

# Rules and Regulations

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## CORPORATION FOR NATIONAL AND COMMUNITY SERVICE

### 2 CFR Part 2205

**45 CFR Parts 1235, 2510, 2520, 2541, 2543, 2551, 2552, and 2553**

**RIN 3045-AA61**

### Implementation of Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards

**AGENCY:** Corporation for National and Community Service.

**ACTION:** Final rule.

**SUMMARY:** The Corporation for National and Community Service (CNCS) published an interim final rule adopting and implementing the Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance) on December 19, 2014. CNCS publishes this final rule to adopt and implement the interim final rule without change.

**DATES:** This rule is effective December 17, 2015.

**FOR FURTHER INFORMATION CONTACT:** Amy Borgstrom, Associate Director for Policy, at the Corporation for National and Community Service, 1201 New York Avenue NW., Washington, DC 20525, phone 202-606-6930. The TDD/TTY number is 800-833-3722.

**SUPPLEMENTARY INFORMATION:** On December 19, 2014 (79 FR 75871), the Office of Management and Budget issued a joint-agency interim final rule that implemented the Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance). Through that interim final rule, CNCS adopted and implemented the Uniform Guidance and made specific exceptions to the rule. These exceptions are published in 2 CFR part 2205.

Additionally, CNCS removed 45 CFR parts 2541 and 2543, which were superseded by the Uniform Guidance and made other conforming amendments to its regulations. The interim final rule was effective on December 26, 2014, and the public comment period closed on February 17, 2015.

CNCS did not receive any comments addressing its regulations. Accordingly, and without change, CNCS adopts and implements the Uniform Guidance as published on December 19, 2014.

### Regulatory Procedures

#### Executive Order 12866

CNCS has determined that the rule is not an “economically significant” rule within the meaning of E.O. 12866 because it is not likely to result in: (1) An annual effect on the economy of \$100 million or more, or an adverse and material effect on a sector of the economy, productivity, competition, jobs, the environment, public health or safety, or State, local, or tribal government or communities; (2) the creation of a serious inconsistency or interference with an action taken or planned by another agency; (3) a material alteration in the budgetary impacts of entitlement, grants, user fees, or loan programs or the rights and obligations of recipients thereof; or (4) the raising of novel legal or policy issues arising out of legal mandates, the President’s priorities, or the principles set forth in E.O. 12866.

#### Regulatory Flexibility Act

As required by the Regulatory Flexibility Act of 1980 (5 U.S.C. 605 (b)), CNCS certifies that this rule will not have a significant economic impact on a substantial number of small entities. Therefore, CNCS has not performed the initial regulatory flexibility analysis that is required under the Regulatory Flexibility Act (5 U.S.C. 601 *et seq.*) for major rules that are expected to have such results.

#### Unfunded Mandates

For purposes of Title II of the Unfunded Mandates Reform Act of 1995, 2 U.S.C. 1531–1538, as well as Executive Order 12875, this regulatory action does not contain any Federal mandate that may result in increased expenditures in either Federal, State, local, or tribal governments in the

aggregate, or impose an annual burden exceeding \$100 million on the private sector.

### Paperwork Reduction Act

This rule contains no new information collections subject to the requirements of the Paperwork Reduction Act (44 U.S.C. 3506).

### Executive Order 13132, Federalism

Executive Order 13132, Federalism, prohibits an agency from publishing any rule that has Federalism implications if the rule imposes substantial direct compliance costs on State and local governments and is not required by statute, or the rule preempts State law, unless the agency meets the consultation and funding requirements of section 6 of the Executive Order. The rule does not have any Federalism implications, as described above.

Accordingly, under the authority of 42 U.S.C. 12651c(c), CNCS adopts the interim rule adding 2 CFR part 2205 and amending 45 CFR parts 1235, 2510, 2520, 2541, 2543, 2551, 2552, and 2553, which published at 79 FR 75871 on December 19, 2014, as final, without change.

Dated: November 6, 2015.

**Jeremy Joseph,**  
General Counsel.

[FR Doc. 2015-28733 Filed 11-16-15; 8:45 am]

**BILLING CODE 6050-28-P**

## FEDERAL RESERVE SYSTEM

### 12 CFR Part 204

**[Regulation D; Docket No. R-1524]**

**RIN 7100 AE-38**

### 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 2016. 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 2016 at \$15.2 million (from \$14.5 million in 2015). 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 (over the reserve requirement exemption amount) that is subject to a three percent reserve requirement in 2016 at \$110.2 million (from \$103.6 million in 2015). 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 17, 2015.

*Compliance dates:* The new low reserve tranche and reserve requirement exemption amount will apply to the fourteen-day reserve maintenance period that begins January 21, 2016. For depository institutions that report deposit data weekly, this maintenance period corresponds to the fourteen-day computation period that begins December 22, 2015. For depository institutions that report deposit data quarterly, this maintenance period corresponds to the seven-day computation period that begins December 15, 2015. The 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 2016.

