

May 13, 1977

The Honorable Harold M. Williams
Chairman
Securities and Exchange Commission
Washington, D.C. 20549

Dear Mr. Chairman:

I am pleased to respond to your letter of April 22, inviting the Board to comment on the Commission's proposal for revised financial statement requirements for banks and bank holding companies.

I share the concern that reporting and disclosure requirements for banks and bank holding companies be appropriate and effective. I am also concerned that any additional reporting requirements be consistent with President Carter's firm directives to all agencies that the reporting burden be kept to the minimum consistent with the needs of agency responsibilities.

The Board's interest in the Commission's reporting requirements stems in part from the statutory mandate (Pub. L. 93-495) that we substantially follow SEC regulations in setting forth reporting requirements for the relatively small number of State member banks that are subject to the Board's Regulation F. The Board also requires many other reports for regulatory, supervisory, and policy purposes. In evaluating the Commission's proposal, therefore, we will want to consider the consistency of the many reports that are required and the overall burden that they impose.

However, before we submit formal comments, I believe it would be useful to have the staffs of the three banking agencies meet with your staff to clarify specific points and to clear away any inadvertent differences in approach. If this is agreeable to you, I would

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suggest that the appropriate Commission official get in touch with Mr. Stanley J. Sigel of the Board's staff, who will be glad to make the necessary arrangements for such a meeting.

Sincerely yours,

Arthur F. Burns

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