



PRESS RELEASE

Federal Deposit Insurance Corporation

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FDIC PUBLISHES SEMIANNUAL AGENDA OF REGULATIONS

FOR IMMEDIATE RELEASE

The Federal Deposit Insurance Corporation has published its semiannual agenda of regulations in the Federal Register to inform the public of the Corporation's regulatory actions and encourage participation in the rulemaking process.

Many of the actions are the result of the FDIC Board's ongoing efforts to reduce the regulatory burden on banks, simplify rules, improve efficiency, and to comply with the Riegle Community Development and Regulatory Improvement Act of 1994.

Of the 30 final or proposed changes to the FDIC's regulations on the agency's agenda as of April 25, eight were completed, six were published as proposals, and 14 were expected to be proposed for public comment. Also included are two "long-term" actions under consideration that may eventually be issued for public comment. Highlights follow.

- With the Savings Association Insurance Fund (SAIF) fully capitalized, the Board in December 1996 reduced the assessment rates that SAIF-insured institutions pay to maintain the fund at its "designated reserve ratio." The same rule simultaneously widened the spread between the lowest and highest rates to improve the effectiveness of the FDIC's risk-based premium system.
- In an effort to promote public understanding of deposit insurance, the Board in May 1996 asked for public comment on steps it could take to simplify and clarify the rules for bankers and consumers. (On April 29, 1997, just days after the



Congress created the Federal Deposit Insurance Corporation in 1933 to restore public confidence in the nation's banking system. It promotes the safety and soundness of these institutions by identifying, monitoring and addressing risks to which they are exposed. The FDIC receives no federal tax dollars — insured financial institutions fund its operations.

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FDIC's Semiannual Regulatory Agenda was published, the FDIC did propose specific changes to the insurance rules.)

- The FDIC Board in February 1997 agreed to work with the other federal regulators to resolve differences in the minimum leverage capital standard and in the risk-based capital treatment of certain assets.
- FDIC staff plan to ask the Board to finalize an August 1996 proposal to streamline the approval process for insured state banks wishing to engage in activities not permitted for national banks, such as real estate investment ventures or activities involving insurance products and annuity contracts.
- The Board also may take final action soon on a proposal issued for public comment in September 1996 that would reduce the burden associated with the agency's fair housing rules regarding advertising, poster and recordkeeping requirements.
- The Board is expected soon to propose a more formal certification program for minority-and women-owned companies wishing to do business with the FDIC.

Attached is a copy of the Semiannual Regulatory Agenda that appeared in the April 25, 1997, Federal Register, which contains all 30 final or proposed rule changes.

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