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Rules and Regulations

DEPARTMENT OF THE TREASURY

Office of the Comptroller of the Currency

12 CFR Part 4

[Docket ID OCC–2026–0761]

RIN 1557–AF59

FEDERAL RESERVE SYSTEM

12 CFR Parts 208 and 211

[Docket No. R–1898]

RIN 7100–AH28

FEDERAL DEPOSIT INSURANCE CORPORATION

12 CFR Parts 337 and 347

RIN 3064–AG33

Expanded Examination Cycle for Certain Small Insured Depository Institutions and U.S. Branches and Agencies of Foreign Banks

AGENCY: Office of the Comptroller of the Currency (OCC), Treasury; Board of Governors of the Federal Reserve System (Board); and Federal Deposit Insurance Corporation (FDIC).

ACTION: Joint interim final rule and request for comments.

SUMMARY: The OCC, Board, and FDIC (collectively, the Agencies) are jointly issuing and requesting public comment on an interim final rule to implement section 903 of the 21st Century ROAD to Housing Act. The interim final rule raises the asset threshold for certain supervised institutions with less than $6 billion in total assets to qualify for an 18-month on-site examination cycle. The interim final rule also makes parallel changes to the Agencies' regulations governing the on-site examination cycle for U.S. branches and agencies of foreign banks, consistent with the International Banking Act of 1978 (IBA).

DATES: The interim final rule is effective on September 14, 2026. Comments on the rule must be received by October 14, 2026.

ADDRESSES: Comments should be directed to:

OCC: Commenters are encouraged to submit comments through the Federal eRulemaking Portal. Please use the title ''Expanded Examination Cycle for Certain Small Insured Depository Institutions and U.S. Branches and Agencies of Foreign Banks'' to facilitate the organization and distribution of the comments. You may submit comments by any of the following methods:

• *Federal eRulemaking Portal—Regulations.gov:*

Go to *https://regulations.gov/.* Enter Docket ID ''OCC–2026–0761'' in the Search Box and click ''Search.'' Public comments can be submitted via the ''Comment'' box below the displayed document information or by clicking on the document title and then clicking the ''Comment'' box on the top-left side of the screen. For help with submitting effective comments, please click on ''Commenter's Checklist.'' For assistance with the *Regulations.gov* site, please call 1–866–498–2945 (toll free) Monday-Friday, 9 a.m.–5 p.m. EST, or email *regulationshelpdesk@gsa.gov.*

• *Mail:* Chief Counsel's Office, Attention: Comment Processing, Office of the Comptroller of the Currency, 400 7th Street SW, Suite 1E–216, Washington, DC 20219.

• *Hand Delivery/Courier:* 400 7th Street SW, Suite 1E–216, Washington, DC 20219.

Instructions: You must include ''OCC'' as the agency name and Docket ID ''OCC–2026–0761'' in your comment. In general, the OCC will enter all comments received into the docket and publish the comments on the *Regulations.gov* website without change, including any business or personal information provided such as name and address information, email addresses, or phone numbers. Comments received, including attachments and other supporting materials, are part of the public record and subject to public disclosure. Do not include any information in your comment or supporting materials that you consider confidential or inappropriate for public disclosure.

You may review comments and other related materials that pertain to this action by the following method:

• *Viewing Comments Electronically—Regulations.gov:*

Go to *https://regulations.gov/.* Enter Docket ID ''OCC–2026–0761'' in the Search Box and click ''Search.'' Click on the ''Dockets'' tab and then the document's title. After clicking the document's title, click the ''Browse All Comments'' tab. Comments can be viewed and filtered by clicking on the ''Sort By'' drop-down on the right side of the screen or the ''Refine Comments Results'' options on the left side of the screen. Supporting materials can be viewed by clicking on the ''Browse Documents'' tab. Click on the ''Sort By'' drop-down on the right side of the screen or the ''Refine Results'' options on the left side of the screen checking the ''Supporting & Related Material'' checkbox. For assistance with the *Regulations.gov* site, please call 1–866–498–2945 (toll free) Monday-Friday, 9 a.m.–5 p.m. EST, or email *regulationshelpdesk@gsa.gov.*

The docket may be viewed after the close of the comment period in the same manner as during the comment period.

Board: You may submit comments, identified by Docket No. R–1898 and RIN 7100–AH28 by any of the following methods:

• *Agency Website: https://www.federalreserve.gov/apps/proposals/.* Follow the instructions for submitting comments, including attachments. Preferred Method.

• *Mail:* Benjamin W. McDonough, Secretary, Board of Governors of the Federal Reserve System, 20th Street and Constitution Avenue NW, Washington, DC 20551.

• *Hand Delivery/Courier:* Same as mailing address.

• *Other Means: publiccomments@frb.gov.* You must include the docket number in the subject line of the message.

