

# Rules and Regulations

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## DEPARTMENT OF AGRICULTURE

### Office of the Secretary

#### 7 CFR Part 2

#### Revision of Delegation of Authority

**AGENCY:** Office of the Secretary, Department of Agriculture (USDA).

**ACTION:** Final rule.

**SUMMARY:** This document delegates to the Assistant Secretary for Administration the authority vested in the Secretary of Agriculture under the National Agriculture Research, Extension, and Teaching Policy Act of 1977 to enter into cooperative agreements and under the Farm Security and Rural Investment Act of 2002 to implement programs for the Federal procurement and voluntary labeling of biobased products. It also rescinds the delegation of authority to the Chief Economist to implement the biobased procurement and voluntary labeling programs.

**DATES:** These interim regulations are effective September 30, 2008. Comments are invited and should be received by October 30, 2008.

**ADDRESSES:** USDA, Departmental Administration, Room 209–A Whitten Building, 1400 Independence Avenue, SW., Washington, DC 20250–0103.

**FOR FURTHER INFORMATION CONTACT:** Mrs. Shana Love, Departmental Administration, Room 209–A Whitten Building, 1400 Independence Avenue, SW., Washington, DC 20250–0103; telephone: (202) 205–4008; fax: (202) 720–2191; e-mail: [biopreferred@usda.gov](mailto:biopreferred@usda.gov). Information regarding the BioPreferred Program is available on the Internet at <http://www.biopreferred.gov>.

**SUPPLEMENTARY INFORMATION:** Section 9002 of the Farm Security and Rural Investment Act of 2002 (FSRIA), Public

Law 107–171 established a program for the procurement of biobased products by Federal agencies and a voluntary program for labeling of biobased products. The Food, Conservation, and Energy Act of 2008, Public Law 110–246 continues the biobased markets program and adds provisions related to the program. USDA refers to the program for the Federal procurement of biobased products and the voluntary program for labeling of biobased products, collectively, as the BioPreferred Program (Program).

In an effort to make sure the Program continues to move forward and build demand for biobased products within the Federal government and commercially, management of the Program has been transferred from Office of the Chief Economist to Departmental Administration to enhance and strengthen the Program, as well as increase resources for research and analyses of emerging global energy issues and the necessary economic analysis of biobased products (that is, market identification, comparative costs with fossil energy derived product alternatives, and supply and demand estimations).

Section 1472 of the National Agriculture Research, Extension and Teaching Policy Act of 1977, Public Law 99–113 (7 U.S.C. 3318), grants the Secretary of Agriculture the authority to enter into cooperative agreements with Federal and State agencies and private organizations, to further research, extension, or teaching programs in the food and agricultural sciences of USDA. Because this authority does not extend to the Assistant Secretary for Administration, a delegation of the Secretary's authority is necessary. This document sets forth that delegation, as well as delegations to the Assistant Secretary for Administration relating to the biobased procurement and labeling programs included in the Farm Security and Rural Investment Act of 2002.

This rule relates to internal agency management. Therefore, pursuant to 5 U.S.C. 553, notice of proposed rule making and opportunity for comment are not required, and this rule may be made effective less than 30 days after publication in the **Federal Register**. Further, since this rule relates to internal agency management, it is exempt from the provisions of Executive Order 12988 and Executive Order

12866, amended by Executive Order 13258. In addition, this action is not a rule as defined by the Regulatory Flexibility Act, (5 U.S.C. 601 *et seq.*), and thus, is exempt from the provisions of that Act. Finally, this action is not a rule as defined in the Small Business Regulatory Fairness Enforcement Act, (5 U.S.C. 801 *et seq.*), and thus does not require review by Congress.

#### List of Subjects in 7 CFR Part 2

Authority delegations (government agencies).

■ Accordingly, 7 CFR part 2 is amended as follows:

#### PART 2—DELEGATIONS OF AUTHORITY BY THE SECRETARY OF AGRICULTURE AND GENERAL OFFICERS OF THE DEPARTMENT

■ 1. The authority citation for part 2 continues to read as follows:

**Authority:** 7 U.S.C. 6912(a)(1), 5 U.S.C. 301; Reorganization Plan No. 2 of 1953, 3 CFR, 1949–1953 Comp., p. 1024.

#### Subpart C—Delegations of Authority to the Deputy Secretary, the Under Secretaries and Assistant Secretaries

■ 2. Amend § 2.24 to add new paragraphs (a)(7)(i)(J) and (a)(7)(i)(K), to read as follows:

#### § 2.24 Assistant Secretary for Administration.

(a) \* \* \*

(7) \* \* \*

(i) \* \* \*

(J) Implementation of a program for the Federal procurement of biobased products in consultation with the Administrators of the Environmental Protection Agency and General Services Administration and the Director, National Institute of Standards and Technology; and establishment, in consultation with the Administrator of the Environmental Protection Agency, of a voluntary “USDA Certified Biobased Product” labeling program (7 U.S.C. 8102).

(K) Entering into cooperative agreements to further research programs in the food and agricultural sciences, related to establishing and implementing Federal biobased procurement and voluntary biobased labeling programs (7 U.S.C. 3318).

\* \* \* \* \*

## Subpart D—Delegations of Authority to Other General Officers and Agency Heads

### § 2.29 [Amended]

■ 3. Amend § 2.29 as follows:

- a. Remove paragraph (a)(11)(vii),
- b. Redesignate paragraphs (a)(11)(viii) through (a)(11)(ix) as paragraphs (a)(11)(vii) through (a)(11)(xiii).

Dated: September 24, 2008.

