



Federal Register

**Monday,
December 22, 2003**

Part LIII

Federal Deposit Insurance Corporation

Semiannual Regulatory Agenda

FEDERAL DEPOSIT INSURANCE CORPORATION (FDIC)

FEDERAL DEPOSIT INSURANCE CORPORATION

12 CFR Ch. III

Semiannual Agenda of Regulations

AGENCY: Federal Deposit Insurance Corporation.

ACTION: Semiannual regulatory agenda.

SUMMARY: The Federal Deposit Insurance Corporation (FDIC) is hereby publishing items for the spring 2003 Unified Agenda of Federal Regulatory and Deregulatory Actions. The agenda contains information about FDIC's current and projected rulemakings, existing regulations under review, and completed rulemakings.

FOR FURTHER INFORMATION CONTACT: Persons identified under regulations listed in the agenda. Unless otherwise noted, the address for all FDIC staff identified in the agenda is Federal Deposit Insurance Corporation, 550 17th Street NW., Washington, DC 20429.

SUPPLEMENTARY INFORMATION: Twice each year, the FDIC publishes an agenda of regulations to inform the public of its regulatory actions and to enhance public participation in the rulemaking process. Publication of the agenda is in accordance with the Regulatory Flexibility Act (5 U.S.C. 601 *et seq.*). The FDIC amends its regulations under the general rulemaking authority prescribed in section 9 of the Federal Deposit Insurance Act (12 U.S.C. 1819) and under specific authority granted by the Act and other statutes.

On June 16, 2003, the FDIC and the other banking regulatory agencies announced the start of a review of their regulations for the purpose of reducing regulatory burden on insured institutions pursuant to section 2222 of the Economic Growth and Regulatory Paperwork Reduction Act of 1996 (68 FR 35589). The review, focused on categories of regulations, will continue through 2006, and involves requesting public comment in various forums. The first three categories of regulations

under review were announced on June 16, and the agencies plan to request public comment on the remaining categories in the **Federal Register** on an approximately semiannual basis. The agencies' reviews may result in rulemaking initiatives to reduce regulatory burden that will be announced in the semiannual agenda. More information about the reviews can be obtained at www.EGRPRA.gov, or www.FDIC.gov.

Interested persons may petition the FDIC for the issuance, amendment, or repeal of any regulation by submitting a written petition to the Executive Secretary, Federal Deposit Insurance Corporation, Washington, DC 20429. Petitioners should include complete and concise statements of their interest in the subject matter and reasons why the petitions should be granted.

Federal Deposit Insurance Corporation.
Robert E. Feldman,
Executive Secretary.

Federal Deposit Insurance Corporation—Prerule Stage

| Sequence Number | Title | Regulation Identification Number |
|-----------------|---|----------------------------------|
| 4165 | 12 CFR 327 Assessments—Assessment Base | 3064—AB46 |
| 4166 | Risk—Based Guidelines; Implementation of New Basel Capital Accord | 3064—AC73 |

Federal Deposit Insurance Corporation—Proposed Rule Stage

| Sequence Number | Title | Regulation Identification Number |
|-----------------|---|----------------------------------|
| 4167 | 12 CFR 334 Fair Credit Reporting Act Regulations | 3064—AC35 |
| 4168 | Risk—Based Capital Guidelines; Capital Adequacy Guidelines; Capital Maintenance | 3064—AC75 |

Federal Deposit Insurance Corporation—Final Rule Stage

| Sequence Number | Title | Regulation Identification Number |
|-----------------|---|----------------------------------|
| 4169 | Risk—Based Guidelines: Capital Adequacy Guidelines; Capital Maintenance | 3064—AC74 |

Federal Deposit Insurance Corporation—Long—Term Actions

| Sequence Number | Title | Regulation Identification Number |
|-----------------|---|----------------------------------|
| 4170 | 12 CFR 342 Qualification Requirements for the Recommendation or Sale of Certain Securities | 3064—AB85 |
| 4171 | 12 CFR 330 Deposit Insurance Coverage | 3064—AC43 |
| 4172 | 12 CFR 325 Risk—Based Capital Guidelines—Market Risk Measure; Securities Borrowing Transactions | 3064—AC46 |

