



Federal Register

**Monday,
April 24, 2006**

Part LIV

Federal Reserve System

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 May 1, 2006, through October 31, 2006. The next agenda will be published in fall 2006.

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 spring 2006 agenda as part of the Spring 2006 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 three 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 a 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,
Associate Secretary of the Board

Federal Reserve System—Proposed Rule Stage

Sequence Number	Title	Regulation Identifier Number
3910	Regulation: Y—Bank Holding Companies and Change in Bank Control	7100-AC66
3911	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)	7100-AC88
3912	Regulation: H—Membership of State Banking Institutions in the Federal Reserve System	7100-AC73

Federal Reserve System—Final Rule Stage

Sequence Number	Title	Regulation Identifier Number
3913	Regulation E—Electronic Funds Transfers (Docket Number: R-1247)	7100-AD01
3914	Regulation: H—Membership of State Banking Institutions in the Federal Reserve System (Docket Number: R-1064)	7100-AC69
3915	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
3916	Regulation: V—Fair Credit Reporting (Docket Number: R-1203)	7100-AC95
3917	Regulation: Y—Bank Holding Companies and Change in Bank Control (Docket Number: R-1094)	7100-AC81
3918	Regulation Y—Bank Holding Companies and Change in Bank Control,Capital Appendices (Docket Number: R-1235)	7100-AD02
3919	Regulation Z—Truth in Lending (Docket Number R-1217)	7100-AC97

Federal Reserve System—Long-Term Actions

Sequence Number	Title	Regulation Identifier Number
3920	Regulation: V—Fair Credit Reporting (Docket Number: R-1082)	7100-AC68

FRS

Federal Reserve System—Completed Actions

Sequence Number	Title	Regulation Identifier Number
3921	Regulation: V—Fair Credit Reporting (Docket Number: R-1188)	7100-AC91
3922	Regulation Y—Bank Holding Companies and Change in Bank Control	7100-AC78
3923	Regulation: E—Electronic Fund Transfers (Docket Number: R-1210)	7100-AC98
3924	Regulation: BB—Community Reinvestment Act (Docket Number: R-1225)	7100-AC99
3925	Regulations J and CC—Collection of Checks and Other Items by Federal Reserve Banks and Fund Transfers Through Fedwire and Availability of Funds and Collection of Checks (Docket Number: R-1226)	7100-AD00

Federal Reserve System (FRS)

Proposed Rule Stage

3910. 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. The Board will also consider issuing for public comment a proposed series of technical changes to Regulation Y necessitated by the GLB Act, as well as a general reorganization of Regulation Y. 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	07/00/06	

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

Agency Contact: Andrew S. Baer, Counsel, Federal Reserve System, Legal Division
Phone: 202 452-2246

RIN: 7100-AC66**3911. 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.

The guidelines are continuously monitored and updated as required to reflect market innovations, accounting changes, or modifications to

supervisory policy. In October 2005, the Board along with other Federal regulatory agencies, issued an advance notice of proposed rulemaking (ANPR) with a range of possible modifications to the risk-based capital rules. The ANPR was developed in conjunction with on-going revisions to the Basel Accord. The Board is expected to consider an NPR with revisions in the second half of 2006.

Timetable:

Action	Date	FR Cite
Board will consider requesting comment by	10/00/06	

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**3912. 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

FRS

Proposed Rule Stage

Federal Deposit Insurance Act requiring the Board, in consultation with the Securities and Exchange Commission, to establish record keeping 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 record keeping 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 has

requested public comment on revised rules to implement the "broker" exception in section 3(a)(4) of the Securities and Exchange Act. (See 60 FR 39682 (June 20, 2004) and 70 FR 54596 (September 15, 2005)) In light of these developments, the Board has delayed adopting a record keeping 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
Board will consider requesting additional comment by	07/00/06	

Regulatory Flexibility Analysis Required: No**Government Levels Affected:** None**Federalism:** Undetermined**Agency Contact:** Andrew S. Baer, Counsel, Federal Reserve System, Legal Division

Phone: 202 452-2246

RIN: 7100-AC73

Federal Reserve System (FRS)

Final Rule Stage

3913. • REGULATION E—ELECTRONIC FUNDS TRANSFERS (DOCKET NUMBER: R-1247)**Priority:** Substantive, Nonsignificant. Major status under 5 USC 801 is undetermined.**Legal Authority:** 12 USC 1693(a); 12 USC 1693(d)**CFR Citation:** 12 CFR 205.2; 12 CFR 205.18**Legal Deadline:** None

Abstract: The interim final rule provides that payroll card accounts established directly or indirectly by an employer on behalf of a consumer to which electronic funds transfers of the consumer's salary, wages, or other employee compensation are made on a recurring basis are accounts covered by Regulation E.

