

# 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.

The Code of Federal Regulations is sold by the Superintendent of Documents.

## OFFICE OF MANAGEMENT AND BUDGET

### 2 CFR Part 200

#### Uniform Administrative Requirements, Cost Principles, and Audit Requirements

**AGENCY:** Office of Management and Budget.

**ACTION:** Notice of availability; request for comments.

**SUMMARY:** This document announces the availability of the 2023 Compliance Supplement (2023 Supplement) for the Office of Management and Budget's uniform administrative requirements, cost principles, and audit requirements regulations. This document also offers interested parties an opportunity to comment on the 2023 Supplement.

**DATES:** The 2023 Supplement replaces the 2022 Supplement (issued in May 2022). The Supplement applies to fiscal year audits that cover any period beginning after June 30, 2022.

**ADDRESSES:** All comments to the 2023 Supplement must be in writing and received by July 21, 2023. Late comments will be considered to the extent practicable. Comments will be reviewed and addressed, when appropriate, in the 2024 Compliance Supplement. Electronic mail comments may be submitted to: <http://www.regulations.gov>. Please include "2 CFR Part 200 Subpart F—Audit Requirements, Appendix XI—Compliance Supplement—2023" in the subject line and the full body of your comments in the text of the electronic message and as an attachment. Please include your name, title, organization, postal address, telephone number, and email address in the text of the message. Comments may also be sent to: [GrantsTeam@omb.eop.gov](mailto:GrantsTeam@omb.eop.gov).

Please note that all public comments received are subject to the Freedom of Information Act and will be posted in their entirety, including any personal

and business confidential information provided. Do not include any information you would not like to be made publicly available.

The 2023 Supplement is available online on the OMB home page at the subpage for the Office of Federal Financial Management at: <https://www.whitehouse.gov/omb/office-federal-financial-management/>.

#### FOR FURTHER INFORMATION CONTACT:

Recipients and auditors should contact their cognizant or oversight agency for audit, or Federal awarding agency, as appropriate. The Federal agency contacts are listed in appendix III of the Supplement. Subrecipients should contact their pass-through entity. Federal agencies should contact [GrantsTeam@omb.eop.gov](mailto:GrantsTeam@omb.eop.gov).

**SUPPLEMENTARY INFORMATION:** The 2023 Supplement (2 CFR part 200, subpart F, and appendix XI to Part 200) adds new programs and provides updates on other programs, where necessary.

As part of the development of the audit guidance contained in the Supplement, OMB shared the draft language developed by the agencies with recipient and audit stakeholders, including the American Institute of Certified Public Accountants (AICPA), the National Association of State Auditors, Controllers and Treasurers (NASACT), the U.S. Government Accountability Office (GAO), and agency Inspector General offices for comments. The comments were reviewed, adjudicated, and addressed by the relevant agencies and OMB. All necessary changes are reflected in the final published version.

**Deidre A. Harrison,**

*Deputy Controller performing the delegated duties of the Controller.*

[FR Doc. 2023-10954 Filed 5-19-23; 8:45 am]

**BILLING CODE 3110-01-P**

## FEDERAL RESERVE SYSTEM

### 12 CFR Part 265

[Docket No. R-1778]

**RIN 7100-AG37**

#### Rules Regarding Delegation of Authority

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

**ACTION:** Final rule; correcting amendments.

**SUMMARY:** The Board is updating its Rules Regarding Delegation of Authority to add delegations of authority previously approved by the Board and make certain technical corrections.

**DATES:** Effective May 22, 2023.

#### FOR FURTHER INFORMATION CONTACT:

Andrew Hartlage, Special Counsel, (202) 452-6483; Amory Goldberg, Senior Counsel, (202) 452-3124; or Brian Kesten, Senior Attorney, (202) 843-4079, Legal Division, Board of Governors of the Federal Reserve System, 20th Street and Constitution Avenue NW, Washington, DC 20551. For users of TTY-TRS, please call 711 from any telephone, anywhere in the United States.

**SUPPLEMENTARY INFORMATION:** Section 11(k) of the Federal Reserve Act authorizes the Board to delegate, by published order or rule and subject to the Administrative Procedure Act, any of its functions, other than those related to rulemaking or pertaining principally to monetary and credit policies, to one or more administrative law judges, members or staff of the Board, or the Reserve Banks.<sup>1</sup> The Board has delegated authority to Board members (in their individual capacity and as chairs of committees of the Board), Board staff, and the Federal Reserve Banks to take certain actions under the various statutes that the Board administers. The Board's Rules Regarding Delegation of Authority (delegation rules) implement section 11(k) of the Federal Reserve Act and enumerate the actions that the Board has determined to delegate. By delegating actions that do not raise significant legal, supervisory, or policy issues, the Board can respond more efficiently to applications, requests, and other matters.

