



# Federal Register

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**Monday,  
December 13, 2004**

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**Part LVI**

## **Federal Reserve System**

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**Semiannual Regulatory Agenda**

**FEDERAL RESERVE SYSTEM (FRS)**

**FEDERAL RESERVE SYSTEM**

**12 CFR Ch. II**

**Semiannual Regulatory Flexibility Agenda**

**AGENCY:** Board of Governors of the Federal Reserve System.

**ACTION:** Semiannual regulatory 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 November 1, 2004, through April 30, 2005. The next agenda will be published in spring 2005.

**DATES:** Comments about the form or content of the agenda may be submitted any time during the next 6 months.

**ADDRESSES:** Comments should be addressed to Jennifer J. Johnson, 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 fall 2004 agenda as part of the Fall 2004 Unified Agenda of Federal Regulatory and Deregulatory Actions, which is coordinated by the Office of Management and Budget under Executive Order 12866. The agenda also identifies rules the Board has selected for review under section 610(c) of the Regulatory Flexibility Act, and public comment is invited on those entries. Participation by the Board in the Unified Agenda is on a voluntary basis.

The Board's agenda is divided into four sections. The first, Proposed Rule

Stage, reports on matters the Board may consider for public comment during the next 6 months. The second section, Final Rule Stage, reports on matters that have been proposed and are under Board consideration. A third section, Long-Term Actions, reports on matters that have been proposed and are under Board consideration, but will not be completed within the next year. And the fourth section, Completed Actions, reports on regulatory matters the Board has completed or is not expected to consider further. Matters begun and completed between issues of the agenda have not been included.

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.

**Margaret McCloskey Shanks,**  
*Assistant Secretary of the Board.*

**Federal Reserve System—Proposed Rule Stage**

Sequence Number	Title	Regulation Identifier Number
4057	Regulation: H — Membership of State Banking Institutions in the Federal Reserve System .....	7100-AC73
4058	Regulation: H — Membership of State Banking Institutions in the Federal Reserve System; and Regulation: Y — Bank Holding Companies and Change in Bank Control, Capital Appendices ( <b>Section 610 Review</b> ) .....	7100-AC88
4059	Regulation: Y — Bank Holding Companies and Change in Bank Control .....	7100-AC66
4060	Regulation: DD — Truth in Saving (Docket Number: R-1197) .....	7100-AC93

**Federal Reserve System—Final Rule Stage**

Sequence Number	Title	Regulation Identifier Number
4061	Regulation: H — Membership of State Banking Institutions in the Federal Reserve System (Docket Number: R-1064) .....	7100-AC69
4062	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-1087) .....	7100-AC75
4063	Regulations: H and Y — Capital Treatment of Consolidated Asset-Backed Commercial Paper Program Assets (Docket Number: R-1156) .....	7100-AC94
4064	Regulations: H & Y — Risk-Based Capital Standards: Trust Preferred Securities and the Definition of Capital (Docket Number: R-1193) .....	7100-AC96
4065	Regulation: V — Fair Credit Reporting (Docket Number: R-1082) .....	7100-AC68
4066	Regulation: V — Fair Credit Reporting (Docket Number: R-1188) .....	7100-AC91
4067	Regulation: V — Fair Credit Reporting (Docket Number: R-1203) .....	7100-AC95
4068	Regulation: BB — Community Reinvestment (Docket Number: R-1112 and R-1181) ( <b>Section 610 Review</b> ) .....	7100-AC87

**Federal Reserve System—Long-Term Actions**

Sequence Number	Title	Regulation Identifier Number
4069	Regulation: Y — Bank Holding Companies and Change in Bank Control .....	7100-AC78

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Federal Reserve System—Long-Term Actions (Continued)

Sequence Number	Title	Regulation Identifier Number
4070	Regulation: Y — Bank Holding Companies and Change in Bank Control (Docket Number: R-1094) .....	7100-AC81

