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FEDERAL RESERVE SYSTEM

12 CFR Part 201

[Regulation A]

Extensions of Credit by Federal Reserve Banks

AGENCY: Board of Governors of the Federal Reserve System.

ACTION: Final rule.

SUMMARY: The Board of Governors of the Federal Reserve System (Board) has adopted final amendments to its Regulation A to reflect the Board's approval of a decrease in the primary credit rate at each Federal Reserve Bank. The secondary credit rate at each Reserve Bank automatically decreased by formula as a result of the Board's primary credit rate action.

DATES: The amendments to part 201 (Regulation A) are effective November 6, 2008. The rate changes for primary and secondary credit were effective on the dates specified in 12 CFR 201.51, as amended.

FOR FURTHER INFORMATION CONTACT: Jennifer J. Johnson, Secretary of the Board (202/452-3259); for users of Telecommunication Devices for the Deaf (TDD) only, contact 202/263-4869.

SUPPLEMENTARY INFORMATION: The Federal Reserve Banks make primary and secondary credit available to depository institutions as a backup source of funding on a short-term basis, usually overnight. The primary and secondary credit rates are the interest rates that the twelve Federal Reserve Banks charge for extensions of credit under these programs. In accordance with the Federal Reserve Act, the primary and secondary credit rates are established by the boards of directors of the Federal Reserve Banks, subject to the review and determination of the Board.

The Board approved requests by the Reserve Banks to decrease by 50 basis points the primary credit rate in effect at each of the twelve Federal Reserve Banks, thereby decreasing from 1.75 percent to 1.25 percent the rate that each Reserve Bank charges for extensions of primary credit. As a result of the Board's action on the primary credit rate, the rate that each Reserve Bank charges for extensions of secondary credit automatically decreased from 2.25 percent to 1.75 percent under the secondary credit rate formula. The final amendments to Regulation A reflect these rate changes.

The 50-basis-point decrease in the primary credit rate was associated with a similar decrease in the target for the federal funds rate (from 1.50 percent to 1.00 percent) approved by the Federal Open Market Committee (Committee) and announced at the same time. A press release announcing these actions indicated that:

The pace of economic activity appears to have slowed markedly, owing importantly to a decline in consumer expenditures. Business equipment spending and industrial production have weakened in recent months, and slowing economic activity in many foreign economies is damping the prospects for U.S. exports. Moreover, the intensification of financial market turmoil is likely to exert additional restraint on spending, partly by further reducing the ability of households and businesses to obtain credit. In light of the declines in the prices of energy and other commodities and the weaker prospects for economic activity, the Committee expects inflation to moderate in coming quarters to levels consistent with price stability.

Recent policy actions, including today's rate reduction, coordinated interest rate cuts by central banks, extraordinary liquidity measures, and official steps to strengthen financial systems, should help over time to improve credit conditions and promote a return to moderate economic growth. Nevertheless, downside risks to growth remain. The Committee will monitor economic and financial developments carefully and will act as needed to promote sustainable economic growth and price stability.

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Regulatory Flexibility Act Certification

Pursuant to the Regulatory Flexibility Act (5 U.S.C. 605(b)), the Board certifies that the new primary and secondary credit rates will not have a significantly

adverse economic impact on a substantial number of small entities because the final rule does not impose any additional requirements on entities affected by the regulation.

Administrative Procedure Act

The Board did not follow the provisions of 5 U.S.C. 553(b) relating to notice and public participation in connection with the adoption of these amendments because the Board for good cause determined that delaying implementation of the new primary and secondary credit rates in order to allow notice and public comment would be unnecessary and contrary to the public interest in fostering price stability and sustainable economic growth. For these same reasons, the Board also has not provided 30 days prior notice of the effective date of the rule under section 553(d).

12 CFR Chapter II

List of Subjects in 12 CFR Part 201

Banks, Banking, Federal Reserve System, Reporting and recordkeeping.

Authority and Issuance

■ For the reasons set forth in the preamble, the Board is amending 12 CFR Chapter II to read as follows:

PART 201—EXTENSIONS OF CREDIT BY FEDERAL RESERVE BANKS (REGULATION A)

■ 1. The authority citation for part 201 continues to read as follows:

Authority: 12 U.S.C. 248(i)-(j), 343 *et seq.*, 347a, 347b, 347c, 348 *et seq.*, 357, 374, 374a, and 461.

■ 2. In § 201.51, paragraphs (a) and (b) are revised to read as follows:

§ 201.51 Interest rates applicable to credit extended by a Federal Reserve Bank.¹

(a) *Primary credit.* The interest rates for primary credit provided to depository institutions under § 201.4(a) are:

Federal Reserve Bank	Rate	Effective
Boston	1.25	October 29, 2008.
New York	1.25	October 29, 2008.

¹ The primary, secondary, and seasonal credit rates described in this section apply to both advances and discounts made under the primary, secondary, and seasonal credit programs, respectively.

Federal Reserve Bank	Rate	Effective
Philadelphia	1.25	October 30, 2008.
Cleveland	1.25	October 29, 2008.
Richmond	1.25	October 30, 2008.
Atlanta	1.25	October 31, 2008.
Chicago	1.25	October 29, 2008.
St. Louis	1.25	October 30, 2008.
Minneapolis	1.25	October 30, 2008.
Kansas City	1.25	October 29, 2008.
Dallas	1.25	October 30, 2008.
San Francisco ..	1.25	October 29, 2008.

