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March 25, 2003

Regulation Comments
Chief Counsel's Office
Office of Thrift Supervision
1700 G Street, N.W.
Washington, D.C. 20552

Attention: No. 1500-0023

Re: Proposed Agency Information Collection Activities; Comment Request –
Thrift Financial Report
68 FR 3318 (January 23, 2003)

Dear Sir or Madam:

America's Community Bankers ("ACB")¹ welcomes the opportunity to comment on the Office of Thrift Supervision's ("OTS") proposed revisions to the Thrift Financial Report ("TFR")². The proposed revisions include a number of changes to the information collected by TFR as well as proposed changes in the filing deadlines for TFR, Schedule CMR, Consolidated Maturity and Rate ("CMR") and Form HC. In the case of each form the time period for filing the report would be shortened. The changes would be effective for the March 31, 2004 TFR filing.

ACB Position

ACB is strongly opposed to the shortening of the filing deadlines for the TFR, the CMR and the Form HC. We do not believe that the OTS has provided a compelling cost benefit analysis for shortening the filing deadline for the TFR from 30 days to 20 days. In the case of the Schedule CMR, the OTS is substantially revising this schedule and is in the process of requesting comments on the revisions. We suggest that the timeframe for filing the schedule should be one of the issues on which comments are solicited as part of the proposed revisions. Finally, the proposal includes a number of changes to the holding company data to be submitted. We suggest that the time frame for filing the Form HC should not be shortened until the OTS and the holding

¹ ACB represents the nation's community banks of all charter types and sizes. ACB members, whose aggregate assets exceed \$1 trillion, pursue progressive, entrepreneurial and service-oriented strategies in providing financial services to benefit their customers and communities.

² 68 Fed. Reg. 3318 (Jan. 23, 2003).

companies have determined whether the information required is available in the shortened time period and until changes to the H-b(11) have been announced.

Shortening the TFR Filing Deadline

The OTS states that technological advances permit savings associations to receive information from service providers and holding companies necessary to file the TFR in a timelier basis.³ The OTS proposes to shorten the filing time period from 30 days to 20 days, partially as a result of the agency's perception that receiving the information from service providers will enable savings associations to assimilate the information and prepare the form in a shorter time frame. While ACB agrees with the OTS that submitting the TFR and the other forms earlier will allow the agency to issue aggregate information more quickly and possibly help the industry, we question whether requiring savings associations to file the TFR 10 days sooner will achieve that goal.

Savings associations, large and small, receive information from other sources, including services providers, and from various departments in the association and must assimilate the information to prepare the TFR. In many cases the information is not available until the 15th day of the month. In the situation of a holding company giving information to the association, it is frequently a longer time period depending on the systems used at the association and the holding company(ies). Once that information is received the staff at the association must compile all of the data as required. Reducing the time frame for filing would introduce the opportunity for errors into the filing as staff has less time to assemble the forms. In addition, many associations have built review times into the schedule that allow senior management and board of directors time to review the document prior to filing.

Further, for public savings associations and holding companies, the filing deadlines for the TFR are shorter than those for the quarterly and current reports required by the Securities Exchange Act of 1934. ACB is concerned that the availability of information sooner than it is available in securities law filings may have unintended market consequences. Finally, the federal banking agencies are not proposing that the deadline for filing the Call Report be reduced from 30 to 20 days.

Additional Data Required

The OTS indicates that many of the changes are being proposed in order to bring the TFR more in line with the Call Report filed by commercial and savings banks whose primary federal regulator is not the OTS. Many of the changes contained in this proposal have been proposed previously and were not adopted at the time. ACB supports the move toward a more uniform Call Report for all insured depositories. However, we believe that information only should be required to the extent that it is necessary for the supervision of the institution and industry peer group analysis.

³ Id. at 3324.

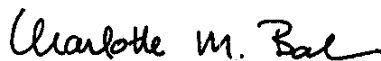
We are concerned that changes are being made to the TFR in a piece meal fashion and that some of the changes are necessary to move to a uniform form but some are not. For example, we believe that the proposed holding company information is available from other sources and requiring the information does not promote a uniform Call Report. The OTS states that it will reduce the data collection required by the H-b(11) but that details of those changes will be announced at a later date.⁴ ACB suggests that any changes to the H-b(11) should be described at the same time as the substantial addition of information required by the TFR. Further, to the extent that information is required from savings associations in holding company structures that have multiples layers or multiple holding companies, we are concerned that the shortened time frames are not realistic.

We are concerned that several of the proposed additional items contain information that is not readily available. We also are concerned that some of the proposed information will become public and we suggest that it should be confidential. We request that the OTS clarify that the information proposed to be required on Schedule SI on Transactions with Affiliates be confidential. Further we request that a de minimis rule be applied for certain information categories. For example, if a subsidiary is not material to the operations of the savings association, numerous data should not be required.

Conclusion

ACB appreciates the opportunity to comment on this important matter. We strongly oppose the shortening of the time frame for filing the TFR. We request that the OTS work with the industry to do a cost/benefit analysis before making this type of timing change. Should you have any questions, contact the undersigned at 202-857-3121 or via email at cbahin@acbankers.org.

Sincerely,



Charlotte M. Bahin
Director of Regulatory Affairs
Senior Regulatory Counsel

⁴ Id. at 3322.