

# FEDERAL RESERVE SYSTEM

## Semiannual Regulatory Flexibility Agenda April 1, 1992 - October 1, 1992

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### BOARD OF GOVERNORS' SEMIANNUAL REGULATORY FLEXIBILITY AGENDA

The Semiannual Regulatory Flexibility Agenda provides information on those regulatory matters that the Board now has under consideration or anticipates considering over the next six months. It is divided into three parts: (1) regulatory matters that the Board may consider for public comment during the next six months; (2) matters that have been proposed and are under consideration; and (3) regulatory matters that the Board has completed or is not expected to consider further.

The Agenda is published twice a year in the *Federal Register*. Comments regarding any of the Agenda items should be submitted directly to the Board of Governors.

Circulars Division  
FEDERAL RESERVE BANK OF NEW YORK  
March 1992

## FEDERAL RESERVE SYSTEM

## 12 CFR Chap. II

## Notice of Semiannual Regulatory Flexibility Agenda

AGENCY: Board of Governors of the Federal Reserve System.

ACTION: Semiannual agenda.

SUMMARY: The Board is issuing this Agenda under the Regulatory Flexibility Act and the Board's Statement of Policy Regarding Expanded Rulemaking Procedures. The Board anticipates having under consideration regulatory matters as indicated below during the period from April 1 through October 1, 1992. The next Semiannual Agenda will be published in October 1992.

DATES: Comments about the form or content of the Agenda may be submitted any time during the next six months.

ADDRESSES: Comments should be addressed to William W. Wiles, Secretary of the Board, Board of Governors of the Federal Reserve System, Washington, DC 20551.

FOR FURTHER INFORMATION CONTACT: A staff contact for each item is indicated with the regulatory description below.

SUPPLEMENTARY INFORMATION: The Board is publishing its April 1992 Agenda as part of the April 1992 Unified Agenda of Federal Regulations, which is coordinated by the Office of Management and Budget under Executive Order 12291. Participation by the Board in the Unified Agenda is on a voluntary basis.

The Board's Agenda is divided into three sections. The first, Proposed Rule Stage, reports on matters the Board may consider for public comment during the next six months. The



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second section, Final Rule Stage, reports on matters that have been proposed and are under Board consideration. A third section, Completed Actions, reports on regulatory matters the Board has completed or is not expected to consider further.

A dot (•) preceding an entry indicates a new matter that was not a part of the Board's previous Agenda, and which the Board has not completed.

(signed) Barbara R. Lowrey

Barbara R. Lowrey,  
Associate Secretary of the Board.

**Section 1**  
**Proposed Rule Stage**



2520-1A  
1.

**TITLE:**

Regulation: B - Equal Credit Opportunity

**LEGAL AUTHORITY:**

15 USC 1691b

**CFR CITATION:**

12 CFR 202

**ABSTRACT:**

Section 223 of the Federal Deposit Insurance Corporation Improvement Act of 1991 amended the Equal Credit Opportunity Act (ECOA) to require that upon written request a creditor must provide a credit applicant with a copy of the appraisal report used in connection with an application for a loan secured by a lien on residential real property. In addition, the enforcement provisions of the ECOA are amended to require the federal financial supervisory agencies responsible for enforcing the ECOA to refer certain matters involving credit discrimination to the Department of Justice or the Department of Housing and Urban Development.

In May 1992 the Board is expected to consider issuing for public comment proposed revisions to Regulation B that would implement the ECOA amendments. The proposal is not expected to have a substantial economic impact on small banks.

**TIMETABLE:**

**ACTION**

**DATE**

**FR CITE**

Board is expected to consider  
publishing a proposal by

05/00/92

**EFFECTS ON SMALL BUSINESS AND OTHER ENTITIES:** None

**AGENCY CONTACT:**

Adrienne D. Hurt

Senior Attorney

Division of Consumer and Community Affairs

202 452-2412

2.

**TITLE:**

Regulation: C - Home Mortgage Disclosure

**LEGAL AUTHORITY:**

12 USC 2804

12 USC 2808

**CFR CITATION:**

12 CFR 203

**ABSTRACT:**

Section 224 of the Federal Deposit Insurance Corporation Improvement Act of 1991 changes the exemption provisions in section 309 of the Home Mortgage Disclosure Act. Section 224 eliminates the current exemption for nondepository mortgage lenders with assets less than \$10 million; and directs the Board, in consultation with the U.S. Department of Housing and Urban Development, to instead exempt nondepository mortgage lenders that are "comparable within their respective industries" to depository institutions that are exempt. It is expected that the Board will consider issuing for public comment proposed revisions to Regulation C within the next three months. Depending upon the criteria used in the proposed new exemption, the revisions may have an impact on small institutions. Some nondepository mortgage lenders with assets under \$10 million that now are exempt are likely to be covered by Regulation C under the proposed exemption rules, but the number and size of such lenders are not presently known.

**TIMETABLE:****ACTION****DATE****FR CITE**

Board is expected to consider  
requesting comment by

05/00/92

**EFFECTS ON SMALL BUSINESS AND OTHER ENTITIES: Yes****AGENCY CONTACT:**

John C. Wood

Senior Attorney

Division of Consumer and Community Affairs

202 452-2412



3.

**TITLE:**

Regulation: E - Electronic Fund Transfers

**LEGAL AUTHORITY:**

15 USC 1693 et seq "Electronic Fund Transfer Act"

**CFR CITATION:**

12 CFR 205

**ABSTRACT:**

The Board is conducting a review of Regulation E, which implements the Electronic Fund Transfer Act, and establishes the basic rights, liabilities, and responsibilities of consumers who use electronic fund transfer services and of financial institutions that offer these services (whether or not these institutions hold the consumer's account). The review will consider whether any provisions of the regulation are in need of updating, whether any substantive changes are necessary because of technological and other developments, and whether special rules to govern the electronic delivery of government benefits to recipients should be proposed. The Board will also consider whether to make any legislative recommendations for statutory changes.

Public comment will be requested on any regulatory proposals that may be developed following the review. It is not anticipated that the revisions would have a significant economic impact on a substantial number of small banks.

**TIMETABLE:**

**ACTION**

**DATE**

**FR CITE**

Board may consider revisions to  
Regulation E

05/00/92

**EFFECTS ON SMALL BUSINESS AND OTHER ENTITIES:** None

**AGENCY CONTACT:**

Dolores S. Smith

Assistant Director

Division of Consumer and Community Affairs

202 452-2412

**RIN:** 7100-AA77



4.

