

under § 1416.400(c), the eligible orchardist or nursery tree grower must first have suffered a mortality loss of more than 7.5 percent (adjusted for normal mortality) on a stand as a result of natural disaster as determined by the Deputy Administrator.

(b) The qualifying loss of a stand of trees, bushes, or vines specified in paragraph (a) of this section will be determined based on:

(1) Each eligible disaster event, except for losses due to plant disease;

(2) For plant disease, the time period, as determined by the Deputy Administrator, for which the stand is infected.

(c) Mortality or damage loss not eligible for inclusion as a qualifying loss under this section or for payment under § 1416.406 includes those losses where:

(1) The loss or damage could have been prevented through reasonable and available measures; and

(2) The trees, bushes, or vines, in the absence of a natural disaster, would normally have required rehabilitation or replanting within the 12-month period following the loss.

(d) The damage or loss must be visible and obvious to the county committee representative. If the damage is no longer visible, the county committee may accept other evidence of the loss as it determines is reasonable.

(e) The county committee may require information from a qualified expert, as determined by the county committee, to determine extent of loss in the case of plant disease or insect infestation.

(f) The Deputy Administrator will determine the types of trees, bushes, and vines that are eligible.

(g) A stand that did not suffer a qualifying mortality loss as specified in paragraph (a) of this section is not eligible for payment.

**§ 1416.404 [Amended]**

■ 34. In § 1416.404, in paragraph (a), remove “To” and add “Once the requisite qualifying eligible mortality loss is determined according to § 1416.403, to”.

■ 35. Amend § 1416.405 as follows:

■ a. Redesignate paragraphs (a) through (d) as paragraphs (b) and (e);

■ b. Add new paragraph (a); and

■ c. Revise newly redesignated paragraph (b).

The addition and revision read as follows:

**§ 1416.405 Application.**

(a) Applications for payment that had been filed under the regulations in effect at the time of filing and which were issued an administrative decision for either a 2017 or 2018 program year loss

are not eligible for consideration under paragraph (b) of this section, unless the decision was based only on failure to submit the application for payment by the prior applicable deadline,

(b) To apply for TAP, a producer that suffered eligible tree, bush, or vine losses that occurred during the 2017 and subsequent calendar years must provide an application for payment and supporting documentation to FSA by the later of December 3, 2018 or within 90 calendar days of the disaster event or date when the loss of trees, bushes, or vines is apparent to the producer.

\* \* \* \* \*

■ 36. Amend § 1416.406 as follows:

■ a. In paragraph (a) introductory text, remove “Payment” and add “Once the loss threshold in § 1416.403(a) is satisfied, payment” in its place;

■ b. In paragraph (b), remove the words “damage or” in both places where they appear;

■ c. Add paragraph (d)(3);

■ d. In paragraph (h), remove “eligible” before the word “stand”; and

■ e. In paragraph (j), remove the number “500” and add the number “1,000” in its place.

The addition reads as follows:

**§ 1416.406 Payment Calculation.**

\* \* \* \* \*

(d) \* \* \*

(3) Costs or expenses that the eligible orchardist or nursery tree grower did not actually bear or incur because someone or some other entity bore or incurred those costs or expenses, or the costs were reimbursed under another program. For example, if under any other program the expenses are paid for on behalf of the eligible orchardist or nursery tree grower, those expenses are not eligible for cost share under this subpart.

\* \* \* \* \*

**Richard Fordyce,**  
*Administrator, Farm Service Agency.*

**Robert Stephenson,**  
*Executive Vice President, Commodity Credit Corporation.*

[FR Doc. 2018–21257 Filed 10–1–18; 8:45 am]

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**FEDERAL RESERVE SYSTEM**

**12 CFR Part 201**

**[Docket No. R–1623]**

**RIN 7100–AF 17**

**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 rate for primary credit 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:** *Effective date:* The amendments to part 201 (Regulation A) are effective October 2, 2018.

*Applicability date:* The rate changes for primary and secondary credit were applicable on September 27, 2018.

**FOR FURTHER INFORMATION CONTACT:**

Sophia Allison, Senior Special Counsel (202–452–3565), Legal Division, or Lyle Kumasaka, Lead Financial Institution & Policy Analyst (202–452–2382), or Kristen Payne, Senior Financial Institution & Policy Analyst (202–452–2872), 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:**

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.

On September 26, 2018, the Board voted to approve a ¼ percentage point increase in the primary credit rate in effect at each of the twelve Federal Reserve Banks, thereby increasing from 2.50 percent to 2.75 percent the rate that each Reserve Bank charges for extensions of primary credit. In addition, the Board had previously approved the renewal of the secondary credit rate formula, the primary credit rate plus 50 basis points. Under the formula, the secondary credit rate in effect at each of the twelve Federal Reserve Banks increased by ¼ percentage point as a result of the Board’s primary credit rate action, thereby increasing from 3.00 percent to 3.25 percent the rate that each Reserve Bank charges for extensions of

secondary credit. The amendments to Regulation A reflect these rate changes.