Comments received are subject to public disclosure. In general, comments received will be made available on the Board's website at *https://www.federalreserve.gov/apps/proposals/* without change and will not be modified to remove personal or business information including confidential, contact, or other identifying information. Comments should not include any information such as confidential information that would not be appropriate for public disclosure. Comments should identify the number for the specific question(s) to which they respond. Public comments may also be viewed electronically or in person in Room M–4365A, 2001 C St. NW, Washington, DC 20551, between 9 a.m. and 5 p.m. during Federal business weekdays.

FDIC: The FDIC encourages interested parties to submit written comments. Please include your name, affiliation, address, email address, and telephone number(s) in your comment. You may submit comments to the FDIC, identified by RIN 3064–AG33, by any of the following methods:

- *Agency Website: https://www.fdic.gov/federal-register-publications.* Follow instructions for submitting comments on the FDIC's website.
- *Mail:* Jennifer M. Jones, Deputy Executive Secretary, Attention: Comments–RIN 3064–AG33, Federal Deposit Insurance Corporation, 550 17th Street NW, Washington, DC 20429.
- *Hand Delivered/Courier:* Comments may be hand-delivered to the guard station at the rear of the 550 17th Street NW, building (located on F Street NW) on business days between 7 a.m. and 5 p.m. ET.
- *Email: Comments@FDIC.gov.* Include RIN 3064–AG33 in the subject line of the message.

Public Inspection: Comments received, including any personal information provided, may be posted without change to *https://www.fdic.gov/federal-register-publications.* Commenters should submit only information that the commenter wishes to make available publicly. The FDIC may review, redact, or refrain from posting all or any portion of any comment that it may deem to be inappropriate for publication, such as irrelevant or obscene material. The FDIC may post only a single representative example of identical or substantially identical comments, and in such cases will generally identify the number of identical or substantially identical comments represented by the posted example. All comments that have been redacted, as well as those that have not been posted, that contain comments on the merits of this document will be retained in the public comment file and will be considered as required under all applicable laws. All comments may be accessible under the Freedom of Information Act.

FOR FURTHER INFORMATION CONTACT:

OCC: Kimberly Folk Pratt, Acting Assistant Director, Daniel Amodeo, Counsel, J. William Binkley, Counsel, Chief Counsel's Office, Office of the Comptroller of the Currency, 400 7th Street SW, Washington, DC 20219. If you are deaf, hard of hearing, or have a speech disability, please dial 7–1–1 to access telecommunications relay services.

Board: Anthony Cain, Senior Adviser, (202) 725–7842, Alex Kobulsky, Lead Financial Institution Policy Analyst, (202) 452–2031, Division of Supervision and Regulation; or Jay Schwarz, Deputy Associate General Counsel, (202) 452–2970, Julie Anthony, Senior Special Counsel, (202) 658–9400, David Cohen, Counsel, (202) 893–5662, Vivien Lee, Attorney, (240) 814–3594, Daniel Parks, Attorney, (771) 210–7183, Legal Division, Board of Governors of the Federal Reserve System, 20th Street and Constitution Avenue NW, Washington, DC 20551. For users of TTY–TRS, please call 711 from any telephone, anywhere in the United States.

FDIC: Division of Risk Management Supervision—Suzanne Clair, Associate Director, *SClair@FDIC.gov;* Brittany Audia, Chief, *BAudia@FDIC.gov;* Pete Martino, Senior Examination Specialist, *PMartino@FDIC.gov;* Legal Division—Kimberly Yeh, Senior Attorney, *KYeh@FDIC.gov.*

SUPPLEMENTARY INFORMATION:

I. Background

Section 903 of the 21st Century ROAD to Housing Act became law on July 11, 2026, and amended section 10(d) of the Federal Deposit Insurance Act (FDI Act) [1] to raise the asset thresholds from $3 billion to $6 billion to permit the Agencies to examine qualifying insured depository institutions (IDIs) not less than once during each 18-month period instead of annually.[2] Prior to the enactment of the 21st Century ROAD to Housing Act, only qualifying IDIs with under $3 billion in total assets were eligible for an 18-month on-site examination cycle.[3]

The Agencies are issuing an interim final rule to implement the 21st Century ROAD to Housing Act's amendments to section 10(d)(4) and 10(d)(10) of the FDI Act,[4] which allow qualifying IDIs with under $6 billion in total assets to be eligible for the extended 18-month examination schedule. In addition, the interim final rule makes parallel changes to the Agencies' regulations governing the on-site examination cycle for U.S. branches and agencies of foreign banks, consistent with the IBA.[5]