FDIC

Federal Deposit Insurance Corporation—Long—Term Actions (Continued)

| Sequence Number | Title | Regulation Identification Number |
|-----------------|---|----------------------------------|
| 4173 | 12 CFR 345 Community Reinvestment Act Regulations (Section 610 Review) | 3064—AC50 |
| 4174 | 12 CFR 330 Deposit Insurance Regulations; Living Trust Accounts | 3064—AC54 |
| 4175 | Access of Persons with Disabilities to FDIC Programs, Activities, Facilities, and Electronic and Information Technology | 3064—AC58 |
| 4176 | Regulatory Publication and Review | 3064—AC59 |

Federal Deposit Insurance Corporation—Completed Actions

| Sequence Number | Title | Regulation Identification Number |
|-----------------|---|----------------------------------|
| 4177 | 12 CFR 342 Brokers and Dealers | 3064—AC42 |
| 4178 | 12 CFR 325 Simplified Capital Framework for Noncomplex Financial Institutions | 3064—AC44 |
| 4179 | 12 CFR 303 Filing Procedures; Corporate Powers; International Banking; Management Official Interlocks | 3064—AC55 |
| 4180 | 12 CFR 308 Removal, Suspension, and Debarment of Accountants From Performing Audit Services | 3064—AC57 |
| 4181 | Minimum Security Devices and Procedures and Bank Secrecy Act Compliance | 3064—AC76 |

Federal Deposit Insurance Corporation (FDIC)

Prerule Stage

4165. ASSESSMENTS—ASSESSMENT BASE

Priority: Other Significant

Legal Authority: 12 USC 1441; 12 USC 1817 to 1819

CFR Citation: 12 CFR 327

Legal Deadline: None

Abstract: In 1994, the FDIC sought comment on a proposal to revise the assessment base used by insured institutions to determine the premium paid for deposit insurance. That initiative did not lead to a proposed rule. Instead, the FDIC plans to revisit the issue with a new advance notice of proposed rulemaking on alternative options for the deposit component of the assessment base and on options regarding the float deduction and use of average daily deposit balances.

Timetable:

| Action | Date | FR Cite |
|-----------------------------|----------|-------------|
| ANPRM | 10/05/94 | 59 FR 50710 |
| ANPRM Comment Period End | 02/02/95 | |
| ANPRM | 01/00/04 | |

Regulatory Flexibility Analysis Required: Undetermined

Small Entities Affected: No
Government Levels Affected: None

Agency Contact: Munsell St. Clair, Senior Policy Analyst, Division of Insurance and Research, Federal Deposit Insurance Corporation, Washington, DC 20429
Phone: 202 898—8967

RIN: 3064—AB46

4166. • RISK—BASED GUIDELINES; IMPLEMENTATION OF NEW BASEL CAPITAL ACCORD

Priority: Other Significant. Major status under 5 USC 801 is undetermined.

Legal Authority: Not Yet Determined

CFR Citation: 12 CFR 325

Legal Deadline: None

Abstract: This joint advance notice of proposed rulemaking sponsored by the Office of the Comptroller of the Currency, the Board of Governors of the Federal Reserve System, the Federal Deposit Insurance Corporation, and the Office of Thrift Supervision, describes significant elements of the advanced internal ratings—based approach for credit risk and the

advanced measurement approaches for operational risk.

Timetable:

| Action | Date | FR Cite |
|-----------------------------|----------|-------------|
| ANPRM | 08/04/03 | 68 FR 45900 |
| ANPRM Comment Period End | 11/03/03 | |

Regulatory Flexibility Analysis Required: No

Small Entities Affected: No

Government Levels Affected: None

Public Compliance Cost: ; Base Year for Dollar Estimates: 2003

URL For More Information:
<http://www.fdic.gov/regulations/laws/publiccomments/basel/index.html>

URL For Public Comments:
<http://www.fdic.gov/regulations/laws/publiccomments/basel/index.html>

Agency Contact: Keith Ligon, Chief, Examination Support Unit, Division of Supervision and Consumer Protection, Federal Deposit Insurance Corporation, Washington, DC 20429
Phone: 202 898—3618

RIN: 3064—AC73

Federal Deposit Insurance Corporation (FDIC)

Proposed Rule Stage

4167. FAIR CREDIT REPORTING ACT REGULATIONS**Priority:** Other Significant**Legal Authority:** 15 USC 1681s; 12 USC 1819(a)(Tenth)**CFR Citation:** 12 CFR 334**Legal Deadline:** None

Abstract: Section 506 of the Gramm—Leach—Bliley Act (Act) authorizes the Federal banking agencies to publish Fair Credit Reporting Act regulations to carry out the purposes of the Act. Due to comments received from a joint notice of proposed rulemaking, dated October 20, 2000, it is anticipated that the agencies will issue a new proposed rulemaking for public comment.

