursuant to this notice.

Part 1615 is added in proposed form as set forth below:

**PART 1615—RESTRICTIONS ON ACTIONS  
CHALLENGING CRIMINAL CONVICTIONS**

Sec.

1615.1 Purpose.

1615.2 Prohibition.

1615.3 Application of this part.

**AUTHORITY:** Section 1007(b) (1); 42 U.S.C. 2996f(b) (1).

**§ 1615.1 Purpose.**

This part prohibits the provision of legal assistance in certain actions brought to challenge criminal convictions.

**§ 1615.2 Prohibition.**

Except as authorized by § 1615.3, no Corporation funds shall be used to provide legal assistance in an action challenging the validity of a criminal conviction, if the action

(a) Is brought against an officer of a court, a law enforcement official, or a public officer who has custody of a convicted person; and

(b) Alleges that the conviction is invalid because of any misfeasance or non-feasance.

**§ 1615.3 Application of this part.**

This part does not prohibit legal assistance

(a) To challenge a conviction resulting from a criminal proceeding in which the defendant received representation from the recipient pursuant to §§ 1613.4 and 1614.6; or

(b) Pursuant to a court appointment made under a statute or a court rule or practice of equal applicability to all attorneys in the jurisdiction, if authorized by the recipient after a determination that it is consistent with the primary responsibility of the recipient to provide legal assistance to eligible clients in civil matters.

THOMAS EHRLICH,  
President,  
Legal Services Corporation.

[FR Doc.76-16967 Filed 6-10-76;8:45 am]

[45 CFR Part 1616]

**ATTORNEY HIRING**

The Legal Services Corporation ("the 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"), 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 1007(a) (8) of the Act provides that the Corporation shall ensure that recipients solicit recommendations of the local bar in filling staff attorney positions, giving preference to qualified local residents; section 1008(b) (6) requires the Corporation to provide, to the extent feasible, in areas where a language other than English is the principal language of significant numbers of eligible clients, that such language is used in the provision of legal assistance to those clients; and section 1008(b) (4) limits compensation to attorneys admitted or authorized to practice law or to provide legal assistance in the jurisdiction where such assistance is provided.

Pursuant to section 1008(e) of the Act, the Corporation hereby affords notice and publishes for comment the following proposed regulations concerning attorney hiring. Public comment will be received by the Corporation at its headquarters office, Suite 700, 733 15th Street, NW., Washington, D.C. 20005 on or before July 12, 1976. Comments must be in writing and 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 review and consideration of public comments received pursuant to this notice.

Part 1616 is added in proposed form as set forth below:

**PART 1616—ATTORNEY HIRING**

Sec.

1616.1 Purpose.

1616.2 Definition.

1616.3 Qualifications.

1616.4 Recommendations.

1616.5 Preference to local applicants.

1616.6 Equal employment opportunity.

**AUTHORITY:** Sections 1007(a) (8); 1008(b) (6); 1008(b) (4) (42 U.S.C. 2996f(a) (8); 2996e(b) (6); 2996e(b) (4)).

**§ 1616.1 Purpose.**

This part is designed to promote a cooperative relationship between a recipient and the local Bar and community, and to insure that a recipient will choose the most highly qualified attorneys for its staff.

**§ 1616.2 Definition.**

"Community", as used in this part, means the geographical area most closely corresponding to the area served by a recipient.

**§ 1616.3 Qualifications.**

A recipient shall establish qualifications for individual positions for attorneys providing legal assistance under the Act, that may include, among other relevant factors:

(a) Academic training and performance;

(b) The nature and extent of prior legal experience;

(c) Knowledge and understanding of:

(1) The legal problems of the poor, and

(2) The provision of legal services to the poor;

(d) Prior working experience in the client community, or in other programs to aid the poor;

(e) Ability to communicate with persons in the client community, including, in areas where significant numbers of eligible clients speak a language other than English as their principal language, ability to speak that language; and

(f) Cultural similarity with the client community.

**§ 1616.4 Recommendations.**

(a) Before filling an attorney position, a recipient shall notify the organized Bar in the Community of the existence of a vacancy, and seek recommendations for attorneys who meet the qualifications established for the position.

(b) A recipient shall similarly notify and seek recommendations from other organizations, deemed appropriate by the recipient, that have knowledge of the legal needs of persons in the community unable to afford legal assistance.

**§ 1616.5 Preference to local applicants.**

When equally qualified applicants are under consideration for an attorney position, a recipient shall give preference to an applicant residing in the community to be served.