**FOR FURTHER INFORMATION CONTACT:** Clinton N. Chen, Attorney (202/452-3952), Legal Division, or Ezra A. Kidane, Financial Analyst (202/973-6161), 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.

### 1. 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 by 6.4 percent, from \$7,026 billion to \$7,476 billion between June 30, 2014, and June 30, 2015. Accordingly, the Board is amending Regulation D to set the reserve requirement exemption amount for 2016 at \$15.2 million, an increase of \$0.7 million from its level in 2015.<sup>1</sup>

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

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

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 8.0 percent, from \$1,904 billion to \$2,056 billion between June 30, 2014 and June 30, 2015. Accordingly, the Board is amending Regulation D to increase the low reserve tranche for net transaction accounts by \$6.6 million, from \$103.6 million for 2015 to \$110.2 million for 2016.

The new low reserve tranche and reserve requirement exemption amount will be effective for all depository institutions for the fourteen-day reserve maintenance period beginning Thursday, January 21, 2016. For depository institutions that report deposit data weekly, this maintenance period corresponds to the fourteen-day computation period that begins December 22, 2015. For depository institutions that report deposit data quarterly, this maintenance period corresponds to the seven-day computation period that begins December 15, 2015.

### 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 and

with total transaction accounts, savings deposits, and small time deposits greater than or equal to 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 or is equal to 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, 2014 to June 30, 2015, total transaction accounts, savings deposits, and small time deposits at all depository institutions increased 5.3 percent, from \$10,256 billion to \$10,798 billion. Accordingly, the Board is increasing the nonexempt deposit cutoff level by \$16.9 million to \$416.9 million in 2016 (from \$400.0 million for 2015). The Board is also increasing the reduced reporting limit by \$77 million to \$1.901 billion for 2016 (from \$1.824 billion in 2015).<sup>2</sup>

Beginning in 2016, the boundaries of the four deposit reporting panels will be defined as follows. Those depository institutions with net transaction accounts over \$15.2 million (the reserve requirement exemption amount) or with total transaction accounts, savings deposits, and small time deposits greater than or equal to \$1.901 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 \$416.9 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 \$416.9 million are required to file the FR 2900 report each quarter. Those depository institutions with net transaction accounts less than or equal to \$15.2 million (the reserve requirement exemption amount) and with total transaction accounts, savings deposits, and small time deposits less than \$1.901 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 \$15.2 million (but with total transaction accounts, savings deposits, and small time deposits less than \$1.901 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 \$15.2 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.

### 3. 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. In § 204.4, paragraph (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 (\$15.2 million) .....	0 percent of amount.
Over reserve requirement exemption amount (\$15.2 million) and up to low reserve tranche (\$110.2 million) .....	3 percent of amount.
Over low reserve tranche (\$110.2 million) .....	\$2,850,000 plus 10 percent of amount over \$110.2 million.
Nonpersonal time deposits .....	0 percent.
Eurocurrency liabilities .....	0 percent.

<sup>2</sup> 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.

By order of the Board of Governors of the Federal Reserve System, acting through the Director of the Division of Monetary Affairs under delegated authority, November 12, 2015.

**Robert deV. Frierson,**  
Secretary of the Board.

[FR Doc. 2015-29336 Filed 11-16-15; 8:45 am]

BILLING CODE 6210-01-P

## DEPARTMENT OF TRANSPORTATION

### Federal Aviation Administration

#### 14 CFR Part 39

[Docket No. FAA-2015-0929; Directorate Identifier 2014-NM-218-AD; Amendment 39-18323; AD 2015-23-07]

RIN 2120-AA64

#### Airworthiness Directives; Bombardier, Inc. Airplanes

**AGENCY:** Federal Aviation Administration (FAA), Department of Transportation (DOT).

**ACTION:** Final rule.

**SUMMARY:** We are adopting a new airworthiness directive (AD) for certain Bombardier, Inc. Model BD-100-1A10 (Challenger 300) airplanes. This AD was prompted by multiple reports of chafing found on an electrical wiring harness in the aft equipment bay, caused by contact between the wiring harness and a neighboring hydraulic line. This AD requires an inspection, repair if necessary, and modification of the wiring harness installation to ensure that the wiring harness routing is correct and a minimum clearance between the wire and the hydraulic line is maintained. We are issuing this AD to detect and correct chafing on an electrical wiring harness, which could cause an electrical short circuit or lead to a malfunction of the flight control system, the engine indication system, or the hydraulic power control system; and adversely affect the continued safe operation and landing of the airplane.