(b) *Secondary credit.* The interest rates for secondary credit provided to depository institutions under 201.4(b) are:

Federal Reserve Bank	Rate	Effective
Boston	1.75	October 29, 2008.
New York	1.75	October 29, 2008.
Philadelphia	1.75	October 30, 2008.
Cleveland	1.75	October 29, 2008.
Richmond	1.75	October 30, 2008.
Atlanta	1.75	October 31, 2008.
Chicago	1.75	October 29, 2008.
St. Louis	1.75	October 30, 2008.
Minneapolis	1.75	October 30, 2008.
Kansas City	1.75	October 29, 2008.
Dallas	1.75	October 30, 2008.
San Francisco ..	1.75	October 29, 2008.

* * * * *

By order of the Board of Governors of the Federal Reserve System, November 3, 2008.
Jennifer J. Johnson,
Secretary of the Board.
 [FR Doc. E8-26483 Filed 11-5-08; 8:45 am]
BILLING CODE 6210-01-P

**DEPARTMENT OF TRANSPORTATION
 Federal Aviation Administration**

14 CFR Parts 23, 25, 33, and 35

[Docket No.: FAA-2007-27310; Amendment Nos. 23-59, 25-126, 33-28, and 35-5]

RIN 2120-A195

Airworthiness Standards; Propellers; Correction

AGENCY: Federal Aviation Administration (FAA), DOT.
ACTION: Final rule; corrections.

SUMMARY: This document corrects the amendment number and a typographical error in the final rule published in the **Federal Register** on Friday, October 24, 2008. The final rule amends the airworthiness standards for issuance of original and amended type certificates for airplane propellers.

DATES: This amendment becomes effective December 23, 2008.

FOR FURTHER INFORMATION CONTACT: Jay Turnberg, Engine and Propeller Directorate Standards Staff, ANE-110, Federal Aviation Administration, 12 New England Executive Park, Burlington, Massachusetts 01803-5299; telephone (781) 238-7116; facsimile (781) 238-7199, *e-mail:* jay.turnberg@faa.gov.

Correction

In the final rule, Airworthiness Standards; Propellers, published in the **Federal Register** issue of Friday, October 24, 2008, (73 FR 63339) make the following corrections:

1. On page 63339, in the second column, the fifth line of the heading, "Amendment No. 35-5" is corrected to read, "Amendment No. 35-8."
2. On page 63340, in the third column, revise the heading "Harmonization with S-P Amendment 1" to read "Harmonization with CS-P Amendment 1".

Issued in Washington, DC, on October 31, 2008.

Pamela Hamilton-Powell,
Director, Office of Rulemaking.
 [FR Doc. E8-26392 Filed 11-5-08; 8:45 am]
BILLING CODE 4910-13-P

**DEPARTMENT OF TRANSPORTATION
 Federal Aviation Administration**

14 CFR Part 29

[Docket No. SW022; Special Conditions No. 29-022-SC]

Special Conditions: Eurocopter France (ECF) Model EC225LP Helicopter, Installation of a Search and Rescue (SAR) Automatic Flight Control System (AFCS)

AGENCY: Federal Aviation Administration (FAA), DOT.
ACTION: Final special conditions; request for comments.

SUMMARY: These special conditions are issued for the ECF Model EC225LP helicopter. This helicopter will have novel or unusual design features associated with installing an optional SAR AFCS. The applicable airworthiness standards do not contain adequate or appropriate safety requirements for this design feature. These special conditions contain the additional safety standards the Administrator considers necessary to show a level of safety equivalent to that established by the existing airworthiness standards.

DATES: The effective date of these special conditions is October 30, 2008.

We must receive your comments by December 22, 2008.

ADDRESSES: You must mail or deliver two copies of your comments to: Federal Aviation Administration, Rotorcraft Directorate, Attn: Rules Docket (ASW-111), Docket No. SW022, 2601 Meacham Blvd., Fort Worth, Texas 76137. You must mark your comments: Docket No. SW022. You may inspect comments in the Rules Docket weekdays, except Federal holidays, between 8:30 a.m. and 4 p.m.

FOR FURTHER INFORMATION CONTACT: Jeff Trang, FAA, Rotorcraft Directorate, ASW-111, Aircraft Certification Service, 2601 Meacham Blvd., Fort Worth, Texas 76137; telephone (817) 222-5135; facsimile (817) 222-5961.

SUPPLEMENTARY INFORMATION: The FAA has determined that notice and opportunity for prior public comment hereon are impracticable because these procedures would significantly delay issuance of the design approval and thus delivery of the affected aircraft. The FAA therefore finds that good cause exists for making these special conditions effective on issuance.

Comments Invited

We invite interested people to take part in this rulemaking by sending written comments, data, or views. The most helpful comments reference a specific portion of the special conditions, explain the reason for any recommended change, and include supporting data. We ask that you send us two copies of written comments.

We will file in the docket all comments we receive, as well as a report summarizing each substantive public contact with FAA personnel about these special conditions. You can inspect the docket before and after the comment closing date. If you wish to review the docket in person, go to the address in the **ADDRESSES** section of this document between 8:30 a.m. and 4 p.m., Monday through Friday, except Federal holidays.

We will consider all comments we receive by the closing date for comments. We will consider comments filed late if it is possible to do so without incurring additional expense or delay. We may change these special conditions based on the comments we receive.

If you want us to let you know we received your comments on these special conditions, send us a preaddressed, stamped postcard on which the docket number appears. We will stamp the date on the postcard and mail it back to you.