

**FEDERAL RESERVE BANK  
OF NEW YORK**

[ Circular No. **10744** ]  
[ November 28, 1994 ]

**REGULATION H**  
**Amendment Changing the Requirement for**  
**State Member Banks to Publish their Reports of Condition**

*To All State Member Banks, and Others Concerned,  
in the Second Federal Reserve District:*

As previously announced in our letter of November 7, 1994, Section 308 of the Riegle Community Development and Regulatory Improvement Act of 1994 repealed the federal requirement that State member banks publish their Reports of Condition. Accordingly, the Board of Governors of the Federal Reserve System has amended its Regulation H, "Membership of State Banking Institutions in the Federal Reserve System," to implement that change. Enclosed — for State member banks in this District and others who maintain sets of the Board's regulations — is the text of the amendment, which has been reprinted from the *Federal Register* of November 10.

Please note that your bank may still be required to publish its Reports of Condition under State law and, in addition, your bank will continue to be required under Section 208.17 of the regulation to advise shareholders, customers, and the general public of the availability of year-end Reports of Condition and Income and other pertinent information.

Questions regarding this matter may be directed to Dean Ungar, Senior Examiner, Domestic Banking Department (Tel. No. 212-720-2198).

**WILLIAM J. McDONOUGH,**  
*President.*

## Board of Governors of the Federal Reserve System

### AMENDMENTS TO REGULATION H

#### Publication Requirements

(Effective November 10, 1994)

#### FEDERAL RESERVE SYSTEM

##### 12 CFR Part 208

[Regulation H; Docket No. R-0854]

#### Membership of State Banking Institutions in the Federal Reserve System

**AGENCY:** Board of Governors of the Federal Reserve System.

**ACTION:** Final rule.

**SUMMARY:** The Board is amending its Regulation H to remove the requirement that a state member bank publish its reports of condition. The amendment implements section 308 of the Riegle Community Development and Regulatory Improvements Act of 1994 which contains a number of measures to reduce the burden of federal regulation in depository institutions.

**EFFECTIVE DATE:** November 10, 1994.

**FOR FURTHER INFORMATION CONTACT:** Lawranne Stewart, Senior Attorney (202/452-3513), Legal Division; or Nancy Rawlings, Senior Financial Analyst, (202/ 452-3059), Division of Banking Supervision and Regulation. For the hearing impaired *only*, Telecommunications Device for the Deaf ("TDD"), Dorothea Thompson (202/ 452-3544).

**SUPPLEMENTARY INFORMATION:** Title III of the Riegle Community Development and

Regulatory Improvements Act of 1994 (Pub. L. 103-325, 108 Stat. 2160) (the Act) contains a number of measures to reduce the burden of federal regulation on depository institutions. Title III, section 308, amended the Federal Reserve Act to repeal the requirement in section 9, paragraph 6 (12 U.S.C. 324) that state member banks publish their reports of condition. Section 308 also removed similar publication requirements in the National Bank Act and the Federal Deposit Insurance Act.

The Board's Regulation H, Membership of State Banking Institutions in the Federal Reserve System, currently requires that a state member bank publish its report of condition (Forms FFIEC 031-034) within 20 days of the date the call for a report of condition is issued. 12 CFR 208.10(a). The report of condition is included in the Consolidated Reports of Condition and Income, usually referred to as the "Call Report," that state member banks generally are required to submit on a quarterly basis.

In order to achieve the reduction in regulatory burden intended under the Act, the Board is removing the provisions of Regulation H that require publication of a state member bank's report of condition. The amendments delete paragraphs (a) and (b) of § 208.10 of the regulation. Additionally, the

section is renamed to reflect the subject of the remaining paragraph, in which the Board exercises its authority under section 21 of the Federal Reserve Act to waive submission of reports of affiliates by state member banks required under section 9 of the Federal Reserve Act.

