



[6705-01-P]

FARM CREDIT ADMINISTRATION

12 CFR Parts 607, 614, 615, 620 and 628

RIN 3052-AC81

Regulatory Capital Rules: Regulatory Capital,  
Implementation of Tier 1/Tier 2 Framework

AGENCY: Farm Credit Administration.

ACTION: Proposed rule; reopening of comment period.

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SUMMARY: The Farm Credit Administration (FCA or we) is reopening the comment period on the proposed rule that would revise our regulatory capital requirements for Farm Credit System (System) institutions to include tier 1 and tier 2 risk-based capital ratio requirements, a tier 1 leverage requirement, a capital conservation buffer, revised risk weightings, and additional public disclosure requirements.

DATES: You may send us comments from June 26, 2015, through July 10, 2015.

ADDRESSES: For accuracy and efficiency reasons, please submit comments by e-mail or through the FCA's Web site. We do not accept comments submitted by facsimile (fax), as

faxes are difficult for us to process in compliance with section 508 of the Rehabilitation Act. Please do not submit your comment multiple times via different methods. You may submit comments by any of the following methods:

- E-mail: Send us an e-mail at [reg-comm@fca.gov](mailto:reg-comm@fca.gov).
- FCA Web site: <http://www.fca.gov>. Select "Public Commenters," then "Public Comments," and follow the directions for "Submitting a Comment."
- Federal eRulemaking Portal: <http://www.regulations.gov>. Follow the instructions for submitting comments.
- Mail: Barry F. Mardock, Deputy Director, Office of Regulatory Policy, Farm Credit Administration, 1501 Farm Credit Drive, McLean, VA 22102-5090.

You may review copies of all comments we receive at our office in McLean, Virginia, or from our Web site at <http://www.fca.gov>. Once you are in the Web site, select "Public Commenters," then "Public Comments," and follow the directions for "Reading Submitted Public Comments." We will show your comments as submitted, but for technical reasons we may omit items such as logos and special characters. Identifying information you provide, such as phone numbers and addresses, will be publicly available.

However, we will attempt to remove e-mail addresses to help reduce Internet spam.

FOR FURTHER INFORMATION CONTACT:

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or

Rebecca S. Orlich, Senior Counsel, or Jennifer A. Cohn, Senior Counsel, Office of General Counsel, Farm Credit Administration, McLean, VA 22102-5090, (703) 883-4020, TTY (703) 883-4056.

SUPPLEMENTARY INFORMATION: On September 4, 2014, FCA published a proposed rule to revise our regulatory capital requirements for Farm Credit System (System) institutions to establish tier 1/tier 2 risk-based capital ratio requirements (replacing core surplus and total surplus ratios), a tier 1 leverage ratio requirement (replacing a net collateral requirement for System banks), a capital conservation buffer, revised risk weightings, and additional publish disclosure requirements.<sup>1</sup> The revisions to the risk weightings would include replacing references to credit ratings with alternative risk measurements, as required by the Dodd-Frank Wall Street Reform and Consumer

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<sup>1</sup> 79 FR 52814 (September 4, 2014).

Protection Act. The comment period on the proposed rule, after an extension, closed February 16, 2015.<sup>2</sup>

FCA received a letter dated March 30, 2015, from the Farm Credit Council, a trade association representing System institutions, requesting FCA to reopen the comment period. The Farm Credit Council stated that the reason for its request was to give System institutions the opportunity to meet with FCA Board members that joined the FCA Board on March 13 and 17, 2015, in order to discuss the proposed rule.

In response to this request, we are reopening the comment period on June 26 through July 10, 2015. Because the proposed rule contains significant revisions to the regulatory capital framework in existing FCA regulations, we believe it is important to give interested parties additional time to provide comments to the FCA Board. Reopening the comment period will ensure transparency in the process.

Date: June 17, 2015.

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Dale L. Aultman,  
Secretary,  
Farm Credit Administration Board.

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<sup>2</sup> The original comment period of 120 days was extended an additional 45 days. See 79 FR 76927 (December 23, 2014).

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