within the metropolitan area remained the same. However, when the final rule was published, those two commuted travel time allowances appeared in the “outside” rather than “within” columns under metropolitan area in the table. This document corrects those errors.

List of Subjects in 9 CFR Part 97

Exports, Government employees, Imports, Livestock, Poultry and poultry products, Travel and transportation expenses.

Accordingly, 9 CFR part 97 is corrected by making the following correcting amendments:

PART 97—OVERTIME SERVICES RELATING TO IMPORTS AND EXPORTS

1. The authority citation for part 97 continues to read as follows:

COMMUTED TRAVELTIME ALLOWANCES

[In hours]

<table>
<thead>
<tr>
<th>Location covered</th>
<th>Served from</th>
<th>Metropolitan area</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>Within</td>
</tr>
<tr>
<td>Texas:</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Dallas-Fort Worth International Airport</td>
<td>Decatur</td>
<td>2</td>
</tr>
<tr>
<td>Do</td>
<td>Ft. Worth or Dallas</td>
<td>2</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Houston (including Houston Intercontinental Airport)</td>
<td>Bellville, TX</td>
<td>4</td>
</tr>
<tr>
<td>Do</td>
<td>Bryan, TX</td>
<td>4</td>
</tr>
<tr>
<td>Do</td>
<td>Georgetown, TX</td>
<td>8</td>
</tr>
<tr>
<td>Do</td>
<td>Pleasanton, TX</td>
<td>8</td>
</tr>
</tbody>
</table>

Done in Washington, DC, this 28th day of January 2015.

Kevin Shea,
Administrator, Animal and Plant Health Inspection Service.

[FR Doc. 2015–02027 Filed 2–2–15; 8:45 am]

BILLING CODE 3410–34–P

FEDERAL RESERVE SYSTEM

12 CFR Part 217

[Docket No. R–1508]

RIN 7100–AE 29

Regulation Q; Regulatory Capital Rules: Interim Final Rule To Exempt Small Savings and Loan Holding Companies From the Regulatory Capital Rules

AGENCY: Board of Governors of the Federal Reserve System (Board).

ACTION: Interim final rule with request for comment.

SUMMARY: The Board invites comment on an interim final rule that would exempt savings and loan holding companies that have total consolidated assets of less than $500 million and meet certain other requirements from the Board’s regulatory capital requirements (Regulation Q). This interim final rule implements a law recently passed by the U.S. Congress, which exempts small savings and loan holding companies from the minimum capital requirements mandated by section 171 of the Dodd-Frank Wall Street Reform and Consumer Protection Act that would meet the Board’s Small Bank Holding Company Policy Statement if they were bank holding companies. In connection with this interim final rule, the Board is proposing to remove the requirement that qualifying savings and loan holding companies complete Schedule SC–R, Part I (Regulatory Capital Components and Ratios), of form FR Y–9SP (Parent Company Only Financial Statements for Small Holding Companies).

DATES: This interim final rule is effective January 30, 2015. Comments on the interim final rule must be received on or before April 6, 2015, unless modified for technical reasons. Accordingly, your comments will not be edited to remove any identifying or contact information. Public comments may also be viewed electronically or in paper form in Room MP–500 of the Board’s Martin Building (20th and C Streets NW., Washington, DC 20551).

ADDRESSES: You may submit comments, identified by Docket No. R–1508 and RIN No. 7100–AE 29, by any of the following methods:


Email: regs.comments@federalreserve.gov. Include the docket number in the subject line of the message.

Fax: (202) 452–3819 or (202) 452–3102.

Mail: Robert deV. Frierson, Secretary, Board of Governors of the Federal Reserve System, 20th Street and Constitution Avenue NW., Washington, DC 20551.

All public comments will be made available on the Board’s Web site at http://www.federalreserve.gov/apps/foia/proposedregs.aspx as submitted, unless modified for technical reasons.
between 9:00 a.m. and 5:00 p.m. on weekdays.

