



June 3, 2004

Jonathan G. Katz
Secretary
U.S. Securities and Exchange Commission
450 Fifth Street, N.W.
Washington, DC 20549-0609

Re: Proposed Rule Changes of Self-Regulatory Organizations
File No. S7-18-04; 69 FR 17864 (April 5, 2004)

Dear Mr. Katz:

America's Community Bankers ("ACB")¹ is pleased to comment on the proposal issued by the Securities and Exchange Commission ("SEC") to make the rulemaking process of self-regulatory organizations ("SROs") more transparent.²

Under the proposal, the SROs would have to file rule changes with the SEC electronically. Also, the SROs would have to post all proposed rule changes and a current and complete set of rules on their Web sites.

ACB Position

ACB supports the SEC's proposal to make the SRO rulemaking process more transparent. During the period that the SROs were adopting new corporate governance-related listing requirements, it was difficult to get copies of the proposed changes and amendments to the proposed changes, and keep abreast of the status of the rulemaking process. We believe that the changes being proposed by the SEC will provide better access to the SRO rules. We suggest that the SEC amend the proposal to require an SRO to inform the public through a Web site posting when a rule proposal submitted to the SEC is returned because it is incomplete or when the SRO withdraws a proposed rule change. That information should be maintained on the Web site for a sufficient amount of time to allow the public to monitor the proposed rule change. We also suggest that the SEC and the SROs indicate next to the relevant proposal on their Web sites whenever the SEC extends the 35-day approval process under section 19(b)(1) of the Securities Exchange Act.

¹ ACB represents the nation's community banks. ACB members, whose aggregate assets total more than \$1 trillion, pursue progressive, entrepreneurial and service-oriented strategies in providing financial services to benefit their customers and communities.

² 69 Fed. Reg. 17864 (April 5, 2004).

We were pleased to see the recent changes to the SEC Web site that provide separate pages for each SRO identifying rule change proposals. This addition to the Web site also makes the SRO rulemaking process more accessible to the public. ACB would encourage the SEC to place SRO proposals on the Web site as promptly as possible and also post comments filed on all SRO proposals. Comments are currently posted for other SEC proposed rules.

ACB strongly encourages the SEC to require the Public Company Accounting Oversight Board ("PCAOB") to file rule proposals electronically and post proposed rules on its Web site. These requirements would make the PCAOB rule changes more accessible to the public as well.

ACB appreciates the opportunity to comment on this important matter. If you have any questions, please contact the undersigned at (202) 857-3121 or via e-mail at cbahin@acbankers.org, or Diane Koonjy at (202) 857-3144 or via e-mail at dkoonjy@acbankers.org.

Sincerely,

A handwritten signature in cursive script that reads "Charlotte M. Bahin".

Charlotte M. Bahin
Senior Vice President, Regulatory Affairs