



DEPARTMENT OF THE TREASURY

12 CFR Parts 810 and 811

31 CFR Parts 30, 31, and 1010

Eliminating Unnecessary Regulations

AGENCY: Departmental Offices, Treasury.

ACTION: Direct final rule.

SUMMARY: Pursuant to an Executive order, the Department of the Treasury (Treasury) is conducting a review of existing regulations, with the goal of reducing regulatory burden by revoking or revising existing regulations that meet the criteria set forth in the Executive order. In support of that objective, this direct final rule streamlines titles 12 and 31 of the Code of Federal Regulations (CFR) by removing regulations that are no longer necessary or no longer have any current or future applicability.

DATES: This rule is effective **[INSERT DATE 60 DAYS AFTER DATE OF PUBLICATION IN THE FEDERAL REGISTER]** without further action, unless significant adverse comment is received by **[INSERT DATE 30 DAYS AFTER DATE OF PUBLICATION IN THE FEDERAL REGISTER]**. If Treasury receives significant adverse comments, it will publish a timely withdrawal in the *Federal Register* informing the public that this rule or a portion thereof will not take effect.

ADDRESSES: Submit comments electronically through the Federal eRulemaking Portal: <https://www.regulations.gov>, or by mail to: Department of the Treasury, Attn: EO 14219 Comments, 1500 Pennsylvania Avenue NW, Washington, DC 20220. Because paper mail in the Washington, DC area may be subject to delay, it is recommended that comments be submitted electronically. Comments will be available for public inspection on www.regulations.gov. In general, comments received, including attachments and other supporting materials, are part of the public record and are available to the public.

Do not submit any information in your comment or supporting materials that you consider confidential or inappropriate for public disclosure.

FOR FURTHER INFORMATION CONTACT:

- FinCEN's Regulatory Support Section by submitting an inquiry at www.fincen.gov/contact for information about 31 CFR part 1010.
- Brendan J. Costello, Attorney-Advisor, Office of the General Counsel at 202-622-0480 for information about 12 CFR 810 and 811 and 31 CFR 30 and 31.

SUPPLEMENTARY INFORMATION:

Background

On April 9, 2025, the President issued a Presidential Memorandum, *Directing the Repeal of Unlawful Regulations*, to implement Executive Order 14219, Ensuring Lawful Governance And Implementing The President's "Department of Government Efficiency" Deregulatory Initiative (Deregulatory EO), 90 FR 10583 (Feb. 19, 2025). The Deregulatory EO directed the heads of executive departments and agencies to review their regulations and repeal those which are unlawful or impose undue burdens, among other things.

This Direct Final Rule

This direct final rule removes regulations and portions of regulations that are no longer necessary, or have no current or future applicability and, therefore, no longer provide useful guidance. Removing these regulations from the Code of Federal Regulations will streamline titles 12 and 31 and increase clarity.

Explanation of Provisions

The regulations, or portions of regulations removed are:

Federal Financing Bank Bills, 12 CFR Part 810

In accordance with the purposes described above, Treasury is eliminating the Federal Financing Bank Bills regulations codified at 12 CFR part 810.

These regulations, promulgated in 1974 under the Federal Financing Bank Act of 1973, relate to the public offering of certain obligations by the Federal Financing Bank (FFB). The FFB has no plans to issue obligations to the public. Given the changes in Federal financing and relevant markets over the 50 years since these regulations were promulgated, if the FFB were to determine to offer obligations to the public, it would determine appropriate procedures at that time.

Book-Entry Procedure for Federal Financing Bank Securities, 12 CFR Part 811

In accordance with the purposes described above, Treasury is eliminating the Book-Entry Procedure for Federal Financing Bank Securities regulations codified at 12 CFR part 811.

These regulations, promulgated in 1975 under the Federal Financing Bank Act of 1973, relate to book-entry procedures for FFB securities. The FFB has never issued securities subject to these regulations and has no plans to do so. Given the changes in Federal financing and relevant markets over the 50 years since these regulations were promulgated, if the FFB were to determine to issue such securities, it would determine appropriate procedures at that time.

TARP Standards for Compensation and Corporate Governance, 31 CFR Part 30

In accordance with the purposes described above, Treasury is eliminating the TARP Standards for Compensation and Corporate Governance regulations codified at 31 CFR part 30.

These regulations, promulgated pursuant to sections 101(a)(1), 101(c)(5), and 111 of the Emergency Economic Stabilization Act of 2008 (EESA), as amended by the American Recovery and Reinvestment Act of 2009 (ARRA), provide guidance on the executive compensation and corporate governance provisions of EESA that apply to entities that receive financial assistance under the Troubled Asset Relief Program (TARP). Section 111 of EESA requires Treasury to require entities receiving financial

assistance from Treasury under TARP (TARP Recipients) to meet appropriate standards for executive compensation and corporate governance. These regulations include standards for TARP Recipients that implement the provisions of section 111 of EESA, as well as certain additional standards adopted pursuant to the authority granted the Treasury under section 111(b)(2) to promulgate such additional standards. Among various provisions relating to executive compensation and corporate governance, Treasury's regulations established the Office of the Special Master for TARP Executive Compensation (Special Master). The Special Master was given authority to review and approve certain payments and compensation structures applicable to certain employees of TARP Recipients receiving exceptional financial assistance (as defined in the regulations), and issue advisory opinions on compensation to TARP recipients not receiving exceptional assistance.

