



Regulatory Spotlight

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Agencies Issue ANPR on Threshold Requirements for Funds Transfers and Transmittals of Funds.

The Financial Crimes Enforcement Network (FinCEN) and the Board of Governors of the Federal Reserve System (FRB) (collectively, the Agencies) have issued an advance notice of proposed rulemaking (ANPR) on the dollar threshold which triggers the requirement to collect, retain, and transmit information on funds transfers and transmittals of funds, sometimes referred to as the “recordkeeping” and “travel” rules. This requirement applies only to funds transfers and transmittals of funds in amounts of \$3,000 or more. The Agencies request comment to assess whether the potential benefit to law enforcement of a lower threshold outweighs the potential burden to financial institutions. Comments on the ANPR may be submitted on or before **08/21/2006**. Copies of the ANPR may be obtained from the Association office or viewed at: www.gpoaccess.gov/fr/index.html. *Federal Register*, Vol. 71, No. 119, 06/21/2006, 35564-35567.

Agencies Issue Notice on Reporting of Certain Deposit-Related Data in Call Report.

The Office of the Comptroller of the Currency (OCC), Department of the Treasury (Treasury), Board of Governors of the Federal Reserve System (FRB), and Federal Deposit Insurance Corporation (FDIC) (collectively, the Agencies) have issued a joint notice on the reporting of certain deposit-related data in the Consolidated Reports of Condition and Income (Call Report). On **05/08/2006**, the Agencies, under the auspices of the Federal Financial Institutions Examination Council (FFIEC), announced the effect of the Federal Deposit Insurance Reform Act on the reporting of certain deposit-related data in the Call Report. The notice described regulatory reporting revisions being made to the Call Report effective **06/30/2006**, primarily in response to an increase in the deposit insurance coverage for certain retirement plan deposits from \$100,000 to \$250,000. After considering the comments received on the Agencies’ notice, the Agencies are providing additional information concerning the implementation of the regulatory reporting changes related to retirement plan deposits

eligible for \$250,000 in insurance coverage. To address these concerns, the Agencies have implemented several transitional approaches to the Call Report revisions related to retirement deposit accounts. The notice outlines transition instructions for the **06/30/2006** and **09/30/2006** Call Reports. The notice also states that for the **12/31/2006** Call Report, banks would be expected to have made appropriate systems changes to enable them to report reasonably accurate data on all types of retirement deposit accounts eligible for the \$250,000 insurance coverage. Copies of the notice may be obtained from the Association office or viewed at: www.gpoaccess.gov/fr/index.html. *Federal Register*, Vol. 71, No. 129, 07/06/2006, 38401-38402.

FRB Seeks Comment on PSR Policy.

- The Board of Governors of the Federal Reserve System (FRB) seeks comment from financial institutions and other interested parties on their experience in managing intraday liquidity, credit, and operational risks relating to Fedwire funds transfers and associated transactions. FRB also seeks views on potential changes in market practices, operations, and its Payments System Risk (PSR) Policy that could reduce one or more of these risks, while maintaining or improving the efficiency of the payments system. The notice is consistent with the FRB’s long-standing practice of working with the financial industry to address payments system risk issues and provides a framework for discussions about the long-term evolution of the PSR Policy. Comments must be received on or before **12/15/2006**. Copies of the notice may be obtained from the Association office or viewed at: www.gpoaccess.gov/fr/index.html. *Federal Register*, Vol. 71, No. 119, 06/21/2006, 35679-35687.
- FRB seeks comments on proposed changes to Part I of its Policy on Payments System Risk (PSR policy) addressing risk management in payments and settlement systems. The proposed policy changes include: (1) incorporating into the PSR policy the Recommendations for Central Counterparties (Recommendations for CCP) as FRB’s minimum standards for central counterparties; (2) clarifying the purpose of Part I of the PSR policy and revising its scope with regard to central counterparties; and (3) establishing an expectation that systemically

important systems disclose publicly self-assessments against the Core Principles for Systemically Important Payment Systems, Recommendations for Securities Settlement Systems, or Recommendations for CCP, as appropriate, demonstrating the extent to which these systems meet the principles or minimum standards. FRB is also making other technical changes. Comments must be received by **09/22/2006**. Copies of the notice may be obtained from the Association office or viewed at: www.gpoaccess.gov/fr/index.html. *Federal Register*, Vol. 71, No. 124, 06/28/2006, 36800-36811.

FDIC Announces Extension of Comment Period for Three Proposed Rules.

- The Federal Deposit Insurance Corporation (FDIC) issued a proposed rule on **05/18/2006** regarding the implementation of dividends, as required by the Federal Deposit Insurance Act. FDIC has extended the comment period on the proposal such that comments must be received on or before **08/16/2006**. Copies of the notice may be obtained from the Association office or viewed at: www.gpoaccess.gov/fr/index.html. *Federal Register*, Vol. 71, No. 124, 06/28/2006, 36717.
- FDIC issued a proposed rule on **05/18/2006** regarding the implementation of the on-time assessment credit for certain eligible insured depository institutions, as required by the Federal Deposit Insurance Act. FDIC has extended the comment period on the proposal such that comments must be received on or before **08/16/2006**. Copies of the notice may be obtained from the Association office or viewed at: www.gpoaccess.gov/fr/index.html. *Federal Register*, Vol. 71, No. 124, 06/28/2006, 36717-36718.
- FDIC issued a proposed rule on **05/18/2006** to make the deposit insurance assessment system react more accurately to changes in institutions' risk profiles, and in so doing to eliminate several causes for complaint by insured depository institutions. The proposed rule also would make changes necessitated by the recently enacted Federal Deposit Insurance Reform Act. FDIC has extended the comment period on the proposal such that comments must be received on or before **08/16/2006**. Copies of the notice may be obtained from the Association office or

viewed at: www.gpoaccess.gov/fr/index.html. *Federal Register*, Vol. 71, No. 124, 06/28/2006, 36718-36719.

OTS Issues Proposed Rule on Subordinated Debt Securities and Mandatorily Redeemable Preferred Stock.