The Board notes that a bank's Call Reports, including its reports of condition, will continue to be publicly available through the National Technical Information Service of the United States Department of Commerce under the Board's Rules Regarding Availability of Information. See 12 CFR 261.6(c)(3). Additionally, state member banks will continue to be required to advise shareholders, customers, and the general public of the availability of year-end Call Reports or other financial information under § 208.17 of Regulation H. See 12 CFR 208.17. The Board believes that these provisions are sufficient to ensure that adequate information is available to the public with respect to the condition of a state member bank. Additionally, the amendment has no effect on any publication requirements that may be imposed on a state member bank under state law.

#### Notice and Public Participation

The provisions of the Administrative Procedure Act relating to notice and

PRINTED IN NEW YORK, FROM *FEDERAL REGISTER*, VOL. 59, NO. 217, pp. 55987-88

For this Regulation to be complete, retain:

- 1) Pamphlet dated March 19, 1993.
- 2) Amendments effective October 8, 1993 (included in slip sheet dated November 1993)
- 3) Amendment effective July 5, 1994.
- 4) This slip sheet.



public participation (5 U.S.C. 553(b)) have not been followed in connection with the adoption of these amendments, as the amendments implement a statutory provision that is intended to reduce the regulatory burden on banks. The Board therefore finds good cause for determining, and so determines, that notice and public participation are unnecessary and contrary to the public interest.

The provisions of the Act relating to notice of the effective date of a rule (5 U.S.C. 553(d)) have not been followed in connection with the adoption of these amendments. Section 308 of the Act was effective as of the date of enactment (September 24, 1994), and the Board is amending Regulation H promptly to implement the statutory provision. For this reason, the Board finds there is good cause to determine, and so determines, that notice is not necessary and would be contrary to the purpose of section 308. These amendments have therefore been published in final with an immediate effective date.

#### **Regulatory Flexibility Act**

Because the Board finds that no notice of proposed rulemaking is required, a statement concerning the effects of the

rule on small entities is also not required under the Regulatory Flexibility Act. 5 U.S.C. 604. The Board notes, however, that the proposed amendments will reduce the regulatory burden imposed on all state member banks. The amendments should be particularly helpful to smaller institutions for which the publication requirement represent a more significant cost burden.

#### **List of Subjects in 12 CFR Part 208**

Accounting, Agriculture, Banks, banking, Capital adequacy, Confidential business information, Currency, Federal Reserve System, Reporting and recordkeeping requirements, Securities.

For the reasons set forth in the preamble, the Board amends 12 CFR part 208 as set forth below.

#### **PART 208—MEMBERSHIP OF STATE BANKING INSTITUTIONS IN THE FEDERAL RESERVE SYSTEM (REGULATION H)**

1. The authority citation for Part 208 is revised to read as follows:

**Authority:** 12 U.S.C. 36, 248(a), 248(c), 321–338a, 371d, 461, 481–486, 601, 611, 1814, 1823(j), 1828(o), 1831o, 1831p-1, 3105,

3310, 3331–3351 and 3906–3909; 15 U.S.C. 78b, 781(b), 781(g), 781(j), 78o-4(c)(5), 78q, 78q-1 and 78w; 31 U.S.C. 5318.

2. Section 208.10 is amended as follows:

- a. The section heading is revised;
- b. Paragraphs (a) and (b) are removed; and
- c. The paragraph designation and heading for paragraph (c) are removed.

The revised Section heading reads as follows:

#### **§ 208.10 Waiver of reports of affiliates.**

\* \* \* \* \*

#### **Subpart A—[Amended]**

3. In Subpart A, footnotes 11 through 13 are redesignated as footnotes 9 through 11, respectively.

#### **§ 208.17 [Amended]**

4. Section 208.17 is amended by removing the undesignated text following paragraph (a)(2). -

By order of the Board of Governors of the Federal Reserve System, November 4, 1994.

**William W. Wiles,**

*Secretary of the Board.*

[FR Doc. 94-27870 Filed 11-9-94; 8:45am]

**Billing Code 6210-01-P**