**TITLE:**

Regulation: H - Membership of State Banking Institutions in the Federal Reserve System

**LEGAL AUTHORITY:**

12 USC 1831o

**CFR CITATION:**

12 CFR 208

**ABSTRACT:**

Section 131 of the Federal Deposit Insurance Corporation Improvement Act of 1991 requires the federal banking agencies to take prompt regulatory action regarding banks based on the capital level of the bank. The statute requires the Board to promulgate rules implementing this section as it is to be applied to state member banks. These rules will apply to banks of all sizes, including small banks that have capital levels below the Board's minimum capital adequacy guidelines. The Board is expected to consider requesting public comment within the next two months.

**TIMETABLE:****ACTION****DATE****FR CITE**

Board is expected to request  
public comment

04/00/92

**EFFECTS ON SMALL BUSINESS AND OTHER ENTITIES:** Yes

**AGENCY CONTACT:**

Scott G. Alvarez  
Associate General Counsel  
Legal Division  
202 452-3583

85201-7A  
5.

**TITLE:**

Regulation: H - Membership of State Banking Institutions in the Federal Reserve System; and Regulation: Y - Bank Holding Companies and Change in Bank Control

**LEGAL AUTHORITY:**

12 USC 1831m

**CFR CITATION:**

12 CFR 208

12 CFR 225

**ABSTRACT:**

During 1992, staff will consult with the other federal banking agencies regarding the implementation of Section 112, the bank auditing requirements, of the Federal Deposit Insurance Corporation Improvement Act of 1991. This includes requirements for insured commercial banks to receive audits of their annual reports by independent public accountants, requirements for banks and their auditors to report certain information to the Board, and requirements for independent audit committees for banks. In some cases, these requirements can be satisfied by comparable arrangements at the bank holding company level. Within the next four months the Board will consider requesting public comment on proposed regulations. The Act generally exempts insured depository institutions from these requirements when their total assets are less than \$150 million.

**TIMETABLE:**

**ACTION**

**DATE**

**FR CITE**

Board may consider amendments to  
Regulations H and Y by

06/00/92

**EFFECTS ON SMALL BUSINESS AND OTHER ENTITIES:** None

**AGENCY CONTACT:**

Rhoger H. Pugh  
Manager

Division of Banking Supervision and Regulation  
202 728-5883



6.

**TITLE:**

Regulation: H - Membership of State Banking Institutions in the Federal Reserve System; and Regulation: Y - Bank Holding Companies and Change in Bank Control

**LEGAL AUTHORITY:**

12 USC 1831n

12 USC 1833d

**CFR CITATION:**

12 CFR 208

12 CFR 225

**ABSTRACT:**

During 1992, the staff will consult with the other federal banking agencies regarding the implementation of Section 121, the bank accounting requirements, of the Federal Deposit Insurance Corporation Improvement Act of 1991. These requirements include the implementation of disclosures of the fair market value of assets and liabilities and certain projects, which may result in the revision of reporting requirements for banks and bank holding companies. The accounting provisions of the Act do not include exemptions for small institutions. Thus, any changes to regulations and reporting requirements would likely affect smaller state member banks.

The Board is expected to consider requesting public comment on any proposed regulations within the next four months.

**TIMETABLE:****ACTION****DATE****FR CITE**

Board may consider amendments to  
Regulations H and Y by

06/00/92

**EFFECTS ON SMALL BUSINESS AND OTHER ENTITIES: Yes****AGENCY CONTACT:**

Rhoger H. Pugh

Manager

Division of Banking Supervision and Regulation

202 728-5883



7.

**TITLE:**

Regulation: K - International Banking Operations

**LEGAL AUTHORITY:**

12 USC 3105

12 USC 3108

**CFR CITATION:**

12 CFR 211

**ABSTRACT:**

Sections 202-204 of the Federal Deposit Insurance Corporation Improvement Act of 1991 (FDICIA) amend the International Banking Act of 1978 to provide for the prior approval of the Board for the establishment of branches, agencies, and representative offices by foreign banks in the United States. It is expected that the Board will consider issuing for comment by April 1992 amendments to Regulation K to implement these provisions. It is not expected that the proposals will have a significant economic impact on small institutions.

The Board will also consider, within the next four months, what action to take to implement section 214(a) of FDICIA with respect to U.S. deposit-taking activities of foreign banks. It is undetermined what economic impact proposals in this area would have on small institutions.

**TIMETABLE:**

**ACTION**

**DATE**

**FR CITE**

Board will consider issuing  
proposals to implement  
Sections 202-204 by

04/00/92

Board will consider action on  
Section 214(a) by

06/00/92

**EFFECTS ON SMALL BUSINESS AND OTHER ENTITIES:** Undetermined

**AGENCY CONTACT:**

Kathleen O'Day  
Assistant General Counsel  
Legal Division  
202 452-3786

8.

**TITLE:**

Regulation: T - Credit by Brokers and Dealers

**LEGAL AUTHORITY:**

15 USC 78g "Securities Exchange Act of 1934, as amended"  
15 USC 78h "Securities Exchange Act of 1934, as amended"  
15 USC 78w "Securities Exchange Act of 1934, as amended"

**CFR CITATION:**

12 CFR 220

**ABSTRACT:**

The Board is conducting a review of Regulation T, which regulates extensions of credit by and to brokers and dealers. The review will consider whether any provisions of the regulation are in need of updating and whether any substantive changes are necessary because of developments in the securities markets, including the development of new products and services. Public comment will be requested on any regulatory proposals that may be developed following the review. It is not anticipated that the revisions will have a significant economic impact on the overall lending activities of a substantial number of small brokerage firms.

<b>TIMETABLE:</b>	<b>ACTION</b>	<b>DATE</b>	<b>FR CITE</b>
	Board may consider revisions to Regulation T	06/00/92	

**EFFECTS ON SMALL BUSINESS AND OTHER ENTITIES:** None**AGENCY CONTACT:**

Laura Homer  
Securities Credit Officer  
Division of Banking Supervision and Regulation  
202 452-2781



9.

**TITLE:**

Regulation: Y - Bank Holding Companies and Change in Bank Control

**LEGAL AUTHORITY:**

12 USC 1834a

12 USC 1834b

**CFR CITATION:**

12 CFR 225

**ABSTRACT:**

Sections 233 and 234 of the Federal Deposit Insurance Corporation Improvement Act of 1991 require the Board and other regulatory agencies to become involved in an effort to get banks to participate in certain types of lending activities in designated distressed communities. Banks that do the appropriate type of lending in the appropriate "distressed communities" will receive assessment credits for their FDIC insurance premiums. The law requires the Board to receive notice of the banks' intent to involve themselves in these activities, to assist the banks to define and locate the appropriate communities, and to define certain terms by regulation. To accomplish the mandates of the statute, it may be necessary to amend Regulation Y for purposes of receiving notice of the banks' and holding companies' intent to form the types of entities discussed in the law and to do the type of lending intended by the law. It may also be necessary to amend the regulation to provide the definitions of "nonprofit organization" and "small business" called for by the statute. It is not expected that any proposed regulation would have a significant economic impact on small institutions. These provisions only take effect if, and when, Congress appropriates funds to cover the impact they may have on the Bank Insurance Fund. Consequently, the timing is somewhat uncertain.

