

# Rules and Regulations

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This section of the FEDERAL REGISTER contains regulatory documents having general applicability and legal effect, most of which are keyed to and codified in the Code of Federal Regulations, which is published under 50 titles pursuant to 44 U.S.C. 1510.

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## FEDERAL DEPOSIT INSURANCE CORPORATION

### 12 CFR Parts 338 and 343

RIN 3064-AF84

#### Fair Housing Rule, Consumer Protection in Sales of Insurance Rule; Technical Correction

**AGENCY:** Federal Deposit Insurance Corporation.

**ACTION:** Technical correction.

**SUMMARY:** The Federal Deposit Insurance Corporation (FDIC) is making technical corrections to two regulations to reflect a reorganization and change in the name of its former Consumer Response Center. The new name is the National Center for Consumer and Depositor Assistance (NCDA). The two regulations are the FDIC's Fair Housing Rule and its Consumer Protection in Sales of Insurance Rule.

**DATES:** Effective August 8, 2022.

**FOR FURTHER INFORMATION CONTACT:** Alys V. Brown, Attorney, Legal Division, 202-898-3565, [alybrown@fdic.gov](mailto:alybrown@fdic.gov); Thaddeus J. King, Policy Analyst, Division of Depositor and Consumer Protection, 202-898-3541, [thking@fdic.gov](mailto:thking@fdic.gov).

#### SUPPLEMENTARY INFORMATION:

##### Background

The final regulations that are subject to this technical correction are the Fair Housing Rule and the Consumer Protection in Sales of Insurance Rule. The Fair Housing Rule prohibits FDIC-supervised institutions from engaging in discriminatory advertising involving residential real estate-related transactions. The Consumer Protection in Sales of Insurance Rule prohibits certain actions in connection with retail sales practices, solicitations, advertising, or offers of insurance products.

#### Need for, and Effects of, the Technical Correction

Historically, the FDIC operated two separate offices to handle its consumer assistance and depositor assistance functions, the Consumer Response Center and the Deposit Insurance Section respectively. To improve the efficiency and effectiveness of these offices and better serve consumers and depositors, the FDIC consolidated the two offices under one organization, entitled the National Center for Consumer and Depositor Assistance.

To ensure that consumers have the most up to date information on how to contact the FDIC to submit consumer complaints and deposit insurance inquiries, the FDIC is making technical corrections to 12 CFR part 338 and 12 CFR part 343 to replace references to the "Consumer Response Center" with the "National Center for Consumer and Depositor Assistance," and to correct web addresses.

This technical correction may benefit some consumers by making it easier for them to contact the FDIC regarding complaints or questions about deposit insurance. The correction does not change any FDIC requirements affecting its supervised institutions.

#### List of Subjects

##### 12 CFR Part 338

Aged, Banks, banking, Civil rights, Credit, Fair housing, Individuals with disabilities, Marital status discrimination, Mortgages, Religious discrimination, Reporting and recordkeeping requirements, Savings associations, Sex discrimination, Signs and symbols.

##### 12 CFR Part 343

Banks, banking, Consumer protection, Insurance, Savings associations.

#### Authority and Issuance

For the reasons stated in the preamble, the FDIC amends 12 CFR parts 338 and 343 as follows:

#### PART 338—FAIR HOUSING

■ 1. The authority citation for part 338 continues to read as follows:

**Authority:** 12 U.S.C. 1817, 1818, 1819, 1820(b), 2801 *et seq.*; 15 U.S.C. 1691 *et seq.*; 42 U.S.C. 3605, 3608; 12 CFR parts 1002, 1003; 24 CFR part 110.

■ 2. Amend § 338.4 by revising paragraph (b) to read as follows:

#### § 338.4 Fair Housing Poster.

\* \* \* \* \*

(b) The Equal Housing Lender Poster shall be at least 11 by 14 inches in size and have the following text:

We Do Business in Accordance with Federal Fair Lending Laws.

UNDER THE FEDERAL FAIR HOUSING ACT, IT IS ILLEGAL, ON THE BASIS OF RACE, COLOR, NATIONAL ORIGIN, RELIGION, SEX, HANDICAP, OR FAMILIAL STATUS (HAVING CHILDREN UNDER THE AGE OF 18) TO:

- Deny a loan for the purpose of purchasing, constructing, improving, repairing or maintaining a dwelling or to deny any loan secured by a dwelling; or
- Discriminate in fixing the amount, interest rate, duration, application procedures, or other terms or conditions of such a loan or in appraising property.

IF YOU BELIEVE YOU HAVE BEEN DISCRIMINATED AGAINST, YOU SHOULD SEND A COMPLAINT TO:

Assistant Secretary for Fair Housing and Equal Opportunity, Department of Housing and Urban Development, Washington, DC 20410.

For processing under the Federal Fair Housing Act

AND TO:

Federal Deposit Insurance Corporation, National Center for Consumer and Depositor Assistance, <https://ask.fdic.gov/fdicinformationandsupportcenter>.

For processing under the FDIC Regulations.

UNDER THE EQUAL CREDIT OPPORTUNITY ACT, IT IS ILLEGAL TO DISCRIMINATE IN ANY CREDIT TRANSACTION:

- On the basis of race, color, national origin, religion, sex, marital status, or age;
- Because income is from public assistance; or
- Because a right has been exercised under the Consumer Credit Protection Act.

IF YOU BELIEVE YOU HAVE BEEN DISCRIMINATED AGAINST, YOU SHOULD SEND A COMPLAINT TO:

Federal Deposit Insurance Corporation, National Center for Consumer and Depositor Assistance,

<https://ask.fdic.gov/fdicinformationandsupportcenter>.