Federal Reserve System—Completed Actions

Sequence Number	Title	Regulation Identifier Number
4071	Regulations: B - Equal Credit Opportunity; E - Electronic Fund Transfer; M - Consumer Leasing; Z - Truth in Lending; DD - Truth in Savings (Docket Numbers: R-1168, R-1169, R-1170, R-1167, and R-1171) .....	7100-AC92
4072	Regulations: H and Y - Risk-Based Capital Guidelines; Capital Adequacy Guidelines; Capital Maintenance: Asset-Backed Commercial Paper Programs and Early Amortization Provisions (Docket Number: R-1162) .....	7100-AC90
4073	Regulation: Y — Bank Holding Companies and Change in Bank Control (Docket Number: R-1091) .....	7100-AC79
4074	Regulation: DD — Truth in Savings Act .....	7100-AC86

Federal Reserve System (FRS)

Proposed Rule Stage

**4057. REGULATION: H — MEMBERSHIP OF STATE BANKING INSTITUTIONS IN THE FEDERAL RESERVE SYSTEM**

**Priority:** Substantive, Nonsignificant. Major status under 5 USC 801 is undetermined.

**Legal Authority:** 12 USC 1828(t)

**CFR Citation:** 12 CFR 208

**Legal Deadline:** None

**Abstract:** Section 204 of the Gramm-Leach-Bliley Act added a new subsection (t) to section 18 of the Federal Deposit Insurance Act requiring the Board, in consultation with the Securities and Exchange Commission, to establish recordkeeping requirements for state member banks and branches and agencies of foreign banks that rely on the exceptions from the definition of broker or dealer provided in section 3(a)(4) or (5) of the Securities Exchange Act of 1934.

The Board anticipates issuing for public comment a rule that would implement these recordkeeping requirements. The Board notes that the Securities and Exchange Commission has, by rule, delayed the effective date of the new exemptions for banks contained in section 3(a)(4) of the Securities Exchange Act of 1934, and recently has issued for public comment, a revised rule to implement the “broker” exception in section 3(a)(4) of the Securities and Exchange Act. In light

of these developments, the Board has delayed adopting a recordkeeping rule pending action by the Securities and Exchange Commission. It is not anticipated that the Board’s proposal, when issued, would have a significant economic impact on a substantial number of small entities subject to the Board’s regulation.

**Timetable:**

Action	Date	FR Cite
Board requested comment on	06/30/04	69 FR 39682
Further Board Action by	12/00/04	

**Regulatory Flexibility Analysis Required:** No

**Government Levels Affected:** None

**Federalism:** Undetermined

**Agency Contact:** Kieran Fallon, Managing Senior Counsel, Federal Reserve System, Legal Division  
Phone: 202 452-5270

**RIN:** 7100-AC73

**4058. REGULATION: H — MEMBERSHIP OF STATE BANKING INSTITUTIONS IN THE FEDERAL RESERVE SYSTEM; AND REGULATION: Y — BANK HOLDING COMPANIES AND CHANGE IN BANK CONTROL, CAPITAL APPENDICES (SECTION 610 REVIEW)**

**Priority:** Substantive, Nonsignificant

**Legal Authority:** 12 USC 24; 12 USC 24a; 12 USC 36; 12 USC 92a; . . .

**CFR Citation:** 12 CFR 208 app A; 12 CFR 208 app D; 12 CFR 208 app E; 12 CFR 225 app A; 12 CFR 225 app D; 12 CFR 225 app E

**Legal Deadline:** None

**Abstract:** The capital appendices to Regulations H and Y set forth guidelines for institutions in calculating their regulatory capital requirements, both risk-based and leveraged.

While the guidelines are continuously monitored and updated as required to reflect market innovations, accounting changes, or modifications to supervisory policy, the Board is undertaking a more comprehensive review of the guidelines to minimize regulatory burden, clarify issues arising from the Gramm-Leach-Bliley Act, enhance the overall risk sensitivity, and to comply with provisions of section 610(c) of the Regulatory Flexibility Act of 1994. This review is proceeding in conjunction with ongoing revisions to the Basel Accord. The Board will

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consider requesting comment after the next quantitative impact study on the impact of the Basel revisions.

