

# Rules and Regulations

Federal Register

Vol. 70, No. 158

Wednesday, August 17, 2005

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. Prices of new books are listed in the first FEDERAL REGISTER issue of each week.

## FEDERAL RESERVE SYSTEM

### 12 CFR Part 201

#### [Regulation A]

#### Extensions of Credit by Federal Reserve Banks

**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 A to reflect the Board's approval of an increase in the primary credit rate at each Federal Reserve Bank. The secondary credit rate at each Reserve Bank automatically increased by formula as a result of the Board's primary credit rate action.

**DATES:** The amendments to part 201 (Regulation A) are effective August 17, 2005. The rate changes for primary and secondary credit were effective on the dates specified in 12 CFR 201.51, as amended.

**FOR FURTHER INFORMATION CONTACT:** Jennifer J. Johnson, Secretary of the Board (202/452-3259); for users of Telecommunication Devices for the Deaf (TDD) only, contact 202/263-4869.

**SUPPLEMENTARY INFORMATION:** The Federal Reserve Banks make primary and secondary credit available to depository institutions as a backup source of funding on a short-term basis, usually overnight. The primary and secondary credit rates are the interest rates that the twelve Federal Reserve Banks charge for extensions of credit under these programs. In accordance with the Federal Reserve Act, the primary and secondary credit rates are established by the boards of directors of

the Federal Reserve Banks, subject to the review and determination of the Board.

The Board approved requests by the Reserve Banks to increase by 25 basis points the primary credit rate in effect at each of the twelve Federal Reserve Banks, thereby increasing from 4.25 percent to 4.50 percent the rate that each Reserve Bank charges for extensions of primary credit. As a result of the Board's action on the primary credit rate, the rate that each Reserve Bank charges for extensions of secondary credit automatically increased from 4.75 percent to 5.00 percent under the secondary credit rate formula. The final amendments to Regulation A reflect these rate changes.

The 25-basis-point increase in the primary credit rate was associated with a similar increase in the target for the federal funds rate (from 3.25 percent to 3.50 percent) approved by the Federal Open Market Committee (Committee) and announced at the same time. A press release announcing these actions indicated that:

The Committee believes that, even after this action, the stance of monetary policy remains accommodative and, coupled with robust underlying growth in productivity, is providing ongoing support to economic activity. Aggregate spending, despite high energy prices, appears to have strengthened since late winter, and labor market conditions continue to improve gradually. Core inflation has been relatively low in recent months and longer-term inflation expectations remain well contained, but pressures on inflation have stayed elevated.

The Committee perceives that, with appropriate monetary policy action, the upside and downside risks to the attainment of both sustainable growth and price stability should be kept roughly equal. With underlying inflation expected to be contained, the Committee believes that policy accommodation can be removed at a pace that is likely to be measured. Nonetheless, the Committee will respond to changes in economic prospects as needed to fulfill its obligation to maintain price stability.

#### Regulatory Flexibility Act Certification

Pursuant to the Regulatory Flexibility Act (5 U.S.C. 605(b)), the Board certifies that the new primary and secondary credit rates will not have a significantly

adverse economic impact on a substantial number of small entities because the final rule does not impose any additional requirements on entities affected by the regulation.

#### Administrative Procedure Act

The Board did not follow the provisions of 5 U.S.C. 553(b) relating to notice and public participation in connection with the adoption of these amendments because the Board for good cause determined that delaying implementation of the new primary and secondary credit rates in order to allow notice and public comment would be unnecessary and contrary to the public interest in fostering price stability and sustainable economic growth. For these same reasons, the Board also has not provided 30 days prior notice of the effective date of the rule under section 553(d).

#### 12 CFR Chapter II

#### 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 Chapter II to read as follows:

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

■ 1. The authority citation for part 201 continues to read as follows:

**Authority:** 12 U.S.C. 248(i)–(j), 343 *et seq.*, 347a, 347b, 347c, 348 *et seq.*, 357, 374, 374a, and 461.

■ 2. In § 201.51, paragraphs (a) and (b) are revised to read as follows:

#### § 201.51 Interest rates applicable to credit extended by a Federal Reserve Bank.<sup>1</sup>

(a) *Primary credit.* The interest rates for primary credit provided to depository institutions under § 201.4(a) are:

<sup>1</sup> The primary, secondary, and seasonal credit rates described in this section apply to both advances and discounts made under the primary, secondary, and seasonal credit programs, respectively.

