



# fed LETTER

Colorado \* Kansas \* Missouri \* Nebraska \* New Mexico \* Oklahoma \* Wyoming

December 2006

FEDERAL RESERVE BANK *of* KANSAS CITY

## FEDERAL RESERVE BOARD ANNOUNCES CHAIRMEN AND DEPUTY CHAIRMEN

The Federal Reserve Board has announced the appointment of chairmen and deputy chairmen of the 12 Federal Reserve Banks for 2007. Each Reserve Bank has a nine-member board of directors. The Board of Governors in Washington, D.C., appoints three of these directors and designates one of its appointees as chairman and the second as deputy chairman.

For the Federal Reserve Bank of Kansas City, Robert A. Funk, chairman of the board and CEO of Express Personnel Services International, Oklahoma City, Okla., was renamed chairman. Lu M. Cordova, CEO of Corlund Industries and chairman of CTEK Angels, Boulder, Colo., was renamed deputy chairman.

A [complete list](#) of appointees for all Reserve Banks is available on the Federal Reserve's Web site.

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## MANUFACTURING SURVEY RELEASED

The [monthly manufacturing survey](#) for the Tenth Federal Reserve District was released Nov. 30. The survey asks plant managers about a variety of manufacturing indicators. The information is compiled into a snapshot of manufacturing in the District.

District manufacturing activity growth eased slightly in November, and expectations for future factory activity remained lower than during the summer. Most price indexes in the survey edged down, though a sizeable share of firms continued to experience and expect rising prices.

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## BEIGE BOOK RELEASED

The [latest edition](#) of the Beige Book was released Nov. 29. The Beige Book is a summary of current economic conditions in each Federal Reserve District.

Most Federal Reserve Districts reported continued moderate growth since the last report. New York and Richmond observed accelerated growth, Dallas saw a continued decelerated pace of activity, and Atlanta described activity as mixed.

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*ECONOMIC REVIEW* RELEASED

The **fourth quarter 2006** edition of *Economic Review*, featuring the articles listed below, is now available.

“Middle-Income Tax Rates: Trends and Prospects” by Troy A. Davig and C. Alan Garner examines the effective income tax rates for middle-income households.

“Minority Workers in the Tenth District: Rising Presence, Rising Challenges” by Chad R. Wilkerson and Megan D. Williams considers the jobs and earnings of Tenth District minority groups, both for today and the next five to 10 years.

“Shifts in Economic Geography and Their Causes” by Anthony J. Venables discusses the existing patterns of global economic activity and explores the forces driving future changes.

HOLIDAY REMINDER

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The Federal Reserve will be closed **Monday, Dec. 25, 2006**, for Christmas, and **Monday, Jan. 1, 2007**, for New Year’s Day. The FRB Services Web site features a **full listing** of all holidays observed by the Federal Reserve.

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WELCOME,  
NEW MEMBER BANK

The Kansas City Fed is pleased to welcome the following state member banks to the Federal Reserve System in the Tenth District:

Collegiate Peaks Bank	Buena Vista, Colo.	Nov. 1
Community Bank of Pleasant Hill	Pleasant Hill, Mo.	Dec. 4

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REGULATORY  
DEVELOPMENTS

*Payment System Risk (PSR) Policy*

On Nov. 22, the Federal Reserve Board announced an **extension of the comment period** on a consultation paper related to its PSR Policy. The consultation paper is intended to help the Board obtain broader information on intraday liquidity management issues to lay the groundwork for discussions about the long-term evolution of its PSR Policy. The comment period will be extended for 90 days to **March 15, 2007**.

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*Regulation E final rule and proposal*

The Federal Reserve Board announced on Nov. 27 its approval of a **final rule** regarding customer authorization requirements on returned item fees when collection is sought electronically. The final rule is an amendment to Regulation E, which implements the Electronic Fund Transfer Act, and to the official staff commentary, which interprets the requirements of Regulation E. The effective date of the final rule is **Jan. 1, 2007**; however, certain provisions regarding the content of notices that must be provided to consumers in point-of-sale transactions will have a delayed compliance date of **Jan. 1, 2008**.

On the same date, in a separate action, the Board requested public comment on a **proposed rule** to except transactions of \$15 or less from Regulation E’s requirements that receipts be made available to consumers for transactions initiated at an electronic terminal. The proposed exception is intended to facilitate the ability of consumers to use debit cards in retail environments where the receipt requirement may not be practical or cost-effective. Comments on the proposal are due by **Jan. 30, 2007**.

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*More regulatory developments*

To see more regulatory developments, go to the [\*\*Banking Information\*\*](#) page on our Web site and click “Regulations/Guidance” in the left column.

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**FED LETTER • DECEMBER 2006**

*Fed Letter* is published by the Federal Reserve Bank of Kansas City,  
925 Grand Boulevard, Kansas City, Missouri, 64198-0001, (800) 333-1010.

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