

**FEDERAL RESERVE BANK  
OF NEW YORK**

[ Circular No. 10539 ]  
June 4, 1992

**FFIEC STUDY ON REGULATORY BURDEN  
Comments Invited by July 10**

*To All Depository Institutions, and Others  
Concerned, in the Second Federal Reserve District:*

Following is the text of a statement issued by the Federal Financial Institutions Examination Council:

The Federal Financial Institutions Examination Council has announced that it is seeking public comment, as well as holding a series of public meetings, in connection with a study of the regulatory burden imposed on insured depository institutions.

Section 221 of the Federal Deposit Insurance Corporation Improvement Act of 1991 requires the Council to submit to the Congress no later than December 19, 1992, a report describing any suggested revisions to regulatory policies, procedures, recordkeeping and documentation requirements that could reduce unnecessary regulatory burdens on insured depository institutions.

Comments should be submitted to the Council no later than July 10, 1992.

The Council also announced its intention to convene several public meetings at which interested parties may personally express their views on the regulatory burden imposed on insured depository institutions. In order to insure geographically diverse representation at the meetings, the Council has decided to hold public meetings in Kansas City, Missouri; San Francisco, California; and Washington, D.C.

The public meeting in Kansas City will be held on June 18, 1992, at the Federal Reserve Bank of Kansas City, 925 Grand Avenue, Kansas City, Missouri 64198. The meeting will begin at 9:00 a.m., C.D.T.

The public meeting in San Francisco will be held on June 19, 1992, at the Federal Reserve Bank of San Francisco, 101 Market Street, San Francisco, California 94105. The meeting will begin at 9:00 a.m., P.D.T.

The public meeting in Washington will be held on June 25, 1992, at the Office of Thrift Supervision, 1700 G Street, N.W., Washington, D.C. 20552. The meeting will begin at 9:00 a.m., E.D.T.

Persons wishing to appear at these meetings should submit a written request by June 5, 1992, containing a brief statement of the nature of the expected remarks, the estimated time required for their presentation, and the chosen meeting location, to Matthew Maciejewski, Office of the Secretary, Board of Governors of the Federal Reserve System, 20th Street and Constitution Avenue, N.W., Washington, D.C. 20551 (facsimile: 202/452-3819).

On the basis of these requests, Council staff will prepare a schedule for persons wishing to appear, which will be available as soon as practicable after June 8, 1992.

Printed on the following pages is an excerpt from the *Federal Register* of May 20, containing the text of the Council's official notice on this matter. Comments should be submitted by July 10 and may be sent to the Council, as indicated in the notice, or to John Cassidy, Assistant Vice President in our Banking Applications Function.

E. GERALD CORRIGAN,  
*President.*



## FEDERAL FINANCING INSTITUTIONS EXAMINATION COUNCIL

[Docket No. S-221]

### Study on Regulatory Burden

**AGENCY:** Federal Financial Institutions Examination Council.

**ACTION:** Request for public comment; notice of public meetings.

**SUMMARY:** The Federal Financial Institutions Examination Council (the FFIEC or Council) is seeking public comment regarding the regulatory burden imposed on insured depository institutions. The Council is required to conduct a study of regulatory burden by section 221 of the Federal Deposit Insurance Corporation Improvement Act of 1991.<sup>1</sup> The Council is now soliciting public comment, as well as announcing its intention to hold public meetings, in order to assist it in the conduct of the study.

**DATES:** Comments must be received no later than July 10, 1992.

**ADDRESSES:** Comments, which should refer to Docket No. S-221, may be mailed to the Federal Financial Institutions Examination Council, 2100 Pennsylvania Avenue, NW., suite 200, Washington, DC 20037, to the attention of Mr. Joe M. Cleaver, Executive Secretary. Comments will be available for public inspection and copying in suite 200 between 9 a.m. and 5 p.m., weekdays.

**FOR FURTHER INFORMATION CONTACT:** On behalf of the Council: Joe M. Cleaver, Executive Secretary; or Keith J. Todd, Assistant Executive Secretary (202/634-6526); FFIEC. Thomas A. Durkin, Regulatory Planning and Review Director, Office of the Secretary (202/452-2326); or Michael J. O'Rourke, Senior Attorney, Legal Division (202/452-3288); both of the Federal Reserve Board.

On behalf of the Board of Governors of the Federal Reserve System: Martha Bethea, Deputy Associate Director, Division of research and Statistics (202/452-3181); or Ellen Maland, Assistant Director, Division of Consumer and Community Affairs (202/452-3667).

On behalf of the Federal Deposit Insurance Corporation: Robert F. Mialovich, Associate Director, Division of Supervision (202/898-6918); or Lisa Stanley, Senior Attorney, Office of the General Counsel (202/898-7494).

On behalf of the Office of the Comptroller of the Currency: Raija Bettauer, Director; or Eugene Cantor, Senior Attorney, Legislative and Regulatory Analysis Division (202/874-5090).

On behalf of the Office of Thrift Supervision: Jerauld C. Kluckman, Deputy Assistant Director for Policy, Specialized Programs (202/906-5775); or Deborah Kennedy, Program Analyst, Policy (202/906-7324).

On behalf of the Department of the Treasury: Gordon Eastburn, Director, Financial Institutions Policy (202/566-5337) (after May 15, 1992: 202/622-2730); or Laurie Schaffer, Attorney Advisor, Office of the General Counsel (Banking and Finance) (202/566-8056) (after May 15, 1992: (202/622-1958).

#### SUPPLEMENTARY INFORMATION:

##### I. Introduction

The Federal Deposit Insurance Corporation Improvement Act of 1991 ("FDICIA") mandated that the Council report to the Congress on the regulatory burden imposed on insured depository institutions.