The Office of Thrift Supervision (OTS) has issued a proposed rule on subordinated debt securities and mandatorily redeemable preferred stock. A savings association must obtain OTS approval, or non-objection, before it may include subordinated debt securities or mandatorily redeemable preferred stock in supplementary (tier 2) capital. OTS rules set forth application and notice procedures, requirements that securities must meet in order to be included in supplementary capital, and conditions for OTS approval, or non-objection, and other matters. OTS is proposing to update this rule. The proposed rule would delete several unnecessary or outdated requirements and would conform certain provisions, such as maturity period requirements and purchaser restrictions, to the rules issued by the other federal banking agencies. In addition, the proposed rule would reconcile conflicting rules, add appropriate statutory cross-references, and rewrite the rule in plain language. Comments must be received on or before **09/01/2006**. Copies of the proposed rule may be obtained from the Association office or viewed at: www.gpoaccess.gov/fr/index.html. *Federal Register*, Vol. 71, No. 127, 07/03/2006, 37862-37868.

OFAC Makes Changes to Lists.

The Office of Foreign Assets Control (OFAC) has added and amended several entities to its lists of Specially Designated Global Terrorists, Specially Designated Nationals and Blocked Persons, and Specially Designated Narcotics Trafficker Kingpins. The documents listing these changes may be obtained from the Association office or viewed at: www.fdic.gov/news/news/financial/2006/fil06050.html; www.fdic.gov/news/news/financial/2006/fil06057.html; and www.fdic.gov/news/news/financial/2006/fil06058.html.

HUD Issues Final Rule on Changes to Debenture Interest Payment.

The Department of Housing and Urban Development (HUD) has issued a final rule on debenture interest payment changes for mortgage insurance claims. The

final rule implements a recent statutory amendment to the National Housing Act that provides for a mandatory change in the calculation of all debenture interest on mortgage insurance claims paid in cash. The statutory change mandates that, when paying insurance claims in cash, debenture interest rates for such claims must be the monthly average yield, for the month in which the default on the mortgage occurred, on United States Treasury Securities adjusted to a constant maturity of 10 years. The final rule also makes several conforming changes to HUD's single-family mortgage insurance regulations to ensure that the final rule reflects HUD's statutory authority and accurately describes the procedure by which HUD will determine the debenture interest rate for conveyance claims and rehabilitation claims. The conforming changes are described in the final rule. The final rule is effective **07/24/2006**. Copies of the final rule may be obtained from the Association office or viewed at:

www.gpoaccess.gov/fr/index.html. *Federal Register*, Vol. 71, No. 120, 06/22/2006, 35992-35994.

HUD Issues Proposed Rule on Manufactured Home Installation Program.

HUD has issued a proposed rule that would establish a federal manufactured home installation program. HUD is required to establish such a program in accordance with the National Manufactured Housing Construction and Safety Standards Act. States that have their own installation programs that include the elements required by statute are permitted to administer under their state installation programs, the new requirements that would be established through the proposed and final rulemaking. The new elements required by statute to be integrated into an acceptable manufactured home installation program are: (1) establishment of qualified installation standards; (2) licensing and training of installers; and (3) inspection of the installation of manufactured homes. Comments must be submitted by **08/14/2006**. Copies of the proposed rule may be obtained from the Association office or viewed at:

www.gpoaccess.gov/fr/index.html. *Federal Register*, Vol. 71, No. 114, 06/14/2006, 34476-34505.

HUD Issues Proposed Rule on LIBOR Index for ARMs.

HUD has issued a proposed rule to add the one-year London Interbank Offered Rate (LIBOR) as an acceptable index for the rate of HUD-insured Adjustable Rate Mortgage (ARM) products.

Currently, only the weekly average yield of U.S. Treasury securities, adjusted to a constant maturity of one year may be used to adjust interest rates on HUD-insured ARMs. This is commonly referred to as the Constant Maturity Treasury index (CMT). LIBOR is both an international rate determined on the basis of the world economy and a rate that has recently become widely used for ARM loans in the United States. The proposed rule would amend HUD's regulations to add the LIBOR index as an acceptable index for determining interest rate adjustments of HUD-insured ARMs. The proposed rule would not cover Home Equity Conversion Mortgage loans, which are governed by separate regulations. Comments must be submitted by **08/18/2006**. Copies of the proposed rule may be obtained from the Association office or viewed at: www.gpoaccess.gov/fr/index.html. *Federal Register*, Vol. 71, No. 117, 06/19/2006, 35370-35371.

HUD Issues Notice of Computer Matching with FEMA.

HUD has announced a new matching program involving comparisons between income data provided by applicants or participants in HUD's assisted housing programs and applicants for Federal Emergency Management Agency (FEMA) disaster assistance. The matching program will be carried out to detect inappropriate (excessive or insufficient) housing assistance. The program also provides for the verification of the matching results and the initiation of appropriate administrative or legal actions. Computer matching is expected to begin **07/27/2006** unless comments are received which will result in a contrary determination, or 40 days after a copy of the underlying matching agreement is signed, approved by HUD and FEMA Data Integrity Boards, and sent to both Houses of Congress, whichever is later. Comments must be submitted by **07/27/2006**. Copies of the notice may be obtained from the Association office or viewed at: www.gpoaccess.gov/fr/index.html. *Federal Register*, Vol. 71, No. 123, 06/27/2006, 36540-36542.

HUD Issues Notice on Changes in Certain Multifamily MIP.

HUD has announced changes in the mortgage insurance premiums (MIP) for Federal Housing Administration (FHA) multifamily mortgage insurance programs whose commitments will be issued or reissued in fiscal year 2007. Instead of setting the MIP at one specific rate for all programs, HUD is permitted to change a MIP program by one

fourth of one percent to one percent of the outstanding mortgage principal per annum. The changes affect multifamily housing commitments issued or reissued on or after **10/01/2006**. The notice lists MIPs that have an increase in rate and those MIPs that are unchanged. Comments must be submitted by **07/28/2006**. Copies of the notice may be obtained from the Association office or viewed at: www.gpoaccess.gov/fr/index.html. *Federal Register*, Vol. 71, No. 124, 06/28/2006, 36968-36969.

