

July 26, 2012

Ms. Jennifer J. Johnson  
Secretary  
Board of Governors of the  
Federal Reserve  
20<sup>th</sup> Street & Constitution Avenue, NW  
Washington, DC 20551

Mr. Robert E. Feldman  
Executive Secretary  
Federal Deposit Insurance Corporation  
550 17<sup>th</sup> Street, NW  
Washington, DC 20429

Office of the Comptroller of the  
Currency  
250 E Street, SW  
Washington, DC 20219

**Re: Regulatory Capital Rules: Regulatory Capital, Implementation of Basel III, Minimum Regulatory Capital Ratios, Capital Adequacy, Transition Provisions and Prompt Corrective Action; Standardized Approach for Risk-weighted Assets; Market Discipline and Disclosure Requirements; Advanced Approaches Risk-based Capital Rule. 12 CFR Parts 3,5,6,165, 167, Docket ID Nos.OCC 2012-0008, OCC 2012-0009, OCC 2012-0010, RIN 1557-AD46, 12 CFR Parts 208, 217 and 225, Regulations H, Q and Y, 12 CFR Parts 324 and 325, RIN 3064-AD95, RIN 3064-AD96, RIN 3064-AD97 .**

Dear, Ms. Johnson, Mr. Feldman and To Whom It May Concern:

The undersigned organizations, institutions, and nonprofits interested in fostering entrepreneurship represent hundreds of thousands businesses, small and large, and their professionals, from all sectors of the economy employing tens of millions of Americans. Because of the complexity of the proposed Basel III capital rules and the potential impact upon capital and liquidity for non-financial businesses, we respectfully request that the comment period be extended for 150 days.

On June 7, 2012, the Office of the Comptroller of the Currency (“OCC”), Board of Governors of the Federal Reserve System (“Federal Reserve”) and Federal Deposit Insurance Corporation (“FDIC”) released three notices of proposed rulemaking to implement the Basel III capital agreements (“Basel III NPR’s”). The comment period is scheduled to close on September 7, 2012.

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Let us state at the outset that we support strong capital requirements to insure the stability of financial institutions. Appropriate capital requirements are necessary to avoid over-leveraging and allowing suitable levels of risk-taking needed to fuel economic growth and job creation.

Nevertheless, the Basel III NPRs must also be studied as to their impacts upon liquidity and capital formation for non-financial businesses. Financial institutions serve as a conduit to match investors with entities and to provide credit to businesses. Therefore, how the Basel III NPRs impact financial institutions will have a direct bearing upon the ability of non-financial businesses to access the capital and credit needed to operate and expand. Additionally, the Basel III NPRs must be viewed in the context of how other initiatives, including but not limited to the Volcker Rule, derivatives regulations, systemic risk regulation, proposed accounting reforms, possible money market regulations, combine to affect the ability of non-financial businesses to raise capital. A cursory study of the Basel III NPRs seem to indicate that the OCC, Federal Reserve and FDIC are not taking these non financial business and economic impacts in account as these proposals are being drafted and considered.

Furthermore, the Basel III NPRs are complex and encompass 750 pages. A 90 day comment period does not allow non-financial commenters to adequately study and provide regulators with adequate and informed analysis. Far less complex rules have had a comment period longer than 90 days including:

- Department of the Interior, Bureau of Land Management's Draft Resource Management Plan and Environmental Impact Statement for the Eastern Interior Planning Area. This management plan and impact statement was made available in the *Federal Register* in February 2012. A 150-day comment period was provided;
- Department of Agriculture, Grain Inspection Packers and Stockyards Administration's rule to implement regulations required under Title XI of the Food, Conservation and Energy Act of 2008. This proposed rule was issued on June 22, 2010. Initially a 60 day comment period was set. It was later

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extended to a 150-day comment period to November 22, 2010. It was issued as a final rule this past December; and

- Department of Transportation, National Highway Traffic Safety Administration's proposed rule to amend Federal Motor Vehicle Safety Standard No. 214, "Side Impact Protection." This was issued in May 2004. A 150-day comment period was provided. Later, in 2005, the comment period was reopened for 90-days.

Accordingly, with a rule of this complexity and the potential economic impact upon non-financial we would respectfully request that the comment period be extended from a 90 day comment period to a 150 day comment period.

Strong capital requirements are important and must be implemented by considering the interaction of other regulatory initiatives and balancing the broader impacts of the Basel III NPRs upon non-financial businesses. We believe that the OCC, Federal Reserve and FDIC should expand the Basel III NPRs to seek comment and deliberate on those issues in finalizing these rules. Additionally, we also believe that the complexity of the rulemaking itself should provide for a 150 day comment period.

We are happy to meet and discuss these concerns in greater detail.

Sincerely,

Building Owners and Managers Association International  
CCIM Institute  
Competitive Enterprise Institute  
CRE Finance Council  
Group of North American Insurance Enterprises  
Institute of Real Estate Management  
International Council of Shopping Centers  
Mortgage Bankers Association  
NAIOP, The Commercial Real Estate Development Association  
National Apartment Association

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National Association of Home Builders  
National Association of Real Estate Investment Trusts  
National Association of Realtors  
Property Casualty Insurers Association of America  
Realtors Land Institute  
Society of Industrial and Office Realtors  
The Business Roundtable  
The Latino Coalition  
The National Multi Housing Council  
The Real Estate Roundtable  
U.S. Chamber of Commerce