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May 10, 2011

Jennifer J. Johnson
Secretary
Board of Governors of the Federal Reserve System
20th Street and Constitution Avenue, NW
Washington, DC 20551

Re: Notice of Intent to Require Reporting Forms for Savings and Loan Holding Companies

File Number: FR Doc. 2011-2782

Dear Ms. Johnson:

First, I applaud the Board of Governors (Board) for providing members of the public the chance to voice their views on this subject in advance of any proposed rule. As you are well aware, seemingly small, technical issues can have a substantial impact on individual companies. The Board has a responsibility to balance the costs and benefits of any proposed new rules, while staying within the confines of the law. I am glad that the Board takes this responsibility seriously.

As you consider the reporting requirements for Savings and Loan Holding Companies, I encourage you to consider carefully the needs of mutual insurance companies who own thrifts. While many insurance companies that have thrift subsidiaries are publicly traded companies that are already subject to consolidated financial reporting requirements, mutual insurance companies are not currently subject to consolidated reporting requirements. Subjecting a thrift held by a mutual insurance company to consolidated reporting will require expensive changes to mutual insurance companies' accounting systems.

Insurance companies are generally well regulated at the state level. To the extent they pose a systemic risk to the financial system, they should be subject to increased scrutiny. However, most companies that meet the definition of systemically significant will already be subject to consolidating reporting requirements.

As such, I would encourage you to give special consideration to the needs of mutual insurance companies. The Board should weigh the costs the changes in reporting requirements will impose on those companies against whether the new reporting requirements are needed to prevent future financial crises and whether they are required under the Dodd-Frank Act.

Sincerely,



Claire McCaskill
United States Senator

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