

Federal Reserve Board

Monday
April 22, 1991

Part L

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: Publication of semiannual agenda of regulations.

SUMMARY: The Federal Deposit Insurance Corporation (FDIC) is hereby publishing items for the April 1991 regulatory agenda. 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. 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 both the Regulatory Flexibility Act (5 U.S.C. 601 *et seq.*) and the FDIC statement of policy entitled "Development and Review of FDIC Rules and Regulations" (44 FR 31007, May 30, 1979; 44 FR 32353, June 6, 1979; 44 FR 76858, December 28, 1979; 49 FR 7288, February 28, 1984).

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.

The Financial Institutions Reform, Recovery, and Enforcement Act of 1989 (FIRREA), which was enacted on August 9, 1989, contains reforms that significantly restructure Federal deposit insurance and the regulation of financial institutions. As a consequence, many of the regulations included in this agenda are in response to FIRREA.

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.

Dated: February 15, 1991.
Federal Deposit Insurance Corporation.
Hoyle L. Robinson,
Executive Secretary.

Prerule Stage

Se- quence Number	Title	Regulation Identifier Number
4375	12 CFR 355 Procedures to Offset Salary of Federal Employees Indebted to the United States	3064-AA93
4376	12 CFR 334 Contracts Adverse to Safety and Soundness of Insured Depository Institutions	3064-AB06

Proposed Rule Stage

Se- quence Number	Title	Regulation Identifier Number
4377	12 CFR 338 Fair Housing	3064-AA81
4378	12 CFR 356 Insider Transactions—Conflicts of Interest	3064-AA94
4379	12 CFR 328 Advertisement of Membership	3064-AA95
4380	12 CFR 359 Golden Parachute and Indemnification Payments	3064-AB11
4381	12 CFR 327 Assessments	3064-AA96

Final Rule Stage

Se- quence Number	Title	Regulation Identifier Number
4382	12 CFR 333 Extension of Corporate Powers	3064-AA55
4383	12 CFR 354 Deposit Liabilities	3064-AA92
4384	12 CFR 312 Assessment of Fees Upon Entrance to or Exit From the Bank Insurance Fund or the Savings Association Insurance Fund	3064-AA99
4385	12 CFR 303 Change in Senior Executive Officer or Board of Directors	3064-AB02
4386	12 CFR 345 Community Reinvestment Act	3064-AB09

FDIC

Completed Actions

Sequence Number	Title	Regulation Identifier Number
4387	12 CFR 326 Minimum Security Procedures.....	3064-AA77
4388	12 CFR 325 Capital Maintenance.....	3064-AA82
4389	12 CFR 344 Recordkeeping Requirements for Securities Transactions	3064-AA30
4390	12 CFR 348 Management Official Interlocks	3064-AA38
4391	12 CFR 325 Capital Maintenance - Mortgage Servicing Rights	3064-AB04
4392	12 CFR 360 Removal of Regulations Transferred From the Federal Home Loan Bank Board (FHLBB).....	3064-AB10

FEDERAL DEPOSIT INSURANCE CORPORATION (FDIC)

Prerule Stage

4375. PROCEDURES TO OFFSET SALARY OF FEDERAL EMPLOYEES INDEBTED TO THE UNITED STATES

Legal Authority: 5 USC 5514; 12 USC 1819

CFR Citation: 12 CFR 355

Legal Deadline: None

Abstract: The FDIC plans to propose new regulations implementing salary offset procedures required by 5 USC 5514 and 5 CFR 550, Subpart K. The proposal would set out procedures to be used by the FDIC to offset the salary of any FDIC employee who is indebted to the United States and refuses to pay voluntarily. The proposal would also enumerate procedures through which the FDIC may request another agency to offset the salary of one of its employees to satisfy a debt that employee may owe the FDIC.

Timetable:

Action	Date	FR Cite
Next Action Undetermined		

Next Action Undetermined

Small Entities Affected: None

Government Levels Affected: None

Agency Contact: Catherine N. Lundblad, Personnel Management Specialist, Office of Personnel Management, Federal Deposit Insurance Corporation, Washington, DC 20429, 202 898-8857

RIN: 3064-AA93

4376. CONTRACTS ADVERSE TO SAFETY AND SOUNDNESS OF INSURED DEPOSITORY INSTITUTIONS

Legal Authority: 12 USC 1818; 12 USC 1819; 12 USC 1831g

CFR Citation: 12 CFR 334

Legal Deadline: None

Abstract: The proposed rule would implement section 225 of FIRREA, which requires the FDIC to prescribe regulations as may be necessary to prevent any insured depository institution from entering into contracts that adversely affect the safety or soundness of the institution.

