

April 11, 2011

Gary A. Kuiper
Counsel
Attention: Comments, Room F-1072
Federal Deposit Insurance Corporation
550 17th Street, N.W.
Washington, D.C. 20429

Information Collection Comments
Chief Counsel's Office
Attention: 1550-0004 (Branch Office Survey System)
Office of Thrift Supervision
1700 G Street, N.W.
Washington, D.C. 20552

Re: Joint Notice and Request for Comment Regarding the Summary of Deposits Survey, 3064–0061/1550–0004 (Branch Office Survey System), Federal Register Vol. 76, No. 26, February 8, 2011

Ladies and Gentlemen:

The American Bankers Association (ABA) welcomes the opportunity to comment on the joint agency notice from the Federal Deposit Insurance Corporation (FDIC) and the Office of Thrift Supervision (OTS) regarding the retirement of the OTS's Branch Office Survey and the adoption of the FDIC's Summary of Deposits survey by OTS-regulated institutions.

ABA represents banks of all sizes and charters and is the voice for the nation's \$13.3 trillion banking industry and its 2 million employees. Institutions directly affected by the proposal are strongly represented in ABA's membership and actively participated in the development of this comment letter.

Under Title III of the Dodd-Frank Act, functions of the OTS are transferred to the OCC, FDIC, and Federal Reserve. In implementing this transition, the OTS has proposed eliminating its Branch Office Survey (BOS) and having all former OTS-regulated savings associations adopt the FDIC's Summary of Deposits (SOD). The BOS and SOD are filed annually to report branch office deposit data as of June 30. This proposal would standardize the reporting of branch office data for all FDIC-insured financial institutions beginning with the June 30, 2011 reporting period.

ABA supports efforts to simplify reporting requirements and reduce unnecessary regulatory burden when the implementation of such changes proves cost-effective and reasonably manageable for both large and small institutions. ABA supports efforts that allow financial institutions to operate more efficiently and to serve their local communities better.

ABA supports the proposal to replace the OTS's BOS with the FDIC's SOD for the June 30 reporting period as the change standardizes the reporting requirement and is not expected to be overly burdensome. However, regulators should be flexible with institutions who express concern with meeting the deadline.

Change is Manageable but Flexibility is Needed

While the Branch Office Survey and the Summary of Deposits report very similar information, the reports use different systems to submit the data. Currently, BOS filers use OTS-developed proprietary software for the annual filing. However, adopting the FDIC's Summary of Deposits will require former OTS-regulated institutions either to use *FDICconnect* or acquire independent software to process and submit the report.

As institutions are familiar with *FDICconnect* in complying with other regulatory requirements, submitting substantially similar data on this system is expected to be reasonably manageable for the June 30, 2011 reporting period. However, converting to a new reporting system will involve time and costs for all savings associations, particularly small institutions with limited resources and larger institutions who have multiple branches and therefore a more complex report.

The OTS's deadline for submitting the Branch Office Survey is August 22, while the FDIC requires the Summary of Deposits be submitted by July 30. The expedited reporting deadline may pose an additional hardship on some savings associations.

For these reasons, the FDIC and OTS should be flexible with institutions who have limited resources and/or complex reports to ensure this proposal does not impose an excessive regulatory burden on the impacted savings associations. In particular, ABA urges regulators to be sensitive to institutions experiencing an increased burden on the first submission.

Benefits of Universal Use of the SOD

While sensitive to the resource requirements and burden this proposal could impose, ABA does acknowledge a long-term benefit to this proposal. Currently the FDIC and OTS combine the branch deposit data received from the BOS and SOD into one database accessible on the FDIC's website.

Merging data from the separate reports increases the likelihood of errors or inconsistencies in the final publication. Moving to a universal reporting system reduces the probability of errors and will likely lead to more accurate data, while also reducing work on the part of the regulators to prepare the filings for publication.

Conclusion

The proposed elimination of the OTS's Branch Office Survey and the adoption of the FDIC's Summary of Deposits is expected to be reasonably manageable by former OTS-regulated savings associations for the June 30, 2011, reporting period. However, the OTS and FDIC should be sensitive to institutions who report excessive burden due to resource limitation and/or complex reports caused by larger branch structures.

ABA supports efforts to reduce regulatory burden and streamline reporting requirements for both institutions and regulators. However, the burden and resource requirements of transitioning should be cost-effective and not inhibit institutions from continuing to serve their customers and communities.

Sincerely,

A handwritten signature in black ink, appearing to read "James Chessen". The signature is fluid and cursive, with a long, sweeping underline that extends to the right.

James Chessen
Chief Economist