

tribal governments or communities. This rule will not create any serious inconsistencies or otherwise interfere with any actions taken or planned by another agency. It will not materially alter the budgetary impact of entitlements, grants, user fees, or loan programs, or the rights and obligations of recipients thereof.

B. Regulatory Flexibility Act

USDA certifies that this rule will not have a significant impact on a substantial number of small entities as defined in the Regulatory Flexibility act, 5 U.S.C. 601, *et seq.*, for the reason that this regulation imposes no new requirements on small entities.

C. Paperwork Reduction

The forms necessary to implement these procedures have been cleared by the Office of Management and Budget (OMB) in accordance with the Paperwork Reduction Act, 44 U.S.C. 2500, *et seq.*

III. Electronic Access Addresses

You may send electronic mail (E-mail) to kathy.fay@usda.gov or contact us via fax at (202) 720-3339.

List of Subjects in 7 CFR Part 2812

Government property management, excess Government property.

For the reasons set forth in the preamble, 7 CFR part 2812 would be amended as set forth below:

PART 2812—DEPARTMENT OF AGRICULTURE GUIDELINES FOR THE DONATION OF EXCESS RESEARCH EQUIPMENT UNDER 15 U.S.C. 3710(i)

1. The authority citation for part 2812 is revised to read as follows:

Authority: 5 U.S.C. 301; E.O. 12999, 61 FR 17227, 3 CFR, 1997 Comp., p. 180.

2. Amend § 2812.3 by removing paragraph (b), redesignate paragraphs (c), (d), and (e) as (e), (h), and (i), respectively, and add new paragraphs (b), (c), (d), (f) and (g) to read as follows:

§ 2812.3 Definitions.

* * * * *

(b) *Community-based educational organization* means nonprofit organizations that are engaged in collaborative projects with pre-kindergarten through twelfth grade educational institutions or that have education as their primary focus. Such organizations shall qualify as nonprofit educational institutions for purposes of section 203(j) of the Federal Property and Administrative Services Act of 1949 (40 U.S.C. 484(j)).

(c) *Educational institution* means a public or private, non-profit educational institution, encompassing pre-kindergarten through twelfth grade and two- and four-year institutions of higher education, as well as public school districts.

(d) *Educationally useful Federal equipment* means computers and related peripheral tools (e.g., printers, modems, routers, and servers), including telecommunications and research equipment, that are appropriate for use in pre-kindergarten, elementary, middle, or secondary school education. It shall also include computer software, where the transfer of licenses is permitted.

(f) *Federal empowerment zone or enterprise community (EZ/EC)* means a rural area designated by the Secretary of Agriculture under 7 CFR part 25.

(g) *Non-profit organization* means any corporation, trust association, cooperative, or other organization which:

(1) Is operated primarily for scientific, educational, service, charitable, or similar purposes in the public interest;

(2) Is not organized primarily for profit; and

(3) Uses its net proceeds to maintain, improve, or expand its operations. For the purposes of this part, "non-profit organizations" may include utilities affiliated with institutions of higher education, or with state and local governments and federally recognized Indian tribes.

* * * * *

3-4. Amend § 2812.4 by removing and reserving paragraph (a), and revise paragraphs (c), (d) and (e) to read as follows:

§ 2812.4 Procedures.

(a) [Reserved]

* * * * *

(c) After USDA screening has been accomplished, excess personal property targeted for donation under this part will be made available on a first-come, first-served basis. If there are competing requests, donations will be made to eligible recipients in the following priority order:

(1) Educationally useful Federal equipment for pre-kindergarten through twelfth grade educational institutions and community-based educational organizations in rural EZ/EC communities;

(2) Educationally useful Federal equipment for pre-kindergarten through twelfth grade educational institutions and community-based educational organizations not in rural EZ/EC areas;

(3) All other eligible organizations.

(d) Upon reporting property for excess screening, if the pertinent USDA agency has an eligible organization in mind for donation under this part, it shall enter "P.L. 102-245" in the note field. The property will remain in the excess system approximately 30 days, and if no USDA agency or cooperator requests it during the excess cycle, the Departmental Excess Personal Property Coordinator will send the agency a copy of the excess report stamped, "DONATION AUTHORITY TO THE HOLDING AGENCY IN ACCORDANCE WITH P.L. 102-245." The holding USDA agency may then donate the excess property to the eligible organization.

