has determined that the new payment schedule "relieves a restriction" within the meaning of 5 U.S.C. 553(d)(1), because it delays the date on which the FDIC regularly collects the first payments, and thereby allows institutions to retain their funds for an extra interval. The Board of Directors has further determined that there is "good cause" to make this aspect of the final rule effective upon adoption because institutions should have as much time as possible to adjust to the new collection schedule and to decide whether to take advantage of the election options provided by the final rule.

The FDIC is making this revision to the payment schedule effective at once, rather than delaying the effective date for 30 days, see 5 U.S.C. 553(d).

b. The Alternate Payment Date

The Board of Directors has likewise determined that there is "good cause" to make the final rule effective upon adoption with respect to the availability of the alternate payment date because institutions should have as much time as possible to decide whether to take advantage of this option.

The FDIC is also making this revision to the payment schedule effective at once, rather than delaying the effective date for 30 days, *see* 5 U.S.C. 553(d).

2. Doubled Payments

The Board of Directors has determined that the doubled-payment option "relieves a restriction" within the meaning of 5 U.S.C. 553(d)(1), because it gives institutions additional flexibility to arrange their financial affairs. In addition, the Board of Directors has determined that there is "good cause" to make the final rule effective upon adoption with respect to the doubled-payment option because institutions should have as much time as possible to decide whether to take advantage of this option.

The FDIC is making this revision to the payment schedule effective at once, rather than delaying the effective date for 30 days, see 5 U.S.C. 553(d).

3. Interest on Underpaid and Overpaid Assessments

The FDIC is making the revision of the interest rate effective 30 days after publication of the final rule in the Federal Register, in accordance with 5 U.S.C. 553(d).

4. The Assessment-Schedule Notice

The FDIC considers that the decision to establish an advance-notice period and, accordingly, the decision to shorten the period—is a rule of "agency * * * practice'' within the meaning of the Administrative Procedure Act (5 U.S.C. 553), and that notice and comment are therefore not required. The advance-notice period is not required by statute. The FDIC has adopted the advance-notice period *sua sponte*, reflecting ''the FDIC's intent promptly to make public the basis for any Board decision to adjust the rate schedule.'' See 60 FR 42680, 42740.

The FDIC designed the original advance-notice period with its own internal constraints in mind, and those constraints have changed. Accordingly, the Board of Directors has determined that there is good cause to shorten the advance-notice period without the notice and public participation that are ordinarily required by the Administrative Procedure Act.

Furthermore, the Board of Directors has determined that good cause exists for waiving the customary 30-day delayed effective date. The FDIC has only recently made the determination that the BIF has recapitalized. The Board considers that it is particularly important that the revenue to be generated in the current assessment cycle will accurately reflect the current status of the BIF and the assessment bases of the institutions.

The FDIC is therefore making this revision to the payment schedule effective at once, rather than delaying the effective date for 30 days, see 5 U.S.C. 553(d).

K. Paperwork Reduction Act

The proposed rule would have provided that, if an institution selected the alternate payment date, the institution could then select the doubled-payment option as well. Because the two elections were linked, the FDIC developed a single form for them: the form for electing the alternate payment date also asked institutions to specify the amount they would pay.

The FDIC was concerned that, by asking for this additional piece of information, the FDIC was engaging in the "collection of information" within the meaning of the Paperwork Reduction Act of 1980 (44 U.S.C. 3501 *et seq.*). Accordingly, the FDIC asked the Office of Management and Budget (OMB) to review the proposal and submitted the proposed form to OMB for approval. OMB has approved the collection of information and the form.

The final rule does away with the need for OMB's review and approval, however. The final differs from the proposed rule by separating the procedure for selecting the alternate payment date from the procedure for selecting the doubled-payment option. Each procedure has its own form. Each form contains the appropriate certification and specifies the initial payment with respect to which the institution is making the election.

An institution that signs a form does no more than identify itself. Selfidentification in this manner does not constitute "information" within the meaning of the Paperwork Reduction Act.

L. Regulatory Flexibility Act

The Board hereby certifies that the final rule will not have a significant economic impact on a substantial number of small entities within the meaning of the Regulatory Flexibility Act (5 U.S.C. 601 et seq.) The final rule mitigates a cost incurred by certain smaller entities-namely, cash-basis depository institutions-that arises from the one-time shift from the semiannual assessment process to the new quarterly assessment schedule. The final rule further confers a benefit on all institutions (including smaller institutions) by allowing them to earn interest on their funds for an additional interval.

To the extent that an institution might incur a cost in connection with preparing and submitting the paperwork necessary to make the election, the FDIC believes that the cost will be minimal, and will be far outweighed by the resulting benefit. In any case, each institution's decision to make the election is purely voluntary: The final rule does not compel an institution to accept any cost of this kind.

List of Subjects in 12 CFR Part 327

Bank deposit insurance, Banks, Banking, Freedom of information, Reporting and recordkeeping requirements, Savings associations.

For the reasons stated in the preamble, the Board of Directors of the FDIC is amending 12 CFR Part 327 as follows:

PART 327—ASSESSMENTS

1. The authority citation for part 327 continues to read as follows:

Authority: 12 U.S.C. 1441, 1441b, 1817–1819.

2. Section 327.3 is amended by revising paragraphs (c)(2), (d)(2), (e), and (f) and by adding paragraphs (c)(3)and (j) to read as follows:

§ 327.3 Payment of semiannual assessments.

- * * * (c) * * *
 -) Termont dete er

(2) Payment date and manner. Except as provided in paragraphs (c)(3) and (j)