

Single copies of the analysis may be obtained from Clark Prichard, Office of Nuclear Material Safety and Safeguards, U.S. Nuclear Regulatory Commission, Washington, DC 20555-0001, telephone (301) 415-6203, e-mail: cwp@nrc.gov.

IX. Regulatory Flexibility Certification

In accordance with the Regulatory Flexibility Act [5 U.S.C. 605(b)], the Commission certifies that this rule will not, if promulgated, have a significant economic impact on a substantial number of small entities. This rule relates to the licensing of only one entity, DOE, which does not fall within the scope of the definition of "small entities" set forth in the Regulatory Flexibility Act or the size standards established by the NRC (10 CFR 2.810).

X. Backfit Analysis

NRC has determined that the backfit rule does not apply to this rule and, therefore, that a backfit analysis is not required, because this rule does not involve any provisions that would impose backfits as defined in 10 CFR chapter 1.

XI. Small Business Regulatory Enforcement Fairness Act

In accordance with the Small Business Regulatory Enforcement Act of 1996, the NRC has determined that this action is not a major rule and has verified this determination with the Office of Information and Regulatory Affairs of OMB.

List of Subjects in 10 CFR Part 63

Criminal penalties, High-level waste, Nuclear power plants and reactors, Nuclear materials, Reporting and recordkeeping requirements, Waste treatment and disposal.

For the reasons set out in the preamble and under the authority of the Atomic Energy Act of 1954, as amended; the Energy Reorganization Act of 1974, as amended; the Nuclear Waste Policy Act of 1982, as amended; and 5 U.S.C. 552 and 553, the NRC is adopting the following amendments to 10 CFR part 63.

PART 63—DISPOSAL OF HIGH-LEVEL RADIOACTIVE WASTES IN A GEOLOGIC REPOSITORY AT YUCCA MOUNTAIN, NEVADA

1. The authority citation for part 63 continues to read as follows:

Authority: Secs. 51, 53, 62, 63, 65, 81, 161, 182, 183, 68 Stat. 929, 930, 932, 933, 935, 948, 953, 954, as amended (42 U.S.C. 2071, 2073, 2092, 2093, 2095, 2111, 2201, 2232, 2233); secs. 202, 206, 88 Stat. 1244, 1246 (42 U.S.C. 5842, 5846); secs. 10 and 14, Pub. L. 95-601, 92 Stat. 2951 (42 U.S.C. 2021a and

5851); sec. 102, Pub. L. 91-190, 83 Stat. 853 (42 U.S.C. 4332); secs. 114, 121, Pub. L. 97-425, 96 Stat. 2213g, 2238, as amended (42 U.S.C. 10134, 10141); and Pub. L. 102-486, sec. 2902, 106 Stat. 3123 (42 U.S.C. 5851).

2. Section 63.342 is revised to read as follows:

§ 63.342 Limits on performance assessments.

DOE's performance assessments shall not include consideration of very unlikely features, events, or processes, *i.e.*, those that are estimated to have less than one chance in 10,000 of occurring within 10,000 years of disposal. DOE's assessments for the human-intrusion and ground-water protection standards shall not include consideration of unlikely features, events, and processes, or sequences of events and processes, *i.e.*, those that are estimated to have less than one chance in 10 and at least one chance in 10,000 of occurring within 10,000 years of disposal. In addition, DOE's performance assessments need not evaluate the impacts resulting from any features, events, and processes or sequences of events and processes with a higher chance of occurrence if the results of the performance assessments would not be changed significantly.

Dated at Rockville, Maryland, this 2nd day of October, 2002.

For the Nuclear Regulatory Commission.
Annette Vietti-Cook,
Secretary of the Commission.
[FR Doc. 02-25521 Filed 10-7-02; 8:45 am]
BILLING CODE 7590-01-P

FEDERAL RESERVE SYSTEM

12 CFR Part 204

[Regulation D; Docket No. R-1132]

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 2003, and announces the annual indexing of the deposit reporting cutoff level that will be effective beginning in September 2003. The amendments increase the amount of transaction accounts subject to a reserve requirement ratio of three percent in 2003, as required by section 19(b)(2)(C) of the Federal Reserve Act, from \$41.3 million to \$42.1 million of net

transaction accounts. This adjustment is known as the low reserve tranche adjustment. The Board is increasing from \$5.7 million to \$6.0 million the amount of reservable liabilities of each depository institution that is subject to a reserve requirement of zero percent in 2003. 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 \$106.9 million to \$112.3 million for nonexempt depository institutions. (Nonexempt institutions are those with total reservable liabilities exceeding the amount exempted from reserve requirements.) Thus, beginning in September 2003, nonexempt institutions with total deposits of \$112.3 million or more will be required to report weekly while nonexempt institutions with total deposits less than \$112.3 million may report quarterly, in both cases on form FR 2900. Exempt institutions with at least \$6.0 million in total deposits may report annually on form FR 2910a.

