

# Proposed Rules

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This section of the FEDERAL REGISTER contains notices to the public of the proposed issuance of rules and regulations. The purpose of these notices is to give interested persons an opportunity to participate in the rule making prior to the adoption of the final rules.

## FEDERAL RESERVE SYSTEM

### 12 CFR Part 217 and 252

[Regulations Q and YY; Docket No. R-1523]

RIN 7100-AE37

#### Total Loss-Absorbing Capacity, Long-Term Debt, and Clean Holding Company Requirements for Systemically Important U.S. Bank Holding Companies and Intermediate Holding Companies of Systemically Important Foreign Banking Organizations; Regulatory Capital Deduction for Investments in Certain Unsecured Debt of Systemically Important U.S. Bank Holding Companies

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

**ACTION:** Proposed rulemaking; extension of comment period.

**SUMMARY:** On November 30, 2015, the Board published in the *Federal Register* a notice of proposed rulemaking inviting public comment on a proposed rule to promote financial stability by improving the resolvability and resiliency of large, interconnected U.S. bank holding companies and the U.S. operations of large, interconnected foreign banking organizations pursuant to section 165 of the Dodd-Frank Wall Street Reform and Consumer Protection Act (Dodd-Frank Act) and related deduction requirements for all banking organizations subject to the Board's capital rules.

Due to the range and complexity of the issues addressed in the notice of proposed rulemaking, the Board has determined that an extension of the public comment period until February 19, 2016, is appropriate. This action will allow interested persons additional time to analyze the notice and prepare their comments.

**DATES:** The comment period for the proposed rule published on November 30, 2015 (80 FR 74925), is extended. Comments on the proposed rule must be received on or before February 19, 2016.

**ADDRESSES:** You may submit comments by any of the methods identified in the notice of proposed rulemaking.<sup>1</sup> Please submit your comments using only one method.

**FOR FURTHER INFORMATION CONTACT:**

Constance M. Horsley, Assistant Director, (202) 452-5239, Thomas Boemio, Senior Project Manager, (202) 452-2982, Juan C. Climent, Manager, (202) 872-7526, Felton Booker, Senior Supervisory Financial Analyst, (202) 912-4651, Sean Healey, Senior Financial Analyst, (202) 912-4611, or Mark Savignac, Senior Financial Analyst, (202) 475-7606, Division of Banking Supervision and Regulation; or Laurie Schaffer, Associate General Counsel, (202) 452-2272, Benjamin McDonough, Special Counsel, (202) 452-2036, Jay Schwarz, Senior Counsel, (202) 452-2970, Will Giles, Counsel, (202) 452-3351, Mark Buresh, Senior Attorney, (202) 452-5270, or Greg Frischmann, Senior Attorney, (202) 452-2803, Legal Division, Board of Governors of the Federal Reserve System, 20th and C Streets NW., Washington, DC 20551. For the hearing impaired only, Telecommunications Device for the Deaf (TDD) users may contact (202) 263-4869.

**SUPPLEMENTARY INFORMATION:** On November 30, 2015, the Board published in the *Federal Register* a notice of proposed rulemaking inviting public comment on a proposed rule to promote financial stability by improving the resolvability and resiliency of large, interconnected U.S. bank holding companies and the U.S. operations of large, interconnected foreign banking organizations pursuant to section 165 of the Dodd-Frank Act and related deduction requirements for all banking organizations subject to the Board's capital rules. Under the proposed rule, a U.S. top-tier bank holding company identified by the Board as a global systemically important banking organization (covered BHC) would be required to maintain outstanding a minimum amount of loss-absorbing instruments, including a minimum

amount of unsecured long-term debt, and related buffer. Similarly, the proposed rule would require the top-tier U.S. intermediate holding company of a global systemically important foreign banking organization with \$50 billion or more in U.S. non-branch assets (covered IHC) to maintain outstanding a minimum amount of intra-group loss-absorbing instruments, including a minimum amount of unsecured long-term debt, and related buffer. The proposed rule would also impose restrictions on the other liabilities that a covered BHC or covered IHC may have outstanding. Finally, the proposed rule would require state member banks, bank holding companies, and savings and loan holding companies that are subject to the Board's capital rules to apply a regulatory capital deduction treatment to their investments in unsecured debt issued by covered BHCs.

In recognition of the complexities of the issues involved and the variety of considerations involved in its impact and implementation, the Board requested that commenters respond to numerous questions. The proposed rule stated that the public comment period would close on February 1, 2016.<sup>2</sup>

The Board has received a request from the public for an extension of the comment period to allow for additional time for comments related to the provisions of the proposed rule.<sup>3</sup> The Board believes that the additional period for comment will facilitate public comment on the questions posed by the Board in the proposed rule. Therefore, the Board is extending the end of the comment period for the proposed rule from February 1, 2016, to February 19, 2016.

By order of the Board of Governors of the Federal Reserve System, acting through the Secretary of the Board under delegated authority, January 29, 2016.

**Robert deV. Frierson,**

*Secretary of the Board.*

[FR Doc. 2016-02113 Filed 2-3-16; 8:45 am]

**BILLING CODE P**

<sup>1</sup> See Total Loss-Absorbing Capacity, Long-Term Debt, and Clean Holding Company Requirements for Systemically Important U.S. Bank Holding Companies and Intermediate Holding Companies of Systemically Important Foreign Banking Organizations; Regulatory Capital Deduction for Investments in Certain Unsecured Debt of Systemically Important U.S. Bank Holding Companies, 80 FR 74925 (Nov. 30, 2015).

<sup>2</sup> *Id.*

<sup>3</sup> See Comment letter to the Board from the American Bankers Association *et al.* (Jan. 25, 2016).