**FOR FURTHER INFORMATION CONTACT:** Constance M. Horsley, Assistant Director, (202) 452–5239, Cynthia Ayouch, Manager, (202) 452–2204, Thomas Boemio, Manager (202) 452–2982, Douglas Carpenter, Senior Supervisor, Financial Analyst, (202) 452–2205, or Page Conkling, Supervisor, Financial Analyst (202) 912–4647, Capital and Regulatory Policy, Division of Banking Supervision and Regulation; Laurie Schaffer, Associate General Counsel, (202) 452–2277, Christine Graham, Counsel, (202) 452–3005, or Mark Buosh, Attorney, (202) 452–5270, Legal Division, Board of Governors of the Federal Reserve System, 20th and C Streets NW., Washington, DC 20551. For the hearing impaired only, Telecommunication Device for the Deaf (TDD), (202) 263–4869.

**SUPPLEMENTARY INFORMATION:**

I. Background

In 2010, Congress enacted the Dodd-Frank Wall Street Reform and Consumer Protection Act (Dodd-Frank Act) to address weaknesses in the financial system that contributed to the financial crisis. In part, the Dodd-Frank Act transferred supervision and regulatory responsibility for savings and loan holding companies to the Board from the Office of Thrift Supervision, and authorized the Board to promulgate regulations and orders in connection with supervising savings and loan holding companies, including establishing regulatory capital requirements.

In addition, section 171 of the Dodd-Frank Act directed the Board to impose minimum regulatory capital requirements on state member banks, bank holding companies, and savings and loan holding companies that are no less than the generally applicable minimum capital requirements applicable to insured depository institutions. Recognizing that small bank holding companies historically had not been subject to the Board’s capital adequacy guidelines, section 171 exempted bank holding companies that were subject to the Board’s Small Bank Holding Company Policy Statement (12 CFR part 225, appendix C) (Policy Statement). However, prior to enactment of Public Law 113–250 (described below), there was no corresponding exception for small savings and loan holding companies.

As a result of these actions, savings and loan holding companies of all sizes were made subject to the same minimum capital requirements that are generally applicable to banks. In July 2013, the Board adopted revisions to its regulatory capital framework (Regulation Q) to strengthen the requirements applicable to bank holding companies and state member banks, apply the regulatory capital framework to savings and loan holding companies for the first time in accordance with section 171 of the Dodd-Frank Act, and implement various requirements of the Dodd-Frank Act, including section 171. Consistent with section 171 (prior to enactment of Pub. L. 113–250, described below), Regulation Q did not apply to small bank holding companies and generally applied to savings and loan holding companies, regardless of size, beginning on January 1, 2015.

In December 2014, Congress enacted and the President signed into law Public Law 113–250 (the Act). Among other changes, the Act revised section 171 of the Dodd-Frank Act to exempt a savings and loan holding company from the minimum regulatory capital requirements of section 171 of the Dodd-Frank Act effective on December 18, 2014, to the extent that the savings and loan holding company would have been exempt if it had been a small bank holding company that met the requirements of the Policy Statement (qualifying savings and loan holding company). While it appears that consolidated assets of less than $500 million that (i) are not engaged in any nonbanking activities involving significant leverage; (ii) are not engaged in any significant off-balance sheet activities; and (iii) do not have a significant amount of outstanding debt that is held by the general public. See 12 CFR 225, appendix C.

As such, the first Qualitative Requirements specify that the savings and loan holding company: (i) Is not engaged in significant nonbanking activities either directly or through a nonbank subsidiary; (ii) does not conduct significant off-balance sheet activities (including securitization and asset management or administration) either directly or through a nonbank subsidiary; and (iii) does not have a material amount of debt or equity securities outstanding (other than trust preferred securities) that are registered with the Securities and Exchange Commission (SEC) (Qualitative Requirements). The Policy Statement currently applies only to bank holding companies. As such, the first Qualitative Requirement uses the terms

Congress intended to exempt a qualifying savings and loan holding company from minimum regulatory capital requirements upon passage of the Act, the Act instead simply removes the statutory requirement that the Board impose minimum regulatory capital requirements on such a savings and loan holding company. Because the Board adopted Regulation Q, as applied to savings and loan holding companies, pursuant to the Home Owners’ Loan Act and the Board’s general safety and soundness authority, prior to enactment of the Act, and those requirements became effective as of January 1, 2015, the Board believes it is appropriate to issue an interim final rule revising Regulation Q to exempt qualifying savings and loan holding companies from consolidated regulatory capital requirements in a manner consistent with the Act. Without such action, qualifying savings and loan holding companies are subject to Regulation Q as of January 1, 2015.

