

delete subscriptions themselves, and have the option to password protect their accounts.

List of Subjects in 9 CFR Part 381

Food grades and standards, Poultry and poultry products.

For the reasons stated in the preamble, FSIS amends 9 CFR part 381 as follows:

PART 381—POULTRY PRODUCTS INSPECTION REGULATIONS

■ 1. The authority citation for part 381 continues to read as follows:

Authority: 7 U.S.C. 138f; 7 U.S.C. 450; 21 U.S.C. 451–470; 7 CFR 2.18, 2.53.

■ 2. Section 381.170 is amended by revising paragraph (a) to read as follows:

§ 381.170 Standards for kinds and classes, and for cuts of raw poultry.

(a) The following standards specify the various classes of the specified kinds of poultry and the requirements for each class:

(1) *Chickens*—(i) *Rock Cornish game hen or Cornish game hen*. A “Rock Cornish game hen” or “Cornish game hen” is a young, immature chicken (less than 5 weeks of age), of either sex, with a ready-to-cook carcass weight of not more than 2 pounds.

(ii) *Broiler or fryer*. A “broiler” or “fryer” is a young chicken (less than 10 weeks of age), of either sex, that is tender-meated with soft, pliable, smooth-textured skin and flexible breastbone cartilage.

(iii) *Roaster or roasting chicken*. A “roaster” or “roasting chicken” is a young chicken (between 8 and 12 weeks of age), of either sex, with a ready-to-cook carcass weight of 5 pounds or more, that is tender-meated with soft, pliable, smooth-textured skin and breastbone cartilage that is somewhat less flexible than that of a broiler or fryer.

(iv) *Capon*. A “capon” is a surgically neutered male chicken (less than 4 months of age) that is tender-meated with soft, pliable, smooth-textured skin.

(v) *Hen, fowl, baking chicken, or stewing chicken*. A “hen,” “fowl,” “baking chicken,” or “stewing chicken” is an adult female chicken (more than 10 months of age) with meat less tender than that of a roaster or roasting chicken and a nonflexible breastbone tip.

(vi) *Cock or rooster*. A “cock” or “rooster” is an adult male chicken with coarse skin, toughened and darkened meat, and a nonflexible breastbone tip.

(2) *Turkeys*—(i) *Fryer-roaster turkey*. A “fryer-roaster turkey” is an immature turkey (less than 12 weeks of age), of

either sex, that is tender-meated with soft, pliable, smooth-textured skin, and flexible breastbone cartilage.

(ii) *Young turkey*. A “young turkey” is a turkey (less than 8 months of age), of either sex, that is tender-meated with soft, pliable, smooth-textured skin and breastbone cartilage that is less flexible than that of a fryer-roaster turkey.

(iii) *Yearling turkey*. A “yearling turkey” is a turkey (less than 15 months of age), of either sex, that is reasonably tender-meated with reasonably smooth-textured skin.

(iv) *Mature or old (hen or tom) turkey*. A “mature turkey” or “old turkey” is an adult turkey (more than 15 months of age), of either sex, with coarse skin and toughened flesh. Sex designation is optional.

(3) *Ducks*—(i) *Duckling*. A “duckling” is a young duck (less than 8 weeks of age), of either sex, that is tender-meated and has a soft bill and soft windpipe.

(ii) *Roaster duck*. A “roaster duck” is a young duck (less than 16 weeks of age), of either sex, that is tender-meated and has a bill that is not completely hardened and a windpipe that is easily dented.

(iii) *Mature duck or old duck*. A “mature duck” or an “old duck” is an adult duck (more than 6 months of age), of either sex, with toughened flesh, a hardened bill, and a hardened windpipe.

(4) *Geese*—(i) *Young goose*. A “young goose” is an immature goose, of either sex, that is tender-meated and has a windpipe that is easily dented.

(ii) *Mature goose or old goose*. A “mature goose” or “old goose” is an adult goose, of either sex, that has toughened flesh and a hardened windpipe.

(5) *Guineas*—(i) *Young guinea*. A “young guinea” is an immature guinea, of either sex, that is tender-meated and has a flexible breastbone cartilage.

(ii) *Mature guinea or old guinea*. A “mature guinea” or “old guinea” is an adult guinea, of either sex, that has toughened flesh and a non-flexible breastbone.

