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**April First Half Developments**

**Overview**

Today's Wall Street Journal had an editorial about the pernicious effect of regulations on growth in the economy. Bankers certainly have had to bear more than their share of new and burdensome rules and this newsletter has certainly borne witness to the crushing volume of new rules. As the Journal notes, in 2013, there were 3,659 new final rules with the force of law and 2,594 proposed rules waiting to be adopted. Hundreds of these rules are deemed to be "economically significant" meaning that they have costs of at least \$100 million to the regulated public. A learned estimate of the annual cost of federal regulation on the economy comes in at almost \$2 trillion, the GDP of Canada. Even more surprisingly, each household picks up a hidden cost or tax of \$15,000 per year to pay for all this regulation.

Iranian Sanctions and Transactions Regulations

On April 7, 2014, OFAC published a final rule to expand an existing general license that authorizes the exportation or reexportation of food to individuals and entities in Iran to include the broader category of agricultural commodities. The rule also clarifies and adds certain definitions in OFAC regulations. Finally, the rule adds a new general license that authorizes the exportation or reexportation of certain replacement parts for certain medical devices. See the final rule at:

<http://www.gpo.gov/fdsys/pkg/FR-2014-04-07/html/2014-07572.htm>

Blocking Property related to South Sudan

On April 7, 2014, the President published an executive order blocking property of persons identified by the Treasury and the Secretary of State involved with the turmoil in South Sudan. This order recognizes that the situation in South Sudan creates a national emergency for the U.S. and thus these steps are desirable. See the Order at:

<http://www.gpo.gov/fdsys/pkg/FR-2014-04-07/html/2014-07895.htm>

Appraisal Management Companies

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On April 9, 2014, the banking agencies published their proposed rule on the minimum requirements to be applied by States in the registration and supervision of appraisal management companies. An AMC is an entity that serves as an intermediary for, and provides certain services to, appraisers and lenders. These minimum requirements apply to States that have elected to establish an appraiser certifying and licensing agency with authority to register and supervise AMCs. See the proposed rule at:

<http://www.gpo.gov/fdsys/pkg/FR-2014-04-09/html/2014-06860.htm>

### Capital Rules and Implementation of Basel III

On April 14, 2014, the FDIC published its final rule to adopt its interim final rule that is substantively identical to a joint final rule issued by the Office of the Comptroller of the Currency (OCC) and the Board of Governors of the Federal Reserve System. The mandatory compliance date for FDIC-supervised institutions that are not subject to the advanced internal ratings-based approaches (advanced approaches) is January 1, 2015. See the FDIC final rule at:

<http://www.gpo.gov/fdsys/pkg/FR-2014-04-14/html/2014-08259.htm>

Proposed: <http://www.gpo.gov/fdsys/pkg/FR-2013-09-10/html/2013-20536.htm>

### Purchasing Assets of Failed Banks

On April 14, 2014, the FDIC published its final rule to cover individuals or entities that have, or may have, contributed to the failure of a "covered financial company" cannot buy a covered financial company's assets from the FDIC. The final rule establishes a self-certification process that is a prerequisite to the purchase of assets of a covered financial company from the FDIC. See the final rule at:

<http://www.gpo.gov/fdsys/pkg/FR-2014-04-14/html/2014-08258.htm>

Proposed: <http://www.gpo.gov/fdsys/pkg/FR-2013-11-06/html/2013-26544.htm>

*This advisory is a service of Connell & Andersen LLP for our clients and friends. It is not a full recitation of all developments. The descriptions are summaries of complex and detailed laws and regulations and may be incomplete or misleading. We invite any of our readers to contact us to discuss any items contained herein for further elaboration.*