II. The Interim Final Rule

The interim final rule revises Regulation Q, effective January 30, 2015, to exclude a qualifying savings and loan holding company from consolidated regulatory capital requirements. Specifically, the exclusion from Regulation Q would apply to a savings and loan holding company that has total consolidated assets of less than $500 million and that also meets the qualitative requirements set forth in the Policy Statement. These qualitative requirements specify that the savings and loan holding company: (i) Is not engaged in significant nonbanking activities either directly or through a nonbank subsidiary; (ii) does not conduct significant off-balance sheet activities (including securitization and asset management or administration) either directly or through a nonbank subsidiary; and (iii) does not have a material amount of debt or equity securities outstanding (other than trust preferred securities) that are registered with the Securities and Exchange Commission (SEC) (Qualitative Requirements).
“nonbanking activities” and “nonbank subsidiary” to refer to the activities of a bank holding company. Under the Bank Holding Company Act of 1956, however, control of a savings association by a bank holding company is considered a nonbanking activity.11 As is the case with bank holding companies, whether a savings and loan company engages in “significant” nonbanking activities (other than operation of one or more savings associations) will depend on the scope of the activities of the savings and loan company, the nature and level of risk of the activities, the condition of the savings and loan company, and other criteria as appropriate.12

III. Related Rulemaking and Revisions to Reporting Requirements

In connection with this interim final rule, the Board proposes to remove the requirement that qualifying savings and loan holding companies complete Schedule SC–R, Part I (Regulatory Capital Components and Ratios) of form FR Y–9SP (Parent Company Only Financial Statements for Small Holding Companies).14 This schedule would have collected information on consolidated regulatory capital components and ratios from qualifying savings and loan holding companies that are subject to Regulation Q, effective June 30, 2015. Because the interim final rule excludes a qualifying savings and loan holding company from Regulation Q, the Board would not require such a savings and loan holding company to report information regarding regulatory capital components on the form FR Y–9SP.

In addition to amending section 171 for qualifying savings and loan holding companies as described above, the Act directs the Board to publish in the Federal Register proposed revisions to the Policy Statement that provide that the Policy Statement shall apply to bank holding companies and savings and loan holding companies that have pro forma consolidated assets of less than $1 billion. Elsewhere in today’s Federal Register, the Board is inviting comment on a proposal that would raise the asset size threshold for determining applicability of the Policy Statement and expand the scope of the Policy Statement to include savings and loan holding companies.

IV. Request for Comments

The Board invites comment on all aspects of the interim final rule.

V. Effective Date; Solicitation of Comments

This interim final rule is effective January 30, 2015. Pursuant to the Administrative Procedure Act (APA), at 5 U.S.C. 553(b)(B), notice and comment are not required prior to the issuance of a final rule if an agency, for good cause, finds that “notice and public procedure thereon are impracticable, unnecessary, or contrary to the public interest.”15 Similarly, a final rule may be published with an immediate effective date if an agency finds good cause and publishes such with the final rule.16 In December 18, 2014, the President signed into law Public Law 113–250, which revised section 171 of the Dodd-Frank Act. Public Law 113–250 was effective upon enactment and exempts a savings and loan holding company from the minimum capital requirements of section 171 of the Dodd-Frank Act to the extent that the savings and loan holding company would have been exempt if it were a similarly-sized bank holding company. Prior to enactment of the Act, the Board revised the minimum capital requirements in accordance with section 171 of the Dodd-Frank Act and, in accordance with that section, made these minimum capital requirements applicable to savings and loan holding companies of all sizes. Because Congress intended to exempt qualifying savings and loan holding companies from minimum capital requirements upon passage of the Act, the Board believes it is appropriate to revise Regulation Q in order to effect Congressional intent.17