Timetable:

| Action | Date | FR Cite |
|----------------------------|----------|-------------|
| NPRM | 10/20/00 | 65 FR 63120 |
| NPRM Comment Period End | 12/04/00 | |
| Second NPRM | 01/00/04 | |

Regulatory Flexibility Analysis Required: No**Government Levels Affected:** None

Agency Contact: Robert A. Patrick, Counsel, Legal Division, Federal Deposit Insurance Corporation, Washington, DC 20429
Phone: 202 898—3757

RIN: 3064—AC35**4168. • RISK—BASED CAPITAL GUIDELINES; CAPITAL ADEQUACY GUIDELINES; CAPITAL MAINTENANCE****Priority:** Other Significant. Major status under 5 USC 801 is undetermined.**Legal Authority:** Not Yet Determined**CFR Citation:** 12 CFR 325**Legal Deadline:** None

Abstract: The Comptroller of the Currency, Board of Governors of the Federal Reserve System, Federal Deposit Insurance Corporation, and Office of Thrift Supervision, collectively, are proposing to amend their risk—based capital standards by removing a sunset provision in order to permit sponsoring banks, bank holding companies, and thrifts to exclude from their risk—weighted asset

base those assets in asset—backed commercial paper programs that are consolidated onto sponsoring banking organizations' balance sheets as a result of a recently issued accounting interpretation, Financial Accounting Standards Board Interpretation No. 46, Consolidation of Variable Interest Entities (FIN 46).

Timetable:

| Action | Date | FR Cite |
|----------------------------|----------|-------------|
| NPRM | 10/01/03 | 68 FR 56568 |
| NPRM Comment Period End | 11/17/03 | |
| Final Action | 06/00/04 | |

Regulatory Flexibility Analysis Required: No**Small Entities Affected:** No**Government Levels Affected:** None

Agency Contact: Michael Phillips, Counsel, Legal Division, Federal Deposit Insurance Corporation, Washington, DC 20429
Phone: 202 898—3581

RIN: 3064—AC75

Federal Deposit Insurance Corporation (FDIC)

Final Rule Stage

4169. • RISK—BASED GUIDELINES; CAPITAL ADEQUACY GUIDELINES; CAPITAL MAINTENANCE**Priority:** Other Significant. Major status under 5 USC 801 is undetermined.

Legal Authority: 12 USC 1815(a); 12 USC 1815(b); 12 USC 1816; 12 USC 1818(a); 12 USC 1818(b); 12 USC 1818(c); 12 USC 1818(t); 12 USC 1819 (Tenth); 12 USC 1828(c); 12 USC 1828(d); 12 USC 1828(i); 12 USC 1828 (n); 12 USC 1828(o); 12 USC 1831o; 12 USC 1835; 12 USC 3907; 12 USC 3909; 12 USC 4808

CFR Citation: 12 CFR 325**Legal Deadline:** None

Abstract: The Office of the Comptroller of the Currency, Board of Governors of the Federal Reserve System, Federal

Deposit Insurance Corporation, and Office of Thrift Supervision, collectively, are amending their risk—based capital standards by providing and interim capital treatment for assets in asset—backed commercial paper (ABCP) programs that are consolidated onto the balance sheets of sponsoring banks, bank holding companies, and thrifts. The interim capital treatment allows sponsoring banking organizations to remove the consolidated ABCP program assets from their risk—weighted asset bases for the purpose of calculating their risk—based capital ratios.