The ¼ percentage point increase in the primary credit rate was associated with an increase in the target range for the federal funds rate (from a target range of 1¾ to 2 percent to a target range of 2 to 2¼ percent) announced by the Federal Open Market Committee on September 26, 2018, as described in the Board's amendment of its Regulation D regulations published elsewhere in this issue of the **Federal Register**.

#### Administrative Procedure Act

In general, the Administrative Procedure Act ("APA")<sup>1</sup> imposes three principal requirements when an agency promulgates legislative rules (rules made pursuant to congressionally delegated authority): (1) Publication with adequate notice of a proposed rule; (2) followed by a meaningful opportunity for the public to comment on the rule's content; and (3) publication of the final rule not less than 30 days before its effective date. The APA provides that notice and comment procedures do not apply if the agency for good cause finds them to be "unnecessary, impracticable, or contrary to the public interest."<sup>2</sup> Section 553(d) of the APA also provides that publication at least 30 days prior to a rule's effective date is not required for (1) a substantive rule which grants or recognizes an exemption or relieves a restriction; (2) interpretive rules and statements of policy; or (3) a rule for which the agency finds good cause for shortened notice and publishes its reasoning with the rule.<sup>3</sup> The APA further provides that the notice, public comment, and delayed effective date requirements of 5 U.S.C. 553 do not apply "to the extent that there is involved . . . a matter relating to agency management or personnel or to public property, loans, grants, benefits, or contracts."<sup>4</sup>

Regulation A establishes the interest rates that the twelve Reserve Banks charge for extensions of primary credit and secondary credit. The Board has determined that the notice, public comment, and delayed effective date requirements of the APA do not apply to these final amendments to Regulation A for several reasons. The amendments involve a matter relating to loans and are therefore exempt under the terms of the APA. In addition, the Board has determined that notice, public comment, and delayed effective date

would be unnecessary and contrary to the public interest because delay in implementation of changes to the rates charged on primary credit and secondary credit would permit insured depository institutions to profit improperly from the difference in the current rate and the announced increased rate. Finally, because delay would undermine the Board's action in responding to economic data and conditions, the Board has determined that "good cause" exists within the meaning of the APA to dispense with the notice, public comment, and delayed effective date procedures of the APA with respect to the final amendments to Regulation A.

#### Regulatory Flexibility Analysis

The Regulatory Flexibility Act ("RFA") does not apply to a rulemaking where a general notice of proposed rulemaking is not required.<sup>5</sup> As noted previously, a general notice of proposed rulemaking is not required if the final rule involves a matter relating to loans. Furthermore, the Board has determined that it is unnecessary and contrary to the public interest to publish a general notice of proposed rulemaking for this final rule. Accordingly, the RFA's requirements relating to an initial and final regulatory flexibility analysis do not apply.

#### Paperwork Reduction Act

In accordance with the Paperwork Reduction Act ("PRA") of 1995,<sup>6</sup> the Board reviewed the final rule under the authority delegated to the Board by the Office of Management and Budget. The final rule contains no requirements subject to the PRA.

#### 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 part 201 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) and (s), 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>3</sup>

(a) *Primary credit.* The interest rate at each Federal Reserve Bank for primary credit provided to depository institutions under § 201.4(a) is 2.75 percent.

(b) *Secondary credit.* The interest rate at each Federal Reserve Bank for secondary credit provided to depository institutions under § 201.4(b) is 3.25 percent.

\* \* \* \* \*

By order of the Board of Governors of the Federal Reserve System, September 27, 2018.

**Ann Misback,**

*Secretary of the Board.*

[FR Doc. 2018–21436 Filed 10–1–18; 8:45 am]

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## FEDERAL RESERVE SYSTEM

### 12 CFR Part 204

[Docket No. R–1624]

RIN 7100–AF 18

#### Regulation D: Reserve Requirements of Depository Institutions

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

**ACTION:** Final rule.

**SUMMARY:** The Board of Governors of the Federal Reserve System ("Board") is amending Regulation D (Reserve Requirements of Depository Institutions) to revise the rate of interest paid on balances maintained to satisfy reserve balance requirements ("IORR") and the rate of interest paid on excess balances ("IOER") maintained at Federal Reserve Banks by or on behalf of eligible institutions. The final amendments specify that IORR is 2.20 percent and IOER is 2.20 percent, a 0.25 percentage point increase from their prior levels. The amendments are intended to enhance the role of such rates of interest in moving the Federal funds rate into the target range established by the Federal Open Market Committee ("FOMC" or "Committee").

**DATES:** *Effective date:* The amendments to part 204 (Regulation D) are effective October 2, 2018.

*Applicability date:* The IORR and IOER rate changes were applicable on September 27, 2018.

**FOR FURTHER INFORMATION CONTACT:** Sophia Allison, Senior Special Counsel

<sup>1</sup> 5 U.S.C. 551 *et seq.*

<sup>2</sup> 5 U.S.C. 553(b)(3)(A).

<sup>3</sup> 5 U.S.C. 553(d).

<sup>4</sup> 5 U.S.C. 553(a)(2) (emphasis added).

<sup>5</sup> 5 U.S.C. 603, 604.

<sup>6</sup> 44 U.S.C. 3506; see 5 CFR part 1320, appendix A.1.

<sup>3</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.