



Wednesday
October 29, 1997

Part LI

**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 October 1997 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. 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 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 Riegle Community Development and Regulatory Improvement Act of 1994 (CDRI) contains reforms that significantly restructure the regulation of financial institutions. As a consequence, many of the regulations included in this agenda are in response to CDRI. The FDIC is continuing to develop regulations implementing the most recent legislative requirements. These include the requirement in section 303 of CDRI that the Federal banking regulators conduct a review of all their regulations and written policies to streamline them, remove inconsistencies, improve efficiency,

reduce unnecessary costs, and make uniform all regulations and guidelines implementing common statutory or supervisory policies. Changes to the FDIC's regulations as a result of CDRI will be noted in this and future semiannual agendas as they emerge from these reviews. The Federal banking regulators are the FDIC, the Office of the Comptroller of the Currency (OCC), the Board of Governors of the Federal Reserve System (FRS), and the Office of Thrift Supervision (OTS). In some cases, the FDIC also coordinates with the National Credit Union Administration (NCUA).

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: August 13, 1997.
Federal Deposit Insurance Corporation.
Steven F. Hanft,
Assistant Executive Secretary.

Proposed Rule Stage

Sequence Number	Title	Regulation Identifier Number
4278	12 CFR 325 Capital Maintenance—Recourse Arrangements and Direct Credit Substitutes	3064-AB31
4279	12 CFR 340 Restrictions on Sale of Assets by the FDIC	3064-AB37
4280	12 CFR 308 Program Fraud Civil Remedies	3064-AB41
4281	12 CFR 360 Receivership Rules	3064-AB92
4282	12 CFR 325 Capital Maintenance—Elimination of Interagency Differences	3064-AB96
4283	12 CFR 303 Applications, Requests, Submittals, Delegations of Authority, and Notices Required to be Filed by Statute or Regulation	3064-AC02
4284	12 CFR 325 Capital Maintenance—Treatment of Servicing Assets	3064-AC07
4285	12 CFR 348 Management Interlocks Act	3064-AC08
4286	12 CFR 309 Disclosure of Information	3064-AC10
4287	12 CFR 325 Risk-Based Capital Standards; Unrealized Revaluation Gains on Certain Equity Securities	3064-AC11
4288	12 CFR 362 Activities of Insured State Banks and Insured Savings Associations	3064-AC12

Final Rule Stage

Sequence Number	Title	Regulation Identifier Number
4289	12 CFR 357 Determination of Economically Depressed Regions	3064-AB08
4290	12 CFR 330 Simplification of Deposit Insurance Rules	3064-AB73
4291	12 CFR 325 Capital Maintenance—Collateralized Transactions	3064-AB78
4292	12 CFR 342 Qualification Requirements for the Recommendation or Sale of Certain Securities	3064-AB85
4293	12 CFR 307 Notification of Changes of Insured Status	3064-AB88
4294	12 CFR 361 Formal Minority- and Women-Owned Business and Law Firm Certification Program	3064-AB95
4295	12 CFR 328 Advertisement of Membership	3064-AB99

FDIC

Final Rule Stage (Continued)

Sequence Number	Title	Regulation Identifier Number
4296	12 CFR 360 Receivership Rules—Security Interests of Federal Home Loan Banks	3064-AC00
4297	12 CFR 343 Insured State Nonmember Banks Which Are Municipal Securities Dealers	3064-AC04
4298	12 CFR 347 International Banking	3064-AC05
4299	12 CFR 363 Annual Independent Audits and Reporting Requirements	3064-AC06

Long-Term Actions

Sequence Number	Title	Regulation Identifier Number
4300	12 CFR 308 Censure, Suspension, and Debarment of Independent Public Accountants	3064-AA64
4301	12 CFR 327 Assessments—Assessment Base	3064-AB46

Completed Actions

Sequence Number	Title	Regulation Identifier Number
4302	12 CFR 338 Fair Housing	3064-AB72
4303	12 CFR 362 Activities and Investments of Insured State Banks	3064-AB75
4304	12 CFR 337 Expanded Examination Cycle for Certain Small Financial Institutions	3064-AB90
4305	12 CFR 369 Prohibition Against Deposit Production Offices	3064-AB97
4306	12 CFR 312 Prevention of Deposit Shifting	3064-AC01
4307	12 CFR 303 Applications, Requests, Submittals, Delegations of Authority, and Notices Required To Be Filed by Statute or Regulation	3064-AC03
4308	12 CFR 329 Prohibition Against Payment of Interest on Demand Deposits	3064-AC09

FEDERAL DEPOSIT INSURANCE CORPORATION (FDIC)

Proposed Rule Stage

**4278. CAPITAL MAINTENANCE—
RECOURSE ARRANGEMENTS AND
DIRECT CREDIT SUBSTITUTES**

Priority: Substantive, Nonsignificant

Legal Authority: 12 USC 1815; 12 USC 1816; 12 USC 1818; 12 USC 1819; 12 USC 1828; 12 USC 1831; 12 USC 3907; 12 USC 3909

CFR Citation: 12 CFR 325

Legal Deadline: None

Abstract: The FDIC, the FRS, the OCC, and the OTS (“Agencies”) are revising their risk-based capital standards to address the regulatory capital treatment of recourse arrangements and direct credit substitutes that expose banks, bank holding companies, and thrifts to credit risk. One portion of the NPRM addressing the risk-based capital treatment of low-level recourse transactions is required to be published as a separate final rule by CDRI.

In addition, the Agencies published, in an ANPRM, a preliminary proposal to use credit ratings to match the risk-based capital assessment more closely to an institution’s relative risk of loss in certain asset securitizations. The Agencies are also seeking comment on the need for a similar system for unrated asset securitizations and on how such a system would be designed. The Agencies intend that any final rules adopted in connection with these regulatory actions that result in increased risk-based capital requirements would apply only to transactions that are consummated after the effective dates of such final rules.(cont)

Timetable:

Credit Ratings

ANPRM 05/25/94 (59 FR 27116)
ANPRM Comment Period End 07/25/94

Recourse/Direct Credit Substitutes

NPRM 05/25/94 (59 FR 27116)
NPRM Comment Period End 07/25/94

**Synthesis of Credit Ratings/Recourse/Direct
Credit Substitutes**

NPRM 12/00/97

Small Entities Affected: None

Government Levels Affected: None

Additional Information: ABSTRACT

CONT: A second NPRM combining the issues raised in the ANPRM on credit ratings, and the NPRM on recourse and direct credit substitutes, is anticipated in August 1997.

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RIN: 3064-AB31