



BOARD OF GOVERNORS
OF THE
FEDERAL RESERVE SYSTEM

WASHINGTON, D.C. 20551

DIVISION OF SUPERVISION
AND REGULATION

DIVISION OF CONSUMER AND
COMMUNITY AFFAIRS

SR 19-10

CA 19-9

July 3, 2019

**TO THE OFFICER IN CHARGE OF SUPERVISION AT EACH FEDERAL RESERVE
BANK**

**SUBJECT: Final Rule Revising the Board's Delegation Rules for Certain Types of
Applications, Notices, and Requests**

Applicability: The procedures in the final rule apply to certain applications, notices, and requests submitted to the Federal Reserve by supervised financial institutions and other entities.¹

The purpose of this letter is to inform financial institutions and other members of the public that the Board has expanded the types of applications, notices, and requests for which the Federal Reserve Banks (Reserve Banks) have delegated authority to act.² The Board took this action by revising its Rules Regarding Delegation of Authority (Delegation Rules). The Reserve Banks will be required to apply the same legal standards and factors required to be taken into consideration by the Board in acting on any of the applications, notices, or requests that are covered by the expanded delegations. The Board expects that the revised Delegation Rules will improve efficiency and timeliness in the applications process.

Pursuant to the final rule, the Reserve Banks are authorized to:

- Grant or deny requests for modifying certain commitments;
- Authorize a state member bank to make certain public welfare investments pursuant to section 9(23) of the Federal Reserve Act and section 208.21 of the Board's Regulation H;³

¹ See 84 *Fed. Reg.* 31701 (July 3, 2019) for more information at <https://www.govinfo.gov/content/pkg/FR-2019-07-03/pdf/2019-13970.pdf>. The revised delegations became effective on the date of publication in the *Federal Register*.

² See 12 CFR 265 et. seq.

³ 12 U.S.C. 338a; 12 CFR 208.21 et. seq.

- Approve certain requests, applications, and notices relating to international banking operations filed pursuant to the Board’s Regulation K (12 CFR 211);
- Approve certain requests not to file applications that would otherwise be required under the Bank Holding Company Act of 1956 and the Home Owners’ Loan Act; and
- Approve certain applications relating to mergers and acquisitions involving banks that are within competitive criteria described in the Delegations Rules. A similar delegation would apply to corresponding transactions involving savings and loan holding companies.

Prospective filers are encouraged to contact the Applications Department of the appropriate Reserve Bank to discuss their proposal prior to submission.⁴

Questions

Reserve Banks should distribute this letter to supervised institutions in their districts, as well as to their own supervisory and examination staff. Questions should be directed to Susan Motyka, Deputy Associate Director, (202) 452-5280, Division of Supervision and Regulation; Anthony Iwuji, Manager, (202) 452-3254, Division of Consumer and Community Affairs; and Scott Tkacz, Senior Counsel, (202) 452-2744, Legal Division. In addition, questions may be sent via the Board’s public website.⁵

Michael S. Gibson
Director
Division of Supervision
and Regulation

Eric S. Belsky
Director
Division of Consumer and
Community Affairs

Attachment:

- *Federal Register Notice*

Cross references to:

- SR letter 12-12 / CA letter 12-11, “Implementation of a New Process for Requesting Guidance from the Federal Reserve Regarding Bank and Nonbank Acquisitions and Other Proposals”

⁴ More information regarding the applications process and various types of filings is available on the Board’s website: <https://www.federalreserve.gov/supervisionreg/afi/filings.htm>. See also [SR letter 12-12 / CA letter 12-11](#), “Implementation of a New Process for Requesting Guidance from the Federal Reserve Regarding Bank and Nonbank Acquisitions and Other Proposals.”

⁵ See <https://www.federalreserve.gov/apps/contactus/feedback.aspx>.