The rule is proposed in two stages. The first stage is a notice of proposed

rulemaking on adverse contracts with outside vendors. The second stage is an advance notice of proposed rulemaking with request for comment on how to deal with contracts with non-depository affiliates.

Timetable:

Adverse Contracts With Non-depository Affiliates

ANPRM 04/01/91 (56 FR 13291)

ANPRM Comment Period End 05/31/91

Adverse Contracts With Outside Vendors

NPRM 04/01/91 (56 FR 13291)

NPRM Comment Period End 05/31/91

Small Entities Affected: None

Government Levels Affected: None

Agency Contact: Michael D. Jenkins, Examination Specialist, Division of Supervision, Federal Deposit Insurance Corporation, Washington, DC 20429, 202 898-6896

RIN: 3064-AB06

FEDERAL DEPOSIT INSURANCE CORPORATION (FDIC)

Proposed Rule Stage

4377. ● FAIR HOUSING

Legal Authority: 12 USC 1817; 12 USC 1818; 12 USC 1819; 12 USC 1820(b); 42 USC 3605; 42 USC 3608; 15 USC 1691; PL 101-73

CFR Citation: 12 CFR 338

Legal Deadline: None

Abstract: The FDIC is proposing to amend Section 338 of its Fair Housing regulations to eliminate overlapping recordkeeping requirements. Under the proposal, the FDIC's log sheet would be revised to conform it to the HMDA loan application register. The loan application register would then satisfy the log requirement, provided the

register is updated on a timely basis. This would eliminate a duplicative recordkeeping requirement for those banks that currently must maintain both the log and the register.

FDIC

Proposed Rule Stage

Timetable:

Action	Date	FR Cite
NPRM	04/00/91	

Small Entities Affected: None

Government Levels Affected: None

Agency Contact: Patricia A. McCormick, Fair Lending Analyst, Office of Consumer Affairs, Federal Deposit Insurance Corporation, Washington, DC 20429, 202 898-3538

RIN: 3064-AA81

4378. INSIDER TRANSACTIONS—
CONFLICTS OF INTEREST

Legal Authority: 12 USC 1818; 12 USC 1819; 12 USC 1831(g)

CFR Citation: 12 CFR 358

Legal Deadline: None

Abstract: This proposed rule would ensure that business dealings (other than extensions of credit) between insured nonmember banks and state licensed insured branches of foreign banks and their "insiders" are conducted in an arms-length fashion so that insiders do not improperly abuse their position for personal gain.

Timetable:

Action	Date	FR Cite
NPRM	04/00/91	

Small Entities Affected: None

Government Levels Affected: None

Agency Contact: Pamela E.F. LoCren, Counsel, Legal Division, Federal Deposit Insurance Corporation, Washington DC 20429, 202 898-3730

RIN: 3064-AA94

4379. ADVERTISEMENT OF
MEMBERSHIP

Legal Authority: 12 USC 1819; 12 USC 1828(a); PL 101-73, Sec 221

CFR Citation: 12 CFR 328

Legal Deadline: None

Abstract: The FDIC is considering a proposal to remove the current regulation (12 CFR 328.3) requiring insured banks to include in advertisements a statement that their deposits are insured by the FDIC. The proposal would also prohibit savings associations from using the FDIC symbol in advertising and signage.

Timetable:

Action	Date	FR Cite
ANPRM	08/16/89	54 FR 33716
ANPRM	10/16/89	
Comment Period End		
NPRM	00/00/00	

Small Entities Affected: None

Government Levels Affected: None

Agency Contact: Valerie J. Best, Senior Attorney, Legal Division, Federal Deposit Insurance Corporation, Washington, DC 20429, 202 898-3812

RIN: 3064-AA95

4380. ● GOLDEN PARACHUTE AND
INDEMNIFICATION PAYMENTS

Legal Authority: 12 USC 1828(k)

CFR Citation: 12 CFR 359

Legal Deadline: None

Abstract: The FDIC is considering the publication for comment of a proposal to limit golden parachute and indemnification payments made to

institution-affiliated parties by depository institutions and depository institution holding companies.

Timetable:

Action	Date	FR Cite
NPRM	06/00/91	

Small Entities Affected: None

Government Levels Affected: None

Agency Contact: Jeffrey M. Kopchik, Counsel, Legal Division, Federal Deposit Insurance Corporation, 550 17th Street NW, Washington, DC 20429, 202 898-3872

RIN: 3064-AB11

4381. ● ASSESSMENTS

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

CFR Citation: 12 CFR 327

Legal Deadline: None

Abstract: This proposed rule would amend Part 327 by increasing the assessment to be paid by Bank Insurance Fund ("BIF") members.