**Timetable:**

Action	Date	FR Cite
Board will consider requesting comment by	03/00/05	

**Regulatory Flexibility Analysis**

**Required:** No

**Government Levels Affected:** None

**Federalism:** Undetermined

**Agency Contact:** Barbara Bouchard, Deputy Associate Director, Federal Reserve System, Division of Banking Supervision and Regulation  
Phone: 202 452-3072

**RIN:** 7100-AC88

#### 4059. REGULATION: Y — BANK HOLDING COMPANIES AND CHANGE IN BANK CONTROL

**Priority:** Substantive, Nonsignificant

**Legal Authority:** 12 USC 1844(b)

**CFR Citation:** 12 CFR 225

**Legal Deadline:** None

**Abstract:** Title I of the Gramm-Leach-Bliley Act (GLB Act) makes a number of miscellaneous amendments to sections 3, 4, and 5 of the Bank Holding Company Act of 1956 (BHC Act) and adds a new section 10A to the BHC Act. These amendments, among other things, prohibit the Board from determining that new activities are closely related to banking under section 4(c)(8) of the BHC Act; streamline the Board's reporting, examination, and other supervisory authority over bank holding companies and their subsidiaries; reduce the restrictions applicable to companies that control "nonbank banks" that are exempt from the nonbanking restrictions of the BHC Act under

section 4(f) of that Act; and repeal the savings bank life insurance provisions currently set forth in section 3(g) of the BHC Act.

The Board will consider issuing for public comment amendments to Regulation Y to implement the provisions of the GLB Act affecting the BHC Act that have not previously been addressed in rules adopted by the Board. It is not anticipated that the proposals will have a significant economic impact on a substantial number of small entities subject to the Board's regulation.

**Timetable:**

Action	Date	FR Cite
Board will consider requesting comment by	12/00/04	

**Regulatory Flexibility Analysis**

**Required:** No

**Government Levels Affected:** None

**Federalism:** Undetermined

**Agency Contact:** Kieran Fallon, Managing Senior Counsel, Federal Reserve System, Legal Division  
Phone: 202 452-5270

**RIN:** 7100-AC66

#### 4060. • REGULATION: DD — TRUTH IN SAVING (DOCKET NUMBER: R-1197)

**Priority:** Substantive, Nonsignificant

**Legal Authority:** 12 USC 4301 et seq

**CFR Citation:** 12 CFR 230 et seq

**Legal Deadline:** None

**Abstract:** The Board proposed amendments to Regulation DD, which implements the Truth in Savings Act and the regulation's official staff commentary, to address concerns about the uniformity and adequacy of information provided to consumers when they overdraw their accounts.

The proposed amendments, in part, address a specific service offered by depository institutions, commonly referred to as "bounced-check protection" or "courtesy overdraft protection."

Depository institutions sometimes offer courtesy overdraft protection to deposit account customers as an alternative to a traditional overdraft line of credit. To address concerns about the marketing of this service, a proposed revision to the regulation would expand the prohibition against misleading advertisements to cover communications with current customers about existing accounts. Other proposed revisions to Regulation DD would require additional fee and other disclosures about courtesy overdraft services, including advertising. The Board also proposed amendments of general applicability that would require institutions to provide more uniform disclosures about overdraft and returned-item fees. Following the review of public comments, the Board will take further action.

**Timetable:**

Action	Date	FR Cite
Board requested comment	06/07/04	69 FR 31760
Further Board action by	01/00/05	

**Regulatory Flexibility Analysis**

**Required:** No

**Small Entities Affected:** Businesses

**Government Levels Affected:** None

**Agency Contact:** Ky Tran-Trong, Senior Attorney, Federal Reserve System, Division of Consumer and Community Affairs  
Phone: 202 452-3667

**RIN:** 7100-AC93

## Federal Reserve System (FRS)

## Final Rule Stage

**4061. REGULATION: H — MEMBERSHIP OF STATE BANKING INSTITUTIONS IN THE FEDERAL RESERVE SYSTEM (DOCKET NUMBER: R-1064)****Priority:** Substantive, Nonsignificant**Legal Authority:** 12 USC 335; 12 USC 1835a**CFR Citation:** 12 CFR 208**Legal Deadline:** None

**Abstract:** In March 2000, the Board approved an interim rule with request for public comment amending Regulation H to implement section 121 of the Gramm-Leach-Bliley Act for state member banks (65 FR 14810, March 20, 2000). Section 121 in part authorizes state member banks to control, or hold an interest in, financial subsidiaries so as to conduct certain activities that are financial in nature or incidental to a financial activity. In August 2001, following review of the public comments, the Board adopted the final rule substantially as proposed (66 FR 42929, August 16, 2001).