HUD Issues Quarterly Regulatory Waiver Requests.

HUD has issued its quarterly notices of all regulatory waivers it has approved for the first quarter of the 2006 calendar year. The notice contains a list of regulatory waivers granted by HUD during the period beginning on **01/01/2006** and ending on **03/31/2006**. Copies of the notice may be obtained from the Association office or viewed at: www.gpoaccess.gov/fr/index.html. *Federal Register*, Vol. 71, No. 128, 07/05/2006, 38214-38235.

FEMA Issues Final Rules on Flood Elevation Determinations.

- The Federal Emergency Management Agency (FEMA) has issued final rules on base (1% annual chance) Flood Elevations (BFEs) and modified BFEs for communities in the **Territory of American Samoa**. The BFEs and modified BFEs are the basis for the floodplain management measures that each community is required either to adopt or to show evidence of being already in effect in order to qualify or remain qualified for participation in the National Flood Insurance Program (NFIP). The date of issuance of the Flood Insurance Rate Map (FIRM) showing BFEs and modified BFEs for each community may be obtained by contacting the office where the FIRM is available for inspection as indicated on the table in the final rule. Copies of the final rule may be obtained from the Association office or viewed at: www.gpoaccess.gov/fr/index.html. *Federal Register*, Vol. 71, No. 112, 06/12/2006, 33645-33646.
- Base (1% annual chance) Flood Elevations (BFEs) and modified BFEs are made final for communities in the states of **Arizona, Florida, New Jersey and North Carolina**. The BFEs and modified BFEs are the basis for the floodplain management measures that each community is

required either to adopt or to show evidence of being already in effect in order to qualify or remain qualified for participation in the National Flood Insurance Program (NFIP). The date of issuance of the Flood Insurance Rate Map (FIRM) showing BFEs and modified BFEs for each community may be obtained by contacting the office where the FIRM is available for inspection as indicated on the table in the final rule. Copies of the final rule may be obtained from the Association office or viewed at: www.gpoaccess.gov/fr/index.html. *Federal Register*, Vol. 71, No. 112, 06/12/2006, 33646-33657.

- Base (1% annual-chance) Flood Elevations (BFEs) and modified BFEs are made final for communities in the state of **Louisiana**. The BFEs and modified BFEs are the basis for the floodplain management measures that each community is required either to adopt or to show evidence of being already in effect in order to qualify or remain qualified for participation in the National Flood Insurance Program (NFIP). The date of issuance of the Flood Insurance Rate Map (FIRM) showing BFEs and modified BFEs for each community may be obtained by contacting the office where the FIRM is available for inspection as indicated on the table in the final rule. Copies of the final rule may be obtained from the Association office or viewed at: www.gpoaccess.gov/fr/index.html. *Federal Register*, Vol. 71, No. 117, 06/19/2006, 35176-35178.

FEMA Issues Final Rule on Suspension of NFIP.

- FEMA has issued a final rule that identifies communities in the state of **North Carolina** and the commonwealth of **Virginia** where the sale of flood insurance has been authorized under the National Flood Insurance Program (NFIP), that are scheduled for suspension on the effective dates listed within the final rule because of noncompliance with the floodplain management requirements of the program. If FEMA receives documentation that the community has adopted the required floodplain management measures prior to the effective suspension date given in the final rule, the suspension will not occur and a notice of this will be provided by publication in the *Federal Register* on a subsequent date. The effective date of each community's scheduled suspension is the third date listed in the third

column of the tables located in the final rule. Copies of the final rule may be obtained from the Association office or viewed at: www.gpoaccess.gov/fr/index.html. *Federal Register*, Vol. 71, No. 112, 06/12/2006, 33642-33644.

- FEMA has issued a final rule that identifies communities in the states of **Arkansas**, **California**, and **Florida** where the sale of flood insurance has been authorized under the National Flood Insurance Program (NFIP), that are scheduled for suspension on the effective dates listed within the final rule because of noncompliance with the floodplain management requirements of the program. If FEMA receives documentation that the community has adopted the required floodplain management measures prior to the effective suspension date given in the final rule, the suspension will not occur and a notice of this will be provided by publication in the *Federal Register* on a subsequent date. The effective date of each community's scheduled suspension is the third date listed in the third column of the tables located in the final rule. Copies of the final rule may be obtained from the Association office or viewed at: www.gpoaccess.gov/fr/index.html. *Federal Register*, Vol. 71, No. 117, 06/19/2006, 35174-35175.
- FEMA has issued a final rule that identifies communities in the states of **Tennessee** and **Louisiana** where the sale of flood insurance has been authorized under the National Flood Insurance Program (NFIP), that are scheduled for suspension on the effective dates listed within the final rule because of noncompliance with the floodplain management requirements of the program. If FEMA receives documentation that the community has adopted the required floodplain management measures prior to the effective suspension date given in the final rule, the suspension will not occur and a notice of this will be provided by publication in the *Federal Register* on a subsequent date. The effective date of each community's scheduled suspension is the third date listed in the third column of the tables located in the final rule. Copies of the final rule may be obtained from the Association office or viewed at: www.gpoaccess.gov/fr/index.html. *Federal Register*, Vol. 71, No. 131, 07/10/2006, 38780-38781.

FEMA Issues Interim Rule on Flood Elevation Determinations.

- FEMA has issued an interim rule listing communities in the state of **Georgia** where modification of the Base (1% annual chance) Flood Elevations (BFEs) is appropriate because of new scientific or technical data. New flood insurance premium rates will be calculated from the modified BFEs for new buildings and their contents. These modified BFEs are currently in effect on the dates listed in the table in the interim rule and revise the Flood Insurance Rate Map(s) (FIRMs) in effect prior to this determination for each listed community. From the date of the second publication of these changes in a newspaper of local circulation, any person has ninety (90) days in which to request through the community that FEMA reconsider the changes. The modified elevations may be changed during the 90-day period. Copies of the interim rule may be obtained from the Association office or viewed at: www.gpoaccess.gov/fr/index.html. *Federal Register*, Vol. 71, No. 112, 06/12/2006, 33644-33645.
- FEMA has issued an interim rule listing communities in the state of **Arkansas** where modification of the Base (1% annual-chance) Flood Elevations (BFEs) is appropriate because of new scientific or technical data. New flood insurance premium rates will be calculated from the modified BFEs for new buildings and their contents. These modified BFEs are currently in effect on the dates listed in the table in the interim rule and revise the Flood Insurance Rate Map(s) in effect prior to this determination for the listed communities. From the date of the second publication of these changes in a newspaper of local circulation, any person has ninety (90) days in which to request through the community that FEMA reconsider the changes. The modified BFEs may be changed during the 90-day period. Copies of the interim rule may be obtained from the Association office or viewed at: www.gpoaccess.gov/fr/index.html. *Federal Register*, Vol. 71, No. 117, 06/19/2006, 35175-35176.

FEMA Issues Proposed Rule on Flood Elevation Determinations.

- FEMA is soliciting technical information or comment on the proposed Base (1% annual

chance) Flood Elevations (BFEs) and proposed BFE modifications for communities in the states of **Florida, North Carolina, New Jersey, and Vermont** and the **U.S. Virgin Islands** territory. The BFEs are the basis for the floodplain management measures that the community is required either to adopt or to show evidence of being already in effect in order to qualify or remain qualified for participation in the National Flood Insurance Program (NFIP). The comment period is ninety (90) days following the second publication of the proposed rule in a newspaper of local circulation in each community. Copies of the proposed rule may be obtained from the Association office or viewed at: www.gpoaccess.gov/fr/index.html. *Federal Register*, Vol. 71, No. 112, 06/12/2006, 33672-33702.

- FEMA is soliciting technical information or comment on the proposed Base (1% annual-chance) Flood Elevations (BFEs) and proposed BFE modifications for communities in the state of **North Carolina** and commonwealth of **Massachusetts**. The BFEs are the basis for the floodplain management measures that the community is required either to adopt or to show evidence of being already in effect in order to qualify or remain qualified for participation in the National Flood Insurance Program (NFIP). The comment period is ninety (90) days following the second publication of the proposed rule in a newspaper of local circulation in each community. Copies of the proposed rule may be obtained from the Association office or viewed at: www.gpoaccess.gov/fr/index.html. *Federal Register*, Vol. 71, No. 112, 06/12/2006, 33702-33703.
- FEMA is soliciting technical information or comment on the proposed Base (1% annual-chance) Flood Elevations (BFEs) and proposed BFE modifications for communities in the state of **Texas**. The BFEs and modified BFEs are the basis for the floodplain management measures that the community is required either to adopt or to show evidence of being already in effect in order to qualify or remain qualified for participation in the National Flood Insurance Program (NFIP). The comment period is ninety (90) days following the second publication of the proposed rule in a newspaper of local circulation in each community. Copies of the proposed rule may be obtained from the Association office or viewed at: www.gpoaccess.gov/fr/index.html.

Federal Register, Vol. 71, No. 117, 06/19/2006, 35233-35235.

- FEMA is soliciting technical information or comment on the proposed Base (1% annual-chance) Flood Elevations (BFEs) and proposed BFE modifications for communities in the states of **Colorado, Oklahoma, Texas, and Wyoming** and the commonwealth of **Virginia**. The BFEs and modified BFEs are the basis for the floodplain management measures that the community is required either to adopt or to show evidence of being already in effect in order to qualify or remain qualified for participation in the National Flood Insurance Program (NFIP). The comment period is ninety (90) days following the second publication of the proposed rule in a newspaper of local circulation in each community. Copies of the proposed rule may be obtained from the Association office or viewed at: www.gpoaccess.gov/fr/index.html. *Federal Register*, Vol. 71, No. 117, 06/19/2006, 35235-35240.
- FEMA is soliciting technical information or comment on the proposed Base (1% annual-chance) Flood Elevations (BFEs) and proposed BFE modifications for communities in the states of **Florida, Louisiana, Ohio, South Carolina, and South Dakota** and the commonwealth of **Virginia**. The BFEs and modified BFEs are the basis for the floodplain management measures that the community is required either to adopt or to show evidence of being already in effect in order to qualify or remain qualified for participation in the National Flood Insurance Program (NFIP). The comment period is ninety (90) days following the second publication of the proposed rule in a newspaper of local circulation in each community. Copies of the proposed rule may be obtained from the Association office or viewed at: www.gpoaccess.gov/fr/index.html. *Federal Register*, Vol. 71, No. 117, 06/19/2006, 35240-35248.

FHFB Issues Final Rule on Data Reporting Requirements for Federal Home Loan Banks.

The Federal Housing Finance Board (FHFB) has issued a final rule on data reporting requirements for Federal Home Loan Banks (Banks). FHFB has reorganized the way it imposes certain reporting requirements on Banks by removing the requirements from its regulations and issuing them in the Data

Reporting Manual. FHFB is also adding a new part 914, which addresses a Bank's obligation with respect to reporting requirements and making its books and records available to FHFB. The final rule is effective on **07/21/2006**. Copies of the final rule may be obtained from the Association office or viewed at: www.gpoaccess.gov/fr/index.html. *Federal Register*, Vol. 71, No. 119, 06/21/2006, 35495-35500.

SBA Issues Proposed Rule on Women-Owned Small Business Federal Contract Assistance Program.

The Small Business Administration (SBA) has issued a proposed rule to amend its government contracting programs. The proposed rule would add a new part to implement the Women-Owned Small Business Federal Contract Assistance Program (Program). The proposed rule provides the general definitions applicable to the Program; specific eligibility requirements for qualification; the certification procedures for the Program; the process for SBA to verify the continuing eligibility of a concern; the contract assistance available under the Program; the relevant protest and appeal procedures; and the applicable penalties. The proposed rule also provides conforming amendments necessary to integrate the Program into SBA's size and government contracting regulations. Comments must be received on or before **07/17/2006**. Copies of the proposed rule may be obtained from the Association office or viewed at: www.gpoaccess.gov/fr/index.html. *Federal Register*, Vol. 71, No. 115, 06/15/2006, 34550-34563.

SBA Extends Comment Period on Lender Risk Rating System.

SBA has extended the comment period on its Lender Risk Rating System for an additional 30 days. On **05/01/2006**, SBA published in the *Federal Register* a notice seeking comment on its proposed Lender Risk Rating System and notifying SBA lenders of the availability of risk rating information through SBA's Lender Portal. Given the significant level of interest the notice has generated, SBA believes the affected parties would find it beneficial to have more time to review the proposal and prepare their comments. The comment period for the SBA Lender Risk Rating System Notice is extended through **07/15/2006**. Copies of the notice may be obtained from the Association office or viewed at: www.gpoaccess.gov/fr/index.html. *Federal Register*, Vol. 71, No. 115, 06/15/2006, 34674.

SBA Issues Peg Rate.

SBA issues an interest rate called the optional "peg" rate on a quarterly basis. The rate is a weighted average cost of money to the government for maturities similar to the average SBA direct loan. The rate may be used as a base rate for guaranteed fluctuating interest rate SBA loans. This rate will be **5.125** (5 1/8) percent for the July-September quarter of fiscal year 2006. Copies of the notice may be obtained from the Association office or viewed at: www.gpoaccess.gov/fr/index.html. *Federal Register*, Vol. 71, No. 128, 07/05/2006, 38201.

FCA Reopens Comment Period on Proposed Rule to Reduce Regulatory Burden of FCS.

The Farm Credit Administration (FCA) has reopened the comment period on the proposed rule intended to reduce regulatory burden on the Farm Credit System (FCS). On **03/28/2006**, FCA published in the *Federal Register* a proposed rule to amend regulations in 12 CFR parts 611, 612, 613, and 614 to reduce regulatory burden on FCS banks and associations. The comment period expired on **05/30/2006**. A member of the public has requested FCA to extend the comment period for at least an additional 30 days. Comments are due by **07/17/2006**. Copies of the proposed rule may be obtained from the Association office or viewed at: www.gpoaccess.gov/fr/index.html. *Federal Register*, Vol. 71, No. 115, 06/15/2006, 34549-34550.

FCIC Issues Final Rule on Common Crop Insurance Regulations.

The Federal Crop Insurance Corporation (FCIC) has issued a final rule to finalize the Common Crop Insurance Regulations: Basic Provisions. The final rule amends 7 CFR part 457 effective for the 2007 and succeeding crop years for all crops with a contract change date on or after the effective date of the final rule, and for the 2008 and succeeding crop years for all crops with a contract change date prior to the effective date. The amendments are outlined in the final rule. The final rule is effective **06/29/2006**. Copies of the final rule may be obtained from the Association office or viewed at: www.gpoaccess.gov/fr/index.html. *Federal Register*, Vol. 71, No. 125, 06/29/2006, 36979-36983.

RHS Issues Notice of Funding for Rural Housing Demonstration Program.

The Rural Housing Service (RHS) has issued a notice of availability of housing funds for Fiscal Year (FY) 2006 for the Rural Housing Demonstration Program. For FY 2006, United States Department of Agriculture (USDA) Rural Development has set aside \$1 million for the Innovative Demonstration Initiatives and is soliciting proposals for a Housing Demonstration program. USDA Rural Development may provide loans to low income borrowers to purchase innovative housing units and systems that do not meet existing published standards, rules, regulations, or policies. The intended effect is to increase the availability of affordable Rural Housing for low-income families through innovative designs and systems. All interested parties must make a written request for a proposal package to the state director in the state in which the proposal will be submitted. Each state office is listed in the notice. The notice is effective **07/06/2006**. Copies of the notice may be obtained from the Association office or viewed at: www.gpoaccess.gov/fr/index.html. *Federal Register*, Vol. 71, No. 129, 07/06/2006, 38358-38360.

CCC Issues Correction to Final Rule on MAL and LDP Programs.

The Commodity Credit Corporation (CCC) has issued a correction to the final rule published on **06/06/2006**, amending the final rule for the Marketing Assistance Loan (MAL) and Loan Deficiency Payment (LDP) Programs. In the final rule, the instructions revising section 1421.10 inadvertently edited paragraphs (b)(2) and (c)(2). However, CCC intended those changes to be made in paragraphs (a)(2) and (b)(2). The notice corrects the regulatory text that was amended erroneously and makes the correct revision. The effective date of the correction is **06/06/2006**. Copies of the correction may be obtained from the Association office or viewed at: www.gpoaccess.gov/fr/index.html. *Federal Register*, Vol. 71, No. 117, 06/19/2006, 35147.

SEC Seeks Additional Comment on Investment Company Governance.

The Securities and Exchange Commission (SEC) has issued a notice for additional comment on investment company governance. On **07/24/2004**, SEC adopted amendments to ten exemptive rules under the Investment Company Act (Exemptive Rules) to

require funds that rely on one or more of those rules to adopt certain governance practices. The conditions were part of a package of amendments designed to protect the interests of funds and the fund shareholders they serve. Among other things, the amendments added two conditions for funds relying on the Exemptive Rules. First, such a fund must have a board of directors with no less than 75 percent independent directors. Second, such a fund must be chaired by an independent director. The reasons for the SEC's adoption of these conditions, as well as other amendments to the Exemptive Rules, were set forth in the Adopting Release issued **07/27/2004**.

The two conditions were challenged in the United States Court of Appeals for the District of Columbia Circuit. On **06/21/2005**, the Court remanded to SEC for consideration of two deficiencies that it identified in the rulemaking. After considering those two issues at a public meeting on **06/29/2005**, SEC issued a release announcing its decision not to modify the rule amendments. The June 29 action was then challenged, and the Court on **04/07/2006**, issued an opinion holding that SEC violated the Administrative Procedures Act by failing to seek comment on the data used to estimate the costs of the two conditions. The Court vacated the two conditions, but withheld its mandate for 90 days to afford SEC an opportunity to reopen the record for comment. Comments must be received on or before **08/21/2006**. Copies of the notice may be obtained from the Association office or viewed at: www.gpoaccess.gov/fr/index.html. *Federal Register*, Vol. 71, No. 117, 06/19/2006, 35366-35367.

NCUA Issues Final Rule on Indirect Vehicle Loans.

The National Credit Union Administration (NCUA) has issued a final rule to regulate purchases by federally insured credit unions of indirect vehicle loans serviced by third parties. The final rule limits the aggregate amount of these loans serviced by any single third-party to a percentage of the credit union's net worth. The final rule ensures that federally insured credit unions do not undertake undue risk with these purchases. The final rule is effective **07/28/2006**. Copies of the final rule may be obtained from the Association office or viewed at: www.gpoaccess.gov/fr/index.html. *Federal Register*, Vol. 71, No. 124, 06/28/2006, 36661-36667.

NCUA Issues Final Rule on Organization and Operations of Federal Credit Unions.

NCUA has issued a final rule to amend its field of membership rules regarding service to underserved areas to limit underserved area additions to multiple common-bond credit unions and revise facility requirements for underserved areas. The amendments are being made after a comprehensive review of chartering policy based upon NCUA's experience addressing field of membership issues and the uncertainty resulting from recent litigation challenging service to underserved areas in Utah and the current ambiguity in the Federal Credit Union Act on this issue. NCUA states the final rule will ensure continued reliable and efficient service to federal credit union members located in approved underserved areas and continue to allow multiple common-bond credit unions to add underserved areas to their charters. In addition, the final rule retains the definition of service facility as a credit union owned facility where shares are accepted for members' accounts, loan applications are accepted, and loans are disbursed. The final rule is effective **07/28/2006**. Copies of the final rule may be obtained from the Association office or viewed at: www.gpoaccess.gov/fr/index.html. *Federal Register*, Vol. 71, No. 124, 06/28/2006, 36667-36671.

NCUA Issues Proposed Rule on Filing Requirements for SAR.

NCUA has issued a proposed rule on filing requirements for Suspicious Activity Reports (SAR). The proposed rule describes in greater detail the requirements for reporting and filing a SAR and addresses prompt notification of the board of directors of SAR filings, the confidentiality of reports, and liability protection. NCUA also proposes to change the heading for this part so it more accurately describes its scope. While retaining cross-references in the rule to the SAR form and instructions, these changes will enhance credit union compliance by providing greater detail in the rule on the thresholds and procedures for filing a SAR. Comments must be received on or before **08/28/2006**. Copies of the notice may be obtained from the Association office or viewed at: www.gpoaccess.gov/fr/index.html. *Federal Register*, Vol. 71, No. 124, 06/28/2006, 36720-36723.

NCUA Issues Proposed Rule on Conversion of Insured Credit Unions to Mutual Savings Banks.

NCUA has issued a proposed rule to amend its rules regarding the conversion of insured credit unions to mutual savings banks or mutual savings associations. NCUA states the proposed revisions are primarily intended to improve the information available to members and the board of directors as they consider a possible conversion. The revisions include revised disclosures, revised voting procedures, procedures to facilitate communications among members, and procedures for members to provide their comments to directors before the credit union board votes on a conversion plan. Comments must be received on or before **08/28/2006**. Copies of the notice may be obtained from the Association office or viewed at: www.gpoaccess.gov/fr/index.html. *Federal Register*, Vol. 71, No. 124, 06/28/2006, 36946-36966.

NCUA Issues Proposed Rule on Revisions to Official Sign Indicating Insured Status.

NCUA has issued a proposed rule to revise the official sign indicating a credit union's share accounts are insured by the NCUA to reflect recent share insurance increases and by including a statement that NCUA-insured share accounts are backed by the full faith and credit of the United States Government. Comments must be received on or before **08/11/2006**. Copies of the proposed rule may be obtained from the Association office or viewed at: www.gpoaccess.gov/fr/index.html. *Federal Register*, Vol. 71, No. 124, 06/28/2006, 36719-36720.

Proposed Rules and Comment Due Dates

<u>Agency</u>	<u>Proposed Rule</u>	<u>Federal Register Publication Date and Page Number</u>	<u>Comment Due Date</u>	
*	Farm Credit Administration (FCA)	Comment Period Reopened: Reduce Regulatory Burden of FCS.	<i>Federal Register</i> , Vol. 71, No. 115, 06/15/2006, 34549-34550.	Jul. 17, 2006
*	Federal Deposit Insurance Corporation (FDIC)	Comment Period Extended: Dividend Requirements.	<i>Federal Register</i> , Vol. 71, No. 124, 06/28/2006, 36717.	Aug. 16, 2006
*	FDIC	Comment Period Extended: One-Time Assessment Credit.	<i>Federal Register</i> , Vol. 71, No. 124, 06/28/2006, 36717-36718.	Aug. 16, 2006
*	FDIC	Comment Period Extended: Deposit Insurance Assessments.	<i>Federal Register</i> , Vol. 71, No. 124, 06/28/2006, 36718-36719.	Aug. 16, 2006
	Federal Emergency Management Agency (FEMA)	INTERIM FINAL RULE: NFIP Appeals Process.	<i>Federal Register</i> , Vol. 71, No. 102, 05/26/2006, 30294-30298.	Jul. 27, 2006 (Effective date: Jun. 26, 2006.)
*	Federal Reserve System (FRB)	ANPR: Threshold Requirements for Funds Transfers and Transmittal of Funds.	<i>Federal Register</i> , Vol. 71, No. 119, 06/21/2006, 35564-35567.	Aug. 21, 2006
*	FRB	Part I of Payments System Risk Policy Changes.	<i>Federal Register</i> , Vol. 71, No. 124, 06/28/2006, 36800-36811.	Sep. 22, 2006
*	FRB	Payments System Risk Policy Changes and Improvements.	<i>Federal Register</i> , Vol. 71, No. 119, 06/21/2006, 35679-35687.	Dec. 15, 2006
	Federal Trade Commission (FTC)	NOTICE: Extension of Comment Period on Business Opportunity Rule.	<i>Federal Register</i> , Vol. 71, No. 105, 06/01/2006, 31124-31125.	Jul. 17, 2006 (Rebuttal comments due: Aug. 07, 2006.)

*	Financial Crimes Enforcement Network (FinCEN)	ANPR: Threshold Requirements for Funds Transfers and Transmittal of Funds.	<i>Federal Register</i> , Vol. 71, No. 119, 06/21/2006, 35564-35567.	Aug. 21, 2006
*	Housing and Urban Development, Dept. (HUD)	NOTICE: Computer Matching with FEMA.	<i>Federal Register</i> , Vol. 71, No. 123, 06/27/2006, 36540-36542.	Jul. 27, 2006 (Computer matching expected to begin: Jul. 27, 2006.)
*	HUD	NOTICE: Change in Certain Multifamily MIP.	<i>Federal Register</i> , Vol. 71, No. 124, 06/28/2006, 36968-36969.	Jul. 28, 2006
	HUD	ANPR: Accelerated Claim and Asset Disposition Program.	<i>Federal Register</i> , Vol. 71, No. 107, 06/05/2006, 32392-32393.	Aug. 04, 2006
	HUD	Predatory Lending Practices.	<i>Federal Register</i> , Vol. 71, No. 109, 06/07/2006, 33144-33145.	Aug. 07, 2006
*	HUD	Manufactured Home Installation Program.	<i>Federal Register</i> , Vol. 71, No. 114, 06/14/2006, 34476-34505.	Aug. 14, 2006
*	HUD	LIBOR Index for ARMs.	<i>Federal Register</i> , Vol. 71, No. 117, 06/19/2006, 35370-35371.	Aug. 18, 2006
*	National Credit Union Administration (NCUA)	Revisions to Official Sign Indicating Insured Status.	<i>Federal Register</i> , Vol. 71, No. 124, 06/28/2006, 36719-36720.	Aug. 11, 2006
*	NCUA	Filing Requirements for SAR.	<i>Federal Register</i> , Vol. 71, No. 124, 06/28/2006, 36720-36723.	Aug. 28, 2006
*	NCUA	Conversion of Insured Credit Unions to Mutual Savings Banks.	<i>Federal Register</i> , Vol. 71, No. 124, 06/28/2006, 36946-36966.	Aug. 28, 2006
*	Office of Thrift Supervision (OTS)	Subordinated Debt Securities and Mandatorily Redeemable Preferred Stock.	<i>Federal Register</i> , Vol. 71, No. 127, 07/03/2006, 37862-37868.	Sep. 01, 2006

* Rural Housing Service (RHS)	NOTICE: Funding for Rural Housing Demonstration Program.	<i>Federal Register</i> , Vol. 71, No. 129, 07/06/2006, 38358-38360.	Jul. 06, 2006
* Securities and Exchange Commission (SEC)	NOTICE: Additional Comment Request on Investment Company Governance.	<i>Federal Register</i> , Vol. 71, No. 117, 06/19/2006, 35366-35367.	Aug. 24, 2006
* Small Business Administration (SBA)	Comment Period Extended: Lender Risk Rating System.	<i>Federal Register</i> , Vol. 71, No. 115, 06/15/2006, 34674.	Jul. 15, 2006
* SBA	Woman-Owned Small Business Federal Contract Assistance Program.	<i>Federal Register</i> , Vol. 71, No. 115, 06/15/2006, 34550-34563.	Jul. 17, 2006
SBA	Business Loan Programs.	<i>Federal Register</i> , Vol. 71, No. 102, 05/26/2006, 30323-30331.	Jul. 25, 2006
Treasury, Dept. of (Treasury)	Treasury Securities Lending Facility.	<i>Federal Register</i> , Vol. 71, No. 85, 05/03/2006, 26174-26178.	Aug. 11, 2006

* Denotes new item in the chart

FINAL RULES AND EFFECTIVE DATES

<u>Agency</u>	<u>Final Rule</u>	<u>Federal Register Publication Date and Page Number</u>	<u>Effective Date</u>
Commodity Credit Corporation (CCC)	NOTICE: Domestic Sugar Program.	<i>Federal Register</i> , Vol. 71, No. 102, 05/26/2006, 30373-30375.	2005-crop year Oct. 01, 2005 through Sep. 30, 2006.
* CCC	CORRECTION: Final Rule on MAL and LDP Programs.	<i>Federal Register</i> , Vol. 71, No. 117, 06/19/2006, 35147.	Jun. 06, 2006
CCC	NOTICE: Termination of Upland Cotton User Marketing Certificate Program (Step 2 Program).	<i>Federal Register</i> , Vol. 71, No. 74, 04/18/2006, 19851.	Aug. 01, 2006
Federal Communications Commission (FCC)	Junk Fax Prevention Act.	<i>Federal Register</i> , Vol. 71, No. 85, 05/03/2006, 25967-25979.	Aug. 01, 2006 (except for 47 CFR 64.1200(a)(3)(i),(ii), (iii), (iv), and (vi), as FCC will publish in <i>Federal Register</i> the effective dates of these paragraphs after OMB approval. Stay in 47 CFR 64.1200(f)(3) lifted May 03, 2006.)
* Federal Crop Insurance Corporation (FCIC)	Common Crop Insurance Regulations.	<i>Federal Register</i> , Vol. 71, No. 125, 06/29/2006, 36979-36983.	Jun. 29, 2006
Federal Deposit Insurance Corporation (FDIC)	NOTICE: Extension of the Consolidated Reports of Condition and Income (Call Report).	<i>Federal Register</i> , Vol. 71, No. 33, 02/17/2006, 8649-8657.	Staggered report changes to begin: Mar. 31, 2006; Sep. 30, 2006; Oct. 30, 2006; Mar. 31, 2007; and Mar. 31, 2008.
* FDIC	NOTICE: Reporting of Certain Deposit-Related Data in Call Report.	<i>Federal Register</i> , Vol. 71, No. 129, 07/06/2006, 38401-38402.	Jun. 30, 2006 and Sep. 30, 2006 Call Reports.
Federal Emergency Management Agency (FEMA)	INTERIM FINAL RULE: NFIP Appeals Process.	<i>Federal Register</i> , Vol. 71, No. 102, 05/26/2006, 30294-30298.	Jun. 26, 2006 (Comments due: Jul. 27, 2006.)