Timetable:

Action	Date	FR Cite
Interim Final Rule	01/10/06	71 FR 1473
Board to request comment on interim rule	06/00/06	

Regulatory Flexibility Analysis Required: No**Small Entities Affected:** Businesses, Governmental Jurisdictions, Organizations**Government Levels Affected:** Local, State

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

RIN: 7100-AD01**3914. 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 by	06/00/06	

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

Agency Contact: Patricia A. Robinson, Assistant General Counsel, Federal Reserve System, Legal Division
Phone: 202 452-3005

RIN: 7100-AC69

FRS

Final Rule Stage

3915. 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	06/00/06	

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**3916. 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 33324), and the SEC published its proposed rule on July 8, 2004 (69 FR 42302).

Timetable:

Action	Date	FR Cite
Board requested comment	07/15/04	69 FR 42501
Board expects further action by:	06/00/06	

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

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

RIN: 7100-AC95**3917. REGULATION: Y—BANK HOLDING COMPANIES AND CHANGE IN BANK CONTROL (DOCKET NUMBER: R-1094)****Priority:** Substantive, Nonsignificant**Legal Authority:** 12 USC 1843**CFR Citation:** 12 CFR 225.86(e)**Legal Deadline:** None

Abstract: In December 2000, the Board, jointly with the Department of the Treasury, issued interim rules with request for public comment that implement section 4(k)(5) of the Bank Holding Company Act and section 5136A(b)(3) of the Revised Statutes, which were added by the Gramm-Leach-Bliley Act (66 FR 257, January 3, 2001). The interim rules specify three general types of activities to be financial in nature or incidental to a financial activity, and create a mechanism by which financial holding companies, financial subsidiaries of national banks, or others may request that the Board or the Secretary of the Treasury, respectively, define particular activities within one of the three categories. Such activities would therefore be permissible for financial holding companies and financial subsidiaries of national banks. The rules are not expected to have a significant economic impact on a substantial number of small entities. Following review of the public comments, the Board will take further action.

Timetable:

Action	Date	FR Cite
Board requested comment	01/03/01	66 FR 257
Further Board action by	07/00/06	

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

Agency Contact: Andrew S. Baer, Counsel, Federal Reserve System, Legal Division
Phone: 202 452-2246

RIN: 7100-AC81

FRS

Final Rule Stage

3918. • REGULATION Y—BANK HOLDING COMPANIES AND CHANGE IN BANK CONTROL, CAPITAL APPENDICES (DOCKET NUMBER: R-1235)

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

Legal Authority: 12 USC 1817(j)(13); 12 USC 1818; 12 USC 1828 (o); 12 USC 1831; ...

CFR Citation: 12 CFR 225; ...

Legal Deadline: None

Abstract: The capital appendices (appendices A & D) to Regulation Y set forth guidelines for institutions in calculating their regulatory capital requirements, both risk-based and leveraged. Appendix C, the Board's Small Bank Holding Company Policy Statement, sets forth guidelines facilitating the transfer of small banks and for exempting, under specific circumstances, certain small bank holding companies from the consolidated capital guidelines.

The guidelines are continuously monitored and revised as required to reflect market innovations, accounting changes, or modifications to supervisory policy. The Board recently reviewed the Small Bank Holding Company Policy Statement (Appendix C of Regulation Y) and proposed reusing the asset size threshold and other criteria for determining whether a small bank holding company may qualify for coverage under the Policy Statement. The Board also proposed reusing the asset size threshold and other criteria for small bank holding companies that may be exempt from the capital guidelines. The review was

undertaken in order to update the guidelines especially considering the impact of industry consolidation since the Policy Statement was issued in 1980.

Timetable:

Action	Date	FR Cite
Board requested comment	09/08/05	70 FR 53320
Further Board action by	06/00/06	

Regulatory Flexibility Analysis Required: No

Government Levels Affected: None

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

RIN: 7100-AD02

3919. REGULATION Z—TRUTH IN LENDING (DOCKET NUMBER R-1217)

Priority: Substantive, Nonsignificant

Legal Authority: 15 USC 1601 et seq

CFR Citation: 12 CFR 226 et seq

Legal Deadline: None

Abstract: In December 2004, the Board published an advance notice of proposed rulemaking (ANPR) to commence a review of the open-end (revolving) credit rules of the Board's Regulation Z, which implements the Truth in Lending Act (TILA), and the regulation's official staff commentary. The Board periodically reviews each of its regulations to update them, if necessary.