The Board will also consider issuing for public comment a proposed rule in place of an existing Miscellaneous Interpretation (12 CFR 250.141) relating to member bank purchases of stock in operations subsidiaries to update its provisions and conform to section 121. It is not anticipated that the proposal will have a significant economic impact on a substantial number of small entities subject to the Board's regulation.

**Timetable:**

Action	Date	FR Cite
Board requested comment on interim rule	03/20/00	65 FR 14810
Board adopted interim rule	08/16/01	66 FR 42929
Board will consider requesting comment on replacement rule for Miscellaneous Interpretation by	03/00/05	

**Regulatory Flexibility Analysis****Required:** No**Government Levels Affected:** None**Federalism:** Undetermined**Agency Contact:** Michael J. O'Rourke, Counsel, Federal Reserve System, Legal Division

Phone: 202 452-3288

**RIN:** 7100-AC69**4062. 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-1087)****Priority:** Substantive, Nonsignificant**Legal Authority:** 12 USC 24; 12 USC 36; 12 USC 92a; 12 USC 93a; ...**CFR Citation:** 12 CFR 208; 12 CFR 225**Legal Deadline:** None

**Abstract:** In December 2000, the Board issued an interim rule, with request for public comment, amending Regulations H and Y to effectively reduce the capital requirement for certain securities borrowing transactions (65 FR 75856, December 5, 2000). The proposed amendments would recognize the historically low risk of these transactions and bring the capital requirements for U.S. banking organizations into better alignment with the capital requirements of other U.S. and non-U.S. regulators of financial institutions. The proposed amendments would have little or no effect on small banking organizations subject to the Board's regulation, as securities borrowing activities are concentrated in a relatively small number of very large banking organizations. Following review of the public comments, the Board will take further action.

**Timetable:**

Action	Date	FR Cite
Board requested comment	12/05/00	65 FR 75856
Further Board action by	11/00/04	

**Regulatory Flexibility Analysis****Required:** No**Government Levels Affected:** None**Federalism:** Undetermined**Agency Contact:** David Adkins, Supervisory Financial Analyst, Federal Reserve System, Division of Banking Supervision and Regulation  
Phone: 202 452-5259**RIN:** 7100-AC75**4063. • REGULATIONS: H AND Y — CAPITAL TREATMENT OF CONSOLIDATED ASSET-BACKED COMMERCIAL PAPER PROGRAM ASSETS (DOCKET NUMBER: R-1156)****Priority:** Substantive, Nonsignificant**Legal Authority:** 12 USC 24; 12 USC 36**CFR Citation:** 12 CFR 208; 12 CFR 225**Legal Deadline:** None

**Abstract:** The Federal Reserve, along with the other banking agencies, extended the applicability date in an existing interim final rule (issued October 1, 2003) on the capital treatment of asset-backed commercial paper programs.

**Timetable:**

Action	Date	FR Cite
Board issued interim final rule	04/26/04	69 FR 22382
Further Board action by	04/00/05	

**Regulatory Flexibility Analysis****Required:** No**Small Entities Affected:** No**Government Levels Affected:** None**Federalism:** Undetermined**Agency Contact:** Thomas R. Boemio, Senior Project Manager, Policy, Federal Reserve System, Division of Banking Supervision and Regulation  
Phone: 202 452-2982**RIN:** 7100-AC94**4064. • REGULATIONS: H & Y — RISK-BASED CAPITAL STANDARDS: TRUST PREFERRED SECURITIES AND THE DEFINITION OF CAPITAL (DOCKET NUMBER: R-1193)****Priority:** Substantive, Nonsignificant**Legal Authority:** 12 USC 24; 12 USC 24a; 12 USC 36**CFR Citation:** 12 CFR 208 app A; 12 CFR 225 app A, sec II A**Legal Deadline:** None

**Abstract:** The Federal Reserve Board proposed rulemaking to allow the continued inclusion of trust preferred securities in the tier 1 capital of bank holding companies, subject to stricter quantitative limits and qualitative standards. The Board also proposes to revise the quantitative limits applied to the aggregate amount of cumulative perpetual preferred stock, trust preferred securities, and minority

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interests in the equity accounts of certain consolidated subsidiaries included in the consolidated tier 1 capital of bank holding companies. The quantitative limits would become effective after a three year transition period.