Section 10(d)(1) of the FDI Act generally requires the appropriate Federal banking agency for an IDI to conduct a full-scope, on-site examination of the IDI at least once during each 12-month period. With the enactment of section 903 of the 21st Century ROAD to Housing Act, section 10(d)(4) of the FDI Act now authorizes the appropriate Federal banking agency to extend the on-site examination cycle for an IDI to at least once during an 18-month period if the IDI (1) has total assets of less than $6 billion; (2) is well capitalized;[6] (3) was found, at its most recent examination, to be well managed and to have a composite condition of ''outstanding'' or, in the case of an IDI with total assets of not more than $200 million, ''outstanding'' or ''good'';[7] (4) is not subject to a formal enforcement proceeding or order by the FDIC or its appropriate Federal banking agency; and (5) has not undergone a change in control during the previous 12-month period in which a full-scope, on-site examination otherwise would have been required. The 21st Century ROAD to Housing Act also revised the total asset threshold under section 10(d)(10) of the FDI Act to provide each appropriate Federal banking agency discretionary authority to extend eligibility for an 18-month examination cycle, by regulation, to qualifying IDIs with an ''outstanding''

[1] 12 U.S.C. 1820(d).

[2] Public Law 119–101, 140 Stat. 846 (2026).

[3] *See* section 210 of the Economic Growth, Regulatory Relief, and Consumer Protection Act (Economic Growth Act), Public Law 115–174, 132 Stat. 1296 (2018) (permitting the Agencies to examine qualifying IDIs with under $3 billion in total assets not less than once during each 18-month period). The Agencies published interim final rules implementing the Economic Growth Act amendments in August 2018, and final rules in December 2018. *See* 83 FR 43961 (Aug. 29, 2018) and 83 FR 67033 (Dec. 28, 2018), respectively.

[4] 12 U.S.C. 1820(d)(4) and 1820(d)(10).

[5] 12 U.S.C. 3105(c)(1)(C). Additionally, certain changes would also be responsive to comments received through the Economic Growth and Regulatory Paperwork Reduction Act review. *See* Public Law 104–208, Div. A, Title II, section 2222, 110 Stat. 3009–414 (1996) (codified at 12 U.S.C. 3311). *See also* 89 FR 99751 (Dec. 11, 2024).

[6] Well capitalized is defined by section 38 of the FDI Act, codified at 12 U.S.C. 1831o, to mean that an IDI significantly exceeds the required minimum level for each relevant capital measure. As required by section 38, the Agencies have defined capital levels that IDIs must meet in order to be well capitalized under the prompt corrective action framework. *See* 12 CFR 6.4 (OCC); 12 CFR 208.43 (Board); 12 CFR 324.403 (FDIC).

[7] IDIs are evaluated under the Uniform Financial Institutions Rating System (commonly referred to as ''CAMELS''). CAMELS is an acronym that is drawn from the first letters of the individual components of the rating system: Capital adequacy, Asset quality, Management, Earnings, Liquidity, and Sensitivity to market risk. CAMELS ratings of ''1'' and ''2'' correspond with ratings of ''outstanding'' and ''good.'' In addition to having a CAMELS composite rating of ''1'' or ''2,'' an IDI is considered to be ''well managed'' for the purposes of section 10(d) of the FDI Act *only* if the IDI also received a rating of ''1'' or ''2'' for the management component of the CAMELS rating at its most recent examination. *See* 72 FR 54347 (Sept. 25, 2007).

or ''good'' composite condition and total assets of an amount not to exceed $6 billion (increased from $3 billion), if the agency determines that this amount would be consistent with the principles of safety and soundness for IDIs.[8]

In addition, section 7(c)(1)(C) of the IBA provides that a Federal or a State branch or agency of a foreign bank shall be subject to on-site examination by its appropriate Federal banking agency or State bank supervisor as frequently as a national or State bank would be subject to such an examination by the appropriate Federal banking agency.[9]

II. Description of the Interim Final Rule

The Agencies are adopting the interim final rule to implement the 21st Century ROAD to Housing Act's amendments to sections 10(d)(4) and 10(d)(10) of the FDI Act. The interim final rule implements section 10(d)(4) of the FDI Act, as revised by the 21st Century ROAD to Housing Act, to increase, from $3 billion to $6 billion, the total asset threshold under which the Agencies may apply an 18-month on-site examination cycle for qualifying IDIs that have an ''outstanding'' composite condition.[10] The interim final rule also reflects the Agencies' exercise of their discretionary authority under section 10(d)(10) of the FDI Act to extend eligibility for an 18-month examination cycle to qualifying IDIs with an ''outstanding'' or ''good'' composite condition with total assets under $6 billion, rather than total assets under $3 billion.[11]