13 See 12 U.S.C. 1841(c)(2)(B), 1841(j), and 1843(f)(1).
14 See, e.g., Public Law 113–250, sec. 2(b).
15 For purposes of applying the Policy Statement to savings and loan holding companies, the term “nonbank subsidiary” as used in the Policy Statement would refer to a subsidiary of a savings and loan holding company other than a savings association or a subsidiary of a savings association.
16 Pursuant to Paperwork Reduction Act’s emergency review process, 44 U.S.C. 3507(i), the Board is filing an emergency clearance review to remove the requirement that qualifying savings and loan holding companies complete Schedule SC–R, Part I of form FR Y–9SP. The change implemented through the emergency clearance process would be effective for six months. The Board is now proposing to make the change permanent and invites public comment.

17 The requirements of the RFA are not applicable to rules adopted under the Administrative Procedure Act’s “good cause” exception. See 5 U.S.C. 553(b)(B), 553(d)(3)(B).
18 Under standards the U.S. Small Business Administration has established, an entity is considered “small” if it has $175 million or less in assets for banks and other depository institutions, U.S. Small Business Administration, Table of Small Business Size Standards Matched to North American Industry Classification System Codes, available at http://www.sba.gov/idc/groups/public/documents/sba_homepage/serv_soa_tablepdf.pdf.
entities. Based on this analysis and for the reasons stated below, the Board believes that this interim final rule will not have a significant economic impact on a substantial number of small entities.

Under regulations issued by the U.S. Small Business Administration, a small entity includes a depository institution, bank holding company, or savings and loan holding company with total assets of $500 million or less (a small banking organization). As of June 30, 2014, there were 254 small savings and loan holding companies.

The Board believes that this interim final rule will reduce regulatory burden by excluding a significant majority of savings and loan holding companies with less than $500 million in total consolidated assets from the Board’s regulatory capital requirements in Regulation Q. The Board believes that most affected savings and loan holding companies currently have sufficient capital to satisfy the minimum requirements of Regulation Q. Therefore, the relief provided by this interim final rule relates largely to the significant burden of establishing and maintaining the systems necessary to monitor and demonstrate compliance with Regulation Q.

The Board is aware of no other Federal rules that duplicate, overlap, or conflict with this interim final rule. The Board does not believe that there are significant alternatives to the interim final rule that would reduce the economic impact on small banking organizations supervised by the Board.

B. Paperwork Reduction Act Analysis

In accordance with section 3512 of the Paperwork Reduction Act of 1995 (44 U.S.C. 3501–3521) (PRA), the Board may not conduct or sponsor, and a respondent is not required to respond to, an information collection unless it displays a currently valid Office of Management and Budget (OMB) control number. The OMB control number is 7100–0128. The Board reviewed the interim final rule under the authority delegated to the Board by OMB. The interim final rule contains requirements subject to the PRA. The reporting requirements are found in sections 217.1(c)(1)(ii).

Comments are invited on:
(a) Whether the proposed collections of information are necessary for the proper performance of the Federal Reserve’s functions, including whether the information has practical utility;
(b) The accuracy of the Federal Reserve’s estimate of the burden of the proposed information collections, including the validity of the methodology and assumptions used;
(c) Ways to enhance the quality, utility, and clarity of the information to be collected;
(d) Ways to minimize the burden of the information collections on respondents, including through the use of automated collection techniques or other forms of information technology; and
(e) Estimates of capital or startup costs and costs of operation, maintenance, and purchase of services to provide information.

All comments will become a matter of public record. Comments on aspects of this notice that may affect reporting, recordkeeping, or disclosure requirements and burden estimates should be sent to: Secretary, Board of Governors of the Federal Reserve System, 20th and C Streets NW., Washington, DC 20551. A copy of the comments may also be submitted to the OMB desk officer: By mail to U.S. Office of Management and Budget, 725 17th Street NW., #10235, Washington, DC 20503 or by facsimile to 202–395–5806, Attention, Agency Desk Officer.

Proposed Revisions, With Extension, to the Following Information Collection

Title of Information Collection: Consolidated Financial Statements for Holding Companies; Parent Company Only Financial Statements for Large Holding Companies; Parent Company Only Financial Statements for Small Holding Companies; Financial Statements for Employee Stock Ownership Plan Holding Companies; and Supplement to the Consolidated Financial Statements for Holding Companies.