**Timetable:**

Action	Date	FR Cite
Board requested comment on	05/19/04	69 FR 28851
Board expects further action by	12/00/04	

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

**Agency Contact:** John Connolly, Senior Supervisory Financial Analyst, Federal Reserve System, Division of Banking Supervision and Regulation  
Phone: 202 452-3621

**RIN:** 7100-AC96

#### 4065. REGULATION: V — FAIR CREDIT REPORTING (DOCKET NUMBER: R-1082)

**Priority:** Substantive, Nonsignificant**Legal Authority:** 15 USC 1681 et seq**CFR Citation:** 12 CFR 222**Legal Deadline:** None

**Abstract:** In 1996, the Congress amended the Fair Credit Reporting Act (FCRA) as part of the Consumer Credit Reporting Reform Act. The amendments, among other things, prohibited the federal regulatory agencies from issuing implementing regulations. In November 1999, the Congress once again amended the FCRA as part of the Gramm-Leach-Bliley Act. The amendments lifted the prohibition and directed the Board, the Office of the Comptroller of the Currency, the Federal Deposit Insurance Corporation, and the Office of Thrift Supervision to issue implementing regulations jointly.

In October 2000, the agencies issued proposed regulations for public comment (65 FR 63120, October 20, 2000). The proposal is not expected to have a significant economic impact on a substantial number of small entities. Following review of the public comments, agency staff considered a revised proposal.

On December 4, 2003, the President signed into law the Fair and Accurate Credit Transactions Act (FACT Act) Pub. L. 108-159, 117 Stat. 1952, which amends the Fair Credit Reporting Act. In general, the FACT Act contains provisions designed to enhance the ability of consumers to combat identity theft, increase the accuracy of consumer reports, and allow consumers to exercise greater control regarding the type and amount of marketing solicitations they receive. The FACT Act requires the Board to issue regulations or guidelines to implement various provisions of the statute. Many of these actions must be undertaken jointly or in consultation with other federal agencies. Each rulemaking under the FACT Act is separately listed herein. The agencies will take final action on the October 2000 proposal when the rulemakings required by the FACT Act are completed.

**Timetable:**

Action	Date	FR Cite
Board requested comment	10/20/00	65 FR 63120
Further Board action by	06/00/05	

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

**Agency Contact:** David A Stein, Senior Attorney, Federal Reserve System, Division of Consumer and Community Affairs  
Phone: 202 452-2412

**RIN:** 7100-AC68

#### 4066. REGULATION: V — FAIR CREDIT REPORTING (DOCKET NUMBER: R-1188)

**Priority:** Substantive, Nonsignificant**Legal Authority:** 15 USC 1681 et seq**CFR Citation:** 12 CFR 222**Legal Deadline:** None

**Abstract:** On December 4, 2003, the President signed into law the Fair and Accurate Credit Transactions Act of 2003, (FACT Act), Pub. L. 108-159, 117 Stat. 1952, which amends the Fair Credit Reporting Act (FCRA). Section 411 of the FACT Act amends the FCRA to provide that a creditor may not obtain or use medical information in connection with any determination of a consumer's eligibility, or continued

eligibility, for credit, except as permitted by regulations. The FACT Act requires the federal bank and thrift regulatory agencies to prescribe regulations that permit creditors to obtain and use medical information for eligibility purposes when necessary and appropriate to protect legitimate operational, transactional, risk, consumer, and other needs. The Act further requires that regulations creating these exceptions must be issued in final form within six months of the date of enactment of the FACT Act, or June 4, 2004.

Section 411 of the FACT Act also amends the FCRA to limit the ability of creditors and others to share medical-related information with affiliates, except as permitted by the statute, regulation, or order.

In April 2004, the agencies plan to issue proposed regulations that would grant exceptions to allow creditors to obtain or use medical information in certain circumstances in connection with determinations of consumer eligibility for credit, as required by section 411. The proposed rules also would enumerate situations in which creditors would be permitted to share medical information among affiliates.

