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To: regs.comments@federalreserve.gov; comments@fdic.gov;
regs.comments@occ.treas.gov; Comments, Regs
Subject: EGRPRA

I am writing to offer comments on the efforts by the FDIC to reduce the regulatory burden on banks. I am President and CEO of Berkshire Financial Services, Inc. which is a two bank holding company. Our subsidiary banks are Lee Bank, a state chartered FDIC insured bank located in Lee, MA, of which I am also President and CEO, and Freedom National Bank, located in Smithfield, RI.

I feel very strongly that easing the regulatory burden can best be accomplished by a comprehensive review of all compliance related regulations and the related disclosures and reporting requirements. In my experience, most consumer related compliance regulations have morphed into a mountain of paperwork designed to inform consumers, but have become so overwhelming to those that they are intended to benefit that the opposite effect has occurred. Because of the extent of the disclosures, consumers basically ignore this paperwork, and thus the need to return to simple disclosures that inform rather than overwhelm them.

I propose that the FDIC lead an effort to bring together regulators, bankers, legislators, and consumers to look at all consumer regulations, to streamline the disclosure process, so that the consumers get disclosures that are meaningful and concise.

Related to regulations designed to assist the federal government in efforts to detect money laundering and terrorist activities, I would suggest that a similar effort take place that looks at the actual benefit to the government of the extensive monitoring and reporting activities that banks are required to perform.

With that said, I also offer the following specific comments.

I would encourage agencies to implement burden reduction recommendations that are just rule changes and do not require legislative action. This can be accomplished more quickly with a direct benefit to banks.

There is an absence of clear and consistent guidance from agencies in that banks are faced with individual examiner interpretations. Additionally, when FINCEN, OFAC, Treasury and law enforcement are added to the mix, communication to banks becomes even more confusing.

Specifically, for BSA/AML

1. Better guidance from FINCEN and much better feedback from law enforcement to measure effectiveness (if any) of bank reporting and monitoring efforts
2. Reduce number of CTR filings - increase dollar reporting threshold and simplify exemption process
3. Internal monitoring and control system requirements should appropriately reflect the size, resources and complexity of the financial institution.
4. Extreme penalties for unintentional non-compliance. Zero tolerance policy is unrealistic.
5. Increase dollar reporting level for SARs
6. Eliminate follow up and re-filing of SARs
7. Increase dollar reporting level for cash purchase of monetary instruments

GLBA

Eliminate annual consumer privacy disclosure requirement

REG D

Limitation on MMDA and SAV transfers is reporting intensive and archaic especially considering the growing popularity of electronic delivery channels

USA PATRIOT ACT

Unrealistic retention requirements for paper documentation (5 years after accounts are closed)

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