The Agencies have determined that increasing the maximum total asset amount limitation for IDIs with a ''good'' composite condition to qualify for the 18-month examination cycle to less than $6 billion in total assets is consistent with principles of safety and soundness for IDIs. While extending the examination cycle has the potential to delay an agency's ability to detect deterioration in an IDI's financial condition, the Agencies do not expect that extending the examination cycle by six months for these small, well-rated IDIs with relatively simple risk profiles and no outstanding enforcement action or order would appreciably increase their risk of financial deterioration or failure. In addition, the Agencies will continue their off-site monitoring activities designed to identify new or increasing risks, which often include various Call Report-based analyses. This interim final rule also would not change the Agencies' existing authorities to examine IDIs that qualify for the 18-month examination cycle more frequently as necessary or appropriate, including those IDIs with a ''good'' composite rating.[12] The Agencies also note that, in order to qualify for an 18-month examination cycle, these IDIs with total assets under $6 billion must meet the other capital, managerial, and supervisory criteria set forth in section 10(d)(4) of the FDI Act and the Agencies' implementing regulations.[13]

In accordance with section 7(c)(1)(C) of the IBA,[14] the Agencies are also making conforming changes to their regulations to raise, from $3 billion to $6 billion, the total asset threshold for the U.S. branches and agencies of foreign banks that would qualify for an 18-month examination cycle.

The Agencies will continue to monitor IDIs and U.S. branches and agencies of foreign banks (collectively, financial institutions) in this asset range and the impact of the extended examination cycle.

III. Economic Analysis

The Agencies estimate that the interim final rule will increase the number of banks and savings associations that may be eligible for an extended 18-month examination cycle by approximately 188 (95 of which are supervised by the FDIC, 50 by the OCC, and 43 by the Board), bringing the total number of institutions that may qualify for an extended 18-month cycle to 4,016. This estimate includes the approximately 19 additional U.S. branches and agencies of foreign banks that may be eligible (1 of which is supervised by the FDIC, 10 by the OCC, and 8 by the Board).[15]

Financial institutions with total assets of $3 billion or more but less than $6 billion that are eligible for the 18-month examination cycle will realize costs savings and can utilize those costs savings in various ways. A potential reduction in examination activity is likely to enable those financial institutions' existing staff to allocate resources to other activities that could improve business-related outcomes, such as serving customers. These potential beneficial effects will vary from institution to institution depending upon the composition of staff supporting examinations, an institution's business activities, and the decisions of senior management. Therefore, they are difficult to accurately estimate.

As previously discussed, the Agencies believe that extending the examination cycle from 12 months to 18 months for these small financial institutions with relatively simple risk profiles should not appreciably increase their risk of financial deterioration or failure. The Agencies acknowledge that extending the examination cycles creates a longer window during which emerging problems could develop before being detected through an on-site examination. That said, the Agencies believe that the strict eligibility requirements as well as the Agencies' off-site monitoring activities should serve to minimize any such risks and associated costs.

Finally, qualifying financial institutions may incur modest one-time implementation costs such as those attributable to updating their compliance calendars, policies, and examination preparation schedules to reflect the new eligibility criteria and extended cycles. Nonetheless, such implementation costs are expected to be marginal and far outweighed by the ongoing cost savings from the less-frequent examination cycles for qualifying financial institutions.

IV. Regulatory Analysis

A. Administrative Procedure Act

The Agencies are issuing the interim final rule without prior notice, the opportunity for prior public comment, or the delayed effective date ordinarily prescribed by the Administrative Procedure Act (APA).[16] Pursuant to section 553(b)(B) of the APA, general notice and the opportunity for public comment are not required with respect to a rulemaking when an ''agency for good cause finds (and incorporates the

[8] Additionally, the Board and the FDIC, as the appropriate Federal banking agencies for State-chartered insured banks and savings associations, are permitted to conduct on-site examinations of such IDIs on alternating 12-month or 18-month periods with an IDI's State supervisor, if the Board or FDIC, as appropriate, determines that the alternating examination conducted by the State carries out the purposes of section 10(d) of the FDI Act. 12 U.S.C. 1820(d)(3).

[9] 12 U.S.C. 3105(c)(1)(C).

[10] 12 U.S.C. 1820(d)(4). The OCC's regulation implementing section 10(d) of the FDI Act, 12 CFR 4.6, applies to every national bank and Federal savings association, not solely to IDIs.

[11] 12 U.S.C. 1820(d)(10). Section 10(d)(10) of the FDI Act permits the Agencies to increase the dollar threshold for the 18-month exam cycle for institutions with a composite condition of ''good'' from $200 million to an amount not to exceed $6 billion. The Agencies previously increased this amount to less than $3 billion. *See* 83 FR 67033 (Dec. 28, 2018).

[12] 12 CFR 4.6(c), 4.7(c) (OCC); 12 CFR 208.64(c), 211.26(c)(3) (Board); 12 CFR 337.12(c), 347.211(c) (FDIC).