(e) Donations under this Part will be accomplished by preparing a Standard Form (SF) 122, "Transfer Order-Excess Personal Property".

* * * * *

5. Remove Appendix A to part 2812.

Done at Washington, D.C., this 30th day of October, 2000.

W.R. Ashworth,

Director, Office of Procurement and Property Management.

[FR Doc. 00-29783 Filed 11-20-00; 8:45 am]

BILLING CODE 3410-TX-M

FEDERAL RESERVE SYSTEM

12 CFR Part 204

[Regulation D; Docket No. R-1088]

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 low reserve tranche and the reserve requirement exemption for 2001, and announces the annual indexing of the deposit reporting cutoff level that will be effective beginning in September 2001. The amendments decrease the amount of net transaction accounts subject to a reserve requirement ratio of three percent in 2001, as required by section 19(b)(2)(C) of the Federal Reserve Act, from \$44.3 million to \$42.8 million of transaction accounts. This adjustment is known as the low reserve tranche adjustment. The Board is increasing from \$5.0 million to \$5.5 million the amount of reservable liabilities of each depository institution that is subject to a reserve requirement of zero percent in 2001. This action is required by section 19(b)(11)(B) of the

Federal Reserve Act, and the adjustment is known as the reservable liabilities exemption adjustment. The Board is also increasing the deposit cutoff level that is used in conjunction with the reservable liabilities exemption to determine the frequency of deposit reporting from \$95.0 million to \$101.0 million for nonexempt depository institutions. (Nonexempt institutions are those with total reservable liabilities exceeding the amount exempted from reserve requirements.) Thus, beginning in September 2001, nonexempt institutions with total deposits of \$101.0 million or more will be required to report weekly while nonexempt institutions with total deposits less than \$101.0 million may report quarterly, in both cases on form FR 2900. In July 2000, the Board eliminated the exempt deposit cutoff and discontinued the quarterly report associated with that cutoff (form FR 2910q). Exempt institutions with at least \$5.5 million in total deposits may report annually on form FR 2910a.

DATES: *Effective date:* December 21, 2000.

Compliance dates: For depository institutions that report weekly, the low reserve tranche adjustment and the reservable liabilities exemption adjustment will apply to the reserve computation period that begins Tuesday, November 28, 2000, and the corresponding reserve maintenance period that begins Thursday, December 28, 2000. For institutions that report quarterly, the low reserve tranche adjustment and the reservable liabilities exemption adjustment will apply to the reserve computation period that begins Tuesday, December 19, 2000, and the corresponding reserve maintenance period that begins Thursday, January 18, 2001. For all depository institutions, the deposit cutoff levels will be used to screen institutions in the second quarter of 2001 to determine the reporting frequency for the twelve month period that begins in September 2001.

FOR FURTHER INFORMATION CONTACT:

Heatherun Allison, Counsel (202/452-3565), Legal Division, or June O'Brien, Economist (202/452-3790), Division of Monetary Affairs; for the hearing impaired only, contact Janice Simms, Telecommunications Device for the Deaf (TDD) (202/872-4984); Board of Governors of the Federal Reserve System, 20th and C Streets, N.W., 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 reservable

liabilities,¹ as prescribed by Board regulations. The required reserve ratio applicable to transaction account balances exceeding the low reserve tranche is 10 percent. 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 percentage change in the tranche is required by law to equal 80 percent of the percentage change (increase or decrease) in net transaction accounts at all depository institutions over the one-year period ending on the most recent June 30.

Net transaction accounts of all depository institutions decreased by 4.2 percent (from \$645.7 billion to \$618.4 billion) from June 30, 1999, to June 30, 2000. In accordance with section 19(b)(2), the Board is amending Regulation D (12 CFR part 204) to decrease the low reserve tranche for transaction accounts for 2001 by \$1.5 million, that is, from \$44.3 million to \$42.8 million.

Section 19(b)(11)(A) of the Federal Reserve Act (12 U.S.C. 461 (b)(11)(B)) provides that \$2 million of reservable liabilities of each depository institution shall be subject to a zero percent reserve requirement. Each depository institution may, in accordance with the rules and regulations of the Board, designate the reservable liabilities to which this reserve requirement exemption is to apply. However, if net transaction accounts are designated, only those that would otherwise be subject to a three percent reserve requirement (i.e., net transaction accounts within the low reserve requirement tranche) may be so designated.