The Board published a final rule in 2022 that comprehensively revised the delegation rules.<sup>2</sup> The Board is amending the delegation rules to publish delegations of authority previously approved by the Board and make certain technical corrections, including cross-references that

<sup>1</sup> 12 U.S.C. 248(k).

<sup>2</sup> Rules Regarding Delegation of Authority, 87 FR 53988 (September 1, 2022).

erroneously used the letter “l” in place of the number “1”.

#### List of Subjects in 12 CFR Part 265

Authority delegations (Government agencies); Banks, Banking.

#### Authority and Issuance

For the reasons stated in the preamble the Board of Governors of the Federal Reserve System amends 12 CFR part 265 as follows:

#### PART 265—RULES REGARDING DELEGATION OF AUTHORITY

■ 1. The authority citation for part 265 continues to read as follows:

**Authority:** 12 U.S.C. 248(i) and (k).

#### Subpart B—Delegations of Authority

■ 2. In § 265.4, in paragraph (a)(3)(i), remove the words “the Primary Dealer Credit Facility,” and add, in their place, the words “the Bank Term Funding Program, Primary Dealer Credit Facility.”.

■ 3. In § 265.7:

■ a. In paragraph (d)(7)(ii)(E)(1), remove “252.156(g)(l)(i)” and add in its place “252.156(g)(1)(i)” in two places;

■ b. Add paragraph (e)(9);

■ c. In paragraph (j)(3)(i), remove “115.8(h)(1)” and add in its place “225.8(h)(1)”;

■ d. In paragraph (k)(3)(ii)(A), remove “§ 217.20(c)(l)(v)(C) and (d)(l)(v)(C) of Regulation Q (12 CFR 217.20(c)(l)(v)(C) and (d)(l)(v)(C))” and add in their place “§ 217.20(c)(1)(v)(C) and (d)(1)(v)(C) of Regulation Q (12 CFR 217.20(c)(1)(v)(C) and (d)(1)(v)(C))”;

■ e. In paragraph (k)(3)(iii)(A), remove “§ 217.20(b)(l)(iii), (c)(l)(vi), or (d)(l)(x) of Regulation Q (12 CFR 217.20(b)(l)(iii), (c)(l)(vi), (d)(l)(x))” and add in their place “§ 217.20(b)(1)(iii), (c)(1)(vi), or (d)(1)(x) of Regulation Q (12 CFR 217.20(b)(1)(iii), (c)(1)(vi), (d)(1)(x))”;

■ f. In paragraph (k)(3)(iii)(B), remove “§ 217.20(c)(l)(v)(A) or (d)(l)(v)(A) of Regulation Q (12 CFR 217.20(c)(l)(v)(A), (d)(l)(v)(A))” and add in their place “§ 217.20(c)(1)(v)(A) or (d)(1)(v)(A) of Regulation Q (12 CFR 217.20(c)(1)(v)(A), (d)(1)(v)(A))”;

■ g. In paragraph (k)(5)(iii)(M), remove “§ 217.131(e)(l)(i) of Regulation Q (12 CFR 217.131(e)(l)(i))” and add in their place “§ 217.131(e)(1)(i) of Regulation Q (12 CFR 217.131(e)(1)(i))”; and

■ h. Add paragraph (r).

The additions read as follows:

#### § 265.7. Functions delegated to the Director of the Division of Supervision and Regulation.

\* \* \* \* \*

(e) \* \* \*

(9) *Bank-affiliate transactions.* With the concurrence of the General Counsel, to approve, or to make the requisite findings for approval of, requests for an exemption from the requirements of section 23A of the Federal Reserve Act (12 U.S.C. 371c) and the Board’s Regulation W (12 CFR part 223) for the purchase of assets by a State bank or other insured depository institution from an affiliate, provided that the purchase of assets is:

(i) Part of a one-time corporate reorganization;

(ii) Does not involve the purchase of low-quality assets;

(iii) Is accompanied by a commitment to repurchase any assets that have become low quality within two years of the transfer; and

(iv) Has been approved by the Federal Deposit Insurance Corporation and the institution’s appropriate Federal banking agency.

\* \* \* \* \*

(r) *Submission of reports.* (1) With the concurrence of the General Counsel, to prepare and submit to Congress reports under section 165(b)(5) of the Dodd-Frank Wall Street Reform and Consumer Protection Act (12 U.S.C. 5365(b)(5)).

(2) With the concurrence of the General Counsel, to prepare and submit to Congress reports under section 37(c) of the Federal Deposit Insurance Act (12 U.S.C. 1831n(c)), and to submit such reports to the **Federal Register** for publication.