[13] 12 U.S.C. 1820(d)(4).

[14] 12 U.S.C. 3105(c)(1)(C).

[15] The estimates are based off active institutions as of July 11, 2026 for the Board and the FDIC and as of July 30, 2026 for the OCC, as well as March 31, 2026 data from the Call Report and FFIEC 002, ''Report of Assets and Liabilities of U.S. Branches and Agencies of Foreign Banks.''

[16] *See* 5 U.S.C. 553.

finding and a brief statement of reasons therefor in the rules issued) that notice and public procedure thereon are impracticable, unnecessary, or contrary to the public interest.'' [17] The interim final rule implements the provisions of section 903 of the 21st Century ROAD to Housing Act that went into effect on July 11, 2026. In particular, the interim final rule adopts the statutory increase in the total asset threshold, from less than $3 billion to less than $6 billion, for IDIs with an ''outstanding'' composite condition, and also makes available, pursuant to statutory authority, the 18-month examination cycle for qualifying IDIs with an ''outstanding'' or ''good'' composite condition and total assets of less than $6 billion.[18] The interim final rule also makes conforming amendments to the Agencies' regulations governing the on-site examination cycle for U.S. branches and agencies of foreign banks, as required by statute.

The Agencies believe that the public interest is best served by aligning the Agencies' regulations with the 21st Century ROAD to Housing Act's amendments and implementing the increased total asset threshold as soon as possible. Immediate implementation will clarify requirements and reduce regulatory burden on certain small, well capitalized, and well managed financial institutions while also allowing the Agencies to better focus their supervisory resources on those financial institutions that may present capital, managerial, or other issues of supervisory concern. Because financial institutions and the Agencies must plan and prepare for examinations in advance, the Agencies believe that issuing the interim final rule would provide the certainty necessary for qualifying financial institutions and the Agencies to begin reorienting their planning and preparation, including scheduling examinations according to the new examination cycle period. In addition, the Agencies believe that providing a notice and comment period prior to issuance of the interim final rule is unnecessary because the Agencies do not expect public objection to the regulations being promulgated as they implement the relief provided for in the 21st Century ROAD to Housing Act.[19] Moreover, the interim final rule does not alter the Agencies' current authority to conduct on-site examinations of financial institutions more frequently than once every 18 months if deemed necessary. For these reasons, the Agencies find there is good cause consistent with the public interest to issue the rule without advance notice and comment.[20]

The APA also requires a 30-day delayed effective date, except for (1) substantive rules which grant or recognize an exemption or relieve a restriction; (2) interpretative rules and statements of policy; or (3) as otherwise provided by the agency for good cause.[21] The Agencies conclude that, because the rule recognizes an exemption, the interim final rule is exempt from the APA's delayed effective date requirement.[22] Additionally, the Agencies find good cause to publish the interim final rule with an immediate effective date for the same reasons set forth above under the discussion of section 553(b)(B) of the APA.[23]

While the Agencies believe there is good cause to issue the rule without advance notice and comment and with an immediate effective date, the Agencies are interested in the views of the public and request comment on all aspects of the interim final rule.

B. Paperwork Reduction Act

The Paperwork Reduction Act of 1995 (PRA) states that no agency may conduct or sponsor, nor is the respondent required to respond to, an information collection unless it displays a currently valid Office of Management and Budget (OMB) control number.[24] The Agencies have reviewed the interim final rule and determined that it would not introduce any new collection of information or revise any existing collection of information pursuant to the PRA. Therefore, no submission will be made to OMB for review.

C. Regulatory Flexibility Act

The Regulatory Flexibility Act (RFA) [25] requires an agency to consider whether the rules it proposes will have a significant economic impact on a substantial number of small entities.[26] The RFA applies only to rules for which an agency publishes a general notice of proposed rulemaking pursuant to 5 U.S.C. 553(b) or any other law. As discussed previously, consistent with section 553(b)(B) of the APA, the Agencies have determined for good cause that general notice and opportunity for public comment is unnecessary, and therefore the Agencies are not issuing a notice of proposed rulemaking. Accordingly, the Agencies have concluded that the RFA's requirements relating to initial and final regulatory flexibility analyses do not apply. Further, the Agencies note that no small entities, as defined by the Small Business Administration's rules implementing the RFA, will be affected by the interim final rule's increased asset thresholds.

D. Plain Language

Section 722 of the Gramm-Leach Bliley Act [27] requires the Federal banking agencies to use plain language in all proposed and final rules published after January 1, 2000. The Agencies invite comment on the use of plain language and have sought to present the interim final rule in a simple and straightforward manner. For example:

- Have the Agencies organized the material to suit your needs? If not, how could they present the rule more clearly?
- Are the requirements in the rule clearly stated? If not, how could the rule be more clearly stated?
- Do the regulations contain technical language or jargon that is not clear? If so, which language requires clarification?
- Would a different format (grouping and order of sections, use of headings, paragraphing) make the regulation easier to understand? If so, what changes would achieve that?
- Would more, but shorter, sections be better? If so, which sections should be changed?
- What other changes can the Agencies incorporate to make the rule easier to understand?