Section 19(b)(11)(B) of the Federal Reserve Act provides that, before December 31 of each year, the Board shall issue a regulation adjusting for the next calendar year the dollar amount of reservable liabilities exempt from reserve requirements. The exemption amount changes only if the total reservable liabilities held at all depository institutions increase from one year to the next. In that case, the exemption amount increases by 80 percent of the increase in total reservable liabilities of all depository institutions as of the year ending June 30. Total reservable liabilities of all depository institutions increased by 12.3 percent (from \$1,961.1 billion to \$2,202.9 billion) from June 30, 1999, to

June 30, 2000. Consequently, the reservable liabilities exemption amount for 2001 under section 19(b)(11)(B) will be increased by \$0.5 million from \$5.0 million to \$5.5 million.²

For institutions that report weekly, the tranche adjustment and the reservable liabilities exemption adjustment will be effective for the reserve computation period beginning Tuesday, November 28, 2000, and for the corresponding reserve maintenance period beginning Thursday, December 28, 2000. For institutions that report quarterly, the tranche adjustment and the reservable liabilities exemption adjustment will be effective for the computation period beginning Tuesday, December 19, 2000, and for the corresponding reserve maintenance period beginning Thursday, January 18, 2001. In addition, all institutions currently submitting form FR 2900 must continue to submit reports to the Federal Reserve under current reporting procedures.

In order to reduce the reporting burden for small institutions, the Board has established deposit reporting cutoff levels to determine deposit reporting frequency. Institutions are screened during the second quarter of each year to determine reporting frequency beginning the following September. The cutoff level for nonexempt institutions determines whether they report (on form FR 2900) quarterly or weekly, and the deposit cutoff level for exempt institutions determines whether they report annually (on form FR 2910a) or quarterly (on form FR 2910q). During the July 2000 review of deposit reports, however, the Board eliminated the exempt deposit cutoff and discontinued the quarterly report associated with that cutoff, the form FR 2910q. In addition, the Board raised the nonexempt deposit cutoff to \$95.0 million from the 2000 indexed level of \$84.5 million, effective for the 2000 deposit report screening process.

From June 30, 1999, to June 30, 2000, total deposits increased 7.9 percent, from \$4,836.8 billion to \$5,219.8 billion. Accordingly, the nonexempt deposit cutoff level will increase by \$6.0 million from \$95.0 million in 2000 to \$101.0 million in 2001. Based on the indexation of the reservable liabilities exemption, the cutoff level for total deposits above which reports of deposits must be filed will rise from \$5.0 million to \$5.5 million.

Under the deposit reporting system, institutions are screened during each

¹ Reservable liabilities include transaction accounts, nonpersonal time deposits, and Eurocurrency liabilities as defined in section 19(b)(5) of the Federal Reserve Act. The reserve ratio on nonpersonal time deposits and Eurocurrency liabilities is zero percent.

² Consistent with Board practice, the tranche and exemption amounts have been rounded to the nearest \$0.1 million.

year to determine their reporting category beginning in the September of that year. Thus, effective in September 2001, all U.S. branches and agencies of foreign banks and Edge and agreement corporations, regardless of size, and other institutions with total reservable liabilities exceeding \$5.5 million (nonexempt institutions) and with total deposits at or above \$101.0 million would be required to file weekly the Report of Transaction Accounts, Other Deposits and Vault Cash (form FR 2900). Nonexempt institutions with total deposits below \$101.0 million could file the form FR 2900 quarterly. Institutions that obtain funds from non-U.S. sources or that have foreign branches or IBFs would continue to be required to file the Report of Certain Eurocurrency Transactions (forms FR 2950/FR 2951) at the same frequency as they file the form FR 2900. Institutions with reservable liabilities at or below the exemption amount of \$5.5 million (exempt institutions and with at least \$5.5 million in total deposits would be required to file the Annual Report of Total Deposits and Reservable Liabilities (form FR 2910a). Institutions with total deposits below the exemption level of \$5.5 million would be excused from reporting if their deposits can be estimated from other data sources.