**TIMETABLE:**

**ACTION**

Date of action undetermined

**DATE**

00/00/00

**FR CITE**

**EFFECTS ON SMALL BUSINESS AND OTHER ENTITIES:** None

**AGENCY CONTACT:**

Glenn E. Loney

Assistant Director

Division of Consumer and Community Affairs

202 452-3585



10.

**TITLE:**

Regulation: BB - Community Reinvestment

**LEGAL AUTHORITY:**

12 USC 2901 et seq

**CFR CITATION:**

12 CFR 228

**ABSTRACT:**

Section 402 of the Resolution Trust Corporation Refinancing, Restructuring, and Improvement Act amends the Community Reinvestment Act to specifically provide that an institution that donates, sells on favorable terms, or provides rent free branch facilities to women or minority owned institutions will receive favorable consideration in its CRA assessment by the regulatory agencies. Regulation BB currently contains a set of 12 assessment factors used in evaluating an institution's performance under the CRA. The Board will consider whether to amend those assessment factors to specifically recognize this statutory mandate. It is likely that this will be done jointly by the regulatory agencies, probably under the auspices of the Federal Financial Institutions Examination Council (FFIEC) within the next three months. It is not expected that the proposal will have a significant economic impact on a substantial number of small institutions.

**TIMETABLE:****ACTION****DATE****FR CITE**

Joint agency proposals for public comment expected by	05/00/92	
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**EFFECTS ON SMALL BUSINESS AND OTHER ENTITIES: None****AGENCY CONTACT:**

Glenn E. Loney  
Assistant Director  
Division of Consumer and Community Affairs  
202 452-3585

11.

**TITLE:**

Determinations Under FDICIA Netting Provisions

**LEGAL AUTHORITY:**

12 USC 4401 et seq

**CFR CITATION:**

00 CFR None

**ABSTRACT:**

Section 401 et seq of the Federal Deposit Insurance Corporation Improvement Act of 1991 (FDICIA) contains provisions to validate netting contracts between and among financial institutions for the purpose of improving efficiency and reducing systemic risk in the banking system and financial markets. The FDICIA defines "financial institution" to include securities brokers or dealers, depository institutions, futures commission merchants, and any other institution as determined by the Board, such as broker-dealer affiliates that engage in netting. The Board expects to receive requests for "financial institution" determinations and will likely seek public comment within the next four months on the criteria under which such determinations should be made. These determinations will affect small entities only to the extent that they engage in netting activities and request a Board determination that they are financial institutions for purposes of the FDICIA netting provisions.

**TIMETABLE:**

**ACTION**

**DATE**

**FR CITE**

Board is expected to consider  
requesting comment by

06/30/92

**EFFECTS ON SMALL BUSINESS AND OTHER ENTITIES:** Yes

**AGENCY CONTACT:**

Stephanie Martin  
Senior Attorney  
Legal Division  
202 452-3198



12.

**TITLE:**

Interbank Liabilities

**LEGAL AUTHORITY:**

12 USC 371b-2

**CFR CITATION:**

00 CFR None

**ABSTRACT:**

Section 308 of the Federal Deposit Insurance Corporation Improvement Act of 1991 (FDICIA), which adds a new section 23 to the Federal Reserve Act, requires the Board to develop standards to limit risks posed by an insured depository institution's exposure (as defined in FDICIA) to the failure of a large depository institution. It is expected that the Board will consider seeking public comment during the next four months on proposals in this area. Staff has not yet determined whether such proposals would have a significant economic impact on small depository institutions.

**TIMETABLE:****ACTION****DATE****FR CITE**

Board is expected to consider  
requesting comment by

06/00/92

**EFFECTS ON SMALL BUSINESS AND OTHER ENTITIES:** Undetermined**AGENCY CONTACT:**

Oliver Ireland  
Associate General Counsel  
Legal Division  
202 452-3625



13.

**TITLE:**

Lifeline Accounts

**LEGAL AUTHORITY:**

12 USC 1817

12 USC 1834

**CFR CITATION:**

00 CFR None

**ABSTRACT:**

Section 232 of the Federal Deposit Insurance Corporation Improvement Act of 1991 requires the Board with the FDIC to establish minimum requirements for "lifeline" transaction accounts. An insured depository institution that chooses to offer accounts that meet these requirements will be assessed deposit insurance premiums on those deposits at a rate of 1/2 the maximum assessment rate. The Act sets forth factors that the Board and the FDIC must consider in setting the account requirements, such as whether the amount of the fee, if any, that is charged for routine transactions does not exceed a minimal level.

Section 232 is not effective until the Congress appropriates funds specifically for its implementation. Therefore, it cannot be determined when the Board's and the FDIC's responsibility to establish account requirements will arise.

It is not anticipated that implementation of the law, due to its voluntary character, will have a significant impact on a substantial number of small institutions.

**TIMETABLE:**

**ACTION**

**DATE**

**FR CITE**

Date for action undetermined;  
action dependent upon  
appropriations

00/00/00

**EFFECTS ON SMALL BUSINESS AND OTHER ENTITIES:** None

**AGENCY CONTACT:**

Michael S. Bylsma

Senior Attorney

Division of Consumer and Community Affairs

202 452-3667



14.

**TITLE:**

Standards for Real Estate Lending

**LEGAL AUTHORITY:**12 USC 371(a)  
12 USC 1828(o)**CFR CITATION:**

00 CFR None

**ABSTRACT:**

Section 304 of the Federal Deposit Insurance Corporation Improvement Act of 1991 (FDICIA) contains an amendment to the Federal Deposit Insurance Act and a conforming amendment to the Federal Reserve Act requiring the federal banking agencies to adopt uniform regulations prescribing standards for real estate lending. The FDICIA defines real estate lending as extensions of credit secured by liens on interests in real estate or made for the purpose of financing the construction of a building or other improvements to real estate. The agencies may differentiate among types of loans as may be required by federal statute, or as may be warranted by risk to the deposit insurance fund, or by safety and soundness considerations.

The agencies are directed in developing such standards not to evaluate adversely investments or loans or consider a loan to be nonperforming solely because the loan or investment is made in commercial, residential, or industrial property, unless such investment or loan may affect the institution's safety and soundness.

The provisions of the Act do not include exemptions for small institutions. Thus, new regulations for real estate underwriting standards would likely affect smaller state member banks. The Board is expected to consider issuing a proposal for comment within the next two months.