E. OCC Unfunded Mandates Reform Act of 1995

As a general matter, the Unfunded Mandates Reform Act of 1995 (UMRA) [28] requires the preparation of a budgetary impact statement before promulgating a rule that includes a

[17] 5 U.S.C. 553(b)(B).

[18] Under 12 U.S.C. 1820(d)(4)(C)(ii), the Agencies may examine on an 18-month cycle an IDI that meets the other factors provided under 12 U.S.C. 1820(d)(4) if the IDI has total assets of $200,000,000 or less and provided its composite condition is ''outstanding'' or ''good.'' Under 12 U.S.C. 1820(d)(10), as modified by the 21st Century ROAD to Housing Act, the Agencies are authorized to increase the $200,000,000 total asset threshold to $6,000,000,000. The Agencies are doing so in this interim final rule.

[19] *See, e.g.,* 83 FR 67033 (Dec. 28, 2018) and 81 FR 10063 (Feb. 29, 2016).

[20] 5 U.S.C. 553(b)(B).

[21] 5 U.S.C. 553(d).

[22] 5 U.S.C. 553(d)(1).

[23] 5 U.S.C. 553(d)(3).

[24] 44 U.S.C. 3501 *et seq.*

[25] 5 U.S.C. 601 *et seq.*

[26] Under regulations issued by the Small Business Administration, a small entity includes a depository institution, bank holding company, or savings and loan holding company with total assets of $850 million or less and trust companies with total assets of $47.0 million or less.

[27] 12 U.S.C. 4809.

[28] 2 U.S.C. 1531 *et seq.*

Federal mandate that may result in the expenditure by State, local, and tribal governments, in the aggregate, or by the private sector, of $100 million or more in any one year ($193 million as adjusted annually for inflation). However, the UMRA does not apply to final rules for which a general notice of proposed rulemaking was not published.[29] As discussed above, consistent with section 553(b)(B) of the APA, the Agencies have determined for good cause that general notice and opportunity for public comment is unnecessary and therefore the Agencies are not issuing a notice of proposed rulemaking. Moreover, because this interim final rule imposes no new mandates, it will not require additional expenditure of $193 million or more annually by any State, local, or tribal governments, in the aggregate, or by the private sector. Accordingly, for these reasons, the OCC has not prepared a budgetary impact statement under the UMRA.

F. Riegle Community Development and Regulatory Improvement Act of 1994

Pursuant to section 302(a) of the Riegle Community Development and Regulatory Improvement Act (RCDRIA),[30] in determining the effective date and administrative compliance requirements for new regulations that impose additional reporting, disclosure, or other requirements on IDIs, each Federal banking agency must consider, consistent with principles of safety and soundness and the public interest, any administrative burdens that such regulations would place on depository institutions, including small depository institutions, and customers of depository institutions, as well as the benefits of such regulations. In addition, section 302(b) of RCDRIA requires new regulations and amendments to regulations that impose additional reporting, disclosures, or other new requirements on IDIs generally to take effect on the first day of a calendar quarter that begins on or after the date on which the regulations are published in final form, with certain exceptions, including for good cause.[31] Because the interim final rule expands eligibility for an 18-month, rather than 12-month, on-site examination schedule and is burden-reducing in nature, the interim final rule does not impose additional reporting, disclosure, or other requirements on IDIs, and section 302 of the RCDRIA therefore does not apply. Nevertheless, the Agencies have considered the administrative burdens that such regulations would place on depository institutions and the benefits of such regulations in determining the effective date and compliance requirements. In addition, for the same reasons set forth previously under the discussion of section 553(b)(B) of the APA, the Agencies find good cause under section 302 of RCDRIA to publish the interim final rule with an immediate effective date.

G. Executive Orders 12866, 13563, and 14192

Executive Order 12866 (Regulatory Planning and Review) [32] and Executive Order 13563 (Improving Regulation and Regulatory Review) [33] direct Federal agencies to assess the costs and benefits of available regulatory alternatives and, if regulation is necessary, to select regulatory approaches that maximize net benefits. The interim final rule was drafted and reviewed in accordance with Executive Order 12866 and Executive Order 13563. Within OMB, the Office of Information and Regulatory Affairs (OIRA) has determined that this rulemaking is not a ''significant regulatory action'' under section 3(f) of Executive Order 12866, as amended, and therefore it was not subject to an E.O. 12866 review. This joint interim final rule is also not an E.O. 14192 regulatory action.

