

**Supporting Statement for  
Consolidated Reports of Condition and Income  
(Interagency Call Report)  
OMB Control No. 1557-0081**

The Office of the Comptroller of the Currency (OCC) requests approval from the Office of Management and Budget (OMB) to revise the Federal Financial Institutions Examination Council (FFIEC) Consolidated Reports of Condition and Income (Call Reports) (FFIEC 031, FFIEC 041, and FFIEC 051) under the emergency clearance provisions of OMB's regulations. These reports are required of national banks and Federal savings associations and are filed on a quarterly basis. The revisions to the Call Reports that are the subject of this request have been approved by the FFIEC. The Federal Deposit Insurance Corporation (FDIC) and the Office of the Board of Governors of the Federal Reserve System (Board) have also submitted a similar request for OMB review to request this information from banks under their supervision.

The OCC requires the information collected on the Call Reports to fulfill its statutory obligation to supervise national banks and Federal savings associations. These institutions are required to file detailed schedules of assets, liabilities, and capital accounts in the form of a condition report and summary statement as well as detailed schedules of operating income and expense, sources and disposition of income, and changes in equity capital.

The OCC, Board, and FDIC (the agencies) propose to revise the Call Reports effective for the March 31, 2019, report date by expanding eligibility to file the FFIEC 051 to all institutions with total assets of less than \$5 billion that do not engage in certain complex or international activities, as required by Section 205 of the Economic Growth, Regulatory Relief, and Consumer Protection Act. In addition, the agencies propose to further streamline the FFIEC 051 Call Report by reducing the frequency of collection of certain information from quarterly to semiannually, which will reduce the information collected in the first and third quarters.

### **Description of Information Collection**

The Call Reports, which consist of the Reports of Condition and Income, collect basic financial data from commercial banks in the form of a balance sheet, income statement, and supporting schedules. The Report of Condition contains supporting schedules that provide detail on assets, liabilities, and capital accounts. The Report of Income contains supporting schedules that provide detail on income and expenses.

Within the Call Report information collection system as a whole, there are three reporting forms that apply to different categories of banks: (1) all banks that have domestic and foreign offices (FFIEC 031), (2) banks with domestic offices only (FFIEC 041), and (3) banks with domestic offices only under a specified asset size (FFIEC 051).

There is no other series of reporting forms that collect this information from all commercial and savings banks. Although there are other information collections that are similar

to certain items on the Call Reports, the information they collect would be of limited value as a replacement for the Call Reports.

### **Proposed Revisions**

The agencies are proposing the following revisions to implement Section 205 of the Economic Growth, Regulatory Relief, and Consumer Protection Act by expanding the eligibility to file the agencies' most streamlined report of condition, the FFIEC 051 Call Report, to include covered depository institutions with less than \$5 billion in total consolidated assets that meet other criteria; and, establishing reduced reporting on the FFIEC 051 Call Report for the first and third reports of condition for a year

Section 205 of EGRRCPA defines "covered depository institution" as an insured depository institution that has less than \$5 billion in total consolidated assets; and satisfies such other criteria as the agencies determine appropriate. The proposed rule would define "covered depository institution" as an institution that meets all the following criteria: has less than \$5 billion in total consolidated assets as reported in its report of condition for the second calendar quarter of the preceding calendar year; has no foreign offices; is not required to or has not elected to use Subpart E of the agencies' regulatory capital rules to calculate its risk-based capital requirements; and is not a large or highly complex institution for purposes of the FDIC's assessment regulations. The OCC's definition would also scope out institutions that file the FFIEC 002 report of condition. These other non-asset-size criteria are identical to the current eligibility criteria for institutions with less than \$1 billion in total assets to file the FFIEC 051 Call Report except for the criterion related to whether the institution is large or highly complex under the FDIC's assessment regulations.

The agencies propose to implement the reduced reporting required by section 205 of EGRRCPA by first allowing the broader group of covered depository institutions to file the FFIEC 051 Call Report each calendar quarter. The proposed rule would extend eligibility to file the FFIEC 051 Call Report to all covered depository institutions with \$1 billion or more, but less than \$5 billion, in total assets and that meet the non-asset-size criteria.

The agencies also propose to streamline the existing FFIEC 051 by reducing the frequency of the following items from quarterly to semiannually:

- Schedule RI, Income Statement, Memorandum item 14, used to report other-than-temporary impairment losses on certain debt securities that are recognized through earnings.
- Schedule RC-C, Part I, Loans and Leases, Memorandum items 1.a through 1.f, and Schedule RC-N, Past Due and Nonaccrual Loans, Leases, and Other Assets, Memorandum items 1.a through 1.f, used to report detail of troubled debt restructurings by loan category.
- Schedule RC-E, