

While FMS continues to be responsible for any other operational and regulatory oversight of programs under 31 CFR part 203, responsibility for determining the acceptability and valuation of collateral pledged for programs under this regulation was recently transferred from FMS to BPD, another bureau within the Fiscal Service of the Department of the Treasury (Treasury). BPD has promulgated a regulation, codified at 31 CFR part 380 and published elsewhere in this issue of the **Federal Register**, governing such collateral acceptability and valuation. The current rule provides that (1) unless otherwise specified by the Secretary, collateral security pledged under § 203.24 may be transferable securities, owned by the depository free and clear of all liens, charges, or claims, of any of the classes listed in procedural instructions; and (2) collateral valuations will be assigned by the Federal Reserve Bank of the District. The revised rule results in no substantive change. The revised rule states that acceptable types and valuations of collateral are addressed in 31 CFR part 380. Pursuant to § 380.3, BPD has specified that the above provisions of the current rule continue.

Regulatory Analyses

It has been determined that this regulation is not a significant regulatory action as defined in Executive Order 12866. Therefore, a Regulatory Assessment is not required.

Executive Order 12866 and the President's memorandum of June 1, 1998 require each agency to write all rules in plain language. We invite your comments on the clarity of this rule. Please send any comments to the Department of the Treasury, Financial Management Service, Cash Management Policy and Planning Division, 401 14th Street, SW, Washington, DC 20227.

Because no notice of proposed rulemaking is required, the provisions of the Regulatory Flexibility Act do not apply.

Because this regulation merely affects internal agency organization and does not substantively change the current rule, no notice of proposed rulemaking is required by 5 USC 553.

List of Subjects in 31 CFR Part 203

Banks, Banking.

For the reasons set out in the preamble, 31 CFR part 203 is amended as follows:

PART 203—PAYMENT OF FEDERAL TAXES AND THE TREASURY TAX AND LOAN PROGRAM

1. The authority citation for part 203 continues to read as follows:

Authority: 12 U.S.C. 90, 265–266, 332, 391, 1452(d), 1464(k), 1767, 1789a, 2013, 2122 and 3102; 26 U.S.C. 6302; 31 U.S.C. 321, 323 and 3301–3304

2. Amend § 203.24 to revise paragraph (d) to read as follows:

§ 203.24 Collateral security requirements.

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(d) *Acceptable securities.* Types and valuations of acceptable collateral security are addressed in 31 CFR part 380. For a current list of acceptable classes of securities and instruments described in 31 CFR part 380 and their valuations, see the Bureau of the Public Debt's web site at www.publicdebt.treas.gov.

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Dated: September 1, 2000.

Richard L. Gregg,

Commissioner.

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DEPARTMENT OF THE TREASURY

Fiscal Service

31 CFR Part 225

RIN–1510–AA77

Acceptance of Bonds Secured by Government Obligations in Lieu of Bonds With Sureties

AGENCY: Financial Management Service, Fiscal Service, Treasury.

ACTION: Final rule.

SUMMARY: The Financial Management Service (FMS) is issuing this final rule which governs the acceptance of bonds secured by Government obligations in lieu of bonds with sureties. This revision adds references to the new rule of the Bureau of the Public Debt (BPD), codified at 31 CFR part 380, governing collateral acceptability and valuation. The revision is necessary because the responsibility for determining the acceptability and valuation of collateral was recently transferred from FMS to BPD.

EFFECTIVE DATE: October 13, 2000.

FOR FURTHER INFORMATION CONTACT:

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Policy and Planning Division, at (202) 874–6590; or Marc Seldin, Senior Attorney, at (202) 874–6680. A copy of this final rule is available on FMS' web site at the following address: www.fms.treas.gov/regs.html.

SUPPLEMENTARY INFORMATION:

Background

Persons required by Federal law to give an agency a surety bond instead may provide a bond secured by Government obligations. To assist agencies in reviewing and accepting such bonds, the Secretary of the Treasury promulgated regulations codified at 31 CFR part 225, which set forth requirements applicable to bonds secured by Government obligations in lieu of bonds with sureties. While the FMS continues to be responsible for all other operational and regulatory oversight of programs under 31 CFR part 225, responsibility for determining the acceptability and valuation of collateral pledged under this regulation was recently transferred from FMS to BPD, another bureau within the Fiscal Service of the Department of the Treasury (Treasury). BPD has promulgated a regulation, codified at 31 CFR part 380 and published elsewhere in this issue of the **Federal Register**, governing such collateral acceptability and valuation. The current rule reserves paragraph (e) within section 225.3. The revised rule inserts in this section appropriate references to the new BPD regulation. The revised rule results in no substantive change. Acceptable types of collateral security and their valuation under this revision are the same as exist currently. This rule also revises, for purposes of consistency, the format of the authority citation for this part.

Regulatory Analyses

It has been determined that this regulation is not a significant regulatory action as defined in Executive Order 12866. Therefore, a Regulatory Assessment is not required.

Executive Order 12866 and the President's memorandum of June 1, 1998 require each agency to write all rules in plain language. We invite your comments on the clarity of this rule. Please send any comments to the Department of the Treasury, Financial Management Service, Cash Management Policy and Planning Division, 401 14th Street, SW, Washington, DC 20227.

Because no notice of proposed rulemaking is required, the provisions of the Regulatory Flexibility Act do not apply.

Because this regulation merely affects internal agency organization and does not substantively change the current

rule, no notice of proposed rulemaking is required by 5 U.S.C. 553.

List of Subjects in 31 CFR Part 225

Banks, Banking.

For the reasons set out in the preamble, 31 CFR part 225 is amended as follows:

PART 225—ACCEPTANCE OF BONDS SECURED BY GOVERNMENT OBLIGATIONS IN LIEU OF BONDS WITH SURETIES

1. Revise the authority citation for part 225 to read as follows:

Authority: 12 U.S.C. 391; 31 U.S.C. 321, 9301 and 9303.

2. Amend § 225.3 to revise paragraph (e) to read as follows:

§ 225.3 Pledge of Government obligations in lieu of a bond with surety or sureties.

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(e) *Acceptable Government obligations.* Types and valuations of acceptable collateral security are addressed in 31 CFR part 380. For a current list of acceptable classes of securities and instruments described in 31 CFR part 380 and their valuations,

see the Bureau of the Public Debt's web site at www.publicdebt.treas.gov.

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Dated: September 1, 2000.

Richard L. Gregg,
Commissioner.

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