H. Congressional Review Act

For purposes of the Congressional Review Act, OMB determines whether a final rule constitutes a ''major'' rule.[34] If a rule is deemed a ''major rule'' by OMB, the Congressional Review Act generally provides that the rule may not take effect until at least 60 days following its publication.[35]

The Congressional Review Act defines a ''major rule'' as any rule that the Administrator of the Office of Information and Regulatory Affairs of the OMB finds has resulted in or is likely to result in—(A) an annual effect on the economy of $100,000,000 or more; (B) a major increase in costs or prices for consumers; individual industries; Federal, State, or local government agencies; or geographic regions; or (C) significant adverse effects on competition, employment, investment, productivity, innovation, or on the ability of United States-based enterprises to compete with foreign-based enterprises in domestic and export markets.[36] OMB has determined that this interim final rule is not a major rule for purposes of the Congressional Review Act. As required, the Agencies will submit this final rule and other appropriate reports to Congress and the Government Accountability Office for review.

List of Subjects

12 CFR Part 4

Administrative practice and procedure, Freedom of information, Individuals with disabilities, Minority businesses, Organization and functions (Government agencies), Reporting and recordkeeping requirements, Women.

12 CFR Part 208

Accounting, Agriculture, Banks, banking, Confidential business information, Consumer protection, Crime, Currency, Federal Reserve System, Flood insurance, Insurance, Investments, Mortgages, Reporting and recordkeeping requirements, Securities.

12 CFR Part 211

Exports, Federal Reserve System, Foreign banking, Holding companies, Investments, Reporting and recordkeeping requirements.

12 CFR Part 337

Banks, banking, Reporting and recordkeeping requirements, Savings associations, Securities.

12 CFR Part 347

Authority delegations (Government agencies), Bank deposit insurance, Banks, banking, Credit, Foreign banking, Investments, Reporting and recordkeeping requirements, U.S. investments abroad.

DEPARTMENT OF THE TREASURY

Office of the Comptroller of the Currency

12 CFR Chapter I

Authority and Issuance

For the reasons set forth in the preamble, the Office of the Comptroller of the Currency proposes to amend part 4 of chapter I of title 12 of the Code of Federal Regulations as follows:

[29] *See* 2 U.S.C. 1532(a).

[30] 12 U.S.C. 4802(a).

[31] 12 U.S.C. 4802(b).

[32] E.O. 12866, 58 FR 51735 (Oct. 4, 1993).

[33] E.O. 13563, 76 FR 3821 (Jan. 21, 2011).

[34] 5 U.S.C. 801 *et seq.*

[35] 5 U.S.C. 801(a)(3).

[36] 5 U.S.C. 804(2).

PART 4—ORGANIZATION AND FUNCTIONS, AVAILABILITY AND RELEASE OF INFORMATION, CONTRACTING OUTREACH PROGRAM, POST–EMPLOYMENT RESTRICTIONS FOR SENIOR EXAMINERS

■ 1. The authority citation for part 4 continues to read as follows:

Authority: 5 U.S.C. 301, 552; 12 U.S.C. 1, 93a, 161, 481, 482, 484(a), 1442, 1462a, 1463, 1464, 1817(a), 1818, 1820, 1821, 1831m, 1831p–1, 1831o, 1833e, 1867, 1951 *et seq.,* 2601 *et seq.,* 2801 *et seq.,* 2901 *et seq.,* 3101 *et seq.,* 3401 *et seq.,* 5321, 5412, 5414; 15 U.S.C. 77uu(b), 78q(c)(3); 18 U.S.C. 641, 1905, 1906; 29 U.S.C. 1204; 31 U.S.C. 5318(g)(2), 9701; 42 U.S.C. 3601; 44 U.S.C. 3506, 3510; E.O. 12600 (3 CFR, 1987 Comp., p. 235).

■ 2. Section 4.6 is amended by revising paragraph (b)(1) to read as follows:

§ 4.6 Frequency of examination of national banks and Federal savings associations.

* * * * *

(b) * * *

(1) The bank or Federal savings association has total assets of less than $6 billion;

* * * * *

■ 3. Section 4.7 is amended by revising paragraph (b)(1)(i) to read as follows:

§ 4.7 Frequency of examination of Federal agencies and branches.