\* \* \* \* \*

## PART 343—CONSUMER PROTECTION IN SALES OF INSURANCE

■ 3. The authority citation for part 343 continues to read as follows:

**Authority:** 12 U.S.C. 1819 (Seventh and Tenth), 1831x.

■ 4. Revise appendix A to part 343 to read as follows:

### Appendix A to Part 343—Consumer Grievance Process

Any consumer who believes that any institution or any other person selling, soliciting, advertising, or offering insurance products or annuities to the consumer at an office of the institution or on behalf of the institution has violated the requirements of this part should contact the Division of Depositor and Consumer Protection, National Center for Consumer and Deposit Assistance, Federal Deposit Insurance Corporation, 1100 Walnut Street, Box #11, Kansas City, MO 64106, or telephone 1-877-275-3342, or FDIC Electronic Customer Assistance Form at <https://ask.fdic.gov/fdicinformationandsupportcenter>.

Federal Deposit Insurance Corporation.

Dated at Washington, DC, on August 3, 2022.

**James P. Sheesley,**

*Assistant Executive Secretary.*

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## SMALL BUSINESS ADMINISTRATION

### 13 CFR Part 115

RIN 3245-AH08

### Regulatory Reform Initiative: Streamlining Surety Bond Guarantee Program

**AGENCY:** U.S. Small Business Administration.

**ACTION:** Final rule.

**SUMMARY:** This final rule revises various regulations related to SBA's Surety Bond Guarantee (SBG) program because they are obsolete, unnecessary, ineffective, or burdensome. Additionally, this final rule clarifies and modernizes certain regulations and conforms them to industry standards.

**DATES:** This rule is effective September 7, 2022.

**FOR FURTHER INFORMATION CONTACT:** Jermaine Perry, Management Analyst, Office of Surety Guarantees at (202) 401-8275 or [jermaine.perry@sba.gov](mailto:jermaine.perry@sba.gov).

**SUPPLEMENTARY INFORMATION:**

### A. General Information

The U.S. Small Business Administration (SBA) guarantees bid, payment, and performance bonds for small and emerging contractors who cannot obtain surety bonds through regular commercial channels. SBA's guarantee, authorized pursuant to part B of title IV of the Small Business Investment Act of 1958, 15 U.S.C. 694a *et seq.*, gives Sureties an incentive to provide bonding for small businesses and thereby assists small businesses in obtaining greater access to contracting opportunities. SBA's guarantee is an agreement between a Surety and SBA that SBA will assume a certain percentage of the Surety's loss should a contractor default on the underlying contract. SBA is authorized to guarantee a Surety for a contract up to \$6.5 million and, with the certification of a contracting officer of a Federal agency, up to \$10 million. For more information about SBA's Surety Bond Guarantee Program (SBG Program), see <https://www.sba.gov/funding-programs/surety-bonds>.

As part of its ongoing responsibility to ensure that the rules it issues do not have an adverse economic impact on those affected by those rules, the U.S. Small Business Administration (SBA) published an Advance Notice of Proposed Rulemaking (ANPRM) in the **Federal Register** on June 3, 2019 (84 FR 25496) seeking input from the public in identifying regulations under the SBG Program that affected parties believed should be repealed, replaced, or modified because they are obsolete, unnecessary, ineffective, or burdensome. In the ANPRM, SBA also solicited comments from the public on how SBA can improve the surety bond products, procedures, forms, and reporting requirements of the SBG Program. SBA considered the 54 comments submitted by the public in response and published a proposed rule in the **Federal Register** on September 23, 2021 (86 FR 52844) to revise various regulations in part 115 of title 13 of the Code of Federal Regulations that are obsolete, unnecessary, ineffective, or burdensome and to clarify and modernize certain regulations to conform them to industry standards. The comment period was open until November 22, 2021.

In response to the request for comments, SBA received 8 comments, including 2 from national trade associations, 5 from surety organizations, and 1 was anonymous. The commenters expressed general support for all or some of the proposed changes, and SBA received no

comments expressing opposition to any of the proposed changes (with one comment received that did not relate to any of the proposed changes).

The comments received are summarized and addressed below in the section-by-section analysis.

### C. Section-by-Section Analysis

**Section 115.10.** Under the current definition of "Contract" in this section, a Contract may include a maintenance agreement that is ancillary to a Contract for which SBA is guaranteeing the bond ("ancillary maintenance agreement"). SBA proposed to clarify the definition for these ancillary maintenance agreements and to also expand the definition of Contract to include stand-alone maintenance agreements.

Under the current definition, SBA will guarantee the bond for a maintenance agreement if the agreement is for 2 years or less and covers defective workmanship or materials only. It has been SBA's long-standing interpretation that the maintenance agreement must be ancillary to the Contract for which SBA is guaranteeing the bond and may not cover defective workmanship or materials that is covered by a manufacturer's warranty. The current definition also provides that, with SBA's written approval, the term of a maintenance agreement can be longer than 2 years for defective workmanship or materials or cover something other than defective workmanship or materials if the agreement is ancillary to the Contract for which SBA is guaranteeing a bond, is performed by the same Principal, and is customarily required in the relevant trade or industry.

For clarity, SBA proposed to modify the existing definition by expressly applying the following requirements to all ancillary maintenance agreements: (1) the agreement must be ancillary to a Contract for which SBA is guaranteeing a bond; (2) the agreement must be performed by the same Principal; and (3) the agreement may only cover defective workmanship or materials that are not covered by a manufacturer's warranty. With SBA's prior written approval, the agreement covering defective workmanship or materials may be for a term longer than 2 years, or the agreement may cover something other than defective workmanship or materials, if such agreement is customarily required in the relevant trade or industry.

SBA received one comment from a national trade association expressing support for the changes to the definition, noting that the need for the SBG Program to cover stand-alone