| Federal Reserve Bank | Rate | Effective        |
|----------------------|------|------------------|
| Boston .....         | 4.50 | August 9, 2005.  |
| New York .....       | 4.50 | August 9, 2005.  |
| Philadelphia .....   | 4.50 | August 9, 2005.  |
| Cleveland .....      | 4.50 | August 9, 2005.  |
| Richmond .....       | 4.50 | August 9, 2005.  |
| Atlanta .....        | 4.50 | August 9, 2005.  |
| Chicago .....        | 4.50 | August 9, 2005.  |
| St. Louis .....      | 4.50 | August 10, 2005. |
| Minneapolis .....    | 4.50 | August 9, 2005.  |
| Kansas City .....    | 4.50 | August 9, 2005.  |
| Dallas .....         | 4.50 | August 9, 2005.  |
| San Francisco .....  | 4.50 | August 9, 2005.  |

(b) *Secondary credit.* The interest rates for secondary credit provided to depository institutions under § 201.4(b) are:

| Federal Reserve Bank | Rate | Effective        |
|----------------------|------|------------------|
| Boston .....         | 5.00 | August 9, 2005.  |
| New York .....       | 5.00 | August 9, 2005.  |
| Philadelphia .....   | 5.00 | August 9, 2005.  |
| Cleveland .....      | 5.00 | August 9, 2005.  |
| Richmond .....       | 5.00 | August 9, 2005.  |
| Atlanta .....        | 5.00 | August 9, 2005.  |
| Chicago .....        | 5.00 | August 9, 2005.  |
| St. Louis .....      | 5.00 | August 10, 2005. |
| Minneapolis .....    | 5.00 | August 9, 2005.  |
| Kansas City .....    | 5.00 | August 9, 2005.  |
| Dallas .....         | 5.00 | August 9, 2005.  |
| San Francisco .....  | 5.00 | August 9, 2005.  |

\* \* \* \* \*

By order of the Board of Governors of the Federal Reserve System, August 12, 2005.

**Jennifer J. Johnson,**

*Secretary of the Board.*

[FR Doc. 05-16322 Filed 8-16-05; 8:45 am]

BILLING CODE 6210-02-P

## DEPARTMENT OF COMMERCE

### Bureau of Economic Analysis

#### 15 CFR Part 801

[Docket No. 050406094-5201-02]

RIN 0691-AA59

#### International Services Surveys: Cancellation of Five Annual Surveys

**AGENCY:** Bureau of Economic Analysis, Commerce.

**ACTION:** Final rule.

**SUMMARY:** This final rule removes the reporting requirements for five annual surveys covering international trade in services. The five annual surveys being discontinued are: BE-36, BE-47, BE-48, BE-82, and BE-93. The surveys are being discontinued because they have been replaced by quarterly surveys that collect essentially the same information.

**DATES:** *Effective Date:* This final rule will be effective at 5 p.m. September 16, 2005.

**FOR FURTHER INFORMATION CONTACT:** Obie G. Whichard, Chief, International Investment Division (BE-50), Bureau of Economic Analysis, U.S. Department of Commerce, Washington, DC 20230; phone (202) 606-9890 or e-mail [obie.whichard@bea.gov](mailto:obie.whichard@bea.gov).

**SUPPLEMENTARY INFORMATION:** In the May 5, 2005 *Federal Register*, 70 FR 23811-23813, the Bureau of Economic Analysis (BEA) published a notice of proposed rulemaking to remove the reporting requirements for five annual surveys covering international trade in services. No comments on the proposed rule were received. Thus, the provisions in the proposed rule are adopted without change. This final rule amends 15 CFR part 801 by revising Section 801.9(b) to remove the reporting requirements for five annual surveys that collect data covering international trade in services. The five surveys are:

BE-36, Foreign Airline Operators' Revenues and Expenses in the United States.

BE-47, Annual Survey of Construction, Engineering, Architectural, and Mining Services Provided by U.S. Firms to Unaffiliated Foreign Persons.

BE-48, Annual Survey of Reinsurance and Other Insurance Transactions by U.S. Insurance Companies with Foreign Persons.

BE-82, Annual Survey of Financial Services Transactions Between U.S. Financial Services Providers and Unaffiliated Foreign Persons.

BE-93, Annual Survey of Royalties, License Fees, and Other Receipts and Payments for Intangible Rights Between U.S. and Unaffiliated Foreign Persons.

BEA is removing the reporting requirements for these five annual surveys because the information is now being collected on four separate quarterly surveys. Specifically, the BE-9, Quarterly Survey of Foreign Airline Operators' Revenues and Expenses in the United States, replaces the BE-36 survey; the BE-25, Quarterly Survey of Transactions Between U.S. and Unaffiliated Foreign Persons in Selected Services and in Intangible Assets, replaces the BE-47 and BE-93 surveys; the BE-45, Quarterly Survey of Insurance Transactions by U.S. Insurance Companies with Foreign Persons, replaces the BE-48 survey; and the BE-85, Quarterly Survey of Financial Services Transactions Between U.S. Financial Services Providers and Unaffiliated Foreign Persons, replaces the BE-82 survey. BEA began collecting data on these quarterly surveys in 2004.