Timetable:

Action	Date	FR Cite
NPRM	03/06/91	56 FR 9308
NPRM Comment	04/05/91	
Period End		
Final Action	04/00/91	

Small Entities Affected: None

Government Levels Affected: None

Agency Contact: Alvin E. Kitchen, Associate Director, Accounting and Corporate Services, Federal Deposit Insurance Corporation, Washington, DC 20429, 202 625-8344

RIN: 3064-AA98

FEDERAL DEPOSIT INSURANCE CORPORATION (FDIC)

Final Rule Stage

4382. ● EXTENSION OF CORPORATE
POWERS

Legal Authority: 12 USC 1818; 12 USC 1818; 12 USC 1819; 12 USC 1828(m)

CFR Citation: 12 CFR 333

Legal Deadline: None

Abstract: The FDIC is proposing to amend its regulations to provide that a savings association that has become a state chartered savings bank insured by the SAIF will continue to be subject to

the same activity and investment restrictions and loan to one borrower limits that were applicable to it prior to its conversion. The converted savings bank will be required to provide the FDIC with the same prior notice before acquiring or establishing a subsidiary. Also, the savings bank's investment in, and extensions of credit to, its subsidiaries will be deducted from capital to the same extent as it would have been had the bank not converted. In addition, the proposed regulation

would require any undercapitalized savings association that converts to a savings bank to submit a capital plan to the FDIC within thirty days of conversion.

Timetable:

Action	Date	FR Cite
NPRM	12/12/90	55 FR 51117
NPRM Comment	01/11/91	
Period End		
Final Action	04/00/91	

FDIC

Final Rule Stage

Small Entities Affected: None
Government Levels Affected: None
Agency Contact: Pamela E.F. LeCren, Counsel, Legal Division, Federal Deposit Insurance Corporation, 550 17th Street NW., Washington, DC 20429, 202 898-3730
RIN: 3064-AA55

4383. DEPOSIT LIABILITIES

Legal Authority: 12 USC 1813; 12 USC 1819
CFR Citation: 12 CFR 354
Legal Deadline: None

Abstract: The FDIC issued for public comment a proposed regulation expanding the definition of the term "deposit." The proposed rule would find that a bank's liability on a promissory note, bond, acknowledgement of advance, or similar obligation that is issued or undertaken by the insured bank as a means of obtaining funds is a deposit liability for insurance and assessment purposes.

Timetable:

Action	Date	FR Cite
NPRM	11/25/88	53 FR 47723
NPRM Comment Period End	01/24/89	
Final Action	00/00/00	

Small Entities Affected: None
Government Levels Affected: None
Agency Contact: Roger A. Hood, Assistant General Counsel, Legal Division, Federal Deposit Insurance Corporation, Washington, DC 20429, 202 898-3681
RIN: 3064-AA92

4384. ASSESSMENT OF FEES UPON ENTRANCE TO OR EXIT FROM THE BANK INSURANCE FUND OR THE SAVINGS ASSOCIATION INSURANCE FUND

Legal Authority: 12 USC 1815(d); 12 USC 1819
CFR Citation: 12 CFR 312
Legal Deadline: None

Abstract: The FDIC adopted interim rules that prescribe entrance and exit fees to be paid by insured depository institutions that participate in certain "conversion transactions" authorized by section 206(a)(7) of FIRREA. Conversion transactions involve

transfers or switches between the two deposit insurance funds: the Bank Insurance Fund ("BIF") and the Savings Association Insurance Fund ("SAIF"). One rule set entrance fees for "SAIF-to-BIF" conversion transactions. Another rule established the fee structure for "BIF-to-SAIF" conversion transactions. A third rule prescribes the exit fee and amends the previously prescribed entrance fee for "SAIF" to "BIF" conversion transactions. Final rules will be issued following the expiration of the public comment periods.