In particular, section 221 of FDICIA requires that the Council, in consultation with interested parties, accomplish four tasks:

- First, review the policies, procedures, recordkeeping and documentation requirements that are used to monitor and enforce compliance with:

- a. All laws under the jurisdiction of the Federal banking agencies;<sup>2</sup> and

- b. All laws affecting insured depository institutions under the jurisdiction of the Secretary of the Treasury.

- Second, determine whether such policies, procedures and requirements imposed unnecessary burdens on insured depository institutions.

- Third, identify any revisions to these procedures, policies and requirements that could reduce unnecessary burdens. The revisions identified, however, may not:

- a. Diminish compliance with or enforcement of consumer laws in any respect; or

- b. Endanger the safety and soundness of insured depository institutions.

- Fourth, and finally, submit to the

Congress no later than December 19, 1992, a report describing those revisions that could reduce unnecessary regulatory burden on depository institutions.

In accordance with section 221's direction that the Council consult "with individuals representing insured depository institutions, consumers, community groups, and other interested parties" regarding this study, the Council is now soliciting public comment on the regulatory burden imposed on insured depository institutions. The Council as well as announcing its intention to conduct a series of public meetings, during which interested parties will be given an opportunity to express their views on regulatory burden.

In that regard, the Council has reviewed the appropriate scope of the section 221 study. The council has determined that the apparent purpose and intended focus of the study is not the examination of, and the development of proposed revisions to, the overall statutory scheme governing financial institutions. Rather, it appears that the Council is to accept the statutory scheme devised by the Congress as given, and instead examine the manner in which the Federal banking agencies and the Treasury Department have implemented that scheme, such as by means of regulations, policy statements, procedures, recordkeeping requirements and the like.

Although proposed statutory reforms to ease regulatory burden do not appear to be the intended or primary focus of this study, the Council recognizes that suggestions regarding appropriate measures in this regard may well arise. The Council has concluded that such suggestions are appropriately included in some form in the report to be submitted to the Congress.

##### II. Request for Public Comment

In addition to comments generally on the nature and scope of regulatory burden imposed on depository institutions, the Council in particular seeks:

- Specific suggestions on how to comply with particular statutory mandates while, at the same time, easing the regulatory burden imposed on depository institutions;

- Alternative forms, reports, procedures, etc., that would simplify institutions' reporting and recordkeeping without diminishing compliance with applicable laws, or endangering the

<sup>2</sup> For purposes of this study, the terms "insured depository institution" and "Federal banking agency" have the same meanings as in section 3 of the Federal Deposit Insurance Act.

<sup>1</sup> Public Law 102-242, 105 Stat. 2236, 2305 (1991).



ability of the agencies to monitor an institution's condition to ensure safety and soundness.

• Information regarding the burden of regulatory compliance relative to the size of a depository institution, as well as any appropriate ameliorative measure to ease any undue burden in that regard.

• Any studies of regulatory burden concerning depository institutions; particularly, studies containing quantitative data relating to the costs and time attributable to regulatory compliance for depository institutions. In that regard, commenters are asked to specify, to the extent possible, those costs/burdens attributable to statutory requirements, and those attributable to agency discretion.

Comments previously submitted in response to the agencies' recent regulatory review initiatives will be made available to the Council for its consideration in the course of this study. Accordingly, those comments need not be resubmitted in response to this request for comment.

**III. Notice of Public Meetings**

As part of its process of consulting with the public, the Council also is announcing its intention to convene several public meetings at which

interested parties may personally express their views on the regulatory burden imposed on insured depository institutions. In order to ensure geographically diverse representation at the meetings, the Council has decided to hold public meetings in Kansas City, Missouri, San Francisco, California, and Washington, DC.

The public meeting in Kansas City will be held on June 18, 1992, at the Federal Reserve Bank of Kansas City, 925 Grand Avenue, Kansas City, Missouri 64198. The meeting will begin at 9 a.m., c.d.t.

The public meeting in San Francisco will be held on June 19, 1992, at the Federal Reserve Bank of San Francisco, 101 Market Street, San Francisco, California 94105. The meeting will begin at 9 a.m., p.d.t.

The public meeting in Washington will be held on June 25, 1992, at the Office of Thrift Supervision, 1700 G Street, NW., Washington, DC 20552. The meeting will begin at 9 a.m., e.d.t.

Remarks at the public meetings will be presented to panels consisting of a Presiding Officer (the Executive Secretary of the Council or his designee) and other panel members representative of the agencies comprising the Council. The public meetings will be transcribed and information regarding procedures for obtaining a copy of the transcripts

will be announced at the public meetings.

Persons wishing to speak at these meetings should submit a written request by June 5, 1992, to Matthew Maciejewski, Research Assistant, Office of the Secretary, Board of Governors of the Federal Reserve System, 20th Street and Constitution Avenue, NW., Washington, DC 20551 (facsimile: 202/452-3819). The request should include the following information:

1. Name, address, telephone number (and facsimile number, if available);
2. Designation of chosen meeting location; and a
3. Brief description of the nature of ones expected remarks.

On the basis of these requests, staff assisting in the study will prepare a schedule for persons wishing to appear, which will be available as soon as practicable after June 8, 1992, from Matthew Maciejewski.

Copies of any written remarks may, but need not, be filed with the Executive Secretary before a person's presentation.

Dated: May 14, 1992.

**Joe M. Cleaver,**  
*Executive Secretary, Federal Financial Institutions Examination Council.*

[FR Doc. 92-11765 Filed 5-19-92; 8:45 am]

**BILLING CODE 6210-01-M**