

FEDERAL RESERVE BANK OF DALLAS

DALLAS, TEXAS 75222

Circular No. 81-208
October 29, 1981

TO THE CHIEF EXECUTIVE OFFICER
OF THE ADDRESSED DEPOSITORY INSTITUTION
IN THE ELEVENTH FEDERAL RESERVE DISTRICT:

Under provisions of the Monetary Control Act of 1980, non-member depository institutions became subject to reserve requirements. In an effort to lessen the burden this would place on smaller institutions, the Board deferred reporting and reserve requirements for institutions with less than \$2 million in total deposits as of December 31, 1979, until November 1981. This deferral has now been extended through April 1982 and legislation is currently before Congress to make the deferral permanent. A copy of the Board's press release is printed on the reverse of this circular.

If you have any questions concerning this matter, please contact Stephen Welch, (214) 651-6294 or Karen Salisbury, (214) 698-4205.

Additional copies of this circular will be furnished upon request to the Department of Communications, Financial and Community Affairs of this Bank, Ext. 6289.

Sincerely yours,



William H. Wallace
First Vice President

FEDERAL RESERVE press release



For immediate release

October 20, 1981

The Federal Reserve Board has extended for six months the deferral of reserve and reporting requirements for nonmember depository institutions with less than \$2 million total deposits.

The Monetary Control Act of 1980 made certain deposits of nonmember as well as member depository institutions subject to Federal reserve requirements. To lessen the burden for very small institutions and in view of operational considerations, the Board has previously deferred until November 1981 reserve requirements for institutions with less than \$2 million total deposits, as of December 31, 1979. This deferral will now extend through April 1982. The Board extended the deferral period in view of legislation under consideration in Congress that would provide a permanent exemption from reserve requirements for smaller depository institutions.

The deferral affects nearly 18,000 depository institutions, including approximately 17,000 credit unions. These institutions are estimated to hold 1/2 of 1 percent of all deposits. Those offering transaction accounts or nonpersonal time deposits are subject to reserve requirements.