

RESCINDED

Office of Thrift Supervision
Department of the Treasury

October 11, 2001

Transmittal TR-260

This rescission does not change the applicability of the conveyed document. To determine the applicability of the conveyed document, refer to the original issuer of the document.



Federal Register, Vol. 66, No. 138, pp. 37407-37408

Number TR-260

In the attached, the Office of Thrift Supervision (OTS) confirms that its final rule on conversions of other types of stock depository institutions to federal stock savings associations took effect July 9, 2001. The final rule clarifies how the agency treats the resulting institution when a stock depository institution converts to a federal stock savings association.


When the notice of proposed rulemaking (NPR) was published in the Federal Register on May 8, OTS stipulated that the final rule would take effect July 9 if they did not receive any adverse comments. Because the agency did not receive any comments on the rule or the related NPR, the rule went into effect without further notice.

The confirmation of effective date was published in the July 18, 2001 edition of the Federal Register, Vol. 66, No. 138, pp. 37407-37408.

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Attachment

Discussion of Comments

OTS received three public comments: one from a trade association and two from savings associations. The trade association strongly supported the interim rule, noting that the repeal of the percentage requirement will enable savings associations to manage their liquidity risk in a more efficient manner. It also supported the retention of a requirement that savings associations and their service corporations maintain sufficient liquidity to assure safe and sound operation. The trade association observed that it is not necessary to describe in a regulation the types of investments OTS will consider in measuring compliance with this requirement. It did request, however, that OTS make conforming changes to the Thrift Financial Report form and instructions. On February 26, 2001, OTS published the March 2001 Thrift Financial Report changes, which included removal of the entry for regulatory liquidity ratio, on its website.

The two savings associations also praised the elimination of the percentage requirement. However, they requested clarification of whether OTS considers available capacity to borrow from the Federal Home Loan Bank (with same-day access to advances) as a source of liquidity when evaluating whether an institution has "sufficient liquidity." OTS does consider the availability of access to borrowed money to meet liquidity needs in assessing the adequacy of a savings association's management of liquidity. See OTS Thrift Activities Handbook, Section 530, at pages 530.5 and 530.10 (November 1999). OTS also recognizes FHLB advances as a traditional source of such borrowings for savings associations. In addition, OTS acknowledges that the FHLB system has consistently played an important role in assisting the thrift industry to manage its short- and long-term liquidity needs. OTS Thrift Activities Handbook, at page 530.11. However, certain wholesale borrowings, including Federal Home Loan Bank advances, if not properly evaluated and prudently managed, may significantly increase an institution's sensitivity to interest rate and liquidity risks. Accordingly, savings associations should be fully informed of the risks of these borrowings before engaging in such transactions and should review these risks on an ongoing basis. See OTS Regulatory Bulletin 34, Examiner Guidance on Wholesale Borrowings (June 8, 2001).

Findings and Certifications

Executive Order 12866

The Director of OTS has determined that this final rule does not constitute a significant regulatory action for the purposes of Executive Order 12866.

Regulatory Flexibility Act

The Regulatory Flexibility Act (RFA) requires OTS to prepare Regulatory Flexibility Analyses if the agency must publish a general notice of proposed rulemaking. 5 U.S.C. 603 and 604. In issuing the interim rule, OTS concluded, for good cause, that it was not necessary to publish a notice of proposed rulemaking. Accordingly, OTS concludes that the RFA does not require a final regulatory flexibility analysis of this rule.

Nevertheless, OTS has considered the likely impact of this rule and finds that the rule will not have a significant impact on a substantial number of small entities or create any additional burden on small entities under the RFA. The final rule imposes no new requirements and makes only burden reducing, clarifying, and technical conforming amendments to current OTS regulations.

Unfunded Mandates Act of 1995

Section 202 of the Unfunded Mandates Reform Act of 1995 (UMA) applies only when an agency issues a general notice of proposed rulemaking or when it publishes a final rule for which a general notice of proposed rulemaking was published. 2 U.S.C. 1532. In issuing the interim rule, OTS determined, for good cause, that it was not required to publish a proposed rule. Accordingly, OTS concludes that the UMA does not require OTS to conduct an unfunded mandates analysis of this final rule.