* * * * *

Done at Washington, DC on October 27, 2011.

Alfred V. Almanza,
Administrator.

[FR Doc. 2011–28525 Filed 11–2–11; 8:45 am]

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FEDERAL RESERVE SYSTEM

12 CFR Part 204

[Regulation D; Docket No. R–1435]

RIN No. 7100 AD 85

Reserve Requirements of Depository Institutions

AGENCY: Board of Governors of the Federal Reserve System.

ACTION: Final rule.

SUMMARY: The Board is amending Regulation D, Reserve Requirements of Depository Institutions, to reflect the annual indexing of the reserve requirement exemption amount and the low reserve tranche for 2012. The Regulation D amendments set the amount of total reservable liabilities of each depository institution that is subject to a zero percent reserve requirement in 2012 at \$11.5 million (up from \$10.7 million in 2011). This amount is known as the reserve requirement exemption amount. The Regulation D amendments also set the amount of net transaction accounts at each depository institution that is subject to a three percent reserve requirement in 2012 at \$71.0 million (up from \$58.8 million in 2011). This amount is known as the low reserve tranche. The adjustments to both of these amounts are derived using statutory formulas specified in the Federal Reserve Act.

The Board is also announcing changes in two other amounts, the nonexempt deposit cutoff level and the reduced reporting limit, that are used to determine the frequency at which depository institutions must submit deposit reports.

DATES: *Effective date:* December 5, 2011.

Compliance dates: For depository institutions that report deposit data weekly, the new low reserve tranche and reserve requirement exemption amount will apply to the fourteen-day reserve computation period that begins Tuesday, November 29, 2011, and the corresponding fourteen-day reserve maintenance period that begins Thursday, December 29, 2011. For depository institutions that report deposit data quarterly, the new low reserve tranche and reserve requirement exemption amount will apply to the seven-day reserve computation period that begins Tuesday, December 20, 2011, and the corresponding seven-day reserve maintenance period that begins Thursday, January 19, 2012. For all depository institutions, these new values of the nonexempt deposit cutoff level, the reserve requirement

exemption amount, and the reduced reporting limit will be used to determine the frequency at which a depository institution submits deposit reports effective in either June or September 2012.

FOR FURTHER INFORMATION CONTACT:

Sophia H. Allison, Senior Counsel (202) 452-3565, Legal Division, or Christian S. Miller, Financial Analyst (202) 452-3769, Division of Monetary Affairs; for users of Telecommunications Device for the Deaf (TDD) only, contact (202) 263-4869; Board of Governors of the Federal Reserve System, 20th and C Streets, NW., Washington, DC 20551.

SUPPLEMENTARY INFORMATION: Section 19(b)(2) of the Federal Reserve Act (12 U.S.C. 461(b)(2)) requires each depository institution to maintain reserves against its transaction accounts and nonpersonal time deposits, as prescribed by Board regulations, for the purpose of implementing monetary policy. Section 11(a)(2) of the Federal Reserve Act (12 U.S.C. 248(a)(2)) authorizes the Board to require reports of liabilities and assets from depository institutions to enable the Board to conduct monetary policy. The Board's actions with respect to each of these provisions are discussed in turn below.

Reserve Requirements

Pursuant to section 19(b) of the Federal Reserve Act (Act), transaction account balances maintained at each depository institution are subject to reserve requirement ratios of zero, three, or ten percent. Section 19(b)(11)(A) of the Act (12 U.S.C. 461(b)(11)(A)) provides that a zero percent reserve requirement shall apply at each depository institution to total reservable liabilities that do not exceed a certain amount, known as the reserve requirement exemption amount. Section 19(b)(11)(B) provides that, before December 31 of each year, the Board shall issue a regulation adjusting the reserve requirement exemption amount for the next calendar year if total reservable liabilities held at all depository institutions increase from one year to the next. No adjustment is made to the reserve requirement exemption amount if total reservable liabilities held at all depository institutions should decrease during the applicable time period. The Act requires the percentage increase in the reserve requirement exemption amount to be 80 percent of the increase in total reservable liabilities of all depository institutions over the one-year period that ends on the June 30 prior to the adjustment.