Under section 111 of EESA (12 U.S.C. 5221(b)), the TARP compensation-related restrictions generally apply to an institution during the period in which any obligation arising from financial assistance provided under the TARP remains outstanding. There are no remaining outstanding obligations left in the TARP. Therefore, Treasury is removing 31 CFR part 30.

TARP Conflicts of Interest, 31 CFR 31.211 through 216.

In accordance with the purposes described above, Treasury is eliminating the TARP Conflicts of Interest regulations codified at 31 CFR 31.211 through 216.

Pursuant to section 108 of EESA, which directed the Secretary of the Treasury to issue regulations or guidelines necessary to address and manage or to prohibit conflicts of interest that may arise in connection with the administration and execution of the EESA authorities, Treasury promulgated an interim final rule on conflicts of interest on

January 21, 2009 (74 FR 3431). That rule was finalized on October 3, 2011 (76 FR 61046). These regulations were codified at 31 CFR part 31.

The TARP program has wound down and these regulations are no longer needed. This rescission does not apply to regulations requiring TARP contractors to maintain the confidentiality of nonpublic information and setting out Treasury's enforcement authority, found at 31 CFR 31.200 and 201 and 31.217 and 218.

Civil Penalty, 31 CFR 1010.820

In accordance with the purposes described above, Treasury, including the Financial Crimes Enforcement Network (FinCEN), is eliminating the civil penalty rule codified at 31 CFR 1010.820.

Section 1010.820 described the civil penalties for certain violations of the Bank Secrecy Act.¹ This rule removes 31 CFR 1010.820 entirely because its penalty provisions were made obsolete by changes to FinCEN regulations under the Federal Civil Penalties Inflation Adjustment Act of 1990, 28 U.S.C. 2461 note (Federal Civil Penalties Inflation Adjustment Act), that are codified in the civil penalty provisions of 31 CFR 1010.821. Specifically, the Federal Civil Penalties Inflation Adjustment Act, as amended, requires agencies to issue regulations making annual adjustments reflecting the effect of inflation for civil penalties expressed in terms of a dollar amount. Those inflation adjustments are laid out in 31 CFR 1010.821 and updated annually, and 31 CFR 1010.820 expressly noted that 31 CFR 1010.821 applied to all penalties assessed after August 1, 2016. Thus, as a result of 31 CFR 1010.821's penalty provisions, 31 CFR 1010.820 is redundant, and its continued inclusion in FinCEN's regulations served no purpose.

¹ Certain parts of the Currency and Foreign Transactions Reporting Act, its amendments, and the other statutes relating to the subject matter of that Act, have come to be referred to as the BSA. These statutes are codified at 12 U.S.C. 1829b, 12 U.S.C. 1951-1960, and 31 U.S.C. 5311-5314 and 5316-5336, including notes thereto.

Procedural Matters

This direct final rule is not a significant regulatory action under Executive Order 12866, as amended. Therefore, a regulatory assessment is not required. Because no notice of proposed rulemaking is required, an analysis under the Regulatory Flexibility Act (5 U.S.C. chapter 6) is not required.

List of Subjects

12 CFR Part 810

Banks, banking, Government securities.

12 CFR Part 811

Accounting, Banks, banking, Government securities.

31 CFR Part 30

Securities.

31 CFR Part 31

Conflict of interests, Government contracts, Securities.

31 CFR Part 1010

Administrative practice and procedure, Aliens, Authority delegations (Government agencies), Banks, banking, Brokers, Business and industry, Citizenship and naturalization, Commodity futures, Crime, Currency, Electronic filing, Federal savings associations, Federal-State relations, Fiduciaries, Foreign banking, Foreign currencies, Foreign persons, Gambling, Holding companies, Indians, Indians-law, Indians-tribal governmentt, Insurance companies, Investigations, Investment companies Law enforcement, Penalties, Reporting and recordkeeping requirements, Savings associations, Securities, Small business, Terrorism, Time.

For the reasons stated in the preamble, Treasury amends 12 CFR parts 810 and 811 and 31 CFR parts 30, 31, and 1010 as follows:

TITLE 12—BANKS AND BANKING

PART 810—[Removed and Reserved]

1. Under the authority of secs. 9-11, 87 Stat. 939, 940; (12 U.S.C. 2288, 2289, 2290), remove and reserve part 810.

PART 811— [Removed and Reserved]

2. Under the authority of the Federal Financing Bank Act of 1973, sections 9-11, 87 Stat. 939, 940; 12 U.S.C. 2288, 2289, 2290, remove and reserve part 811.

TITLE 31—MONEY AND FINANCE: TREASURY

PART 30—[Removed]

3. Under the authority of 12 U.S.C. 5221; 31 U.S.C. 321, remove part 30.

PART 31—TROUBLED ASSET RELIEF PROGRAM

4. The authority citation for part 31 continues to read as follows:

Authority: 31 U.S.C. 321; Pub. L. 110-343; 122 Stat. 3765.

§§ 31.211 through 31.216 [Removed and Reserved]

5. Remove and reserve §§ 31.211 through 31.216.

PART 1010—GENERAL PROVISIONS

6. The authority citation for part 1010 continues to read as follows:

Authority: 12 U.S.C. 1829b and 1951-1959; 31 U.S.C. 5311-5314, 5316-5336; title III, sec. 314 Pub. L. 107-56, 115 Stat. 307; sec. 2006, Pub. L. 114-41, 129 Stat. 457; sec. 701 Pub. L. 114-74, 129 Stat. 599; sec. 6403, Pub. L. 116-283, 134 Stat. 3388.

§ 1010.820 [Removed and Reserved]

7. Remove and reserve § 1010.820.

Rachel Miller,
Executive Secretary.

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