Moreover, OTS finds that this final rule will not result in the expenditure by state, local, and tribal governments, in the aggregate, or by the private sector, of \$100 million or more in any one year. Rather, the rule imposes no new requirements and makes only burden reducing, clarifying, and technical conforming amendments to current OTS regulations. Accordingly, OTS has not prepared a budgetary impact statement for this rule or specifically addressed the regulatory alternatives considered.

Effective Date

For the reasons stated in the interim rule, published on March 15, 2001 (66 FR 15016-15017), OTS is making this final rule effective immediately.

List of Subjects

12 CFR Part 506

Reporting and recordkeeping requirements.

12 CFR Part 560

Consumer protection, Investments, Manufactured homes, Mortgages, Reporting and recordkeeping requirements, Savings associations, Securities.

12 CFR Part 563

Accounting, Advertising, Crime, Currency, Investments, Reporting and recordkeeping requirements, Savings associations, Securities, Surety bonds.

12 CFR Part 566

Liquidity, Reporting and recordkeeping requirements, Savings associations.

12 CFR Part 584

Administrative practice and procedure, Holding companies, Reporting and recordkeeping requirements, Savings associations, Securities.

Accordingly, the Office of Thrift Supervision adopts as final, without change, the interim rule published on March 15, 2001 at 66 FR 15015, amending parts 506, 560, 563, 566, and 584 in Title 12, Chapter V, Code of Federal Regulations.

Dated: July 11, 2001.

Ellen Seidman,

Director.

[FR Doc. 01-17871 Filed 7-17-01; 8:45 am]

BILLING CODE 6720-01-P

DEPARTMENT OF THE TREASURY

Office of Thrift Supervision

12 CFR Part 552

[No. 2001-52]

RIN 1550-AB46

Conversion From Stock Form Depository Institution to Federal Stock Association

AGENCY: Office of Thrift Supervision, Treasury.

ACTION: Direct final rule: Confirmation of effective date.

SUMMARY: This document confirms the effective date of the direct final rule amending the Office of Thrift Supervision's (OTS) regulation on conversions from stock form depository institutions to federal stock savings associations. The final rule clarifies that

the resulting federal stock savings association in such transactions succeeds to all the rights, property, and obligations of the converting institution. OTS did not receive any comments in response to either the direct final rule or the related notice of proposed rulemaking.

EFFECTIVE DATES: The direct final rule published on May 8, 2001 (66 FR 23153-155), is effective July 9, 2001.

FOR FURTHER INFORMATION CONTACT: Aaron B. Kahn, (202) 906-6263, Special Counsel, or Kevin A. Corcoran, (202) 906-6962, Assistant Chief Counsel, Business Transactions Division, Chief Counsel's Office, Office of Thrift Supervision, 1700 G Street, NW., Washington DC 20552.

Authority: 12 U.S.C. 1462, 1462a, 1463, 1464, 1467a.

Dated: July 11, 2001.

By the Office of Thrift Supervision.

Ellen Seidman,

Director.

[FR Doc. 01-17872 Filed 7-17-01; 8:45 am]

BILLING CODE 6720-01-P

DEPARTMENT OF TRANSPORTATION

Federal Aviation Administration

14 CFR Part 25

[Docket No. NM192, Special Conditions No. 25-181-SC]

Special Conditions: Raytheon Model Hawker 800XP Airplane; High-Intensity Radiated Fields

AGENCY: Federal Aviation Administration, DOT.

ACTION: Final special conditions; request for comments.

SUMMARY: These special conditions are issued for Raytheon Aircraft Company Model Hawker 800XP airplanes modified to incorporate the Collins Proline 21 avionics system. These modified airplanes will have novel and unusual design features when compared to the state of technology envisioned in the airworthiness standards for transport category airplanes. The modification incorporates the installation of a four tube active matrix liquid crystal display Electronic Flight Information System (EFIS) with an Engine Indicating System (EIS), autopilot with integral mach trim capability, new air data computers, and new Attitude and Heading Reference System (AHRS) with solid state sensors. The applicable airworthiness standards do not contain adequate or appropriate

safety standards for the protection of these systems from the effects of high-intensity radiated fields (HIRF). These special conditions contain the additional safety standards that the Administrator considers necessary to establish a level of safety equivalent to that provided by the existing airworthiness standards.

