

that the Board retain the existing assessment rate schedule for the second semiannual assessment period of 1995 so that recapitalization is accomplished as soon as possible. The SAIF had an estimated balance of \$1.8 billion (unaudited) at year-end 1994, and SAIF assumes resolution responsibility from the RTC on July 1, 1995. Although estimated failed-institution assets appear manageable for 1995 and 1996, the SAIF remains vulnerable in the short run to a single large-institution failure and to any significant increase in anticipated loss rates.

**VI. Request for Public Comment**

Based upon the results of its semiannual review of the recapitalization of the SAIF and of the SAIF assessment rates, the FDIC is inclined to retain the existing assessment rate schedule applicable to SAIF-member institutions. The FDIC wishes to have the benefit of public comment before ending its review for this period, however. The FDIC therefore requests comment as to whether it is appropriate for the FDIC to retain the existing assessment rate schedule applicable to SAIF-members, or whether the rates should be lowered to the statutory minimum of 18 basis points or some point in between. The FDIC is interested in receiving analyses exploring the impact a differential between BIF and SAIF premiums might have on SAIF members, and the FDIC invites comment as to whether the current spread of 8 basis points from the lowest to the highest assessment rates should be retained for SAIF members. The FDIC solicits comment as to how lower SAIF rates would impact current efforts to recapitalize the SAIF. The FDIC further invites comments as to whether current rates are sufficient to recapitalize the SAIF in an expeditious manner.

**VII. Paperwork Reduction Act**

No collection of information pursuant to section 3504(h) of the Paperwork Reduction Act of 1980 (44 U.S.C. 3501 *et seq.*) are contained in this proposed rule. Consequently, no information has been submitted to the Office of Management and Budget (OMB) for review.

**VIII. Regulatory Flexibility Analysis**

The Board hereby certifies that the proposed rule would 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.*). This proposed rule will not necessitate the development of sophisticated

recordkeeping or reporting systems by small institutions nor will small institutions need to seek out the expertise of specialized accountants, lawyers, or managers to comply with this proposed rule. Therefore, the provisions of that Act regarding an initial and final regulatory flexibility analysis (Id. at 603 and 604) do not apply here.

**List of Subjects in 12 CFR Part 327**

Assessments, Bank deposit insurance, Banks, Banking, Financing Corporation, Savings associations.

For the reasons set forth in the preamble, the Board of Directors of the Federal Deposit Insurance Corporation proposes to amend part 327 of title 12 of the Code of Federal Regulations 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. Paragraph (c)(1) of § 327.9 as added at 59 FR 67165, effective April 1, 1995, will be retained without change. The text of paragraph (c)(1) is republished for the convenience of the reader to read as follows:

**§ 327.9 Assessment rate schedules.**

\* \* \* \* \*

(c) *SAIF members.* (1) Subject to § 327.4(c), the annual assessment rate for each SAIF member shall be the rate designated in the following schedule applicable to the assessment risk classification assigned by the Corporation under § 327.4(a) to that SAIF member (the schedule utilizes the group and subgroup designations specified in § 327.4(a):

**SCHEDULE**

Capital group	Supervisory subgroup		
	A	B	C
1 .....	23	26	29
2 .....	26	29	30
3 .....	29	30	31

\* \* \* \* \*

By the order of the Board of Directors.  
Dated at Washington, D.C., this 31 day of January, 1995.

Federal Deposit Insurance Corporation.  
**Robert E. Feldman,**  
*Acting Executive Secretary.*  
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**FEDERAL DEPOSIT INSURANCE CORPORATION**

**12 CFR Part 327**

RIN 3064–AB58

**Assessments; New Assessment Rate Schedule for BIF Member Institutions**

**AGENCY:** Federal Deposit Insurance Corporation.

**ACTION:** Proposed Rule.

**SUMMARY:** The Board of Directors (Board) of the Federal Deposit Insurance Corporation (FDIC) is proposing to amend its regulation on assessments to establish a new assessment rate schedule of 4–31 basis points for members of the Bank Insurance Fund (BIF) to apply to the semiannual period in which the reserve ratio of the BIF reaches the designated reserve ratio (DRR) of 1.25% of total estimated insured deposits and to semiannual periods thereafter. The Board is further proposing to amend the assessment risk classification framework to widen the existing assessment rate spread from 8 basis points to 27 basis points.

When the DRR is achieved, the Board is required to set rates to maintain the reserve ratio at the DRR. Based on current projections, the reserve ratio is expected to reach the DRR between May 1 and July 31, 1995. Therefore, the Board is proposing to lower assessment rates to maintain the reserve ratio at the DRR and to maintain a risk-based assessment system. The Board is further proposing to amend the assessments regulation to establish a procedure for adjusting the proposed rate schedule semiannually as necessary to maintain the DRR at 1.25%.

**DATES:** Written comments must be received by the FDIC on or before April 17, 1995.

**ADDRESSES:** Written comments shall be addressed to the Office of the Executive Secretary, Federal Deposit Insurance Corporation, 550 17th Street NW., Washington, DC 20429. Comments may be hand-delivered to room F–400, 1776 F Street NW., Washington, DC 20429, on business days between 8:30 a.m. and 5 p.m. (FAX number: (202) 898–3838). Comments will be available for inspection in room 7118, 550 17th Street, NW., Washington, DC, between 9 a.m. and 4:30 p.m. on business days.

**FOR FURTHER INFORMATION CONTACT:** Christine Blair, Financial Economist, Division of Research (202) 898–3936; or Connie Brindle, Chief, Assessment Operations Section, Division of Finance, (703) 516–5553; or Lisa Stanley, Senior Counsel, Legal Division (202) 898–7494;