**§ 1616.6 Equal employment opportunity.**

A recipient shall adopt employment qualifications, procedures, and policies that meet the requirements of applicable laws prohibiting discrimination in employment, and shall take affirmative ac-

tion to insure equal employment opportunity.

THOMAS EHRLICH,  
President,  
Legal Services Corporation.

[FR Doc. 76-16968 Filed 6-10-76; 8:45 am]

**PENSION BENEFIT GUARANTY CORPORATION**

[ 29 CFR Part 2602 ]

**PREMIUM PAYMENT AND DECLARATION**

Notice of Proposed Rulemaking

**CROSS REFERENCE**

For a document on the above subject, see FR Doc. 76-16803, appearing at page 23212, in the issue for Wednesday, June 9, 1976.

**SMALL BUSINESS ADMINISTRATION**

[ 13 CFR Part 120 ]

**BUSINESS LOAN POLICY**

Proposed Amendment To Clarify "Media" Policy

Section 120.2(d)(4) of SBA's Regulations (13 CFR 120.2(d)(4)) sets forth SBA's policy that small businesses distributing ideas, opinions or similar communications to the general public (opinion molders) are generally ineligible for loan assistance.

SBA proposes to amend this section to clarify the scope of this policy and identify existing exceptions. This amendment makes it possible for prospective loan applicants to determine whether their businesses would be eligible for SBA loan assistance.

Interested persons are invited to make written comments on this proposed amendment. All comments should be addressed to John T. Wettach, Associate Administrator for Finance and Investment, Small Business Administration, 1441 L Street NW., Washington, D.C. 20416. Comments received on or before July 12, 1976 will be considered before this amendment is republished in final form.

(72 Stat. 387, as amended, 15 U.S.C. 636, sec. 5, 72 Stat. 385, 15 U.S.C. 634.)

It is proposed to amend § 120.2(d)(4) as follows:

**§ 120.2 Business Loans and Guarantees**

Basic principles governing the granting and denial of applications for financial assistance:

(d) Financial assistance will not be granted by SBA:

(4) If the applicant is engaged in the creation, origination, expression, dissemination, propagation or distribution of ideas, values, thoughts, opinions or similar intellectual property, regardless of medium, form, or content. Financial assistance to such applicants is barred in order to avoid Government interference, or the appearance thereof, with the constitutionally protected freedoms of speech and press. *Provided, however,* That nothing herein shall preclude finance to any otherwise eligible applicant engaged in one or more of the following activities:

(i) Printing: A firm solely engaged in commercial or job printing, if there is no common ownership with any concern ineligible under this subparagraph (4) and the printer has no direct financial interest in the commercial success of the material so produced.

(ii) Publishing, etc.: Publishers of shoppers' newspapers or circulars consisting of advertising material only, without editorial, narrative or filler material. All other publishers, including so-called "vanity" publishers, as well as producers, importers, exporters or distributors of communications, including newspapers, magazines, books, greeting cards, sheet music, pictures, posters, film, tape, live broadcasts, recordings or reproductions of sight, sound or musical programs or products, or theatrical productions, are ineligible. For an exception to the foregoing rule, see paragraph (d)(v) of this section.

(iii) Advertising and technical material: Firms producing advertisements and promotional material for a client's goods or services, or of technical or instructional material relating to such goods or services.

(iv) Reproduction: Firms providing motion picture, videotape, sound recording or theatrical technical production facilities, or the technical reproduction of motion picture, videotape or sound recordings without editorial or artistic participation therein, without a direct interest in the commercial success of material so produced, and without common ownership between the concern providing such services and the concern interested in such success.

(v) Cable TV: Cable TV operations only where operators are solely engaged in the passive and contemporaneous retransmission of programs originating elsewhere, with no capacity to originate live or taped programs, whether or not such capacity is required by law or any governmental agency.

(vi) Education: Vocational, technical and other nonacademic schools which do not also teach academic subjects; and nursery and pregrade schools if they are not primarily engaged in teaching academic subjects.

(vii) Distributors of books, etc. General merchandise stores also selling books, newspapers, magazines, records, etc., and general book or music (record) stores. Specialty stores primarily selling products that promote or advocate ideas, including ideological, political or philosophical viewpoints, and specialized delivery, distribution or transportation concerns limited to the distribution of ineligible material (such as books, newspapers, etc.), are ineligible.

Dated: June 5, 1976.

MITCHELL P. KOSLINSKI,  
Administrator.

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