**Edward T. Schafer,**

*Secretary of Agriculture.*

[FR Doc. E8–22959 Filed 9–29–08; 8:45 am]

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## FEDERAL DEPOSIT INSURANCE CORPORATION

### 12 CFR Part 330

RIN 3064–AD33

### Deposit Insurance Regulations; Revocable Trust Accounts

**AGENCY:** Federal Deposit Insurance Corporation (FDIC).

**ACTION:** Interim rule with request for comments.

**SUMMARY:** The FDIC is adopting an interim rule to simplify and modernize its deposit insurance rules for revocable trust accounts. The FDIC's main goal in implementing these revisions is to make the rules easier to understand and apply, without decreasing coverage currently available for revocable trust account owners. The FDIC believes that the interim rule will result in faster deposit insurance determinations after depository institution closings and will help improve public confidence in the banking system. The interim rule eliminates the concept of qualifying beneficiaries. Also, for account owners with revocable trust accounts totaling no more than \$500,000, coverage will be determined without regard to the beneficial interest of each beneficiary in the trust.

Under the new rules, a trust account owner with up to five different beneficiaries named in all his or her revocable trust accounts at one FDIC-insured institution will be insured up to \$100,000 per beneficiary. Revocable trust account owners with more than \$500,000 and more than five different beneficiaries named in the trust(s) will be insured for the greater of either: \$500,000 or the aggregate amount of all the beneficiaries' interests in the trust(s), limited to \$100,000 per beneficiary.

**DATES:** The effective date of the interim rule is September 26, 2008. Written

comments must be received by the FDIC not later than December 1, 2008.

**ADDRESSES:** You may submit comments by any of the following methods:

- *Agency Web Site:* <http://www.fdic.gov/regulations/laws/federal>. Follow instructions for submitting comments on the Agency Web Site.
- *E-mail:* [Comments@FDIC.gov](mailto:Comments@FDIC.gov). Include "Revocable Trust Accounts" in the subject line of the message.
- *Mail:* Robert E. Feldman, Executive Secretary, Attention: Comments, Federal Deposit Insurance Corporation, 550 17th Street, NW., Washington, DC 20429.
- *Hand Delivery/Courier:* Guard station at the rear of the 550 17th Street Building (located on F Street) on business days between 7 a.m. and 5 p.m. (EST).

• *Federal eRulemaking Portal:* <http://www.regulations.gov>. Follow the instructions for submitting comments.

*Public Inspection:* All comments received will be posted without change to <http://www.fdic.gov/regulations/laws/federal> including any personal information provided. Paper copies of public comments may be ordered from the Public Information Center by telephone at (877) 275–3342 or (703) 562–2200.

#### FOR FURTHER INFORMATION CONTACT:

Joseph A. DiNuzzo, Counsel, Legal Division (202) 898–7349; Christopher Hencke, Counsel, Legal Division (202) 898–8839; James V. Deveney, Section Chief, Deposit Insurance Section, Division of Supervision and Compliance (202) 898–6687; or Kathleen G. Nagle, Associate Director, Division of Supervision and Consumer Protection (202) 898–6541, Federal Deposit Insurance Corporation, Washington, DC 20429.

#### SUPPLEMENTARY INFORMATION:

##### I. Background

One of the FDIC's fundamental goals is to ensure that depositors and insured depository institution employees understand the FDIC's deposit insurance rules. That goal is essential in carrying out the FDIC's combined mission of helping to maintain public confidence and stability in the United States banking system and protecting insured depositors.

Despite the FDIC's efforts to simplify deposit insurance rules in recent years, there is still significant public and industry confusion about the insurance coverage of revocable trust accounts—particularly living trust accounts, one of the two types of revocable trust accounts. This continuing confusion about the insurance coverage of revocable trust accounts is evidenced by

the tens of thousands of deposit insurance inquiries the FDIC has received following recent depository institution failures.

#### *Current Rules for Revocable Trust Accounts*

There are two types of revocable trust accounts insured under the FDIC's coverage rules: Informal trust accounts and formal trust accounts. Informal trust accounts are comprised simply of a signature card on which the owner designates the beneficiaries to whom the funds in the account will pass upon the owner's death. These are the most common type of revocable trust accounts and generally are referred to as "payable-on-death" ("POD") accounts or in-trust-for ("ITF") accounts or *Totten Trust* accounts. For purposes of this rulemaking, we will refer to all informal trust accounts as POD accounts.

The other type of revocable trust accounts are accounts established in connection with formal revocable trusts. Formal revocable trusts are trusts created for estate planning purposes. They are often referred to as: living trusts, family trusts, marital trusts, survivor's trusts, by-pass trusts, generation-skipping trusts, AB trusts or special needs trusts. For purposes of this rulemaking, we will refer to all formal revocable trusts as living trusts. Like an informal revocable trust, a living trust is a trust created by an owner (also known as a grantor or settlor) over which the owner retains control during his or her lifetime. Upon the owner's death, the trust generally becomes irrevocable. A living trust is an increasingly popular estate planning tool. Like a POD account, a deposit account held in connection with a living trust account at an FDIC-insured institution is insured under the FDIC's coverage rules for revocable trust accounts.

The FDIC's rules provide that all revocable trust accounts (both POD accounts and living trust accounts) are insured up to \$100,000 per "qualifying beneficiary" designated by the owner of the account.<sup>1</sup> If there are multiple owners of a revocable trust account, coverage is available separately for each owner, per qualifying beneficiary as to each owner. Qualifying beneficiaries are defined as the owner's spouse, children, grandchildren, parents and siblings.<sup>2</sup>

The per-qualifying beneficiary coverage available on revocable trust accounts is separate from the insurance coverage afforded to depositors in

<sup>1</sup> 12 CFR 330.10.

<sup>2</sup> *Id.* at 330.10(a).