* * * * *

(b) * * *

(1) * * *

(i) Has total assets of less than $6 billion;

* * * * *

FEDERAL RESERVE SYSTEM

12 CFR Chapter II

Authority and Issuance

For the reasons set forth in the preamble, the Board amends parts 208 and 211 of chapter II of title 12 of the Code of Federal Regulations as follows:

PART 208—MEMBERSHIP OF STATE BANKING INSTITUTIONS IN THE FEDERAL RESERVE SYSTEM (REGULATION H)

■ 4. The authority citation for part 208 continues to read as follows:

Authority: 12 U.S.C. 24, 36, 92a, 93a, 248(a), 248(c), 321–338a, 371d, 461, 481–486, 601, 611, 1814, 1816, 1817(a)(3), 1817(a)(12), 1818, 1820(d)(9), 1833(j), 1828(o), 1831, 1831o, 1831p–1, 1831r–1, 1831w, 1831x, 1835a, 1882, 2901–2907, 3105, 3310, 3331–3351, 3905–3909, 5371, and 5371 note; 15 U.S.C. 78b, 78I(b), 78*l*(i), 780–4(c)(5), 78q, 78q–1, 78w, 1681s, 1681w, 6801 and 6805, 31 U.S.C. 5318; 42 U.S.C. 4012a, 4104a, 4104b, 4106, and 4128.

■ 5. Amend § 208.64 by revising paragraph (b)(1) to read as follows:

§ 208.64 Frequency of examination.

* * * * *

(b) * * *

(1) The bank has total assets of less than $6 billion;

* * * * *

PART 211—INTERNATIONAL BANKING OPERATIONS (REGULATION K)

■ 6. The authority citation for part 211 continues to read as follows:

Authority: 12 U.S.C. 221 *et seq.,* 1818, 1835a, 1841 *et seq.,* 3101 *et seq.,* 3901 *et seq.,* and 5101 *et seq.;* 15 U.S.C. 1681s, 1681w, 6801 and 6805.

■ 7. Amend § 211.26 by revising paragraph (c)(2)(i)(A) to read as follows:

§ 211.26 Examinations of offices and affiliates of foreign banks.

* * * * *

(c) * * *

(2) * * *

(i) * * *

(A) Has total assets of less than $6 billion;

* * * * *

FEDERAL DEPOSIT INSURANCE CORPORATION

12 CFR Chapter III

Authority and Issuance

For the reasons stated in the preamble, the Board of Directors of the FDIC amends parts 337 and 347 of chapter III of title 12 of the Code of Federal Regulations as follows:

PART 337—UNSAFE AND UNSOUND BANKING PRACTICES

■ 8. The authority citation for part 337 continues to read as follows:

Authority: 12 U.S.C. 375a(4), 375b, 1463, 1464, 1468, 1816, 1818(a), 1818(b), 1819, 1820(d), 1821(f), 1828(j)(2), 1831, 1831f, 1831g, 5412.

■ 9. Amend § 337.12 by revising paragraph (b)(l) to read as follows:

§ 337.12 Frequency of examination.

* * * * *

(b) * * *

(1) The institution has total assets of less than $6 billion;

* * * * *

PART 347—INTERNATIONAL BANKING

■ 10. The authority citation for part 347 continues to read as follows:

Authority: 12 U.S.C. 1813, 1815, 1817, 1819, 1820, 1828, 3103, 3104, 3105, 3108, 3109; Pub L. No. 111–203, section 939A, 124 Stat. 1376, 1887 (July 21, 2010) (codified 15 U.S.C. 78o–7 note).

■ 11. Amend § 347.211 by revising paragraph (b)(l)(i) to read as follows:

§ 347.211 Examination of branches of foreign banks.

* * * * *

(b) * * *

(1) * * *

(i) Has total assets of less than $6 billion;

* * * * *

Jonathan V. Gould,

Comptroller of the Currency.

By order of the Board of Governors of the Federal Reserve System.

Benjamin W. McDonough,

Secretary of the Board.

Federal Deposit Insurance Corporation.

By order of the Board of Directors,

Dated at Washington, DC, on August 27, 2026.

Jennifer M. Jones,

Deputy Executive Secretary.

[FR Doc. 2026–18766 Filed 9–11–26; 8:45 am]

BILLING CODE 4810–33–P–6210–01–P–6714–01–P

DEPARTMENT OF TRANSPORTATION

Federal Aviation Administration

14 CFR Part 61

[Docket No.: FAA–2025–3519; Amendment No. 61–161]

RIN 2120–AM12

Sport Pilot Practical Test Standards Alignment

AGENCY: Federal Aviation Administration (FAA), Department of Transportation (DOT).

ACTION: Final rule.

SUMMARY: FAA revises certain regulations governing airman certification and incorporates three updated sport pilot practical test standards (PTS) by reference. The rule aligns the airman testing standards with newly adopted regulatory requirements in the *Modernization of Special Airworthiness Certification* (MOSAIC) final rule related to the certification of sport pilots and operation of light-sport category aircraft and updates the PTS to improve airman certification standard materials.

DATES:

Effective date: September 14, 2026. The incorporation by reference of certain publications listed in this rule is approved by the Director of the Federal Register as of September 14, 2026.