<b>TIMETABLE:</b>	<b>ACTION</b>	<b>DATE</b>	<b>FR CITE</b>
	Board is expected to consider requesting comment by	04/00/92	

**EFFECTS ON SMALL BUSINESS AND OTHER ENTITIES:** Yes .**AGENCY CONTACT:**

Fred Struble  
Associate Director  
Division of Banking Supervision and Regulation  
202 452-3794



15.

**TITLE:**

Truth in Savings

**LEGAL AUTHORITY:**

12 USC 4308

**CFR CITATION:**

12 CFR 230

**ABSTRACT:**

Sections 261-275 of the Federal Deposit Insurance Corporation Improvement Act of 1991 (Truth in Savings Act) require depository institutions to provide a schedule of terms, rates and fees for deposit accounts offered by the institution. The law also sets forth rules for advertisements for deposit accounts. Within the next two months, the Board will consider issuing for public comment regulations to implement the Truth in Savings Act. The regulations will apply to all depository institutions (both large and small). The impact on small institutions will depend upon the extent of the disclosures and the options for compliance offered by the regulations; it is expected that the regulations will include model forms to ease compliance burdens on the institutions somewhat.

**TIMETABLE:**

**ACTION**

**DATE**

**FR CITE**

Board is expected to request  
comment by

04/00/92

Board is expected to issue final  
regulation by

09/00/92

**EFFECTS ON SMALL BUSINESS AND OTHER ENTITIES: Yes**

**AGENCY CONTACT:**

Leonard Chanin

Senior Attorney

Division of Consumer and Community Affairs

202-452-3667

**Section 2**  
**Final Rule Stage**



16.

**TITLE:**

Regulation: D - Reserve Requirements of Depository Institutions  
(Docket Number: R-0729)

**LEGAL AUTHORITY:**

12 USC 465

**CFR CITATION:**

12 CFR 204

**ABSTRACT:**

In April 1991, the Board published for comment several proposed amendments to Regulation D, as well as a number of proposed interpretations concerning reserve requirements (56 FR 15522, April 17, 1991). The proposed amendments and interpretations are intended primarily to close loopholes in reserve requirements on transaction accounts, and concern the following types of transactions or accounts: (1) teller's checks; (2) time deposit open accounts; (3) certain sweep arrangements involving transaction accounts and commingled time deposits; (4) multiple or linked money market deposit accounts ("MMDAs"); (5) netting of trust balances in commingled transaction accounts; and (6) certain uses of "due from" or "cash items in the process of collection" deductions.

It is not expected that the proposals will have a significant economic impact on a substantial number of small institutions. Following review of the public comments, the Board is expected to take further action within the next six months.

**TIMETABLE:**

**ACTION**

**DATE**

**FR CITE**

Board requested public comment  
Further Board action by

04/17/91  
10/00/92

56 FR 15522

**EFFECTS ON SMALL BUSINESS AND OTHER ENTITIES:** None

**AGENCY CONTACT:**

Oliver Ireland  
Associate General Counsel  
Legal Division  
202 452-3625

**RIN:** 7100-AB25

17.

**TITLE:**

Regulation: D -. Reserve Requirements of Depository Institutions

**LEGAL AUTHORITY:**

12 USC 465

**CFR CITATION:**

12 CFR 204

**ABSTRACT:**

On February 18, 1992, the Board approved issuing for public comment proposed amendments to Regulation D concerning reserve requirements (Federal Register cite unavailable). The proposed amendments include a proposal to double the carryover allowance for reserve balances to the larger of \$50,000 or 4 percent of required reserves plus required clearing balances. This will provide institutions with more flexibility in managing reserves from one maintenance period to another. An additional proposal will shorten by two weeks the lag in counting vault cash toward required reserves in order to reduce the decline in required reserve balances early in the year.

It is not expected that the proposals will have a significant economic impact on a substantial number of small institutions. Following review of the public comments, the Board is expected to take further action within the next six months.

<b>TIMETABLE:</b>	<b>ACTION</b>	<b>DATE</b>	<b>FR CITE</b>
	Board approved requesting public comment	02/18/92	
	Further Board action by	10/00/92	

**EFFECTS ON SMALL BUSINESS AND OTHER ENTITIES:** None**AGENCY CONTACT:**

Oliver Ireland  
Associate General Counsel  
Legal Division  
202 452-3625



18.

**TITLE:**

Regulation: H - Membership of State Banking Institutions in the Federal Reserve System; and Regulation: Y - Bank Holding Companies and Change in Bank Control (Docket Number: R-0711)

**LEGAL AUTHORITY:**

12 USC 3331 et seq

**CFR CITATION:**

12 CFR 225, Subpart G

**ABSTRACT:**

In November 1990, the Board issued for public comment a proposed amendment to its real estate appraisal rule that would lower the dollar amount of transactions below which a certified or licensed appraiser would not be required (55 FR 49057, November 26, 1990). Currently, this amount is \$100,000; the Board sought comment on a proposal to lower it to \$50,000. This proposal would conform the Board's real estate appraisal rule to those of the other federal financial institutions regulatory agencies.

This change is expected to increase the costs of federally related transactions having a transaction value between \$50,000 and \$100,000. These costs will either have to be absorbed by the regulated institutions or be passed on to their customers.

Following review of the public comments and coordination with other affected agencies, the Board is expected to take further action on this proposal by year-end 1992.

<b>TIMETABLE:</b>	<b>ACTION</b>	<b>DATE</b>	<b>FR CITE</b>
	Board requested comment	11/26/90	55 FR 49057
	Further Board action expected by	12/00/92	

**EFFECTS ON SMALL BUSINESS AND OTHER ENTITIES:** Yes

**AGENCY CONTACT:**

Michael O'Rourke  
Senior Attorney  
Legal Division  
202 452-3288

**RIN:** 7100-AB20



19.

**TITLE:**

Regulation: H - Membership of State Banking Institutions in the Federal Reserve System; and Regulation: Y - Bank Holding Companies and Change in Bank Control (Docket Number: R-0720)

**LEGAL AUTHORITY:**

12 USC 3331 et seq

**CFR CITATION:**

12 CFR 225, Subpart G

**ABSTRACT:**

In December 1990, the Board, along with the other federal financial institutions regulatory agencies, issued an interim common rule and request for public comment regarding those applicable provisions of the Uniform Standards of Professional Appraisal Practice ("USPAP") that are required to be incorporated into each agency's real estate appraisal rules (55 FR 53609, December 31, 1990). The provisions were published as an interim rule because the agencies' existing appraisal regulations already require compliance with the USPAP, as mandated by Title XI of the Financial Institutions Reform, Recovery, and Enforcement Act of 1989.