DATES: Effective Date: November 7, 2002.

Compliance Dates: For depository institutions that report weekly, the low reserve tranche adjustment and the reservable liabilities exemption adjustment will apply to the fourteen-day reserve computation period that begins Tuesday, November 26, 2002, and the corresponding fourteen-day reserve maintenance period that begins Thursday, December 26, 2002. For institutions that report quarterly, the low reserve tranche adjustment and the reservable liabilities exemption adjustment will apply to the seven-day reserve computation period that begins Tuesday, December 17, 2002, and the corresponding seven-day reserve maintenance period that begins Thursday, January 16, 2003. For all depository institutions, the deposit cutoff level will be used to screen institutions in July of 2003 to determine the reporting frequency for the twelve month period that begins in September 2003.

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 user of Telecommunications Device for the Deaf (TDD) only, contact (202/872-4984); 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. 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 adjustment in the tranche is to be 80 percent of the percentage increase or decrease in net transaction accounts at all depository institutions over the one-year period that ends on the June 30 prior to the adjustment.

Currently, the low reserve tranche on net transaction accounts is \$41.3 million. Net transaction accounts of all depository institutions rose by 2.5 percent (from \$596.7 billion to \$611.4 billion) from June 30, 2001, to June 30, 2002. In accordance with section 19(b)(2), the Board is amending Regulation D (12 CFR part 204) to increase the low reserve tranche for transaction accounts for 2003 by \$0.8 million to \$42.1 million.

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. Unlike the adjustment for the low reserve tranche on net transaction accounts, which adjustment can result in a decrease as well as an increase, the change in the exemption amount is to be made only if the total reservable liabilities held at all depository institutions increase from one year to the next. The percentage increase in the exemption is to be 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 7.1 percent (from \$2,317.7 billion to \$2,481.7 billion) from June 30, 2001, to June 30, 2002. Consequently, the reservable liabilities exemption amount for 2003 under section 19(b)(11)(B) will be increased by \$0.3 million from \$5.7 million to \$6.0 million.¹

The effect of the application of section 19(b) of the Federal Reserve Act to the change in the total net transaction accounts and the change in the total

reservable liabilities from June 30, 2001, to June 30, 2002, is to increase the low reserve tranche to \$42.1 million, to apply a zero percent reserve requirement on the first \$6.0 million of net transaction accounts, and to apply a three percent reserve requirement on the remainder of the low reserve tranche.

For institutions that report weekly, the tranche adjustment and the reservable liabilities exemption adjustment will be effective for the fourteen-day reserve computation period beginning Tuesday, November 26, 2002, and for the corresponding fourteen-day reserve maintenance period beginning Thursday, December 26, 2002. For institutions that report quarterly, the tranche adjustment and the reservable liabilities exemption adjustment will be effective for the seven-day computation period beginning Tuesday, December 17, 2002, and for the corresponding seven-day reserve maintenance period beginning Thursday, January 16, 2003.

In order to reduce the reporting burden for small institutions, the Board has established a deposit reporting cutoff level to determine deposit reporting frequency. The Board has specified that the annual percentage increase in the nonexempt deposit cutoff be set equal to 80 percent of the growth rate of total deposits at all depository institutions over the one-year period ending on the most recent June 30.

From June 30, 2001, to June 30, 2002, total deposits increased 6.3 percent, from \$5,602.3 billion to \$5,955.9 billion. Accordingly, the nonexempt deposit cutoff level will increase by \$5.4 million from \$106.9 million in 2002 to \$112.3 million in 2003. 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 \$5.7 million to \$6.0 million. Under the deposit reporting system, institutions are screened during each year to determine their reporting category beginning in the September of that year. Hence, the cutoff level would be used in the 2003 deposit report screening process and new deposit reporting panels will be implemented in September 2003.

Thus, effective in September 2003, 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 \$6.0 million (nonexempt institutions) and with total deposits at or above \$112.3 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 \$112.3 million could file the 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 \$6.0 million (exempt institutions) and with at least \$6.0 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 \$6.0 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. 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. In addition, the reservable liabilities exemption adjustment and the increases for reporting purposes in the deposit cutoff level 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 \$42.1 million. Accordingly, the Board finds good cause for determining, and so determines, that notice in accordance with 5 U.S.C. 553(b) is unnecessary.

