

requirement, the Board has sought to present the final rule in a simple and straightforward manner, and did not receive any comments on the use of plain language.

List of Subjects in 12 CFR Part 225

Administrative practice and procedure, Banks, banking, Capital planning, Holding companies, Reporting and recordkeeping requirements Securities, Stress testing.

Accordingly, the Board amends 12 CFR part 225 as follows:

PART 225—BANK HOLDING COMPANIES AND CHANGE IN BANK CONTROL (REGULATION Y)

- 1. The authority citation for part 225 continues to read as follows:

Authority: 12 U.S.C. 1817(j)(13), 1818, 1828(o), 1831i, 1831p-1, 1843(c)(8), 1844(b), 1972(1), 3106, 3108, 3310, 3331–3351, 3906, 3907, and 3909; 15 U.S.C. 1681s, 1681w, 6801 and 6805.

Subpart A—General Provisions

- 2. Section 225.8 is amended by revising paragraph (f)(2)(ii)(B) to read as follows:

§ 225.8 Capital planning.

* * * * *

(f) * * *

(2) * * *

(ii) * * *

(B) *Bank holding companies that are not large and noncomplex bank holding companies.* The Board or the appropriate Reserve Bank with concurrence of the Board, may object to a capital plan submitted by a bank holding company that is not a large and noncomplex bank holding company if it determines that:

(1) The bank holding company has not demonstrated an ability to maintain capital above each minimum regulatory capital ratio on a pro forma basis under expected and stressful conditions throughout the planning horizon; or

(2) Until January 1, 2021, except as provided in paragraph (f)(2)(ii)(B)(3) of this section, for a bank holding company that was subject to this section as of January 1, 2019, but whose capital plan has not been subject to review and a potential qualitative objection under the criteria listed in paragraph (f)(2)(ii)(B)(2)(i) through (iii) of this section for any period of four consecutive years:

(i) The bank holding company has material unresolved supervisory issues, including but not limited to issues associated with its capital adequacy process;

(ii) The assumptions and analysis underlying the bank holding company's capital plan, or the bank holding company's methodologies and practices that support its capital planning process, are not reasonable or appropriate; or

(iii) The bank holding company's capital planning process or proposed capital distributions otherwise constitute an unsafe or unsound practice, or would violate any law, regulation, Board order, directive, or condition imposed by, or written agreement with, the Board or the appropriate Reserve Bank. In determining whether a capital plan or any proposed capital distribution would constitute an unsafe or unsound practice, the Board or the appropriate Reserve Bank would consider whether the bank holding company is and would remain in sound financial condition after giving effect to the capital plan and all proposed capital distributions.

(3) Notwithstanding paragraph (f)(2)(ii)(B)(2) of this section, a bank holding company that was subject to this section as of January 1, 2019, and that receives a qualitative objection in the fourth year of the four-year period described in paragraph (f)(2)(ii)(B)(2), pursuant to the criteria in paragraph (f)(2)(ii)(B)(2)(i) through (iii) of this section, will remain subject to a qualitative objection under this section until January 1 of the year after the first year in which the bank holding company does not receive a qualitative objection.

* * * * *

By order of the Board of Governors of the Federal Reserve System, March 6, 2019.

Margaret McCloskey Shanks,
Deputy Secretary of the Board.

[FR Doc. 2019-04515 Filed 3-12-19; 8:45 am]

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FINANCIAL STABILITY OVERSIGHT COUNCIL

12 CFR Part 1310

RIN 4030-AA03

Authority To Require Supervision and Regulation of Certain Nonbank Financial Companies

AGENCY: Financial Stability Oversight Council.

ACTION: Final rule.

SUMMARY: The Financial Stability Oversight Council (the “Council”) is adopting a rule stating that the Council shall not amend or rescind its interpretive guidance on nonbank

financial company determinations without providing the public with notice and an opportunity to comment consistent with the Administrative Procedure Act.

DATES: *Effective date:* April 12, 2019.