The USPAP was undergoing revision when the agencies initially promulgated their appraisal regulations. This proposal will permit the agencies to consider and receive comment on the revisions to USPAP. It is not expected that the proposal will have a significant economic impact on a substantial number of small entities. Following review of the public comments and coordination with other affected agencies, the Board is expected to take further action on this proposal by year-end 1992.

**TIMETABLE:****ACTION****DATE****FR CITE**

Board requested public comment

12/31/90

55 FR 53609

Further Board action expected by

12/00/92

**EFFECTS ON SMALL BUSINESS AND OTHER ENTITIES:** None

**AGENCY CONTACT:**

Michael O'Rourke  
Senior Attorney  
Legal Division  
202 452-3288

**RIN:** 7100 AB27



20.

**TITLE:**

Regulation: H - Membership of State Banking Institutions in the Federal Reserve System; and Regulation: Y - Bank Holding Companies and Change in Bank Control (Docket Number: R-0748)

**LEGAL AUTHORITY:**

PL 102-242, Sec 475 "Federal Deposit Insurance Corporation Improvement Act of 1991"

**CFR CITATION:**

12 CFR 208, Appendix A  
12 CFR 225, Appendix A

**ABSTRACT:**

On January 21, 1992, the Board approved issuing for public comment proposed revisions to Regulation H, Appendix A and Regulation Y, Appendix A that will provide guidance on the regulatory capital treatment of identifiable intangible assets for state member banks and bank holding companies (Federal Register cite unavailable). The proposal, developed in coordination with the FDIC, OCC, and OTS, would implement section 475 of the Federal Deposit Insurance Corporation Improvement Act of 1991, which requires each federal banking agency to determine the capital treatment of purchased mortgage servicing rights. The proposed revisions also are aimed at achieving uniformity in the treatment of identifiable intangible assets among the federal banking agencies.

It is not anticipated that the proposed revisions will have a significant impact on a substantial number of small institutions, the vast majority of which have few identifiable intangible assets. Following review of the public comments, the Board is expected to take further action within the next four months.

<b>TIMETABLE:</b>	<b>ACTION</b>	<b>DATE</b>	<b>FR CITE</b>
	Board approved requesting comment	01/21/92	
	Further Board action by	06/00/92	

**EFFECTS ON SMALL BUSINESS AND OTHER ENTITIES:** None

**AGENCY CONTACT:**

Norah Barger  
Supervisory Financial Analyst  
Division of Banking Supervision and Regulation  
202 452-2402



21.

**TITLE:**

Regulation: J - Collection of Checks and Other Items and Wire Transfers of Funds by Federal Reserve Banks (Docket Number: R-0722)

**LEGAL AUTHORITY:**

12 USC 248(i)  
12 USC 248(j)  
12 USC 248(o)  
12 USC 342  
12 USC 360  
12 USC 464  
12 USC 4008

**CFR CITATION:**

12 CFR 210

**ABSTRACT:**

In January 1991, the Board requested comment on a proposed amendment to Regulation J to require paying banks that receive presentment of checks from a Federal Reserve Bank to make the proceeds of settlement for those checks available to the Reserve Bank by as early as one hour after receipt of the checks (56 FR 3047, January 28, 1991). This amendment would be necessary to implement the proposed daylight overdraft measurement procedure under the Board's payments system risk reduction program. (See Docket Number: R-0721.)

It is not expected that this proposal would have a significant economic impact on a substantial number of small entities because small entities do not usually incur large daylight overdrafts, and many small entities are exempt from filing for an overdraft cap and would be exempt from pricing under the Board's proposed pricing program.

Following review of the public comments, the Board is expected to take further action within the next four months.

**TIMETABLE:****ACTION****DATE****FR CITE**

Board requested comment  
Further Board action by

01/28/91  
06/00/92

56 FR 3047

**EFFECTS ON SMALL BUSINESS AND OTHER ENTITIES:** None

**AGENCY CONTACT:**

Stephanie Martin  
Senior Attorney  
Legal Division  
202 452-3198

**RIN:** 7100-AB21



22.

**TITLE:**

Regulation: Y - Bank Holding Companies and Change in Bank Control  
(Docket Number: R-0652)

**LEGAL AUTHORITY:**

12 USC 1843 "Bank Holding Company Act"  
12 USC 1844(b) "Bank Holding Company Act"

**CFR CITATION:**

12 CFR 225

**ABSTRACT:**

A provision of Regulation Y permits a State bank subsidiary of a bank holding company to engage through a nonbank subsidiary in any activity that is permissible under State law for the bank subsidiary itself, subject to the same limits as if the bank engages in the activity directly. (A similar rule applies to national bank subsidiaries regarding activities permissible for such banks under Federal law.) The Board received comments on this provision in connection with its general request for comments in May 1983 regarding the proposed revision of Regulation Y. Some of the commenters challenged the Board's authority to issue this provision, although it has been part of Regulation Y since 1971. In taking final action on the revision of Regulation Y, the Board deferred consideration of the comments on this provision and allowed the existing rule to remain in effect in the interim (49 FR 794, January 5, 1984).

In December 1988, the Board requested public comment regarding whether this rule, as it applies to nonbanking companies owned by state banks in a holding company system, continues to be valid and appropriate in light of enactment of the Garn-St Germain Act and certain recent court decisions (53 FR 48915, December 5, 1988). The Board also held an informal public hearing on this matter on April 7, 1989. The Board has not proposed revising its current rule regarding subsidiaries of national banks in a holding company.

A determination to reverse the Board's state bank rule could have an adverse impact on small banks that are subsidiaries of holding companies because they might be required to restructure their nonbanking activities or to take other action.

The issue of the validity of the Board's state bank rule was recently raised in litigation involving the permissibility of insurance activities of a nonbank subsidiary of Citicorp's Delaware bank. In that case, the U.S. Court of Appeals for the Second Circuit found that the Bank Holding Company Act does not apply to nonbank companies owned by holding company banks. The U.S. Supreme Court subsequently declined to review an appeal on this matter.

The Board has not determined what further action is appropriate.



**TITLE:**

Regulation: Y - Bank Holding Companies and Change in Bank Control  
(Docket Number: R-0652)

<b>TIMETABLE:</b>	<b>ACTION</b>	<b>DATE</b>	<b>FR CITE</b>
	Board requested comments	05/25/83	48 FR 23520
	Board allows existing rule to remain in effect	01/05/84	49 FR 794
	Board requested comment	12/05/88	53 FR 48915
	Further Board action to be determined	10/00/92	

**EFFECTS ON SMALL BUSINESS AND OTHER ENTITIES:** Yes

**AGENCY CONTACT:**

Scott G. Alvarez  
Associate General Counsel  
Legal Division  
202 452-3583

**RIN:** 7100-AA41



23.