The proposed rules would be issued by the Board, Federal Deposit Insurance Corporation, National Credit Union Administration, Office of the Comptroller of the Currency, and Office of Thrift Supervision. The rules would amend each agency's rules of practice separately, but would be substantively identical.

**Timetable:**

Action	Date	FR Cite
Board requested comment	04/12/04	69 FR 19123
Board requested additional comment	04/28/04	69 FR 23380
Further Board action by	11/00/04	

**Regulatory Flexibility Analysis****Required:** No**Small Entities Affected:** Businesses**Government Levels Affected:** Federal**Federalism:** Undetermined

**Agency Contact:** Krista DeLargy, Senior Attorney, Federal Reserve System, Division of Consumer and Community Affairs  
Phone: 202 452-3667

**RIN:** 7100-AC91

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**4067. • REGULATION: V — FAIR CREDIT REPORTING (DOCKET NUMBER: R-1203)****Priority:** Substantive, Nonsignificant**Legal Authority:** 15 USC 1681 et seq**CFR Citation:** 12 CFR 222**Legal Deadline:** None

**Abstract:** On December 4, 2003, the President signed into law the Fair and Accurate Credit Transactions Act of 2003 (FACT Act), Pub. L. 108-159, 117 Stat.1952, which amends the Fair Credit Reporting Act (FCRA). Section 214 of the FACT Act adds a new section 624 of the FCRA. This new provision gives consumers the right to restrict a person from using certain information about a consumer obtained from an affiliate to make solicitations to that consumer. That section also requires the Agencies, in consultation and coordination with each other, to issue regulations in final form implementing section 214 not later than 9 months after the date of enactment. These rules must become effective not later than 6 months after the date on which they are issued in final form.

The proposed rules were issued by the Board, the Federal Deposit Insurance Corporation, the National Credit Union Administration, the Office of the Comptroller of the Currency, and the Office of Thrift Supervision. The Federal Trade Commission (FTC) and the Securities and Exchange Commission (SEC) are also required to issue regulations under new section 624 in consultation and coordination with the Agencies. The FTC published its proposed rule on June 15, 2004 (69 FR 33,324). The SEC proposal will also be published in a separate Federal Register notice.

**Timetable:**

Action	Date	FR Cite
Board requested comment	07/15/04	69 FR 42501

Action	Date	FR Cite
Board expects further action by:	11/00/04	
<b>Regulatory Flexibility Analysis Required:</b> No		
<b>Small Entities Affected:</b> No		
<b>Government Levels Affected:</b> Undetermined		
<b>Federalism:</b> Undetermined		
<b>Agency Contact:</b> David A Stein, Senior Attorney, Federal Reserve System, Division of Consumer and Community Affairs Phone: 202 452-2412		
<b>RIN:</b> 7100-AC95		

**4068. REGULATION: BB — COMMUNITY REINVESTMENT (DOCKET NUMBER: R-1112 AND R-1181) (SECTION 610 REVIEW)****Priority:** Substantive, Nonsignificant**Legal Authority:** 12 USC 290 et seq**CFR Citation:** 12 CFR 228 et seq**Legal Deadline:** None

**Abstract:** In 1995, the Board issued Regulation BB which implements the Community Reinvestment Act (CRA). Substantially similar regulations were issued by the Office of the Comptroller of the Currency (OCC), the Federal Deposit Insurance Corporation (FDIC), and the Office of Thrift Supervision (OTS). The goal of these regulations was to achieve more objective performance-based CRA examinations and to minimize burden. At the time these regulations were issued, the agencies committed to conducting a 2002 comprehensive review of the regulations' effectiveness in achieving this goal.

In July 2001, the Board, the OCC, FDIC, and OTS issued an advance notice of proposed rulemaking (ANPR) (66 FR 37602, July 19, 2001). After reviewing

the comments and the issues, the agencies issued a proposed rulemaking (NPR) (69 FR 5729, Feb. 6, 2004). The agencies proposed to amend their CRA regulations (Regulation BB, for the Board) to increase the number of institutions eligible for streamlined CRA examinations and clarify when an illegal or abusive credit practice by a bank or its affiliate will adversely affect the bank's CRA evaluation. Each agency certified that the proposal would reduce burden and would not raise costs for small financial institutions and, therefore, would not have a significant economic impact on a substantial number of small entities subject to the regulations. (69 FR at 5742) The comment period closed on April 6, 2004. In July 2004, the OCC and the Board withdrew their CRA proposals and the OTS announced that they would modify the "small bank" threshold. Then in August 2004, the OTS finalized their CRA rule and the FDIC issued a proposed rule seeking additional comments on the "small bank" CRA threshold.

