

The Agencies have determined that this final action does not constitute a major Federal action significantly affecting the quality of human environment, and in accordance with the National Environmental Policy Act of 1969, 42 U.S.C. 4321 *et seq.*, an Environmental Impact Statement is not required.

#### Executive Order 13132, Federalism

The policies contained in this rule do not have any substantial direct effect on States, on the relationship between the national government and the States, or on the distribution of power and responsibilities among the various levels of government. Nor does this rule impose substantial direct compliance costs on State and local governments. Therefore, consultation with the States is not required.

#### Paperwork Reduction Act

The information collection requirements contained in this rule have been approved by the Office of Management and Budget (OMB) under the provisions of 44 U.S.C. chapter 35 and were assigned OMB control number 0575-0189 in accordance with the Paperwork Reduction Act of 1995. No person is required to respond to a collection of information unless it displays a valid OMB control number. This rule does not impose any new information collection requirements from those approved by OMB.

#### Discussion of Final Rule

On November 26, 2004, Rural Development published an Interim Final Rule which added 7 CFR part 3560, a consolidation of several Rural Development regulations. Since its publication, many comments have been received regarding errors and omissions. In some cases, requirements are referenced that are no longer requirements. With this final rule, the Agency is correcting errors and providing editorial corrections and clarifications to 7 CFR part 3560, subpart N, "Housing Preservation."

#### List of Subjects in 7 CFR Part 3560

Grant programs—Housing and community development, Loan programs—Agriculture, Loan programs—Housing and community development, Low and moderate income housing, Nonprofit organizations.

■ For the reasons set forth in the preamble, chapter XVIII, title 7, of the Code of Federal Regulations is amended as follows:

### PART 3560—DIRECT MULTI-FAMILY HOUSING LOANS AND GRANTS

■ 1. The authority citation for part 3560 continues to read as follows:

Authority: 42 U.S.C. 1480.

#### Subpart N—Housing Preservation

■ 2. Section 3560.653 is amended in paragraph (b)(5) by removing "(MFH)" and by revising paragraphs (b)(4) and (b)(6) to read as follows:

##### § 3560.653 Prepayment requests.

\* \* \* \* \*

(b) \* \* \*

(4) A copy of lease language to be used during the period between the submission date and the final resolution of the prepayment request notifying tenant applicants that the owner of the housing project has submitted a prepayment request to the Agency and explaining the potential effect of the request on the lease.

\* \* \* \* \*

(6) A certification that the borrower has notified all governmental entities involved in providing affordable housing or financial assistance to tenants in the project and that the borrower has provided a statement specifying how long financial assistance from such parties will be provided to tenants after prepayment.

\* \* \* \* \*

##### § 3560.656 [Amended]

■ 3. Section 3560.656 is amended in paragraph (a)(2) by revising the word "affect" to read "effect" and in the introductory text of paragraph (e) by revising the words "At the time the incentive is developed," to read "At the time a specific incentive offer is developed,".

■ 4. Section 3560.658 is amended by removing paragraph (a)(2) and redesignating paragraph (a)(3) as paragraph (a)(2); by redesignating paragraphs (b)(1) through (b)(3) as (b)(2) through (b)(4) respectively; and by revising newly redesignated (a)(2) and by adding a new paragraph (b)(1) to read as follows:

##### § 3560.658. Borrower rejection of the incentive offer.

(a) \* \* \*

(2) If housing opportunities for minorities would be lost as a result of prepayment, the borrower will offer to sell the housing to a qualified nonprofit organization or public body in accordance with § 3560.659.

(b) \* \* \*

(1) If restrictive-use provisions are in place, the borrower will agree to sign

the restrictive-use provisions, as determined by the Agency, and at the end of the restrictive-use period, offer to sell the housing to a qualified nonprofit organization or public body in accordance with § 3560.659.

\* \* \* \* \*

##### § 3650.659 [Amended]

■ 5. Section 3560.659 is amended in paragraph (e)(6) by revising the words "bona fide" to read "good faith".

##### § 3650.662 [Amended]

■ 6. Section 3560.662 is amended in the following paragraphs by revising the references to section 3560.658 as follows:

■ a. In paragraph (a)(1) by revising "§ 3560.658(a)(3)" to read "§ 3560.658(a)(2)";

■ b. In paragraph (b)(2) by revising "§ 3560.658(b)(2)" to read "§ 3560.658(b)(3)";

■ c. In paragraph (b)(4) by revising "§ 3560.658(a)(2)" to read "§ 3560.658(b)(1)"; and

■ d. In paragraph (b)(5) by revising "§ 3560.658(a)(3)" to read "§ 3560.658(a)(2)".

Dated: October 23, 2008.

Russell T. Davis,

Administrator, Rural Housing Service.

[FR Doc. E8-25965 Filed 11-3-08; 8:45 am]

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### FEDERAL RESERVE SYSTEM

#### 12 CFR Part 204

[Regulation D; Docket No. R-1334]

#### Reserve Requirements of Depository Institutions

**AGENCY:** Board of Governors of the Federal Reserve System.

**ACTION:** Interim final rule.

**SUMMARY:** The Board is revising its interim final rule amending Regulation D, Reserve Requirements of Depository Institutions, to alter the formula by which earnings on excess reserves of depository institutions are calculated. The remainder of the interim final rule, including the period during which comments may be submitted, is unchanged from the interim final rule as published on October 9, 2008.