**TITLE:**

Regulation: Y - Bank Holding Companies and Change in Bank Control  
(Docket Number: R-0664)

**LEGAL AUTHORITY:**

12 USC 1843(c) (8)

**CFR CITATION:**

12 CFR 225

**ABSTRACT:**

In December 1988, the Board requested public comment on an application by a bank holding company to provide armored car transportation services to non-affiliated customers and on whether the proposed armored car activities may be deemed to be closely related to banking and a proper incident thereto for purposes of section 4(c)(8) of the Bank Holding Company Act (53 FR 50292, December 14, 1988).

The National Armored Car Association submitted comments in opposition to the application and requested a hearing on whether the proposal would meet section 4(c)(8) of the Bank Holding Company Act. A formal, public hearing before a hearing officer was held on June 16 and July 11, 1989, at the offices of the Board in Washington, D.C. On January 23, 1990, the hearing officer recommended that the application be denied, based on his determination that the proposed armored car services were not closely related to banking under section 4(c)(8). On June 18, 1990, the Board reversed this finding and remanded the case to the hearing officer for a recommended decision on whether the proposed services were a "proper incident" to banking and whether they constitute illegal branch banking.

After two days of additional hearings, the administrative law judge filed a supplemental recommended decision, again recommending denial of the application. The Board is expected to take final action within the next two months.

The application, if approved, would permit a small bank holding company that currently operates an armored car for internal automatic teller machine servicing to utilize excess capacity in the armored car to serve non-affiliated financial institutions and other customers in the East Moline, Illinois, trading area, an activity not currently permitted under 12 CFR 225.

<b>TIMETABLE:</b>	<b>ACTION</b>	<b>DATE</b>	<b>FR CITE</b>
	Board issued proposal for comment	12/14/88	53 FR 50292
	Board will review further	04/00/92	

**EFFECTS ON SMALL BUSINESS AND OTHER ENTITIES:** None

**AGENCY CONTACT:**

Katherine H. Wheatley  
Senior Attorney  
Legal Division  
202 452-3779

**RIN:** 7100-AB03



24.

**TITLE:**

Regulation: Y - Bank Holding Companies and Change in Bank Control  
(Docket Number: R-0686)

**LEGAL AUTHORITY:**

PL 101-73, 103 Stat 183

**CFR CITATION:**

12 CFR Part 225, Subpart H

**ABSTRACT:**

In February 1990, the Board approved issuing for public comment a proposed regulation, which implements section 914 of the Financial Institutions Reform, Recovery, and Enforcement Act of 1989, requiring banks and bank holding companies to provide notice to the Federal Reserve System 30 days before adding any individual to the institution's board of directors or employing any individual as a senior executive officer under certain circumstances (55 FR 6787, February 27, 1990). Notice would be required if the institution is failing to meet minimum capital standards or is otherwise in a troubled condition, has undergone a change in control within the past two years, or has received a bank charter within the past two years. The regulation defines "senior executive officer," "troubled condition," and "change in control."

The proposal is not expected to have a significant economic impact on a substantial number of small business entities. State member banks and bank holding companies will be affected if they meet one of the criteria that triggers the notice requirements. Following review of public comments, the Board is expected to take further action within the next two months.

<b>TIMETABLE:</b>	<b>ACTION</b>	<b>DATE</b>	<b>FR CITE</b>
	Board approved proposal for comment	02/27/90	55 FR 6787
	Further Board action by	04/00/92	

**EFFECTS ON SMALL BUSINESS AND OTHER ENTITIES:** None

**AGENCY CONTACT:**

Scott G. Alvarez  
Associate General Counsel  
Legal Division  
202 452-3583

**RIN:** 7100-AB07



25.

**TITLE:**

Regulation: Y - Bank Holding Companies and Change in Bank Control  
(Docket Number: R-0706)

**LEGAL AUTHORITY:**

12 USC 1843  
12 USC 1844(b)

**CFR CITATION:**

12 CFR 225

**ABSTRACT:**

In September 1990, the Board issued for public comment a proposal to add full service brokerage and financial advisory activities to the laundry list in Regulation Y (55 FR 36282, September 5, 1990). The Board has previously determined by order that bank holding companies may provide these activities.

Adoption of the proposal would not result in any significant economic impact on bank holding companies, and would, in many cases, shorten the regulatory review process for bank holding companies that seek to engage in these activities. Following review of public comments, the Board is expected to take further action within the next six months.

**TIMETABLE:**

**ACTION**

**DATE**

**FR CITE**

Board issued proposal for comment

09/05/90

55 FR 36282

Further Board action by

10/00/92

**EFFECTS ON SMALL BUSINESS AND OTHER ENTITIES:** None

**AGENCY CONTACT:**

Scott Alvarez  
Associate General Counsel  
Legal Division  
202-452-3583

**RIN:** 7100-AB09

26.

**TITLE:**

Regulation: Y - Bank Holding Companies and Change in Bank Control  
(Docket Number: R-0694)

**LEGAL AUTHORITY:**

12 USC 1843(c)(8)

**CFR CITATION:**

12 CFR 225, Subpart C

**ABSTRACT:**

In May 1990, the Board approved issuing for comment a proposal to amend the provision in Regulation Y governing leasing transactions by bank holding companies to relax the limitation on reliance on the residual value of leasing property (55 FR 22348, June 1, 1990). The Board is proposing to raise the maximum estimated residual value of leased personal property on which bank holding companies may rely for their compensation in recovering the full cost of leasing transactions from 20 percent to up to 100 percent of the acquisition cost of the leased property. Section 108 of the Competitive Equality Banking Act of 1987 granted similar authority to national banks subject to a volume limitation. These higher residual value leasing transactions by bank holding companies would also be subject to certain volume limitations, and would remain subject to the prudential limitations currently set forth in Regulation Y. The proposal is not expected to have a significant economic impact on a substantial number of small business entities. Following review of public comments, the Board is expected to take further action within the next six months.

<b>TIMETABLE:</b>	<b>ACTION</b>	<b>DATE</b>	<b>FR CITE</b>
	Board requested comment	06/01/90	55 FR 22348
	Further Board action by	10/00/92	

**EFFECTS ON SMALL BUSINESS AND OTHER ENTITIES:** None

**AGENCY CONTACT:**

Thomas M. Corsi  
Senior Attorney  
Legal Division  
202 452-3275

**RIN:** 7100-AB12



27.

