

FEDERAL RESERVE BANK OF DALLAS

DALLAS, TEXAS 75222

Circular No. 80-149

July 31, 1980

TENTATIVE SCHEDULE FOR IMPLEMENTING
THE MONETARY CONTROL ACT OF 1980

TO THE CHIEF EXECUTIVE OFFICER
OF ALL BANKS, BANK HOLDING COMPANIES
AND OTHER FINANCIAL INSTITUTIONS IN THE
ELEVENTH FEDERAL RESERVE DISTRICT:

Enclosed is a press release and the text of a letter to Senator William Proxmire from Chairman Volcker concerning a tentative schedule for implementing the Monetary Control Act. Included in the schedule is a 60-day grace period for posting of reserve requirements by nonmember institutions.

Due to the necessary procedures that must be developed to implement and distribute reporting forms, prepare operating manuals, and familiarize depository institutions with the new requirements, an alternative timetable has been adopted. Large nonmember institutions will begin posting reserve requirements by early November, rather than early September. Member banks will continue to post reserves under existing rules until early November. Reserves for member banks, which will be reduced under the program will be adjusted later to ensure that reserves posted over the first year will be the same as if the reduction had started in September.

Additional copies of this circular will be furnished upon request to the Bank and Public Information Department, Ext. 6266. Questions regarding the tentative schedule may be directed to Richard D. Ingram, Assistant Vice President, Ext. 6333, or the officer in charge of the Accounting Department at the El Paso, Houston, or San Antonio Branches.

Sincerely yours,

Robert H. Boykin

First Vice President

Enclosure (1)

Banks and others are encouraged to use the following incoming WATS numbers in contacting this Bank: 1-800-442-7140 (intrastate) and 1-800-527-9200 (interstate). For calls placed locally, please use 651 plus the extension referred to above.