approved the renewal of the secondary credit rate formula, the primary credit rate plus 50 basis points. Under the formula, the secondary credit rate in effect at each of the twelve Federal Reserve Banks increased by 0.75 percentage points as a result of the Board’s primary credit rate action, thereby increasing from 2.25 percent to 3.00 percent the rate that each Reserve Bank charges for extensions of secondary credit. The amendments to Regulation A reflect these rate changes.

The 0.75 percentage point increase in the primary credit rate was associated with a 0.75 percentage point increase in the target range for the federal funds rate (from a target range of 11⁄2 percent to 13⁄4 percent to 21⁄4 percent to 21⁄2 percent) announced by the Federal Open Market Committee on July 27, 2022, as described in the Board’s amendment of its Regulation D published elsewhere in today’s issue of the Federal Register.

Administrative Procedure Act

In general, the Administrative Procedure Act (“APA”)1 imposes three principal requirements when an agency promulgates legislative rules (rules made pursuant to Congressionally-delegated authority): (1) publication with adequate notice of a proposed rule; (2) followed by a meaningful opportunity for the public to comment on the rule’s content; and (3) publication of the final rule not less than 30 days before its effective date. The APA provides that notice and comment procedures do not apply if the agency for good cause finds them to be “unnecessary, impracticable, or contrary to the public interest.”2 Section 553(d) of the APA also provides that publication at least 30 days prior to a rule’s effective date is not required for (1) a substantive rule which grants or recognizes an exemption or relieves a restriction; (2) interpretive rules and statements of policy; or (3) a rule for which the agency finds good cause for shortened notice and publishes its reasoning with the rule.3 The APA further provides that the notice, public comment, and delayed effective date requirements of 5 U.S.C. 553 do not apply “to the extent that there is involved . . . a matter relating to agency management or personnel or to public property, loans, grants, benefits, or contracts.”4

Regulation A establishes the interest rates that the twelve Reserve Banks charge for extensions of primary credit and secondary credit. The Board has determined that the notice, public comment, and delayed effective date requirements of the APA do not apply to these final amendments to Regulation A. The amendments involve a matter relating to loans and are therefore exempt under the terms of the APA. Furthermore, because delay would undermine the Board’s action in responding to economic data and conditions, the Board has determined that “good cause” exists within the meaning of the APA to dispense with the notice, public comment, and delayed effective date procedures of the APA with respect to the final amendments to Regulation A.

Regulatory Flexibility Analysis

The Regulatory Flexibility Act (“RFA”) does not apply to a rulemaking where a general notice of proposed rulemaking is not required.5 As noted previously, a general notice of proposed rulemaking is not required if the final rule involves a matter relating to loans. Furthermore, the Board has determined that it is unnecessary and contrary to the public interest to publish a general notice of proposed rulemaking for this final rule. Accordingly, the RFA’s requirements relating to an initial and final regulatory flexibility analysis do not apply.

Paperwork Reduction Act

In accordance with the Paperwork Reduction Act (“PRA”) of 1995,6 the Board reviewed the final rule under the authority delegated to the Board by the Office of Management and Budget. The final rule contains no requirements subject to the PRA.

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 part 201 as follows:

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

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

(a) Primary credit. The interest rate at each Federal Reserve Bank for primary credit provided to depository institutions under §201.4(a) is 2.50 percent.

(b) Secondary credit. The interest rate at each Federal Reserve Bank for secondary credit provided to depository institutions under §201.4(b) is 3.00 percent.

* * * * *

By order of the Board of Governors of the Federal Reserve System.

Margaret McCloskey Shanks,

Deputy Secretary of the Board.

[FR Doc. 2022–17018 Filed 8–8–22; 8:45 am]

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FEDERAL RESERVE SYSTEM

12 CFR Part 204

[Docket No. R–1777; RIN 7100–AG36]

Regulation D: Reserve Requirements of Depository Institutions

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 D to revise the rate of interest paid on balances (“IORB”) maintained at Federal Reserve Banks by or on behalf of eligible institutions. The final amendments specify that IORB is 2.40 percent, a 0.75 percentage point increase from its prior level. The amendment is intended to enhance the role of IORB in maintaining the federal funds rate in the target range established by the Federal Open Market Committee (“FOMC” or “Committee”).

DATES:

Effective date: The amendments to part 204 (Regulation D) are effective August 9, 2022.

Applicability date: The IORB rate change was applicable on July 28, 2022.

FOR FURTHER INFORMATION CONTACT: M. Benjamin Snodgrass, Senior Counsel (202–263–4877), Legal Division, or Lyle Kumasaka, Lead Financial Institution & Policy Analyst (202–452–2382), or Margaret DeBoer, Senior Associate Director (202–452–3139), Division of Monetary Affairs; for users of telephone systems via text telephone (TTY) or any

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1 5 U.S.C. 551 et seq.
5 5 U.S.C. 603, 604.
6 44 U.S.C. 3506; see 5 CFR part 1320 Appendix A.1.
The Board is amending §204.10(b)(1) of Regulation D to establish IORB at 2.40 percent. As a result, the Board is amending §204.10(b)(1) of Regulation D to establish IORB at 2.40 percent. Where a general notice of proposed rulemaking is not required.10 As noted previously, the Board has determined that it is unnecessary and contrary to the public interest to publish a general notice of proposed rulemaking for this final rule. Accordingly, the RFA’s requirements relating to an initial and final regulatory flexibility analysis do not apply.

V. Paperwork Reduction Act
In accordance with the Paperwork Reduction Act (“PRA”) of 1995,11 the Board reviewed the final rule under the authority delegated to the Board by the Office of Management and Budget. The final rule contains no requirements subject to the PRA.

List of Subjects in 12 CFR part 204
Banks, Banking, Reporting and recordkeeping requirements.

Authority and Issuance
For the reasons set forth in the preamble, the Board amends 12 CFR part 204 as follows:

PART 204—RESERVE REQUIREMENTS OF DEPOSITORY INSTITUTIONS (REGULATION D)

1. The authority citation for part 204 continues to read as follows:
Authority: 12 U.S.C. 248(a), 248(c), 461, 601, 611, and 3105.

2. Section 204.10 is amended by revising paragraph (b)(1) to read as follows:

§ 204.10 Payment of interest on balances.
* * * *
(b) * * *
(1) For balances maintained in an eligible institution’s master account, interest is the amount equal to the interest on reserve balances rate (“IORB rate”) on a day multiplied by the total balances maintained on that day. The IORB rate is 2.40 percent.
* * * *

By order of the Board of Governors of the Federal Reserve System.
Margaret McCloskey Shanks,
Deputy Secretary of the Board.
[FR Doc. 2022–17019 Filed 8–8–22; 8:45 am]

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