**TITLE:**

Regulation: Y - Bank Holding Companies and Change in Bank Control  
(Docket Number: R-0698)

**LEGAL AUTHORITY:**

12 USC 1841 et seq

**CFR CITATION:**

12 CFR 225.125

**ABSTRACT:**

In June 1990, the Board approved issuing for comment a proposed revision to a Board interpretation of the Glass-Steagall Act and the Bank Holding Company Act that would permit bank holding companies to broker and recommend shares of investment companies that are advised by a bank holding company or its subsidiaries (55 FR 25849, June 25, 1990). The revision would permit bank holding companies the authority to perform greater services for investment companies and brokerage customers. The proposal would enable bank holding companies to enhance competition in the brokerage industry by clarifying permissible activities for bank holding companies.

The proposal is not expected to have a significant economic impact on a substantial number of small business entities. Following review of the public comments, the Board is expected to take further action within the next six months.

**TIMETABLE:**

**ACTION**

**DATE**

**FR CITE**

Board approved proposal for comment 06/25/90

55 FR 25849

Further Board action by 10/00/92

**EFFECTS ON SMALL BUSINESS AND OTHER ENTITIES:** None

**AGENCY CONTACT:**

Thomas M. Corsi  
Senior Attorney  
Legal Division  
202 452-3275

**RIN:** 7100-AB13

28.

**TITLE:**

Regulation: Z - Truth in Lending (Docket Number: R-0743)

**LEGAL AUTHORITY:**

12 USC 1604 "Truth in Lending Act, as amended"

**CFR CITATION:**

12 CFR 226

**ABSTRACT:**

In July 1991, the U.S. Court of Appeals for the District of Columbia issued a decision in Consumers Union v. Federal Reserve Board. The Court remanded to the Board for further consideration two issues dealing with disclosure of the discounted rate and payment examples for a creditor's home equity line of credit. Following the Court's decision, the Board, in December 1991, issued for public comment revisions to Regulation Z relating to home equity lines of credit (56 FR 67233, December 30, 1991). It is not anticipated that any revisions will have a significant impact on a substantial number of small institutions. Following review of the public comments, the Board is expected to take further action within the next five months.

**TIMETABLE:****ACTION****DATE****FR CITE**

Board requested public comment

12/30/91

56 FR 67233

Further Board action by

07/00/92

**EFFECTS ON SMALL BUSINESS AND OTHER ENTITIES:** None**AGENCY CONTACT:**

Leonard Chanin

Senior Attorney

Division of Consumer and Community Affairs

202 452-3667

**RIN:** 7100-AB24



29.

**TITLE:**

Regulation: CC - Availability of Funds and Collection of Checks  
(Docket Number: R-0723)

**LEGAL AUTHORITY:**

12 USC 4008

**CFR CITATION:**

12 CFR 229

**ABSTRACT:**

In February 1991, the Board published for comment a proposed amendment to Regulation CC to require paying banks to provide same-day settlement for checks presented by 8:00 a.m. local time at specified locations (56 FR 4743, February 6, 1991). The proposal would eliminate presentment fees for these checks and thereby facilitate their collection, consistent with the provisions of the Expedited Funds Availability Act. As a secondary effect of the proposal, small banks may experience increased check collection fees, over the long run, as volume shifts from the Federal Reserve to the private sector. However, because the primary purpose of the proposal is to increase the efficiency of the check collection process, to exclude small banks from the requirement of making same-day settlement would be counter to the chief objective of the proposal. Following review of the public comments, the Board is expected to take further action within the next four months.

**TIMETABLE:**

**ACTION**

**DATE**

**FR CITE**

Board requested comment

02/06/91

56 FR 4743

Further Board action by

06/00/92

**EFFECTS ON SMALL BUSINESS AND OTHER ENTITIES:** Yes

**AGENCY CONTACT:**

Louise Roseman

Assistant Director

Division of Reserve Bank Operations and Payment Systems

202 452-3874

**RIN:** 7100-AB22



30.

**TITLE:**

Regulation: CC - Availability of Funds and Collection of Checks  
(Docket Numbers: R-0744 and R-0745)

**LEGAL AUTHORITY:**

12 USC 4011 et seq

**CFR CITATION:**

12 CFR Part 229

**ABSTRACT:**

Section 225 of the Federal Deposit Insurance Corporation Improvement Act of 1991 (FDICIA) amended the Expedited Funds Availability Act to allow banks to extend holds on an exception basis, to certain "low-risk" checks and to allow one-time notices of exception holds in certain cases. In January 1992, the Board adopted conforming changes to Regulation CC on an interim basis and requested public comment on the interim rule (Docket No. R-0744) (57 FR 3277, January 29, 1992). Section 227 of the FDICIA also made permanent the current availability schedules for deposits at nonproprietary ATMs and expanded administration enforcement coverage over U.S. offices and branches of foreign banks. The Board requested comment on conforming changes to Regulation CC (Docket No. R-0745) (57 FR 3365, January 29, 1992). The interim and proposed rules should not have a significant economic impact on a substantial number of small entities, but instead should decrease risk and cost for all depository institutions.

Following review of the public comments, the Board is expected to take further action within the next four months.

<b>TIMETABLE:</b>	<b>ACTION</b>	<b>DATE</b>	<b>FR CITE</b>
	Board requested comment	01/29/92	57 FR 3365
	Further Board action by	06/00/92	

**EFFECTS ON SMALL BUSINESS AND OTHER ENTITIES:** None

**AGENCY CONTACT:**

Stephanie Martin  
Senior Attorney  
Legal Division  
202 452-3198



31.

**TITLE:**

Proposals to Modify the Payments System Risk Reduction Program  
(Docket Numbers: R-0661 and R-0668)

**LEGAL AUTHORITY:**

12 USC 221 et seq

**CFR CITATION:**

00 CFR None

**ABSTRACT:**

In June 1989, the Board requested comment on several proposals that would modify its payments system risk reduction program (54 FR 26090, June 21, 1989), including pricing and measurement of daylight overdrafts (R-0668). In January 1991, the Board issued a revised proposal on measuring daylight overdrafts (see Docket Number: R-0721). The Board expects to take action on pricing and measurement in the first half of 1992.

In addition, in March 1989, the Board requested comment on changes in the way the Federal Reserve Banks treat automated clearing house transactions (Docket R-0661, 54 FR 8822, March 2, 1989). The Board expects to take further action on this proposal when other aspects of its risk reduction program are finalized. It is not expected that these actions will have a significant economic impact on a substantial number of small entities because small entities do not usually incur large daylight overdrafts, and many small entities are exempt from filing for an overdraft cap and would be exempt from pricing under the Board's proposed pricing program.

