

FEDERAL RESERVE BANK OF DALLAS

DALLAS, TEXAS 75222

Circular No. 78-90

July 5, 1978

COMPREHENSIVE REGULATIONS REVIEW BY THE FEDERAL RESERVE

TO ALL MEMBER BANKS
AND OTHERS CONCERNED IN THE
ELEVENTH FEDERAL RESERVE DISTRICT:

Many of you have read about the comprehensive review of all Federal Reserve regulations which is being undertaken by the Federal Reserve System.

The System is taking a new look at each regulation and its related interpretations to determine the extent that each regulation is required by law; the costs and benefits of each; whether its underlying statutes need revision; and whether there is a more desirable nonregulatory alternative to resolving the issues addressed by the regulation.

All regulations are to be redrafted to incorporate changes approved by the Board of Governors, and regulatory revisions or recommendations to Congress for legislative changes are expected to be accomplished by the end of 1979.

The resources of the Board of Governors of the Federal Reserve System, all twelve Federal Reserve Banks, and outside consultants are to be utilized in the project.

The Federal Reserve Bank of Dallas has been assigned two regulations in this connection: Regulation L, "Interlocking Bank Relationships Under the Clayton Act" (12 C.F.R. 212), and Regulation O, "Loans to Executive Officers of Member Banks" (12 C.F.R. 215).

In connection with our responsibilities in this regard, we are asking for comments from the member bankers in this District as to any concrete suggestions they have for improvements in these two regulations. Please mail any such suggestions to Mr. George C. Cochran, III, Senior Vice President, Federal Reserve Bank of Dallas, by July 31, 1978.

Additionally, if you have similar concrete suggestions for the improvement of any of the other Federal Reserve regulations, you may also

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transmit them to Mr. Cochran, who will see that they are sent to the appropriate Federal Reserve Bank.

Your cooperation and assistance in this matter will be appreciated and will be instrumental in forwarding a project that is much needed and will, we are convinced, be of great value to the banking industry and the nation.

Sincerely yours,

Ernest T. Baughman

President