DATES: The effective date of these special conditions is July 6, 2001. Comments must be received on or before August 17, 2001.

ADDRESSES: Comments on these special conditions may be mailed in duplicate to: Federal Aviation Administration, Transport Airplane Directorate, Attn: Rules Docket (ANM-113), Docket No. NM192, 1601 Lind Avenue SW., Renton, Washington, 98055-4056; or delivered in duplicate to the Transport Airplane Directorate at the above address. Comments must be marked: Docket No. NM192. Comments may be inspected in the Rules Docket weekdays, except Federal holidays, between 7:30 a.m. and 4:00 p.m.

FOR FURTHER INFORMATION CONTACT: Mark Quam, FAA, Standardization Branch, ANM-113, Transport Airplane Directorate, Aircraft Certification Service, 1601 Lind Avenue SW., Renton, Washington, 98055-4056; telephone (425) 227-2145; facsimile (425) 227-1149.

SUPPLEMENTARY INFORMATION: The FAA has determined that notice and opportunity for prior public comment hereon are impracticable because these procedures would significantly delay issuance of the approval design and thus delivery of the affected aircraft. In addition, the substance of these special conditions has been subject to the public comment process in several prior instances with no substantive comments received. The FAA therefore finds that good cause exists for making these special conditions effective upon issuance.

Comments Invited

Interested persons are invited to submit such written data, views, or arguments as they may desire. Communications should identify the regulatory docket or special conditions number and be submitted in duplicate to the address specified above. All communications received on or before the closing date for comments will be considered by the Administrator. These special conditions may be changed in light of the comments received. All comments received will be available in the Rules Docket for examination by interested persons, both before and after the closing date for comments. A report

summarizing each substantive public contact with FAA personnel concerning this rulemaking will be filed in the docket. Commenters wishing the FAA to acknowledge receipt of their comments submitted in response to these special conditions must include a self-addressed, stamped postcard on which the following statement is made: "Comments to Docket No. NM192." The postcard will be date stamped and returned to the commenter.

Background

On August 4, 1998, Raytheon Aircraft Company, PO Box 85, Wichita, Kansas 67201-0085, applied for a supplemental type certificate to modify Raytheon Aircraft Company Model Hawker 800XP airplanes listed on Type Certificate No. A21EA. The Model Hawker 800XP is a twin engine transport airplane. It has an executive interior and is capable of carrying two flight crewmembers and up to fifteen passengers. This model is powered by two aft mounted Allied Signal TFE 731-5BR engines. The modification incorporates the installation of the Rockwell Collins Proline 21 avionics system which includes a four tube active matrix liquid crystal display Electronic Flight Information System (EFIS) with an Engine Indicating System (EIS) that display critical flight parameters to the flightcrew. These systems can be susceptible to disruption to command and/or response signals as a result of electrical and magnetic interference. This disruption of signals could result in loss of all critical flight displays and annunciations or present misleading information to the pilot.

Type Certification Basis

Under the provisions of 14 CFR 21.101, Raytheon must show that the Raytheon Model Hawker 800XP airplanes, as changed, continue to meet the applicable provisions of the regulations incorporated by reference in Type Certificate No. A3EU, or the applicable regulations in effect on the date of application for the change. The regulations incorporated by reference in the type certificate are commonly referred to as the "original type certification basis." The regulations incorporated by reference in Type Certificate No. A21EA are as follows: the certification basis for the modified Raytheon Model Hawker 800XP airplane includes the British Civil Airworthiness Requirements (CAR) 10, and specific additional requirements of 14 CFR part 25, as listed in the Type Certificate Data Sheet (TCDS) No. A3EU.

If the Administrator finds that the applicable airworthiness regulations