

**FEDERAL RESERVE BANK
OF NEW YORK**

[Circular No. 10179]
July 9, 1987

**REVISED PROPOSAL TO CHARGE FEES FOR
CERTAIN SUPERVISORY ACTIVITIES**

Extension of Comment Period to August 7

*To All Member Banks, Bank Holding Companies, Edge Act Corporations,
and Branches and Agencies of Foreign Banks in the Second Federal
Reserve District, and Others Concerned:*

Following is the text of a statement issued by the Board of Governors of the Federal Reserve System:

The Federal Reserve Board has extended the period for comment on its revised proposal to charge assessments and fees for certain supervisory activities, specifically for inspection and supervision of the parent company and nondepository subsidiaries of bank holding companies as well as for supervising Edge Act corporations and for processing applications.

This revised fee proposal was published with a thirty-day comment period ending July 6, 1987. In response to a number of requests from banking organizations and trade associations for additional time to prepare comments, the Board is extending the comment period through August 7, 1987.

The complete text of the Board's proposal (Docket No. R-0584), as submitted for publication in the *Federal Register*, was sent to affected institutions in this District with our Circular No. 10176, dated June 9, 1987; copies are available upon request directed to the Circulars Division of this Bank (Tel. No. 212-720-5215 or 5216). Comments regarding the proposal may be sent to the Board of Governors, as specified in the notice, or to our Domestic Banking Applications Department by August 7, 1987.

E. GERALD CORRIGAN,
President.

FEDERAL RESERVE SYSTEM
12 CFR Parts 211, 225 and 262

[Docket No. R-0584]

ASSESSMENT OF FEES FOR
SUPERVISION OF EDGE CORPORATIONS AND
BANK HOLDING COMPANIES
AND FOR
PROCESSING APPLICATIONS

AGENCY: Board of Governors of the Federal Reserve System

ACTION: Extension of Time to Comment on Proposed Rulemaking

SUMMARY: On November 12, 1986, the Board of Governors of the Federal Reserve System, sought public comment on a proposal to assess fees for certain of its supervisory activities. 51 Federal Register 48101 (November 19, 1986). The Board advanced the proposal as a possible cost recovery measure to supplement prior Board actions to streamline operations and eliminate unnecessary functions. This proposal was designed to recover the total of identifiable costs incurred by the Federal Reserve in supervising Edge Act corporations and in processing applications submitted by banks, bank holding companies and others. After reviewing the comments submitted in response to its original proposal, the Board sought public comment on a revised proposal that would levy charges for the supervision of bank holding companies (in particular the parent holding

company and its nondepository subsidiaries) as well as for the supervision of Edge Act corporations and for processing applications. 52 Federal Register 21564 (June 8, 1987). Under this proposal fees and assessments would be set to recover about half of the costs incurred by the Federal Reserve in conducting these activities. The Board has also requested comments on whether, if the Board does decide to charge for certain supervisory activities, this revised proposal to charge lower fees but to include bank holding company supervision is preferable to its original proposal.

Since the publication of this revised proposal the Board has received a number of requests for additional time to comment, requests which stress the imposition of fees as a major change in Board policy that is of special significance for bank holding companies and Edge Act corporations. The Board had provided a 30 day period, ending July 6, 1987, to comment on the specific issues presented by the revised proposal. In order to permit all interested parties to file detailed, substantive comments, the Board is extending the comment period for the revised fee proposal (Docket 0584) until August 7, 1987.

DATE: Comments must be received by August 7 , 1987.

ADDRESS: All comments, which should refer to Docket No. R-0584, should be mailed to William W. Wiles, Secretary, Board of Governors of the Federal Reserve System, 20th Street and Constitution Avenue, N.W., Washington, D.C. 20551, or should

be delivered to the Office of the Secretary Room 2223, Eccles Building, 20th Street and Constitution Avenue, N.W., between the hours of 9:00 a.m. and 5:00 p.m. weekdays. Comments may be inspected in Room 1122, Eccles Building between 9:00 a.m. and 5:00 p.m. weekdays.

FOR FURTHER INFORMATION CONTACT: Frederick M. Struble, Associate Director, (202) 452-3794, Don E. Kline, Associate Director (202) 452-3421, Kevin M. Raymond, Supervisory Financial Analyst (202) 452-2573, or James V. Houpt, Supervisory Financial Analyst (202) 452-3358, Division of Banking Supervision and Regulation; or James E. Scott, Senior Counsel, (202) 452-3513, Legal Division, or for users of Telecommunications Devices for the Deaf, Earnestine Hill or Dorothea Thompson (202) 452-3544, Board of Governors of the Federal Reserve System, Washington, D.C. 20551.

Board of Governors of the Federal Reserve System,
July 7, 1987.

(signed) William W. Wiles

William W. Wiles
Secretary of the Board