Agency Form Number: FR Y–9C; FR Y–9LP; FR Y–9SP; FR Y–9ES; and FR Y–9CS.

OMB Control Number: 7100–0128.

Frequency of Response: Quarterly, semiannually, annually, and on occasion.

Affected Public: Businesses or other for-profit.

Respondents: Bank holding companies, savings and loan holding companies, and securities holding companies (collectively, “holding companies”).

additional data from advanced approaches HCs.

Pursuant to the PRA’s emergency review process, 44 U.S.C. 3507(j), the Board is filing an emergency clearance review to eliminate Schedule SC–R, Regulatory Capital, Part I, on the Parent Company Only Financial Statements for Small Holding Companies (FR Y–9SP) to reduce burden on small SLHCs immediately. In the emergency submission, the burden for the FR Y–9SP related to the elimination of Schedule SC–R, Regulatory Capital, Part I, would decrease by 156,935 hours. The change implemented through the emergency clearance process would be effective for six months. The Board is now proposing to make the change permanent and welcomes public comment on any aspect of this information collection. The burden estimates below reflect the updated number from the total emergency clearance review.

Estimated Paperwork Burden

Estimated Burden per Response:
FR Y–9C (non Advanced Approaches bank holding companies)—48.84 hours;
FR Y–9C (Advanced Approaches bank holding companies)—50.09 hours;
FR Y–9LP—5.25 hours;
FR Y–9SP—5.40 hours;
FR Y–9ES—0.5 hours; and
FR Y–9CS—0.5 hours.

Number of respondents:
FR Y–9C (non Advanced Approaches bank holding companies)—644;
FR Y–9C (Advanced Approaches bank holding companies)—12;
FR Y–9LP—818;
FR Y–9SP—4,390;
FR Y–9ES—86; and
FR Y–9CS—236.

Total estimated annual burden:
FR Y–9C (non Advanced Approaches bank holding companies)—125,812 hours;
FR Y–9C (Advanced Approaches bank holding companies)—2,404 hours;
FR Y–9LP—17,178 hours;
FR Y–9SP—47,412 hours;
FR Y–9ES—43 hours; and
FR Y–9CS—472 hours. (Total burden 193,321 hours)

C. Plain Language

Section 722 of the Gramm-Leach-Bliley Act requires the Federal banking agencies to use “plain language” in all proposed and final rules published after January 1, 2000. In light of this requirement, the Board has sought to present the interim final rule in a simple and straightforward manner. The Board invites comments on whether there are additional steps it could take to make the rule easier to understand.

List of Subjects in 12 CFR Part 217

Administrative practice and procedure, Banks, banking, Capital, Federal Reserve System, Holding companies, Reporting and recordkeeping requirements, Securities.

Board of Governors of the Federal Reserve System

12 CFR CHAPTER II

Authority and Issuance

For the reasons set forth in the supplementary information, the Board amends 12 CFR Chapter II part 217 to read as follows:

PART 217—CAPITAL ADEQUACY OF BANK HOLDING COMPANIES, SAVINGS AND LOAN HOLDING COMPANIES, AND STATE MEMBER BANKS (REGULATION Q)

§ 217.1 Purpose, applicability, reservations of authority, and timing.

1. The authority citation for part 217 continues to read as follows:


2. In § 217.1, amend paragraph (c)(1)(iii) to read as follows:

§ 217.1 Purpose, applicability, reservations of authority, and timing.

* * * * *

(c) * * *

(1) * * *

(iii) A covered savings and loan holding company domiciled in the United States, other than a savings and loan holding company that has total consolidated assets of less than $500 million and meets the requirements of 12 CFR part 225, Appendix C, as if the savings and loan holding company were a bank holding company and the savings association were a bank. For purposes of compliance with the capital adequacy requirements and calculations in this part, savings and loan holding companies that do not file the FR Y–9C should follow the instructions to the FR Y–9C.

* * * * *


Michael Lewandowski,
Associate Secretary of the Board.


BILLING CODE 6210–01–P