**Timetable:**

Action	Date	FR Cite
Board requested comment	07/19/01	66 FR 37602
Board requested comment	02/06/04	69 FR 5729
Further Board action by	12/00/04	

**Regulatory Flexibility Analysis Required:** Yes**Small Entities Affected:** Businesses**Government Levels Affected:** None**Federalism:** Undetermined

**Agency Contact:** Dan Sokolov, Attorney, Federal Reserve System, Division of Consumer and Community Affairs  
Phone: 202 452-2412

**RIN:** 7100-AC87

## Federal Reserve System (FRS)

## Long-Term Actions

**4069. REGULATION: Y — BANK HOLDING COMPANIES AND CHANGE IN BANK CONTROL****Priority:** Substantive, Nonsignificant**CFR Citation:** 12 CFR 225**Timetable:**

Action	Date	FR Cite
Board will consider requesting comment by	12/00/05	

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

**Agency Contact:** Andrew S. Baer  
Phone: 202 452-2246

**RIN:** 7100-AC78

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## Long-Term Actions

**4070. REGULATION: Y — BANK HOLDING COMPANIES AND CHANGE IN BANK CONTROL (DOCKET NUMBER: R-1094)****Priority:** Substantive, Nonsignificant**CFR Citation:** 12 CFR 225.86(e)**Timetable:**

Action	Date	FR Cite
Board requested comment	01/03/01	66 FR 257
Further Board action by	12/00/05	

**Regulatory Flexibility Analysis****Required:** No**Government Levels Affected:** None**Federalism:** Undetermined**Agency Contact:** Andrew S. Baer  
Phone: 202 452-2246**RIN:** 7100-AC81

## Federal Reserve System (FRS)

## Completed Actions

**4071. REGULATIONS: B – EQUAL CREDIT OPPORTUNITY; E – ELECTRONIC FUND TRANSFER; M – CONSUMER LEASING; Z – TRUTH IN LENDING; DD – TRUTH IN SAVINGS (DOCKET NUMBERS: R-1168, R-1169, R-1170, R-1167, AND R-1171)****Priority:** Substantive, Nonsignificant**Legal Authority:** 15 USC 1691-1691f; 15 USC 1693 et seq; 15 USC 1604 et seq; 15 USC 1667f et seq; 12 USC 3806; 15 USC 1604; 15 USC 1637(c)(5); 12 USC 4301 et seq**CFR Citation:** 12 CFR 202 et seq; 12 CFR 205 et seq; 12 CFR 213 et seq; 12 CFR 226 et seq; 12 CFR 230 et seq**Legal Deadline:** None

**Abstract:** On June 24, 2004, the Board withdrew the December 2003 proposal to amend five regulations to (1) establish a more uniform standard of providing “clear and conspicuous” disclosures among the Board’s consumer financial services regulations, and (2) define more specifically the standard for providing “clear and conspicuous” disclosures. The proposals were intended to help ensure that consumers receive noticeable and understandable information that is required by law in connection with obtaining consumer financial products and services. In response to concerns raised by commenters, the Board determined that this goal should be achieved by developing proposals that focus on improving the effectiveness of individual disclosures rather than the adoption of general definitions and standards applicable across the five regulations.