The ANPR seeks comment on a variety of specific issues relating to three broad

categories: the format of open-end credit disclosures, the content of the disclosures, and the substantive protections provided under the regulations. It solicits comments on the scope of the review, and also requests commenters to identify other issues that the Board should consider addressing in the review.

In October 2005, the Board published a second ANPR that seeks comment on issues relating to the implementation of amendments to TILA contained in federal bankruptcy reform legislation. The Board plans to incorporate the implementation of these TILA amendments into the Regulation Z review.

Timetable:

Action	Date	FR Cite
Board requested comment	12/08/04	69 FR 70925
Board requested additional comments	10/17/05	70 FR 60235
Further Board action by	12/00/06	

Regulatory Flexibility Analysis Required: No

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-AC97

Federal Reserve System (FRS)

Long-Term Actions

3920. REGULATION: V—FAIR CREDIT REPORTING (DOCKET NUMBER: R-1082)

Priority: Substantive, Nonsignificant

CFR Citation: 12 CFR 222

Timetable:

Action	Date	FR Cite
Board requested comment	10/20/00	65 FR 63120
Further Board action by	12/00/07	

Regulatory Flexibility Analysis Required: No

Government Levels Affected: None

Federalism: Undetermined

Agency Contact: David A. Stein
Phone: 202 452-2412

RIN: 7100-AC68

Federal Reserve System (FRS)

Completed Actions

3921. 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), Public Law 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 6 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 issued 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 enumerated situations in which creditors would be permitted to share medical information among affiliates. The proposed medical information rules were 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.

In June 2005, the agencies issued interim final rules that will become

effective March 7, 2006. The agencies expanded the scope of the rules to permit all creditors to rely on the exceptions to obtain and use medical information. The agencies also gave interested parties an opportunity to comment on the expanded scope of the interim final rules. In November 2005, the agencies issued final rules that replace the interim final rules which will become effective April 1, 2006.

Timetable:

Action	Date	FR Cite
Board requested comment	04/12/04	69 FR 19123
Board requested comment	04/28/04	69 FR 23380
Board requested comment	06/10/05	70 FR 33958
Board issued final rule	11/22/05	70 FR 70664
Board issued final rule correction	12/22/05	70 FR 75931

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

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

RIN: 7100-AC91**3922. REGULATION Y—BANK HOLDING COMPANIES AND CHANGE IN BANK CONTROL****Priority:** Substantive, Nonsignificant

Legal Authority: 12 USC 24; 12 USC 24a; 12 USC 36; 12 USC 92a; 12 USC 93a; 12 USC 248(a); 12 USC 248(c); 12 USC 321 to 338a; 12 USC 371d; 12 USC 481 to 486; 12 USC 601; 12 USC 611; 12 USC 1814; 12 USC 1816; ...

CFR Citation: 12 CFR 225**Legal Deadline:** None

Abstract: The Board will consider issuing for public comment proposed amendments to Regulation Y that will include a series of technical changes to Regulation Y necessitated by the Gramm-Leach-Bliley Act, as well as a general reorganization of Regulation Y. The proposal should not have a significant economic impact on a substantial number of small entities.

Timetable:

Action	Date	FR Cite
Merged With Regulation Y, 7100-AC66	04/30/06	

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

Agency Contact: Andrew S. Baer, Counsel, Federal Reserve System, Legal Division
Phone: 202 452-2246

RIN: 7100-AC78**3923. REGULATION: E—ELECTRONIC FUND TRANSFERS (DOCKET NUMBER: R-1210)****Priority:** Substantive, Nonsignificant**Legal Authority:** 15 USC 1693b**CFR Citation:** 12 CFR 205**Legal Deadline:** None

Abstract: In September 2004, the Board published for comment a proposal to amend Regulation E, which implements the Electronic Fund Transfer Act. The proposal would also revise the official staff commentary to the regulation. The commentary interprets the requirements of Regulation E to facilitate compliance primarily by financial institutions that offer electronic fund transfer services to consumers.