**TIMETABLE:**

**ACTION**

**DATE**

**FR CITE**

Board requested comment

06/21/89

54 FR 26090

Further Board action by

06/00/92

**EFFECTS ON SMALL BUSINESS AND OTHER ENTITIES:** None

**AGENCY CONTACT:**

Edward C. Ettin

Deputy Director

Division of Research and Statistics

202 452-3368

**RIN:** 7100-AA76

32.

**TITLE:**

Proposals to Modify the Payments System Risk Reduction Program  
(Docket Number: R-0693)

**LEGAL AUTHORITY:**

12 USC 221 et seq

**CFR CITATION:**

000 CFR None

**ABSTRACT:**

In May 1990, as part of its payments system risk reduction program, the Board requested comment on a proposed risk reduction policy that would prohibit bankers' banks and Edge corporations from incurring funds or book-entry overdrafts on Fedwire (55 FR 22086, May 31, 1990). The Board proposed that Reserve Banks assess a penalty fee when these or other institutions with imposed zero caps incur inadvertent daylight or overnight overdrafts on Fedwire.

It is not expected that these proposals would have a significant economic impact on a substantial number of small entities, because small entities do not usually participate in large-dollar wire transfer systems. Furthermore, this proposal is limited to a small subset of Fedwire participants.

The Board is expected to take further action by mid-1992.

**TIMETABLE:****ACTION****DATE****FR CITE**

Board requested comment

05/31/90

55 FR 22086

Further Board action by

06/00/92

**EFFECTS ON SMALL BUSINESS AND OTHER ENTITIES:** None

**AGENCY CONTACT:**

Stephanie Martin  
Senior Attorney  
Legal Division  
202-452-3198

**RIN:** 7100-AB17



33.

**TITLE:**

Proposal to Modify the Payments System Risk Reduction Program  
(Docket Number: R-0721)

**LEGAL AUTHORITY:**

12 USC 221 et seq

**CFR CITATION:**

00 CFR none

**ABSTRACT:**

In January 1991, the Board requested comment on a proposed method for posting debits and credits to depository institutions' accounts at Federal Reserve Banks in order to measure daylight overdrafts accurately under the Board's payments system risk reduction program (56 FR 3098, January 28, 1991). Accurate measurement of daylight overdrafts will be necessary in order to assess fees for daylight overdrafts, which the Board anticipates implementing in the future. The overdraft measurement proposal is a revision of the proposal issued for comment in June 1989 (54 FR 26090, June 21, 1989).

It is not expected that this proposal would have a significant economic impact on a substantial number of small entities because small entities do not usually incur large daylight overdrafts, and many small entities are exempt from filing for an overdraft cap and would be exempt from pricing under the Board's proposed pricing program.

Following review of the public comments, the Board is expected to take further action within the next four months.

**TIMETABLE:**

**ACTION**

**DATE**

**FR CITE**

Board requested comment

01/28/91

56 FR 3098

Further Board action by

06/00/92

**EFFECTS ON SMALL BUSINESS AND OTHER ENTITIES:** None

**AGENCY CONTACT:**

Florence Young

Assistant Director

Division of Reserve Bank Operations and Payment Systems

202 452-3926

**RIN:** 7100-AB18

Section 3  
Completed Section



34.

**TITLE:**

Regulation: G - Securities Credit by Persons Other Than Banks, Brokers, or Dealers; and Regulation: U - Credit by Banks for the Purpose of Purchasing or Carrying Margin Stocks (Docket Number: R-0730)

**LEGAL AUTHORITY:**

15 USC 78g "Securities Exchange Act of 1934, as amended"  
15 USC 78h "Securities Exchange Act of 1934, as amended"  
15 USC 78w "Securities Exchange Act of 1934, as amended"

**CFR CITATION:**

12 CFR 207  
12 CFR 221

**ABSTRACT:**

In May 1991, the Board issued for public comment amendments to Regulations G and U to permit lenders subject to these regulations to transfer a margin loan between them without treating the transaction as creating a new extension of credit. The regulations had only permitted a transfer between lenders subject to the same regulation. In September 1991, following review of the public comments, the Board adopted the amendments in substantially the form proposed (56 FR 46110, September 10, 1991). In light of questions raised in the comments about related matters, the Board also issued an interpretation of the "single-credit rule" in Regulations G and U. The interpretation indicates that a bank or lender that acquired a margin loan by transfer, such as the purchase of a loan participation, need not aggregate that credit with other unrelated loans to the same borrower as long as the lead bank or lender monitors compliance with the restrictions on withdrawals of collateral for the syndicated loan as a whole. It is not expected that this proposal will affect a significant portion of overall lending activities of a substantial number of small firms.

<b>TIMETABLE:</b>	<b>ACTION</b>	<b>DATE</b>	<b>FR CITE</b>
	Board requested comment	05/21/91	56 FR 23252
	Board adopted amendments and interpretation	09/10/91	56 FR 46110

**EFFECTS ON SMALL BUSINESS AND OTHER ENTITIES:** None

**AGENCY CONTACT:**

Scott Holz  
Senior Attorney  
Division of Banking Supervision and Regulation  
202 452-2781

**RIN:** 7100-AA99



35.

**TITLE:**

Regulation: G - Securities Credit by Persons Other than Banks, Brokers, or Dealers; and Regulation: T - Credit by Brokers and Dealers (Docket Number: R-0732)

**LEGAL AUTHORITY:**

15 USC 78g "Securities Exchange Act of 1934, as amended"  
 15 USC 78h "Securities Exchange Act of 1934, as amended"  
 15 USC 78w "Securities Exchange Act of 1934, as amended"

**CFR CITATION:**

12 CFR 207  
 12 CFR 220

**ABSTRACT:**

In May 1991, the Board issued for public comment amendments to Regulations G and T to accommodate deposits of margin stock at clearing agencies for futures markets regulated by the Commodity Futures Trading Commission. The amendments will allow a clearing agency to accept margin stock from its clearing members to meet margin obligations in connection with financial and nonfinancial futures and options positions without requiring the clearing agency to register with the Board under Regulation G. Such treatment has already been permitted in the securities area for The Options Clearing Corporation. In September 1991, following review of the public comments, the Board adopted the amendments in substantially the form proposed (56 FR 46109, September 10, 1991).

It is not anticipated that this proposal will affect a significant portion of the overall lending activities of a substantial number of small firms.

<b>TIMETABLE:</b>	<b>ACTION</b>	<b>DATE</b>	<b>FR CITE</b>
	Board requested public comment	06/05/91	56 FR 25641
	Board adopted amendments	09/10/91	56 FR 46109

**EFFECTS ON SMALL BUSINESS AND OTHER ENTITIES:** None

**AGENCY CONTACT:**

Laura Homer  
 Securities Credit Officer  
 Division of Banking Supervision and Regulation  
 202 452-2781

**RIN:** 7100-AB26