**Timetable:**

Action	Date	FR Cite
Board requested comment	12/10/03	68 FR 68786
Proposal withdrawn	06/24/04	69 FR 35541

**Regulatory Flexibility Analysis****Required:** No**Small Entities Affected:** No**Government Levels Affected:** None**Federalism:** Undetermined**Agency Contact:** James A. Michaels, Assistant Director, Federal Reserve System, Division of Consumer and Community Affairs  
Phone: 202 452-3667**RIN:** 7100-AC92**4072. REGULATIONS: H AND Y – RISK-BASED CAPITAL GUIDELINES; CAPITAL ADEQUACY GUIDELINES; CAPITAL MAINTENANCE: ASSET-BACKED COMMERCIAL PAPER PROGRAMS AND EARLY AMORTIZATION PROVISIONS (DOCKET NUMBER: R-1162)****Priority:** Substantive, Nonsignificant**Legal Authority:** 12 USC 24; 12 USC 36**CFR Citation:** 12 CFR 208; 12 CFR 225**Legal Deadline:** None

**Abstract:** The Federal Reserve, along with the other federal banking agencies, amended their risk-based capital standards by removing a sunset provision in order to permit sponsoring banks, thrifts, and bank holding companies (banking organizations) to continue to exclude from their risk-weighted asset bases those assets in asset-backed commercial paper (ABCP) programs that are consolidated onto balance sheets as a result of Financial Accounting Standards Board Interpretation No. 46, Consolidation of Variable Interest Entities (FIN 46). The removal of the sunset provision was contingent upon the agencies implementing alternative, more risk-sensitive risk-based capital requirements for liquidity facilities supporting ABCP.

**Timetable:**

Action	Date	FR Cite
Board requested comment	10/01/03	68 FR 56568
Board adopted proposal	07/28/04	69 FR 44908

**Regulatory Flexibility Analysis****Required:** No**Small Entities Affected:** No**Government Levels Affected:** None**Federalism:** Undetermined**Agency Contact:** Thomas R. Boemio, Senior Project Manager, Policy, Federal Reserve System, Division of Banking Supervision and Regulation  
Phone: 202 452-2982**RIN:** 7100-AC90**4073. REGULATION: Y — BANK HOLDING COMPANIES AND CHANGE IN BANK CONTROL (DOCKET NUMBER: R-1091)****Priority:** Substantive, Nonsignificant**Legal Authority:** 12 USC 1843**CFR Citation:** 12 CFR 225.86**Legal Deadline:** None

**Abstract:** In January 2001, the Board issued for public comment a proposed rule amending Regulation Y that would define real estate brokerage and real estate management activities as financial in nature or incidental to a financial activity and therefore permissible for financial holding companies under the Board’s Regulation Y (66 FR 307, January 3, 2001). The proposal would facilitate the creation of diversified financial companies that can offer “one-stop shopping” to consumers contemplating the purchase or management of real estate. The proposal is not expected to have a significant economic impact on a substantial number of small business entities. Following review of the public

## FRS

## Completed Actions

comments, the Board will take further action.

**Timetable:**

Action	Date	FR Cite
Board requested comment	01/03/01	66 FR 307
Further Board action not expected in the next six months	09/08/04	

**Regulatory Flexibility Analysis**

**Required:** No

**Government Levels Affected:** None

**Federalism:** Undetermined

**Agency Contact:** Mark E. Van Der Weide, Counsel, Federal Reserve System, Legal Division  
Phone: 202 452-2263

**RIN:** 7100-AC79

**4074. REGULATION: DD — TRUTH IN SAVINGS ACT**

**Priority:** Substantive, Nonsignificant

**Legal Authority:** 12 USC 4301

**CFR Citation:** 12 CFR 230

**Legal Deadline:** None

**Abstract:** Regulation DD, which implements the Truth in Savings Act, requires that depository institutions uniformly disclose to customers information about the terms and conditions on which interest is paid and fees are assessed on deposit accounts.

The Board has targeted Regulation DD for review to update it and to comply with provisions of section 610(c) of the Regulatory Flexibility Act of 1994. The review is expected to commence with publication of an advance notice of proposed rulemaking in second quarter

2004 and be completed in the same year.

**Timetable:**

Action	Date	FR Cite
Withdrawn	09/08/04	

**Regulatory Flexibility Analysis**

**Required:** Yes

**Small Entities Affected:** Businesses

**Government Levels Affected:** None

**Federalism:** Undetermined

**Agency Contact:** Jane Ahrens, Senior Counsel, Federal Reserve System, Division of Consumer and Community Affairs  
Phone: 202 452-3667

**RIN:** 7100-AC86

[FR Doc. 04-22106 Filed 12-10-04; 8:45 am]

**BILLING CODE** 6210-01-S