■ 4. In § 265.10, revise paragraph (b) to read as follows:

#### § 265.10. Functions delegated to the Director of the Division of Monetary Affairs.

\* \* \* \* \*

(b) *Form FR 2900.* With the concurrence of the General Counsel—  
(1) To reassess the deposit reporting threshold each year, starting in February 2022, as is necessary to maintain a weekly reporting panel of 1,000 institutions comprised of foreign-related reporters and the largest M2 deposit holders for the weekly Report of Deposits and Vault Cash (Form FR 2900); and

(2) To determine the frequency with which the deposit reporting threshold is reassessed (e.g., annually or less frequently than annually) consistent with maintaining a stable panel of weekly reporters for the Form FR 2900 and enabling accurate construction of the monetary aggregates.

#### § 265.11 [Amended]

■ 5. In § 265.11, in paragraph (a)(1), remove the words “Dodd-Frank Act” and add in their place the words “Dodd-

Frank Wall Street Reform and Consumer Protection Act”.

#### § 265.13 [Amended]

■ 6. In § 265.13, in paragraph (b)(1)(i), remove “115.8(h)(1)” and add, in its place, “225.8(h)(1)”.

■ 7. In § 265.20:

■ a. In paragraph (a)(6)(i), remove the words “§ 225.22(c)(1) of Regulation Y (12 CFR 225.22(c)(1))” and add in their place the words “§ 225.22(d)(1) of Regulation Y (12 CFR 225.22(d)(1))”.

■ b. In paragraph (c)(6)(iv)(E), remove the words “Regulation LL (12 CFR 238.41)” and add in their place the words “Regulation LL (12 CFR 238.31)”.

■ c. Add paragraph (c)(14)(xvi);

■ d. In paragraph (l)(1)(i)(A), remove the words “§ 217.20(b)(l)(iii),

§ 217.20(c)(l)(vi), or § 217.20(d)(l)(x) of Regulation Q (12 CFR 217.20(b)(l)(iii), 217.20(c)(l)(vi), or 217.20(d)(l)(x))” and add in their place the words “§ 217.20(b)(1)(iii), § 217.20(c)(1)(vi), or § 217.20(d)(1)(x) of Regulation Q (12 CFR 217.20(b)(1)(iii), 217.20(c)(1)(vi), or 217.20(d)(1)(x))”; and

■ e. In paragraph (l)(1)(i)(B), remove the words “§ 217.20(c)(l)(v)(A) or § 217.20(d)(l)(v)(A) of Regulation Q (12 CFR 217.20(c)(l)(v)(A) and 217.20(d)(l)(v)(A))” and add in their place the words “§ 217.20(c)(1)(v)(A) or § 217.20(d)(1)(v)(A) of Regulation Q (12 CFR 217.20(c)(1)(v)(A) and 217.20(d)(1)(v)(A))”.

The addition reads as follows:

#### § 265.20 Functions delegated to Federal Reserve Banks.

\* \* \* \* \*

(c) \* \* \*

(14) \* \* \*

(xvi) To grant a request to waive the application of § 239.59(d)(1), (h), (j), and (p)(2) of Regulation MM (12 CFR 239.59(d)(1), (h), (j), and (p)(2)) as those provisions relate to applications and notices seeking the Board’s prior approval to conduct a stock issuance pursuant to § 239.24 of Regulation MM (12 CFR 239.24) related to a reorganization to mutual holding company form pursuant to section 10(o)(3) of the Home Owners’ Loan Act (12 U.S.C. 1467a(o)(3)), or subsequent to a mutual holding company reorganization, and that do not raise any significant legal, policy, or supervisory concerns, except that the authority to grant waiver requests under this paragraph (c)(14)(xvi) is limited to requests by firms that—

(A) Do not qualify for federal preemption of state securities filing requirements;

(B) Propose to register their shares in states with ten or more eligible account

holders, as that term is defined in § 239.52(c) of Regulation MM (12 CFR 239.52(c)); and

(C) Would make a proposed stock offering available to account holders eligible to participate in the offering in states where the offering would qualify for an exemption from state securities filing requirements.

\* \* \* \* \*

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

**Margaret McCloskey Shanks,**  
Deputy Secretary of the Board.

[FR Doc. 2023–10502 Filed 5–19–23; 8:45 am]

**BILLING CODE 6201–01–P**

## SMALL BUSINESS ADMINISTRATION

### 13 CFR Part 120

**RIN 3245–AH92**

#### Small Business Lending Company Application Process

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

**ACTION:** Notification.

**SUMMARY:** The purpose of this notification is to announce that SBA's Office of Capital Access (OCA) is opening the application period for new Small Business Lending Companies (SBLC) licenses from June 1, 2023, to July 31, 2023, and share the process by which interested entities may apply. SBA is not accepting applications for Community Advantage SBLCs (CA SBLCs) at this time; however, qualified entities may apply under the Community Advantage pilot authority until September 30, 2023.

**DATES:** This document is effective on June 1, 2023. SBA will accept applications for new SBLC licenses from June 1, 2023, to July 31, 2023.