**DATES:** Effective date is November 4, 2008; applicability date is October 23, 2008.

**FOR FURTHER INFORMATION CONTACT:** Sophia H. Allison, Senior Counsel (202/452-3565), Legal Division, or Margaret Gillis DeBoer, Senior Financial Analyst

(202/452-3139), 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:

#### I. Background

On October 9, 2008, the Board published in the **Federal Register** an interim final rule amending Regulation D (Reserve Requirements of Depository Institutions) to direct the Federal Reserve Banks to pay interest on balances held at Reserve Banks to satisfy reserve requirements ("required reserve balances") and balances held in excess of required reserve balances and clearing balances ("excess balances") (73 FR 59482) (Oct. 9, 2008). At that time, the Board announced two formulas by which the amount of earnings payable on required reserve balances and excess balances will be calculated. For required reserve balances, the Board set the initial rate of interest to be the average federal funds rate target established by the Federal Open Market Committee (FOMC) over the reserve maintenance period less 10 basis points. For excess balances, the Board set the initial rate of interest to be the lowest federal funds rate target established by the FOMC in effect during the reserve maintenance period minus 75 basis points. The Board stated that it may adjust the formula for the interest rate on excess balances in light of experience and evolving market conditions.

The Board has judged that a narrower spread between the target funds rate and the rate on excess balances at this time would help foster trading in the funds market at rates closer to the target rate. Accordingly, the Board is altering the formula so that the rate on excess balances will be set equal to the lowest FOMC target rate in effect during the reserve maintenance period less 35 basis points. This change will become effective for the maintenance periods beginning Thursday, October 23. The Board will continue to evaluate the appropriate setting of the rate on excess balances in light of evolving market conditions and make further adjustments as needed.

#### Administrative Procedure Act

In accordance with the Administrative Procedure Act ("APA") section 553(b) (5 U.S.C. 553(b)), the Board finds, for good cause, that providing notice and an opportunity for public comment before the effective date of this rule would be contrary to

the public interest. In addition, pursuant to APA section 553(d) (5 U.S.C. 553(d)), the Board finds good cause for making this amendment effective without 30 days advance publication. The Board has adopted this rule in light of, and to help address, the continuing unusual and exigent circumstances in the financial markets. This rule provides tools for carrying out monetary policy more effectively. Thus, the Board believes that any delay in implementing the rule would prove contrary to the public interest.

#### Regulatory Flexibility Act

The Regulatory Flexibility Act requires an agency that is issuing a final rule to prepare and make available a regulatory flexibility analysis that describes the impact of the final rule on small entities. 5 U.S.C. 603(a). The Regulatory Flexibility Act provides that an agency is not required to prepare and publish a regulatory flexibility analysis if the agency certifies that the final rule will not have a significant economic impact on a substantial number of small entities. 5 U.S.C. 605(b).

Pursuant to section 605(b), the Board certifies that this interim final rule will not have a significant economic impact on a substantial number of small entities. The rule implements a program for paying interest on certain balances held by eligible institutions at the Federal Reserve Banks and will benefit small institutions that receive such interest. There are no new reporting, recordkeeping, or other compliance requirements associated with this rule.

#### Paperwork Reduction Act

In accordance with the Paperwork Reduction Act (44 U.S.C. 3506; 5 CFR 1320 Appendix A.1), the Board has reviewed the interim final rule under authority delegated to the Board by the Office of Management and Budget. The rule contains no collections of information pursuant to the Paperwork Reduction Act.

#### List of Subjects in 12 CFR Part 204

Banks, banking, Reporting and recordkeeping requirements.

#### Authority and Issuance

■ 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 § 204.10, paragraph (b)(2) is revised to read as follows:

#### § 204.10 Payment of interest on balances.

\* \* \* \* \*

(b) \* \* \*

\* \* \* \* \*

(2) For excess balances, at the lowest targeted federal funds rate during the reserve maintenance period less 35 basis points.

\* \* \* \* \*

By order of the Board of Governors of the Federal Reserve System, October 29, 2008.

**Robert deV. Frierson,**

*Deputy Secretary of the Board.*

[FR Doc. E8-26206 Filed 11-3-08; 8:45 am]

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## DEPARTMENT OF TRANSPORTATION

### Federal Aviation Administration

#### 14 CFR Part 39

[Docket No. FAA-2008-0790; Directorate Identifier 2008-CE-042-AD; Amendment 39-15715; AD 2008-22-18]

RIN 2120-AA64

#### Airworthiness Directives; Cessna Aircraft Company 150 Series Airplanes

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

**ACTION:** Final rule.

**SUMMARY:** We are adopting a new airworthiness directive (AD) for certain Cessna Aircraft Company (Cessna) 150 series airplanes with the BRS-150 Parachute System installed via Supplemental Type Certificate (STC) SA64CH. This AD requires you to replace the pick-up collar support and nylon screws for the BRS-150 Parachute System. This AD results from notification by Ballistic Recovery Systems, Inc. (BRS) that the pick-up collar assembly may prematurely move off the launch tube and adversely affect rocket trajectory during deployment. We are issuing this AD to prevent premature separation of the collar. This condition could result in the parachute failing to successfully deploy.

**DATES:** This AD becomes effective on December 9, 2008.

On December 9, 2008, the Director of the Federal Register approved the incorporation by reference of certain publications listed in this AD.

**ADDRESSES:** For service information identified in this AD, contact Ballistic