Timetable:

| Action | Date | FR Cite |
|--------------------|----------|-------------|
| Interim Final Rule | 10/01/03 | 68 FR 56530 |

| Action | Date | FR Cite |
|---|----------|---------|
| Interim Final Rule Effective | 10/01/03 | |
| Interim Final Rule Comment Period End | 11/17/03 | |
| Final Action | 06/00/04 | |

Regulatory Flexibility Analysis Required: No**Small Entities Affected:** No**Government Levels Affected:** None

Agency Contact: Michael Phillips, Counsel, Legal Division, Federal Deposit Insurance Corporation, Washington, DC 20429
Phone: 202 898—3581

RIN: 3064—AC74

Federal Deposit Insurance Corporation (FDIC)

Long-Term Actions

4170. QUALIFICATION REQUIREMENTS FOR THE RECOMMENDATION OR SALE OF CERTAIN SECURITIES**Priority:** Substantive, Nonsignificant**CFR Citation:** 12 CFR 342**Timetable:**

| Action | Date | FR Cite |
|----------------------------|----------|-------------|
| NPRM | 12/30/96 | 61 FR 68824 |
| NPRM Comment Period End | 02/28/97 | |
| Final Action | To Be | Determined |

Regulatory Flexibility Analysis**Required:** No**Government Levels Affected:** None**Agency Contact:** Michael Phillips
Phone: 202 898—3581**RIN:** 3064—AB85**4171. DEPOSIT INSURANCE COVERAGE****Priority:** Other Significant**CFR Citation:** 12 CFR 330**Timetable:**

| Action | Date | FR Cite |
|--------|-------|------------|
| ANPRM | To Be | Determined |

Regulatory Flexibility Analysis**Required:** Undetermined**Government Levels Affected:** None**Agency Contact:** Catherine Ribnick
Phone: 202 736—0117**RIN:** 3064—AC43**4172. RISK—BASED CAPITAL GUIDELINES—MARKET RISK MEASURE; SECURITIES BORROWING TRANSACTIONS****Priority:** Other Significant**CFR Citation:** 12 CFR 325**Timetable:**

| Action | Date | FR Cite |
|---|----------|-------------|
| Interim Final Rule | 12/05/00 | 65 FR 75856 |
| Interim Final Rule Effective | 01/04/01 | |
| Interim Final Rule Comment Period End | 01/19/01 | |
| Final Action | To Be | Determined |

Regulatory Flexibility Analysis**Required:** No**Government Levels Affected:** None**Agency Contact:** Robert F. Storch

Phone: 202 898—8906

RIN: 3064—AC46**4173. COMMUNITY REINVESTMENT ACT REGULATIONS****Priority:** Other Significant**CFR Citation:** 12 CFR 345**Timetable:**

| Action | Date | FR Cite |
|-----------------------------|----------|-------------|
| ANPRM | 07/19/01 | 66 FR 37602 |
| ANPRM Comment Period End | 10/17/01 | |
| NPRM | To Be | Determined |

Regulatory Flexibility Analysis**Required:** Undetermined**Government Levels Affected:** None**Agency Contact:** Tim Burniston
Phone: 202 898—6670**RIN:** 3064—AC50**4174. DEPOSIT INSURANCE REGULATIONS; LIVING TRUST ACCOUNTS****Priority:** Other Significant**CFR Citation:** 12 CFR 330**Timetable:**

| Action | Date | FR Cite |
|----------------------------|----------|-------------|
| NPRM | 06/30/03 | 68 FR 38646 |
| NPRM Comment Period End | 08/29/03 | 68 FR 38645 |
| Final Action | To Be | Determined |

Regulatory Flexibility Analysis**Required:** No**Government Levels Affected:** None**Agency Contact:** Joseph A. DiNuzzo
Phone: 202 898—7349**RIN:** 3064—AC54**4175. ● ACCESS OF PERSONS WITH DISABILITIES TO FDIC PROGRAMS, ACTIVITIES, FACILITIES, AND ELECTRONIC AND INFORMATION TECHNOLOGY****Priority:** Economically Significant.

Major status under 5 USC 801 is undetermined.

Legal Authority: 12 USC 1819**CFR Citation:** 12 CFR 352**Legal Deadline:** None**Abstract:** The Federal Deposit Insurance Corporation (FDIC) proposes to amend its regulations to implement

section 508 of the Rehabilitation Act of 1973, as amended. Section 508 requires each Federal agency or department to ensure that the electronic and information technology is comparable to the access of those who are not disabled, unless the agency would incur an undue burden.