FOR FURTHER INFORMATION CONTACT: Bimal Patel, Office of Domestic Finance, Treasury, at (202) 622–2850; Eric Froman, Office of the General Counsel, Treasury, at (202) 622–1942; or Mark Schlegel, Office of the General Counsel, Treasury, at (202) 622–1027.

SUPPLEMENTARY INFORMATION:

I. Background

Section 111 of the Dodd-Frank Wall Street Reform and Consumer Protection Act (12 U.S.C. 5321) (the “Dodd-Frank Act”) established the Financial Stability Oversight Council. The purposes of the Council under section 112 of the Dodd-Frank Act (12 U.S.C. 5322) are (A) to identify risks to the financial stability of the United States that could arise from the material financial distress or failure, or ongoing activities, of large, interconnected bank holding companies or nonbank financial companies, or that could arise outside the financial services marketplace; (B) to promote market discipline, by eliminating expectations on the part of shareholders, creditors, and counterparties of such companies that the Government will shield them from losses in the event of failure; and (C) to respond to emerging threats to the stability of the United States financial system.

The Dodd-Frank Act also authorizes the Council to determine that certain nonbank financial companies will be subject to supervision by the Board of Governors of the Federal Reserve System (the “Federal Reserve”) and prudential standards. On April 11, 2012, the Council issued interpretive guidance (the “2012 Interpretive Guidance”) regarding the manner in which the Council makes determinations under section 113 of the Dodd-Frank Act, as an appendix to a final rule (together, the “2012 Rule and Interpretive Guidance”). The 2012 Rule and Interpretive Guidance were codified at part 1310 to title 12 of the Code of Federal Regulations.

The Council is modifying the rule text in the 2012 Final Rule and Interpretive Guidance by adding a new section (12 CFR 1310.3) stating that the Council shall not amend or rescind the interpretive guidance set forth in appendix A to part 1310 without providing the public with notice and an opportunity to comment.

The Council is adopting this rule pursuant to its authority under section

111(e)(2) of the Dodd-Frank Act, which authorizes the Council to adopt such rules as may be necessary for the conduct of the business of the Council, and states that such rules shall be rules of agency organization, procedure, or practice for purposes of section 553 of title 5, United States Code. This new section is a rule of agency procedure, and is therefore not subject to the requirement to provide public notice and an opportunity to comment under the Administrative Procedure Act.¹ As a result, the Council is adopting it in final form. Because no notice of proposed rulemaking is required, the provisions of the Regulatory Flexibility Act (5 U.S.C. 601 *et seq.*) do not apply.

Contemporaneous with the publication of this final rule, the Council is separately publishing proposed interpretive guidance that would replace the 2012 Interpretive Guidance. That proposal includes a request for public comment.

II. Amendment to 12 CFR Part 1310

In order to promote the Council's engagement with market participants and other interested parties, the Council is adding a new section to the rules referenced above, stating that the Council shall not amend or rescind the interpretive guidance set forth in appendix A to the rules without providing the public with notice and an opportunity to comment under the Administrative Procedure Act.

List of Subjects in 12 CFR Part 1310

Brokers, Investments, Securities.

In accordance with the foregoing, the Council amends 12 CFR part 1310 as follows:

PART 1310—AUTHORITY TO REQUIRE SUPERVISION AND REGULATION OF CERTAIN NONBANK FINANCIAL COMPANIES

- 1. The authority citation for part 1310 continues to read as follows:

Authority: 12 U.S.C. 5321; 12 U.S.C. 5322; 12 U.S.C. 5323.

- 2. Add § 1310.3 to read as follows:

§ 1310.3 Amendments.

The Council shall not amend or rescind appendix A to this part without providing the public with notice and an opportunity to comment in accordance with the procedures applicable to legislative rules under 5 U.S.C. 553.

Dated: March 6, 2019.

Bimal Patel,

Deputy Assistant Secretary for the Financial Stability Oversight Council, Department of the Treasury.