*Comment Date:* Comments must be received on or before June 21, 2023.

**ADDRESSES:** You may submit comments, identified by SBA docket number SBA–2023–0006, by any of the following methods:

- *Federal eRulemaking Portal:* <https://www.regulations.gov/>. Follow the instructions for submitting comments.

- *Mail:* Jihoon Kim, Office of Financial Program Operations, U.S. Small Business Administration, 409 Third Street SW, Washington, DC 20416.

- *Hand Delivery/Courier:* Darrel Eddingfield, Office of Financial Assistance, U.S. Small Business

Administration, 409 Third Street SW, Washington, DC 20416.

SBA will post all comments on <https://www.regulations.gov>.

If you wish to submit confidential business information (“CBI”) as defined in the User Notice at <https://www.regulations.gov>, please submit the information to Jihoon Kim, Office of Financial Program Operations, U.S. Small Business Administration, 409 Third Street SW, Washington, DC 20416; or send an email to [SBLCApps@sba.gov](mailto:SBLCApps@sba.gov). Highlight the information that you consider to be CBI and explain why you believe SBA should hold this information as confidential. SBA will review the information and make the final determination as to whether it will publish the information.

#### FOR FURTHER INFORMATION CONTACT:

Jihoon Kim, Director, Office of Financial Program Operations (OFPO), Office of Capital Access, Small Business Administration, at 202–205–6024 or [Jihoon.Kim@sba.gov](mailto:Jihoon.Kim@sba.gov). The phone number above may also be reached by individuals who are deaf or hard of hearing, or who have speech disabilities, through the Federal Communications Commission's TTY-Based Telecommunications Relay Service teletype service at 711.

#### SUPPLEMENTARY INFORMATION:

##### I. Background Information

On April 12, 2023, SBA published the Final Rule on Small Business Lending Company (SBLC) Moratorium Rescission and Removal of the Requirement for a Loan Authorization (88 FR 21890, effective May 12, 2023). Through that rule, SBA lifted the self-imposed moratorium on licensing new SBLCs and established the plan to approve three SBLCs in the first year following implementation. An SBLC, as defined in 13 CFR 120.10, is a non-depository lending institution authorized by SBA to make loans pursuant to section 7(a) of the Small Business Act and loans to Intermediaries in SBA's Microloan program. An SBLC is:

- Supervised and examined solely by SBA at the federal level, although the entity may be subject to state supervision;
- Subject to additional SBA Loan Program Requirements, as defined in 13 CFR 120.10, including but not limited to regulations specific to SBLCs regarding formation, capitalization, and enforcement actions; and
- Subject to all other 7(a) Loan Program Requirements including but not limited to, those specific to origination, servicing, and liquidation.

This SBLC moratorium was put in place in 1982, prior to access to modern digital tools that enhance oversight and mitigate risk. For 41 years, SBA has overseen the application and approval process approximately 60 times for the transfer of the existing SBLC licenses including determining the capability and experience of the acquiring entity's leadership; the financial capacity to make, service, and liquidate loans; and the safety and soundness of its portfolio. This ensures compliance with SBA's regulatory requirements and origination of loans based on standards consistent with similarly sized commercial loans made by other lenders.

As stated above, the purpose of this notification is to announce that SBA's Office of Capital Access is opening the application period for new Small Business Lending Companies (SBLC) licenses. SBA is also maintaining the process for purchasing one of the existing lending authorities from a current SBLC in accordance with 13 CFR 120.468.

Although SBA is not accepting applications for Community Advantage SBLCs (CA SBLCs) in this open period, SBA will continue to accept applications for new lenders in SBA's Community Advantage (CA) Pilot Program through the end of the CA Pilot Program, which will sunset on September 30, 2023. Entities that are interested in applying to become a CA Pilot lender should follow the application instructions in the Community Advantage Participant Guide, version 7, effective May 31, 2022. In accordance with SBA Information Notice 5000–846918, Community Advantage Small Business Lending Company Conversion, effective May 1, 2023, SBA will continue to work with all CA Pilot lenders to transition them to CA SBLCs.

##### II. SBLC Requirements

SBLCs must comply with SBA's requirements for SBA Lenders, SBA Supervised Lenders, and the additional requirements presented in 13 CFR part 120, subpart D, §§ 120.470 through 490 specifically for SBLCs.

SBLCs must:

1. Submit to the D/OCRM via [OCRMSBLC@sba.gov](mailto:OCRMSBLC@sba.gov) for review their credit policy that demonstrates compliance with Title 13 of the CFR and SBA's Standard Operating Procedures (SOPs) for origination, servicing, and liquidation of 7(a) loans, and which must be acceptable to SBA in its discretion.
2. Submit to the D/OCRM via [OCRMSBLC@sba.gov](mailto:OCRMSBLC@sba.gov) for review and approval annual validation, with