Finally, the Board may require a depository institution to report on a weekly basis, regardless of the cutoff level, if the institution manipulates its total deposits and other reservable liabilities in order to qualify for quarterly reporting. Similarly, any depository institution that reports quarterly may be required to report weekly and to maintain appropriate reserve balances with its Reserve Bank if, during its computation period, it understates its usual reservable liabilities or overstates the deductions allowed in computing required reserve balances.

Notice and public participation. The provisions of 5 U.S.C. 553(b) relating to notice and public participation have not been followed in connection with the adoption of these amendments because the amendments involve expected, ministerial adjustments prescribed by statute and by an interpretative statement reaffirming the Board's policy concerning reporting practices. In addition, the reservable liabilities exemption adjustment and the increases for reporting purposes in the deposit cutoff levels reduce regulatory burdens on depository institutions, and the low reserve tranche adjustment will have a *de minimis* effect on depository institutions with net transaction accounts exceeding \$42.8 million.

Accordingly, the Board finds good cause for determining, and so determines, that notice and public participation is unnecessary, impracticable, or contrary to the public interest.

Regulatory Flexibility Analysis

The Board certifies that these amendments will not have a substantial economic impact on small depository institutions. See "Notice and Public Participation" above.

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 204.9 is revised to read as follows:

§ 204.9 Reserve requirement ratios.

(a) *Reserve percentages.* The following reserve ratios are prescribed for all depository institutions, Edge and Agreement corporations, and United States branches and agencies of foreign banks:

Category	Reserve requirement ¹
Net transaction accounts:	
\$0 to \$42.8 million.	3 percent of amount.
Over \$42.8 million.	\$1,284,000 plus 10 percent of amount over \$42.8 million.
Nonpersonal time deposits.	0 percent.
Eurocurrency liabilities.	0 percent.

¹ Before deducting the adjustment to be made by the paragraph (b) of this section.

(b) *Exemption from reserve requirements.* Each depository institution, Edge or agreement corporation, and U.S. branch or agency of a foreign bank is subject to a zero percent reserve requirement on an amount of its transaction accounts subject to the low reserve tranche in paragraph (a) of this section not in excess of \$5.5 million determined in accordance with § 204.3(a)(3).

By order of the Board of Governors of the Federal Reserve System, November 16, 2000.

Jennifer J. Johnson,
Secretary of the Board.

[FR Doc. 00-29723 Filed 11-20-00; 8:45 am]

BILLING CODE 6210-01-P

DEPARTMENT OF TRANSPORTATION

Federal Aviation Administration

14 CFR Part 39

[Docket No. 99-NM-373-AD; Amendment 39-11993; AD 2000-23-20]

RIN 2120-AA64

Airworthiness Directives; Boeing Model 777-200 Series Airplanes

AGENCY: Federal Aviation Administration, DOT.

ACTION: Final rule.

SUMMARY: This amendment adopts a new airworthiness directive (AD), applicable to certain Boeing Model 777-200 series airplanes, that requires replacement of certain components. The actions specified by this AD are intended to prevent corrosion of the axle of the main landing gear, which could result in cracking and failure of one or more axles, loss of the wheels on the axle, and loss of controllability of the airplane on the ground. This action is intended to address the identified unsafe condition.

DATES: Effective December 26, 2000.

The incorporation by reference of certain publications listed in the regulations is approved by the Director of the Federal Register as of December 26, 2000.

ADDRESSES: The service information referenced in this AD may be obtained from Boeing Commercial Airplane Group, P.O. Box 3707, Seattle, Washington 98124-2207. This information may be examined at the Federal Aviation Administration (FAA), Transport Airplane Directorate, Rules Docket, 1601 Lind Avenue, SW., Renton, Washington; or at the Office of the Federal Register, 800 North Capitol Street, NW., suite 700, Washington, DC.

FOR FURTHER INFORMATION CONTACT: Stan Wood, Aerospace Engineer, Airframe Branch, ANM-120S, FAA, Seattle Aircraft Certification Office, 1601 Lind Avenue, SW., Renton, Washington 98055-4056; telephone (425) 227-2772; fax (425) 227-1181.

SUPPLEMENTARY INFORMATION: A proposal to amend part 39 of the Federal Aviation Regulations (14 CFR part 39) to include an airworthiness directive (AD)