Regulatory Flexibility Analysis

The Board certifies that these amendments will not have a substantial economic impact on small depository institutions.

List of Subjects in 12 CFR Part 204

Banks, banking, Reporting and recordkeeping requirements.

¹ Consistent with Board practice, the tranche and exemption amounts have been rounded to the nearest \$0.1 million.

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.

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
Net transaction accounts:	
\$0 to \$6.0 million	0 percent of amount.
Over \$6.0 million and up to \$42.1 million.	3 percent of amount.
Over \$42.1 million.	\$1,083,000 plus 10 percent of amount over \$42.1 million.
Nonpersonal time deposits.	0 percent.
Eurocurrency liabilities.	0 percent.

Dated: October 2, 2002.

By order of the Board of Governors of the Federal Reserve System.

Jennifer J. Johnson,

Secretary of the Board.

[FR Doc. 02-25484 Filed 10-7-02; 8:45 am]

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DEPARTMENT OF TRANSPORTATION

Federal Aviation Administration

14 CFR Part 23

[Docket No. CE189, Special Condition 23-129-SC]

Special Conditions; Atlantic Aero, Inc. on the Raytheon Models 300, 300LW, B300, and B300C; Protection of Electronic Flight Instrument Systems for High Intensity Radiated Fields (HIRF)

AGENCY: Federal Aviation Administration (FAA), DOT.

ACTION: Final special conditions; request for comments.

SUMMARY: These special conditions are issued to Atlantic Aero, Inc., P.O. Box 35408, Greensboro, North Carolina

27425-5408 for a Supplemental Type Certificate for the Raytheon Model 300, 300LW, B300 and B300C airplanes. This airplane will have novel and unusual design features when compared to the state of technology envisaged in the applicable airworthiness standards. These novel and unusual design features include the installation of an electronic flight instrument system (EFIS) display for which the applicable regulations do not contain adequate or appropriate airworthiness 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 the airworthiness standards applicable to these airplanes.

DATES: The effective date of these special conditions is September 25, 2002. Comments must be received on or before November 7, 2002.

ADDRESSES: Comments may be mailed in duplicate to: Federal Aviation Administration, Regional Counsel, ACE-7, Attention: Rules Docket Clerk, Docket No. CE189, Room 506, 901 Locust, Kansas City, Missouri 64106. All comments must be marked: Docket No. CE189. Comments may be inspected in the Rules Docket weekdays, except Federal holidays, between 7:30 a.m. and 4 p.m.

FOR FURTHER INFORMATION CONTACT: Wes Ryan, Aerospace Engineer, Standards Office (ACE-110), Small Airplane Directorate, Aircraft Certification Service, Federal Aviation Administration, 901 Locust, Room 301, Kansas City, Missouri 64106; telephone (816) 329-4123.

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 notice 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. The 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 this notice must include a self-addressed, stamped postcard on which the following statement is made: "Comments to Docket No. CE189." The postcard will be date stamped and returned to the commenter.

Background

On May 17, 2002, Atlantic Aero, Inc., P.O. Box 35408, Greensboro, North Carolina 27425-5408, made application to the FAA for a new Supplemental Type Certificate for the Raytheon Model 300, 300LW, B300, and B300C airplanes. The Raytheon Model 300 series airplane is currently approved under TC No. A24CE. The proposed modification incorporates a novel or unusual design feature, such as digital avionics consisting of an EFIS, that is vulnerable to HIRF external to the airplane.

Type Certification Basis

Under the provisions of 14 CFR part 21, § 21.101, Atlantic Aero, Inc. must show that the Raytheon Model 300, 300LW, B300, and B300C aircraft meet the following provisions, or the applicable regulations in effect on the date of application for the change to the Raytheon Model 300, 300LW, B300, and B300C: For those areas modified or impacted by the installation of the Collins FD 2000 EFIS system the following paragraphs as amended by Amendments 23-1 through 23-54 must be complied with: 23.305, 23.307, 23.365, 23.603, 23.609, 23.611, 23.613, 23.625, 23.627, 23.771, 23.773, 23.777, 23.1301, 23.1303, 23.1309, 23.1311, 23.1321, 23.1322, 23.1331, 23.1335, 23.1351, 23.1357, 23.1359, 23.1361, 23.1365, 23.1367, 23.1381, 23.1431, 23.1529, 23.1541, 23.1543, 23.1581 and the special conditions adopted by this rulemaking action.

Discussion

If the Administrator finds that the applicable airworthiness standards do not contain adequate or appropriate safety standards because of novel or unusual design features of an airplane,