[FR Doc. 2019-04487 Filed 3-12-19; 8:45 am]

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DEPARTMENT OF TRANSPORTATION

Federal Aviation Administration

14 CFR Part 39

[Docket No. FAA-2018-0991; Product Identifier 2017-SW-050-AD; Amendment 39-19586; AD 2019-05-04]

RIN 2120-AA64

Airworthiness Directives; MD Helicopters, Inc. (MDHI), Helicopters

AGENCY: Federal Aviation Administration (FAA), DOT.

ACTION: Final rule.

SUMMARY: We are adopting a new airworthiness directive (AD) for MDHI Model 369A, 369D, 369E, 369FF, 369H, 369HE, 369HM, 369HS, 500N, and 600N helicopters. This AD requires inspecting each main rotor blade (MRB) for a crack. This AD was prompted by reports of cracked MRBs. The actions of this AD are intended to address an unsafe condition on these helicopters.

DATES: This AD is effective April 17, 2019.

ADDRESSES: For Helicopter Technology Company, LLC, service information identified in this final rule, contact Helicopter Technology Company, LLC, 12902 South Broadway, Los Angeles, CA 90061; telephone (310) 523-2750; or at www.helicoptertech.com. For MD Helicopters service information identified in this final rule, contact MD Helicopters, Inc., Attn: Customer Support Division, 4555 E. McDowell Rd., Mail Stop M615, Mesa, AZ 85215-9734; telephone 1-800-388-3378; fax 480-346-6813; or at <http://www.mdhelicopters.com>. You may review a copy of the referenced service information at the FAA, Office of the Regional Counsel, Southwest Region, 10101 Hillwood Pkwy, Room 6N-321, Fort Worth, TX 76177.

Examining the AD Docket

You may examine the AD docket on the internet at <http://www.regulations.gov> by searching for and locating Docket No. FAA-2018-0991; or in person at Docket Operations between 9 a.m. and 5 p.m., Monday through Friday, except Federal holidays. The AD docket contains this AD, the

economic evaluation, any comments received, and other information. The street address for Docket Operations (phone: 800-647-5527) is U.S. Department of Transportation, Docket Operations, M-30, West Building Ground Floor, Room W12-140, 1200 New Jersey Avenue SE, Washington, DC 20590.

FOR FURTHER INFORMATION CONTACT:

Galib Abumeri, Aviation Safety Engineer, Los Angeles ACO Branch, Compliance & Airworthiness Division, FAA, 3960 Paramount Blvd., Lakewood, CA 90712; telephone (562) 627-5374; email galib.abumeri@faa.gov.

SUPPLEMENTARY INFORMATION:

Discussion

On November 26, 2018, at 83 FR 60376, the **Federal Register** published our notice of proposed rulemaking (NPRM), which proposed to amend 14 CFR part 39 by adding an AD that would apply to MDHI Model 369A, 369D, 369E, 369FF, 369H, 369HE, 369HM, 369HS, 500N, and 600N helicopters with a Helicopter Technology Company, LLC (HTC), MRB part number 369A1100, 369D21100, 369D21102, 369D21120, 369D21121, 369D21123, 500P2100, or 500P2300 installed. The NPRM was prompted by reports of two operators finding cracks on an HTC-manufactured MRB and proposed to require repetitively inspecting each MRB trim tab for a crack. The proposed requirements were intended to prevent failure of an MRB and subsequent loss of control of the helicopter.

In the "Costs of Compliance" section, the NPRM stated an incorrect number of U.S.-registered helicopters affected by this AD and subsequently, an incorrect estimated cost of the inspection for the U.S. fleet. We have corrected the cost information in this Final rule.

Comments

We gave the public the opportunity to participate in developing this AD, but we did not receive any comments on the NPRM.

FAA's Determination

We have reviewed the relevant information and determined that an unsafe condition exists and is likely to exist or develop on other products of these same type designs and that air safety and the public interest require adopting the AD requirements as proposed.

Related Service Information

We reviewed HTC Mandatory Service Bulletin Notice No. 2100-9, dated May 25, 2017 (SB 2100-9), which contains

¹ See 5 U.S.C. 553(b)(A).