Proposed revisions to the regulation would address its coverage of electronic check conversion services and service providers. Among other things, persons, such as merchants and other payees, that make electronic check conversion services available to consumers would have to obtain a consumer's authorization for the electronic fund transfer. In addition, the proposal provided that payroll card accounts established directly or indirectly by an employer on behalf of a consumer for the purpose of providing salary, wages, or other employee compensation on a recurring basis are accounts covered by Regulation E. Proposed commentary revisions would provide guidance on preauthorized transfers, additional electronic check conversion issues, error resolution, and other matters.

In August 2005, the Board published a second proposal under Regulation E that addressed disclosures on automated teller machines (ATMs). This proposal incorporated a

FRS

Completed Actions

clarification in the regulation that was originally proposed as a revision to the staff commentary in the September 2004 proposal. (70 FR 49891 (August 25, 2005))

In December 2005, the Board published two separate final rules to implement the proposed amendments under Regulation E and the staff commentary. The first final rule addresses the regulation's coverage of electronic check conversion services, and provides guidance on preauthorized transfers, error resolution and other matters (71 FR 1638 (January 10, 2006)). These provisions were adopted substantially as proposed. This final rule also adopts the amendments regarding ATM disclosures proposed in August 2005. The second final rule, issued as an interim rule, solely addresses payroll card accounts (71 FR 1473 (January 10, 2006)). The interim final rule on payroll card accounts differs from the September 2004 proposal in granting relief from the requirement to provide paper periodic statements for those financial institutions that (1) Make available balance information by telephone; (2) make available to the consumer an electronic history of the consumer's account transactions; and (3) provide promptly upon the consumer's request, a written history of the consumer's account transactions.

Timetable:

Action	Date	FR Cite
Board requested comment	09/17/04	69 FR 55996
Board issued final rule	01/10/06	71 FR 1473

Regulatory Flexibility Analysis

Required: No

Small Entities Affected: No

Government Levels Affected: None

Federalism: Undetermined

Agency Contact: Ky Tran-Trong, Senior Attorney, Federal Reserve System, Division of Consumer and Community Affairs

Phone: 202 452-3667

RIN: 7100-AC98

3924. REGULATION: BB—COMMUNITY REINVESTMENT ACT (DOCKET NUMBER: R-1225)

Priority: Substantive, Nonsignificant

Legal Authority: 12 USC 2901 et seq

CFR Citation: 12 CFR 228

Legal Deadline: None

Abstract: The final rule eliminates data collection and reporting obligations for banks with assets between \$250 million and \$1 billion, and makes those banks' CRA evaluations more flexible. The final rule recognizes bank activities as "community development" activities in a larger number of rural areas. The final rule also clarifies when illegal credit practices by a bank or its staff might reduce the bank's CRA rating. Following review of the public comment, the Board will take further action.

Timetable:

Action	Date	FR Cite
Board requested comment	03/11/05	70 FR 12148
Board published final rule	08/02/05	70 FR 44256

Regulatory Flexibility Analysis

Required: No

Small Entities Affected: No

Government Levels Affected: None

Federalism: Undetermined

Agency Contact: Dan Sokolov, Senior Attorney, Federal Reserve System, Division of Consumer and Community Affairs

Phone: 202 452-2412

RIN: 7100-AC99

3925. REGULATIONS J AND CC—COLLECTION OF CHECKS AND OTHER ITEMS BY FEDERAL RESERVE BANKS AND FUND TRANSFERS THROUGH FEDWIRE AND AVAILABILITY OF FUNDS AND COLLECTION OF CHECKS (DOCKET NUMBER: R-1226)

Priority: Substantive, Nonsignificant

Legal Authority: 12 USC 4001 et seq

CFR Citation: 12 CFR 210; 12 CFR 229

Legal Deadline: None

Abstract: The Board adopted a final rule amending Regulation CC to define "remotely created checks" and to create transfer and presentment warranties for such checks. The purpose of the amendments is to shift liability for unauthorized remotely created checks to the depository bank. The Board also adopted conforming cross-references to the new warranties in Regulation J. The final rule is effective July 1, 2006.

Timetable:

Action	Date	FR Cite
Board approved final rule	11/21/05	70 FR 71218

Regulatory Flexibility Analysis

Required: No

Small Entities Affected: Businesses

Government Levels Affected: None

Federalism: Undetermined

Agency Contact: Joshua H. Kaplan, Attorney, Federal Reserve System, Legal Division
Phone: 202 452-2249

RIN: 7100-AD00

[FR Doc. 06-2049 Filed 04-21-06; 8:45 am]

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