Timetable:

Action	Date	FR Cite
Interim Rule/Request for Comments for Entrance Fees - "SAIF-to-BIF"	10/02/89	54 FR 40377
Interim Rule/Request for Comments for Entrance/Exit Fees - "BIF-to-SAIF"	12/26/89	54 FR 52923
Interim Rule/Request for Comments for Exit Fees - "SAIF-to-BIF"	03/21/90	55 FR 10406
Final Rule	04/00/91	

Small Entities Affected: None
Government Levels Affected: None
Agency Contact: Valerie J. Best, Senior Attorney, Legal Division, Federal Deposit Insurance Corporation, Washington, DC 20429, 202 898-3812
RIN: 3064-AA99

4385. CHANGE IN SENIOR EXECUTIVE OFFICER OR BOARD OF DIRECTORS

Legal Authority: 12 USC 378; 12 USC 1813; 12 USC 1815; 12 USC 1818; 12 USC 1817(j); 12 USC 1818; 12 USC 1819; 12 USC 1828; 12 USC 1829; 15 USC 1607; 12 USC 1831(i); 15 USC 78w; 5 USC 504
CFR Citation: 12 CFR 303; 12 CFR 308
Legal Deadline: None

Abstract: This interim rule implements section 914 of FIRREA by requiring insured nonmember banks which fall within specified categories to file a notice with the FDIC prior to adding or replacing a member of the board of directors or employing or changing the

responsibilities of an individual to a position as a senior executive officer.

Timetable:

Action	Date	FR Cite
Interim Rule	12/27/89	54 FR 53040
Interim Rule Effective	12/27/89	
Interim Rule Comment Period End	02/26/90	
Final Action	06/00/91	

Small Entities Affected: None
Government Levels Affected: None
Agency Contact: Karl R. Krichbaum, Chief, Special Situations and Applications Section, Division of Supervision, Federal Deposit Insurance Corporation, Washington, DC 20429, 202 898-6758
RIN: 3064-AB02

4386. COMMUNITY REINVESTMENT ACT

Legal Authority: 12 USC 2901
CFR Citation: 12 CFR 345
Legal Deadline: None

Abstract: This rule requires institutions to place the CRA Performance Evaluation and CRA rating in a public comment file within 30 business days of receipt from the FDIC. The institution is required to make the evaluation and rating available for public inspection, and to provide copies of the evaluation on request. The institution may charge a reasonable fee for reproduction and mailing costs. This rule implements changes to the Community Reinvestment Act contained in title XII of FIRREA.

Timetable:

Action	Date	FR Cite
Joint Temporary Rule With Request For Comment	06/28/90	55 FR 26624
Comment Period End	08/27/90	
Final Rule	04/00/91	

Small Entities Affected: None
Government Levels Affected: None
Agency Contact: Patricia A. McCormick, Fair Lending Analyst, Office of Consumer Affairs, Federal Deposit Insurance Corporation, Washington, DC 20429, 202 898-3538
RIN: 3064-AB09

FEDERAL DEPOSIT INSURANCE CORPORATION (FDIC)

Completed Actions

4387. MINIMUM SECURITY PROCEDURES**Legal Authority:** 12 USC 1881 to 1884**CFR Citation:** 12 CFR 326**Legal Deadline:** None

Abstract: This proposed rule requires insured nonmember banks to designate a security officer who will administer a written security program. The security program will: (1) establish procedures for opening and closing for business and for safekeeping valuables; (2) establish procedures that will assist in identifying persons committing crimes against the bank; (3) provide for initial and periodic training of employees in their responsibilities under the security program; and (4) provide for selecting, testing, operating and maintaining security devices. In addition, the proposed rule would require the security officer to report at least annually to the bank's board of directors on the effectiveness of the security program.

This rule would amend an existing rule relating to security. The existing rule recommends use of specific types of security devices. The proposed rule would avoid the necessity of constantly updating the existing technology-based rule by taking a more flexible approach.

Timetable:

Action	Date	FR Cite
NPRM	09/17/90	55 FR 38079
NPRM Comment Period End	11/16/90	
Final Action	04/03/91	56 FR 13579
Final Action Effective	05/03/91	

Small Entities Affected: None**Government Levels Affected:** None

Agency Contact: Eugene Seitz, Review Examiner, Special Activities Section, Division of Supervision, Federal Deposit Insurance Corporation, Washington, DC 20429, 202 898-6793

RIN: 3064-AA77**4388. CAPITAL MAINTENANCE**

Legal Authority: 12 USC 1464; 12 USC 1815; 12 USC 1818; 12 USC 1818; 12 USC 1819; 12 USC 1828; 12 USC 3907; 12 USC 3909

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

Abstract: The final rule revises the leverage standards for capital for state nonmember banks.

