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**OTS: Mail:** Send comments to Regulation Comments, Chief Counsel's Office, Office of Thrift Supervision, 1700 G Street, NW., Washington, DC 20552, Attention: No. 2003-20. **Delivery:** Hand deliver comments to the Guard's Desk, East Lobby Entrance, 1700 G Street, NW., from 9 a.m. to 4 p.m. on business days, Attention: Regulation Comments, Chief Counsel's Office, Attention: No. 2003-20. **Facsimiles:** Send facsimile transmissions to FAX Number (202) 906-6518, Attention: No. 2003-20. **E-Mail:** Send e-mails to [regs.comments@ots.treas.gov](mailto:regs.comments@ots.treas.gov), Attention: No. 2003-20 and include your name and telephone number. **Availability of Comments:** OTS will post comments and the related index on the OTS Internet site at [www.ots.treas.gov](http://www.ots.treas.gov). In addition, you may inspect comments at the Public Reading Room, 1700 G Street, NW., by appointment. To make an appointment for access, call (202) 906-5922, send an e-mail to [public.info@ots.treas.gov](mailto:public.info@ots.treas.gov), or send a facsimile transmission to (202) 906-7755. (Please identify the material you would like to inspect to assist us in serving you.)

#### FOR FURTHER INFORMATION CONTACT:

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Deposit Insurance Corporation, 550 17th St., NW., Washington, DC 20429. **OTS:** Robyn Dennis, Manager, Thrift Policy, Supervision Policy (202) 906-5751; Karen Osterloh, Special Counsel, Regulations and Legislation Division, Chief Counsel's Office, (202) 906-6639; Office of Thrift Supervision, 1700 G Street, NW., Washington, DC 20552.

#### SUPPLEMENTARY INFORMATION:

##### I. Introduction

Congress enacted section 2222 of the Economic Growth and Regulatory Paperwork Reduction Act of 1996 (Pub. L. 104-208, Sept. 30, 1996) (EGRPRA), as part of an effort to minimize unnecessary government regulation consistent with safety and soundness, consumer protection, and other public policy goals. Under section 2222, 12 U.S.C. 3311, the Agencies,<sup>1</sup> jointly or individually, must categorize regulations by type, such as "consumer regulations" or "safety and soundness" regulations. Once we have established the categories, we must provide notice and ask for public comment on them. In particular, section 2222 requires that we ask the public to identify areas of the regulations that are outdated, unnecessary, or unduly burdensome. The Agencies must issue these publications for comment at regular intervals such that all of the Agencies' categories of regulations are published for such comment within a 10 year cycle. The first publication cycle will end in September 2006. The EGRPRA review supplements and complements the reviews of regulations that the Agencies conduct under other laws and their internal policies.

Section 2222 requires a two-part regulatory response. First, the Agencies must publish in the **Federal Register** a summary of the comments received, identifying the significant issues raised and discussing those issues. Second, the Agencies must "eliminate unnecessary regulations to the extent that such action is appropriate." The Agencies may prepare the regulatory response individually or jointly.

Section 2222 further requires the FFIEC to submit a report to the Congress within 30 days after the Agencies publish the comment summary and discussion in the **Federal Register**. This report must summarize any significant

<sup>1</sup> The National Credit Union Administration (NCUA) has participated in the EGRPRA planning process and will separately issue a request for comment. Since the Federal Financial Institutions Examination Council (FFIEC) has not issued regulations that impose burden on insured institutions, we have not separately captioned the FFIEC in this notice.

issues raised by the public comments and the relative merits of those issues. The report also must analyze whether the appropriate Federal banking agency involved is able to address the regulatory burdens associated with the issues by regulation, or whether the burdens must be addressed by legislation.

##### II. The EGRPRA Review's Special Focus

The regulatory review required by section 2222 provides a significant opportunity for the public and the Agencies to step back and look at groups of related regulations and identify possibilities for streamlining. The EGRPRA review's overall focus on the 'forest' of regulations will, we hope, offer a new perspective in identifying opportunities to reduce regulatory burden. Of course, reducing regulatory burden must be consistent with ensuring the continued safety and soundness of insured depository institutions and appropriate consumer protections.

EGRPRA also recognizes that burden reduction must be consistent with our statutory mandates, many of which currently require certain regulations. One of the significant aspects of the EGRPRA review program is the recognition that effective burden reduction in certain areas may require legislative change. We will be soliciting comment on, and reviewing the comments and regulations carefully for, the relationship among burden reduction, regulatory requirements, and statutory mandates. This will be a key aspect of the FFIEC report to the Congress.<sup>2</sup>

The combination of considering the relationship of regulatory and statutory change on regulatory burden with the section 2222 requirement for grouping regulations by type provides the possibility for particularly effective burden reduction. It may be possible to identify statutes and regulations that share similar goals or complementary methods such that the regulatory requirements could be combined and overlapping requirements could be

<sup>2</sup> Institutions are also subject to regulations issued by other non-banking agencies, such as rules issued by the Department of Housing and Urban Development (under Real Estate Settlement Procedures Act of 1974) and by the Department of the Treasury (under the Bank Secrecy Act including rules required by the USA PATRIOT Act). The rules of these other agencies are beyond the scope of the EGRPRA review and the Agencies' jurisdictions. To the extent the Agencies receive comments raising significant issues regarding these related rules, however, we intend to identify the issues in the Report to Congress and will also notify the related agencies of the substance of the relevant comments.