

Justification for No Material or Nonsubstantive Change
FFIEC 002 IC
OMB No.7100-0032

Background

In 2010, pursuant to the Dodd-Frank Act, the federal banking agencies added two data items to the Report of Assets and Liabilities of U.S. Branches and Agencies of Foreign Banks (FFIEC 002; OMB No. 7100-0032), requiring institutions with \$1 billion or more in total assets to report quarterly the number of transactional accounts with balances in excess of \$250,000 and the aggregate amount of funds in those accounts. The agencies planned and announced in *Federal Register* notices in 2010¹ that they would stop collecting these data upon the expiration of the FDIC's unlimited deposit insurance coverage on noninterest-bearing transactional accounts over \$250,000. Although bills were introduced to extend this coverage beyond 2012, Congress ultimately decided not to extend this unlimited insurance coverage. However, the regulators have learned that this additional information is valuable to track and analyze movement of these large deposits to inform financial regulatory policy making. These two data items are already in the FFIEC 002 report, and the insignificant incremental burden of 1.2 minutes per quarter is already included in the Federal Reserve's current FFIEC 002 burden estimates. Without continued reporting of noninterest-bearing transaction accounts larger than \$250,000, the agencies, insured depository institutions, and other interested parties would be unable to monitor the behavior of these deposit accounts following the end of their unlimited insurance coverage and its effect on both individual institutions and the depository institution system as a whole. On February 21, 2013, the agencies published a *Federal Register* notice (78 FR 12141), which included a description of the agencies' need to retain these data.

¹ See 75 FR 54227 (September 3, 2010) and 75 FR 68856 (November 9, 2010). No comments were received on the proposal to collect the quarter-end amount and number of noninterest-bearing transaction accounts (as defined in the Dodd-Frank Act) of more than \$250,000 and to revise the instructions for reporting estimated uninsured deposits in the FFIEC 002 report effective December 31, 2010.