

DATE: October 9, 2002

SUBJECT: Amendments to Regulation D, Reserve Requirements of Depository Institutions

HIGHLIGHTS: The Federal Reserve Board has amended Regulation D by:
Increasing the amount of net transaction accounts to which the lowest reserve requirement (3 percent) will apply from \$41.3 million to \$42.1 million.
Increasing the amount of reservable liabilities subject to a zero percentage reserve requirement from \$5.7 million to \$6.0 million.

These changes are effective with the maintenance periods beginning December 26, 2002, for weekly reporters of FR 2900 data, and January 16, 2003, for quarterly reporters.

In addition, the Board is increasing the deposit cutoff levels that are used in conjunction with the reservable liabilities exemption amount to determine the frequency of deposit reporting from \$106.9 million to \$112.3 million for nonexempt depository institutions. The deposit cutoff levels will be used to screen institutions in the second quarter of 2003 to determine the reporting frequency for the twelve-month period that begins in September 2003.

DOCUMENT INFORMATION: The Federal Register Document dated October 3, 2002 is available under the "Press Releases" section of the Board of Governors web site, as follows:
<http://www.federalreserve.gov/boarddocs/press/bcreg/2002/>

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