Timetable:

| Action | Date | FR Cite |
|--------|-------|------------|
| ANPRM | To Be | Determined |

Regulatory Flexibility Analysis**Required:** Undetermined**Small Entities Affected:** No**Government Levels Affected:** None**Agency Contact:** Earl McJett, Federal Deposit Insurance Corporation, Washington, DC 20429
Phone: 202 416—4320**RIN:** 3064—AC58**4176. ● REGULATORY PUBLICATION AND REVIEW****Priority:** Other Significant. Major status under 5 USC 801 is undetermined.**Legal Authority:** Not Yet Determined**CFR Citation:** None**Legal Deadline:** None**Abstract:** The OCC, Board, FDIC and OTS are beginning a review of our regulations to reduce burden imposed on insured depository institutions as required by section 2222 of the Economic Growth and Regulatory Act of 1996.**Timetable:**

| Action | Date | FR Cite |
|-----------------------------|----------|-------------|
| Notice | 06/16/03 | 68 FR 35589 |
| Next Action Undetermined | | |

Regulatory Flexibility Analysis**Required:****Small Entities Affected:** No**Government Levels Affected:** None**Agency Contact:** Thomas Nixon, Federal Deposit Insurance Corporation, Washington, DC 20429
Phone: 202 898—8766**RIN:** 3064—AC59

Federal Deposit Insurance Corporation (FDIC)

Completed Actions

4177. BROKERS AND DEALERS**Priority:** Substantive, Nonsignificant**Legal Authority:** 15 USC 78a**CFR Citation:** 12 CFR 342**Legal Deadline:** Final, Statutory, May 12, 2001, Final.

Abstract: This rulemaking implements section 204 of the Gramm—Leach—Bliley Act (GLBA), which requires the Federal banking agencies to establish recordkeeping requirements for banks relying on any of the broker—dealer exemptions listed in sections 201 and 202 of GLBA, which are being withdrawn at this time.

Timetable:

| Action | Date | FR Cite |
|-----------|----------|---------|
| Withdrawn | 09/09/03 | |

Regulatory Flexibility Analysis Required: No**Small Entities Affected:** No**Government Levels Affected:** None

Agency Contact: Michael Phillips, Counsel, Legal Division, Federal Deposit Insurance Corporation, Washington, DC 20429
Phone: 202 898—3581

RIN: 3064—AC42**4178. SIMPLIFIED CAPITAL FRAMEWORK FOR NONCOMPLEX FINANCIAL INSTITUTIONS****Priority:** Other Significant**Legal Authority:** 12 USC 1815(a)**CFR Citation:** 12 CFR 325**Legal Deadline:** None

Abstract: 12 CFR part 325, Simplified Capital Framework for Noncomplex Financial Institutions, is being withdrawn to be replaced by the New Basel II advance notice of proposed rulemaking.

Timetable:

| Action | Date | FR Cite |
|-----------------------------|----------|-------------|
| ANPRM | 11/03/00 | 65 FR 66193 |
| ANPRM Comment Period End | 02/01/01 | |
| Withdrawn | 08/04/03 | |

Regulatory Flexibility Analysis Required: No**Small Entities Affected:** No**Government Levels Affected:** None**URL For More Information:**

<http://www.fdic.gov/regulations/laws/publiccomments/basel/index.html>

Agency Contact: Michael Phillips, Counsel, Legal Division, Federal Deposit Insurance Corporation, Washington, DC 20429
Phone: 202 898—3581

RIN: 3064—AC44**4179. FILING PROCEDURES; CORPORATE POWERS; INTERNATIONAL BANKING; MANAGEMENT OFFICIAL INTERLOCKS****Priority:** Other Significant

Legal Authority: 12 USC 378; 12 USC 1813; 12 USC 1815; 12 USC 1816; 12 USC 1817; 12 USC 1818; 12 USC 1820; 12 USC 1823; 12 USC 1828; 12 USC 1828a; 12 USC 1831a; 12 USC 1831e; 12 USC 1828m; 12 USC 1831p—1(c); 12 USC 1823(k); 12 USC 1828(k); 12 USC 3207

CFR Citation: 12 CFR 303; 12 CFR 333; 12 CFR 347; 12 CFR 348; 12 CFR 359

Legal Deadline: None

Abstract: This rulemaking amends regulations governing filing procedures, international banking, and management official interlocks by making technical corrections and modifications to clarify existing policies and procedures.

