



April 15, 2004

Via Electronic Mail

Communications Division
Public Information Room
Mailstop 1-5
Office of the Comptroller of the Currency
250 E Street, SW
Washington, DC 20219
Docket No. 04-05

Jennifer J. Johnson, Secretary
Board of Governors of the Federal Reserve System
20th Street and Constitution Avenue, NW
Washington, DC 200551
Re: Docket No. R-1180

Robert E. Feldman, Executive Secretary
Attention: EGRPRA Burden Reduction Comments
Federal Deposit Insurance Corporation
550 17th Street, NW
Washington, DC 20429

Regulation Comments
Chief Counsel's Office
Office of Thrift Supervision
1700 G Street, NW
Washington, DC 20552
Attention: No. 2003-67

Re: Request for Burden Reduction Recommendations ; Consumer Protection; Lending Related Rules; Economic Growth and Regulatory Paperwork Reduction Act of 1996 Review

Dear Sir/Madam:

The Office of Advocacy of the U.S. Small Business Administration submits this comment letter in response to the above-referenced Notice of Regulatory Review. Congress established the Office of Advocacy (Advocacy) under Pub. L. 94-305 to represent the views of small business before Federal agencies and Congress. Section 612 of the Regulatory Flexibility Act (RFA) requires Advocacy to monitor agency compliance with the RFA, as amended by the Small Business Regulatory

Enforcement Fairness Act.¹ Advocacy is an independent office within the Small Business Administration (SBA), so the views expressed by Advocacy do not necessarily reflect the views of the SBA or of the Administration.

Notice of Regulatory Review

On January 21, 2004, the Office of the Comptroller of the Currency, the Federal Reserve System, the Federal Deposit Insurance Corporation, and the Office of Thrift Supervision (collectively, the agencies) announced that they were reviewing their regulations to identify outdated, unnecessary, or unduly burdensome regulatory requirements pursuant to the Economic Growth and Regulatory Paperwork Reduction Act of 1996 (EGPRA). The agencies stated that they were particularly interested in comments and suggestions on ways to reduce burden in Consumer Protection: Lender-Related Rules.

Advocacy commends the agencies for requesting comments and suggestions on ways to reduce the regulatory burden. Advocacy is particularly pleased that in addition to seeking comment on the extent to which the regulations may adversely affect competition, the agencies are specifically requesting comment on the cost of compliance associated with reporting, recordkeeping, and disclosure requirements, particularly on small financial institutions. Advocacy encourages the agencies to give full consideration to the comments filed by small financial institutions and to take the necessary steps to reduce any undue regulatory burden.

The Agencies' Obligations Under the RFA

Even when reducing regulatory burden, Advocacy encourages agencies to provide an appropriate RFA analysis at the time that the proposed regulatory changes are published. Performing the RFA analysis allows agencies to demonstrate the positive economic impact that the reduction in regulatory burden will have on small financial institutions.

Information about RFA compliance can be found in [A Guide for Federal Agencies: How to Comply with the RFA](#), which is available at <http://www.sba.gov/advo/laws/rfaguide.pdf>. The Office of Advocacy is available to work with the agencies to ensure compliance with the RFA prior to the publication of a proposed rule. If you have any questions, please feel free to contact the Office of Advocacy at (202) 205-6533. Thank you for the opportunity to comment on this important notice.

Sincerely,

/s/

Thomas M. Sullivan
Chief Counsel for Advocacy

/s/

Jennifer A. Smith
Assistant Chief Counsel
for Economic Regulation & Banking

¹ Pub. L. No. 96-354, 94 Stat. 1164 (1980) (codified at 5 U.S.C. §§ 601-612) amended by Subtitle II of the Contract with America Advancement Act, Pub. L. No. 104-121, 110 Stat. 857 (1996). 5 U.S.C. § 612(a).

cc: Dr. John Graham, Administrator, Office of Information and Regulatory Affairs