Total reservable liabilities of all depository institutions increased about 9.4 percent (from \$4,928 billion to \$5,392 billion) between June 30, 2010, and June 30, 2011. Accordingly, the Board is amending Regulation D to set the reserve requirement exemption amount for 2012 at \$11.5 million, an increase of \$0.8 million from its level in 2011.¹

Pursuant to Section 19(b)(2) of the Act (12 U.S.C. 461(b)(2)), transaction account balances maintained at each depository institution over the reserve requirement exemption amount and up to a certain amount, known as the low reserve tranche, are subject to a three percent reserve requirement. Transaction account balances over the low reserve tranche are subject to a ten percent reserve requirement. Section 19(b)(2) also provides that, before December 31 of each year, the Board shall issue a regulation adjusting the low reserve tranche for the next calendar year. The Act requires the adjustment in the low reserve tranche to be 80 percent of the percentage increase or decrease in total transaction accounts of all depository institutions over the one-year period that ends on the June 30 prior to the adjustment.

Net transaction accounts of all depository institutions increased 25.9 percent (from \$944 billion to \$1,188 billion) between June 30, 2010 and June 30, 2011. Accordingly, the Board is amending Regulation D to increase the low reserve tranche for net transaction accounts by \$12.2 million, from \$58.8 million for 2011 to \$71.0 million for 2012.

For depository institutions that file deposit reports weekly, the new low reserve tranche and reserve requirement exemption amount will be effective for the fourteen-day reserve computation period beginning Tuesday, November 29, 2011, and for the corresponding fourteen-day reserve maintenance period beginning Thursday, December 29, 2011. For depository institutions that report quarterly, the new low reserve tranche and reserve requirement exemption amount will be effective for the seven-day reserve computation period beginning Tuesday, December 20, 2011, and for the corresponding seven-day reserve maintenance period beginning Thursday, January 19, 2012.

2. Deposit Reports

Section 11(b)(2) of the Federal Reserve Act authorizes the Board to

require depository institutions to file reports of their liabilities and assets as the Board may determine to be necessary or desirable to enable it to discharge its responsibility to monitor and control the monetary and credit aggregates. The Board screens depository institutions each year and assigns them to one of four deposit reporting panels (weekly reporters, quarterly reporters, annual reporters, or nonreporters). The panel assignment for annual reporters is effective in June of the screening year; the panel assignment for weekly and quarterly reporters is effective in September of the screening year.

In order to ease reporting burden, the Board permits smaller depository institutions to submit deposit reports less frequently than larger depository institutions. The Board permits depository institutions with net transaction accounts above the reserve requirement exemption amount but total transaction accounts, savings deposits, and small time deposits below a specified level (the "nonexempt deposit cutoff") to report deposit data quarterly. Depository institutions with net transaction accounts above the reserve requirement exemption amount but with total transaction accounts, savings deposits, and small time deposits above the nonexempt deposit cutoff are required to report deposit data weekly. The Board requires certain large depository institutions to report weekly regardless of the level of their net transaction accounts if the depository institution's total transaction accounts, savings deposits, and small time deposits exceeds a specified level (the "reduced reporting limit"). The nonexempt deposit cutoff level and the reduced reporting limit are adjusted annually, by an amount equal to 80 percent of the increase, if any, in total transaction accounts, savings deposits, and small time deposits of all depository institutions over the one-year period that ends on the June 30 prior to the adjustment.

From June 30, 2010 to June 30, 2011, total transaction accounts, savings deposits, and small time deposits at all depository institutions increased 9.3 percent (from \$7,473 billion to \$8,171 billion). Accordingly, the Board is increasing the nonexempt deposit cutoff level by \$18.9 million to \$ 271.5 million for 2012 (up from \$252.6 million in 2011). The Board is also increasing the reduced reporting limit by \$106 million

¹ Consistent with Board practice, the low reserve tranche and reserve requirement exemption amounts have been rounded to the nearest \$0.1 million.