Timetable:

| Action | Date | FR Cite |
|----------------------------|----------|-------------|
| NPRM | 12/27/02 | 67 FR 79271 |
| NPRM Comment Period End | 02/25/03 | |
| Final Action | 08/21/03 | 68 FR 50459 |
| Final Action Effective | 09/22/03 | |

Regulatory Flexibility Analysis Required: No**Small Entities Affected:** No**Government Levels Affected:** None

Agency Contact: Mindy West Schwartzstein, Examination Specialist, Division of Supervision and Consumer Protection, Federal Deposit Insurance Corporation, Washington, DC 20429
Phone: 202 898—7221

RIN: 3064—AC55**4180. REMOVAL, SUSPENSION, AND DEBARMENT OF ACCOUNTANTS FROM PERFORMING AUDIT SERVICES****Priority:** Other Significant

Legal Authority: 5 USC 504; 5 USC 554 to 557; 12 USC 93(b); 12 USC 164; 12 USC 505; 12 USC 1815(e); 12 USC

1817; 12 USC 1818; 12 USC 1820; 12 USC 1828; 12 USC 1829; 12 USC 1829b; 12 USC 1831; 12 USC 1831m(g)(4); 12 USC 1831o; 12 USC 1831p—1; 12 USC 1832(c); 12 USC 1884(b); 15 USC 78(h); 15 USC 78(i); 31 USC 330; 31 USC 5321; 42 USC 4012a; PL 104—134

CFR Citation: 12 CFR 308**Legal Deadline:** None

Abstract: This rulemaking, sponsored jointly by the OCC, the FRS, OTS, and the FDIC, revises the agencies' rules to establish rules of practice and procedure for the removal, suspension, and debarment of accountants and their firms from performing section 36 of the Federal Deposit Insurance Act audit services for insured depository institutions.

Timetable:

| Action | Date | FR Cite |
|----------------------------|----------|-------------|
| NPRM | 01/08/03 | 68 FR 1115 |
| NPRM Comment Period End | 03/10/03 | |
| Final Action | 08/13/03 | 68 FR 48270 |
| Final Action Effective | 10/01/03 | |

Regulatory Flexibility Analysis Required: No**Small Entities Affected:** No**Government Levels Affected:** None

Agency Contact: Richard Bogue, Counsel, Enforcement Unit, Legal Division, Federal Deposit Insurance Corporation, Washington, DC 20429
Phone: 202 898—3726

RIN: 3064—AC57**4181. • MINIMUM SECURITY DEVICES AND PROCEDURES AND BANK SECRECY ACT COMPLIANCE****Priority:** Other Significant. Major status under 5 USC 801 is undetermined.

Legal Authority: 12 USC 1813; 12 USC 1815; 12 USC 1817; 12 USC 1818; 12 USC 1819(tenth); 12 USC 1881 to 1883; 31 USC 5311 to 5314; 31 USC 5316 to 5332.2

CFR Citation: 12 CFR 326**Legal Deadline:** None

Abstract: The Department of the Treasury, through the Financial Crimes Enforcement Network, together with the Office of the Comptroller of the Currency, the Board of Governors of the Federal Reserve System, the Federal Deposit Insurance Corporation, the Office of Thrift Supervision, and the

FDIC

Completed Actions

National Credit Union Administration, collectively, have jointly adopted a final rule to implement section 326 of the Uniting and Strengthening America by Providing Appropriate Tools Required To Intercept and Obstruct Terrorism (USA PATRIOT) Act of 2001.

Timetable:

| Action | Date | FR Cite |
|------------------------|----------|-------------|
| NPRM | 09/06/02 | 67 FR 48290 |
| Final Action | 05/09/03 | 68 FR 25112 |
| Final Action Effective | 06/09/03 | |

Regulatory Flexibility Analysis Required: No

Small Entities Affected: No

Government Levels Affected: None

Agency Contact: Karl Gold, Attorney, Federal Deposit Insurance Corporation, Washington, DC 20429
Phone: 202 898—8702

RIN: 3064-AC76

[FR Doc. 03-24032 Filed 12-19-03; 8:45 am]

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