**DATES:** This AD becomes effective December 22, 2015.

The Director of the Federal Register approved the incorporation by reference of a certain publication listed in this AD as of December 22, 2015.

**ADDRESSES:** You may examine the AD docket on the Internet at <http://www.regulations.gov/#!docketDetail;D=FAA-2015-0929> or in person at the Docket Management Facility, U.S. Department of Transportation, Docket Operations, M-30, West Building Ground Floor, Room W12-140, 1200 New Jersey Avenue SE., Washington, DC.

For service information identified in this AD, contact Bombardier, Inc., 400 Côte-Vertu Road West, Dorval, Québec H4S 1Y9, Canada; telephone: 514-855-5000; fax: 514-855-7401; email: [thd.crj@aero.bombardier.com](mailto:thd.crj@aero.bombardier.com); Internet <http://www.bombardier.com>. You may view this referenced service information at the FAA, Transport Airplane Directorate, 1601 Lind Avenue SW., Renton, WA. For information on the availability of this material at the FAA, call 425-227-1221. It is also available on the Internet at <http://www.regulations.gov> by searching for and locating Docket No. FAA-2015-0929.

#### FOR FURTHER INFORMATION CONTACT:

Assata Dessaline, Aerospace Engineer, Avionics and Service Branch, ANE-172, FAA, New York Aircraft Certification Office, 1600 Stewart Avenue, Suite 410, Westbury, NY 11590; telephone: 516-228-7301; fax: 516-794-5531.

#### SUPPLEMENTARY INFORMATION:

##### Discussion

We issued a notice of proposed rulemaking (NPRM) to amend 14 CFR part 39 by adding an AD that would apply to certain Bombardier, Inc. Model BD-100-1A10 (Challenger 300) airplanes. The NPRM published in the **Federal Register** on May 8, 2015 (80 FR 26490).

Transport Canada Civil Aviation (TCCA), which is the aviation authority for Canada, has issued Canadian Airworthiness Directive CF-2014-32, dated September 8, 2014 (referred to after this as the Mandatory Continuing Airworthiness Information, or "the MCAI"), to correct an unsafe condition for certain Bombardier, Inc. Model BD-100-1A10 (Challenger 300) airplanes. The MCAI states:

There have been multiple in-service reports of chafing found on an electrical wiring harness in the aft equipment bay. An investigation determined that the chafing was attributed to contact between the wiring harness and a neighboring hydraulic line. This chafing could cause an electrical short circuit or lead to a malfunction of the flight control system, the engine indication system, or the hydraulic power control system; which could adversely affect the continued safe operation and landing of the aeroplane.

This [Canadian] AD mandates the inspection [general visual inspection], rectification as required [repair of damage (including wear and chafing)], and modification of the wiring harness installation to ensure the correct wiring routing and a minimum clearance between the wire and the hydraulic line is maintained.

You may examine the MCAI in the AD docket on the Internet at <http://www.regulations.gov/#!docketDetail;D=FAA-2015-0929>.

[www.regulations.gov/#!documentDetail;D=FAA-2015-0929-0002](http://www.regulations.gov/#!documentDetail;D=FAA-2015-0929-0002).

#### Comments

We gave the public the opportunity to participate in developing this AD. We received no comments on the NPRM (80 FR 26490, May 8, 2015) or on the determination of the cost to the public.

#### Conclusion

We reviewed the relevant data and determined that air safety and the public interest require adopting this AD as proposed except for minor editorial changes. We have determined that these minor changes:

- Are consistent with the intent that was proposed in the NPRM (80 FR 26490, May 8, 2015) for correcting the unsafe condition; and
- Do not add any additional burden upon the public than was already proposed in the NPRM (80 FR 26490, May 8, 2015).

#### Related Service Information Under 14 CFR Part 51

Bombardier, Inc. has issued Service Bulletin 100-24-24, dated June 6, 2014. The service information describes procedures for an inspection, repair if necessary, and modification of the wiring harness installation to prevent contact with the hydraulic line. This service information is reasonably available because the interested parties have access to it through their normal course of business or by the means identified in the **ADDRESSES** section of this AD.

#### Costs of Compliance

We estimate that this AD affects 107 airplanes of U.S. registry.

We also estimate that it will take about 4 work-hours per product to comply with the basic requirements of this AD. The average labor rate is \$85 per work-hour. Required parts will cost about \$64 per product. Based on these figures, we estimate the cost of this AD on U.S. operators to be \$43,228, or \$404 per product.

We have received no definitive data that would enable us to provide cost estimates for the on-condition actions specified in this AD. We have no way of determining the number of aircraft that might need these actions.

According to the manufacturer, all of the costs of this AD may be covered under warranty, thereby reducing the cost impact on affected individuals. We do not control warranty coverage for affected individuals. As a result, we have included all costs in our cost estimate.