to \$1.521 billion in 2012 (up from \$1.415 billion for 2011).²

Beginning in 2012, the boundaries of the four deposit reporting panels will be defined as follows. Those depository institutions with net transaction accounts over \$11.5 million (the reserve requirement exemption amount) or with total transaction accounts, savings deposits, and small time deposits greater than or equal to \$1.521 billion (the reduced reporting limit) are subject to detailed reporting, and must file a Report of Transaction Accounts, Other Deposits and Vault Cash (FR 2900 report) either weekly or quarterly. Of this group, those with total transaction accounts, savings deposits, and small time deposits greater than or equal to \$271.5 million (the nonexempt deposit cutoff level) are required to file the FR 2900 report each week, while those with total transaction accounts, savings deposits, and small time deposits less than \$271.5 million are required to file the FR 2900 report each quarter. Those depository institutions with net transaction accounts less than or equal to \$11.5 million (the reserve requirement exemption amount) and with total transaction accounts, savings deposits, and small time deposits less than \$1.521 billion (the reduced reporting limit) are eligible for reduced reporting, and must either file a deposit

report annually or not at all. Of this group, those with total deposits greater than \$11.5 million (but with total transaction accounts, savings deposits, and small time deposits less than \$1.521 billion) are required to file the Annual Report of Deposits and Reservable Liabilities (FR 2910a) report annually, while those with total deposits less than or equal to \$11.5 million are not required to file a deposit report. A depository institution that adjusts reported values on its FR 2910a report in order to qualify for reduced reporting will be shifted to an FR 2900 reporting panel.

Notice and Regulatory Flexibility Act. The provisions of 5 U.S.C. 553(b) relating to notice of proposed rulemaking have not been followed in connection with the adoption of these amendments. The amendments involve expected, ministerial adjustments prescribed by statute and by the Board's policy concerning reporting practices. The adjustments in the reserve requirement exemption amount, the low reserve tranche, the nonexempt deposit cutoff level, and the reduced reporting limit serve to reduce regulatory burdens on depository institutions. Accordingly, the Board finds good cause for determining, and so determines, that notice in accordance with 5 U.S.C. 553(b) is unnecessary. Consequently,

the provisions of the Regulatory Flexibility Act, 5 U.S.C. 601, do not apply to these amendments.

List of Subjects in 12 CFR Part 204

Banks, banking, Reporting and recordkeeping requirements.

For the reasons set forth in the preamble, the Board is amending 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), 371a, 461, 601, 611, and 3105.

■ 2. Section 204.4(f) is revised to read as follows:

§ 204.4 Computation of required reserves.
* * * * *

(f) For all depository institutions, Edge and Agreement corporations, and United States branches and agencies of foreign banks, required reserves are computed by applying the reserve requirement ratios below to net transaction accounts, nonpersonal time deposits, and Eurocurrency liabilities of the institution during the computation period.

Reservable liability	Reserve requirement
Net Transaction Accounts:	
\$0 to reserve requirement exemption amount (\$11.5 million)	0 percent of amount.
Over reserve requirement exemption amount \$11.5 million) and up to low reserve tranche (\$71.0 million).	3 percent of amount.
Over low reserve tranche (\$71.0 million)	\$1,785,000 plus 10 percent of amount over \$71.0 million.
Nonpersonal time deposits	0 percent.
Eurocurrency liabilities	0 percent.

Jennifer J. Johnson,
Secretary of the Board.
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DEPARTMENT OF HOMELAND SECURITY
U.S. Customs and Border Protection
19 CFR Part 4
[CBP Dec. 11-21]
Addition of the Cook Islands to the List of Nations Entitled to Special Tonnage Tax Exemption
AGENCY: U.S. Customs and Border Protection, Department of Homeland Security.
ACTION: Final rule.

SUMMARY: The Department of State has informed U.S. Customs and Border

Protection (CBP) that discriminating or countervailing duties are not imposed by the government of the Cook Islands on vessels owned by citizens of the United States. Accordingly, vessels of the Cook Islands are exempt from special tonnage taxes and light money in ports of the United States. This document amends the CBP regulations by adding the Cook Islands to the list of nations whose vessels are exempt from payment of any higher tonnage duties than are applicable to vessels of the United States and from the payment of light money.

DATES: This amendment is effective November 3, 2011. The exemption from special tonnage taxes and light money

² Consistent with Board practice, the nonexempt deposit cutoff level has been rounded to the nearest

\$0.1 million, and the reduced reporting limit has been rounded to the nearest \$1 million.