Timetable:

Action	Date	FR Cite
NPRM	09/26/90	55 FR 39288
NPRM Comment Period End	11/13/90	
Final Action	03/11/91	56 FR 10154
Final Action Effective	04/10/91	

Small Entities Affected: None**Government Levels Affected:** None

Agency Contact: Stephen G. Pfeifer, Examination Specialist, Division of Supervision, Federal Deposit Insurance Corporation, Washington, DC 20429, 202 898-8904

RIN: 3064-AA82**4389. RECORDKEEPING REQUIREMENTS FOR SECURITIES TRANSACTIONS**

Legal Authority: 12 USC 1817; 12 USC 1818; 12 USC 1819

CFR Citation: 12 CFR 344**Legal Deadline:** None

Abstract: The FDIC had been considering a change to 12 CFR Part 344, which governs an insured nonmember bank's recordkeeping and confirmation requirements for securities transactions. The change would have raised the "low activity" threshold to allow banks which effect an average of fewer than 1,000 securities transactions per year to be exempt from certain recordkeeping and written policymaking requirements. The current "low-activity" threshold is 200 transactions per year. After coordinating with the Office of the Comptroller of the Currency, the FDIC has determined that this change is not advisable at this time.

Timetable:

Action	Date	FR Cite
Withdrawn	01/22/91	

Small Entities Affected: None**Government Levels Affected:** None

Agency Contact: John F. Harvey, Review Examiner (Trust Specialist), Division of Supervision, Federal Deposit Insurance Corporation, Washington, DC 20429, 202 898-6762

RIN: 3064-AA30**4390. MANAGEMENT OFFICIAL INTERLOCKS**

Legal Authority: 12 USC 3207; 12 USC 1823(k)

CFR Citation: 12 CFR 348**Legal Deadline:** None

Abstract: This amendment conforms the FDIC's regulation on management interlocks (12 CFR 348) to changes made in the Management Interlocks Revision Act of 1988 and to FIRREA. The changes pertain to advisory directors, certain types of savings associations and savings and loan holding companies, emergency acquisitions of savings associations, interlocks involving diversified savings and loan holding companies, and the extension of the grandfather period under the statute.

Timetable:

Action	Date	FR Cite
Final Action	12/07/90	55 FR 50542
Final Action Effective	12/07/90	

Small Entities Affected: None**Government Levels Affected:** None

Agency Contact: Pamela E.F. LeCren, Counsel, Legal Division, Federal Deposit Insurance Corporation, 550 17th Street N.W., Washington, DC 20429, 202 898-3730

RIN: 3064-AA38**4391. CAPITAL MAINTENANCE - MORTGAGE SERVICING RIGHTS**

Legal Authority: 12 USC 1464; 12 USC 1815; 12 USC 1818; 12 USC 1818; 12 USC 1819; 12 USC 1828; 12 USC 3907; 12 USC 3909; PL 101-73, Sec 301

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

Abstract: This rule restricts the amount of purchased rights that savings associations can recognize when calculating the amount of regulatory capital under the tangible capital standard issued by the Office of Thrift Supervision. The final rule also places restrictions on servicing rights that State nonmember banks can recognize in their regulatory capital calculations. The rule would implement section 301 of FIRREA.

FDIC

Completed Actions

Timetable:

Action	Date	FR Cite
NPRM	02/09/90	55 FR 4616
NPRM Comment Period End	04/10/90	
Final Action	12/27/90	55 FR 53137
Final Action Effective	01/28/91	

Small Entities Affected: None

Government Levels Affected: None

Agency Contact: Stephen G. Pfeifer, Examination Specialist, Division of Supervision, Federal Deposit Insurance Corporation, Washington, DC 20429, 202 898-8904

RIN: 3064-AB04

4392. ● REMOVAL OF REGULATIONS TRANSFERRED FROM THE FEDERAL HOME LOAN BANK BOARD (FHLBB)

Legal Authority: PL 101-73

CFR Citation: 12 CFR 360; 12 CFR 382 to 398

Legal Deadline: None

Abstract: The FDIC removed certain regulations relating to the conduct of conservatorships and receiverships; the provision, rates and cancellation of insurance of accounts; and the administration of the former FSLIC insurance fund. FIRREA had mandated the transfer of these regulations to the FDIC from the FHLBB. Following the transfer, the FDIC determined that these regulations were redundant, or conflicted with statutory law, or were unnecessary.

Timetable:

Action	Date	FR Cite
NPRM	08/22/90	55 FR 34281
NPRM Comment Period End	09/21/90	
Final Action	11/05/90	55 FR 46495
Final Action Effective	11/05/90	

Small Entities Affected: None

Government Levels Affected: None

Agency Contact: J. William Via, Jr., Counsel, Legal Division, Federal Deposit Insurance Corporation, Washington, DC 20429, 202 898-3733

RIN: 3064-AB10

[FR Doc. 91-5223 Filed 04-19-91; 8:45 am]

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