*	Federal Housing Finance Board (FHFB)	Data Reporting Requirements for Federal Home Loan Banks.	<i>Federal Register</i> , Vol. 71, No. 119, 06/21/2006, 35495-35500.	Jul. 21, 2006
	Federal Reserve System (FRB)	Regulation E: Electronic Check Conversion Services.	<i>Federal Register</i> , Vol. 71, No. 6, 01/10/2006, 1637-1664.	Feb. 09, 2006 (Mandatory Compliance date: Jan. 01, 2007.)
	FRB	NOTICE: Extension of the Consolidated Reports of Condition and Income (Call Report).	<i>Federal Register</i> , Vol. 71, No. 33, 02/17/2006, 8649-8657.	Staggered report changes to begin: Mar. 31, 2006; Sep. 30, 2006; Oct. 30, 2006; Mar. 31, 2007; and Mar. 31, 2008.
	FRB	NOTICE: Final Revisions for Financial Statements for Bank Holding Companies.	<i>Federal Register</i> , Vol. 71, No. 42, 03/06/2006, 11194-11203.	Beginning Mar. 31, 2006 through Mar. 31, 2007.
	FRB	FINAL POLICY: Currency Re-circulation.	<i>Federal Register</i> , Vol. 71, No. 56, 03/23/2006, 14694-14701.	Participation requests to begin May 2006 . Program operations to begin July 2006 . Fee assessment begins July 2007.
*	FRB	NOTICE: Reporting of Certain Deposit-Related Data in Call Report.	<i>Federal Register</i> , Vol. 71, No. 129, 07/06/2006, 38401-38402.	Jun. 30, 2006 and Sep. 30, 2006 Call Reports.
	FRB	Revising Policy Statement on Payments Systems Risk.	<i>Federal Register</i> , Vol. 69, No. 187, 09/28/2004, 57917-57931.	Jul. 20, 2006
	FRB	Regulation CC: Routing Symbol Amendments.	<i>Federal Register</i> , Vol. 71, No. 107, 06/05/2006, 32265-32266.	Aug. 19, 2006
*	Housing and Urban Development, Dept. (HUD)	NOTICE: Regulatory Waiver Requests.	<i>Federal Register</i> , Vol. 71, No. 128, 07/05/2006, 38214-38235.	Jan. 01, 2006 through Mar. 31, 2006
*	HUD	Debenture Interest Payment Changes.	<i>Federal Register</i> , Vol. 71, No. 120, 06/22/2006, 35992-35994.	Jul. 24, 2006

*	HUD	NOTICE: Computer Matching with FEMA.	<i>Federal Register</i> , Vol. 71, No. 123, 06/27/2006, 36540-36542.	Computer matching expected to begin: Jul. 27, 2006 (Comments due: Jul. 27, 2006.)
*	National Credit Union Administration (NCUA)	Indirect Vehicle Loans.	<i>Federal Register</i> , Vol. 71, No. 124, 06/28/2006, 36661-36667.	Jul. 28, 2006
*	NCUA	Organization and Operations of Federal Credit Unions.	<i>Federal Register</i> , Vol. 71, No. 124, 06/28/2006, 36667-36671.	Jul. 28, 2006
	NCUA	Amending Mandatory Compliance Date for Overdraft Protection Disclosure Requirements.	<i>Federal Register</i> , Vol. 71, No. 80, 04/26/2006, 24569-24571.	Amended mandatory compliance date: Oct. 01, 2006.
	Office of the Comptroller of Currency (OCC)	NOTICE: Extension of the Consolidated Reports of Condition and Income (Call Report).	<i>Federal Register</i> , Vol. 71, No. 33, 02/17/2006, 8649-8657.	Staggered report changes to begin: Mar. 31, 2006; Sep. 30, 2006; Oct. 30, 2006; Mar. 31, 2007; and Mar. 31, 2008.
*	OCC	NOTICE: Reporting of Certain Deposit-Related Data in Call Report.	<i>Federal Register</i> , Vol. 71, No. 129, 07/06/2006, 38401-38402.	Jun. 30, 2006 and Sep. 30, 2006 Call Reports.
	Rural Housing Service (RHS)	NOTICE: Available Funding for Section 502 Guaranteed Loan Program.	<i>Federal Register</i> , Vol. 71, No. 100, 05/24/2006, 29912-29914.	May 24, 2006 through Apr. 30, 2007.
	Securities and Exchange Commission (SEC)	Allowing Mutual Funds Redemption Fees.	<i>Federal Register</i> , Vol. 70, No. 52, 03/18/2005, 13327-13342.	May 23, 2005 (Compliance date: Oct. 16, 2006.)
	SEC	ORDER: Extends Broker-Dealer Financial Statement Requirements.	<i>Federal Register</i> , Vol. 70, No. 238, 12/13/2005, 73809-73810.	Fiscal year ending before Jan. 01, 2007.
	Small Business Administration (SBA)	INTERIM FINAL RULE: GO Loan Pilot Waiver.	<i>Federal Register</i> , Vol. 70, No. 221, 11/17/2005, 69645-69646.	Waiver is effective for GO Loan Pilot loans approved from Nov. 17, 2005 until Sep. 30, 2006.

*	SBA	Peg Rate Issued.	<i>Federal Register</i> , Vol. 71, No. 128, 07/05/2006, 38201.	Jul. – Sep. quarter of FY 2006.
	SBA	NOTICE: Extension of Community Express Pilot Program.	<i>Federal Register</i> , Vol. 71, No. 99, 05/23/2006, 29703.	Dec. 31, 2006
	SBA	NOTICE: Extension of Export Express Pilot Program.	<i>Federal Register</i> , Vol. 71, No. 99, 05/23/2006, 29703.	Dec. 31, 2006
*	Treasury, Dept. of (Treasury)	NOTICE: Reporting of Certain Deposit-Related Data in Call Report.	<i>Federal Register</i> , Vol. 71, No. 129, 07/06/2006, 38401-38402.	Jun. 30, 2006 and Sep. 30, 2006 Call Reports.

* *Denotes new item in the chart*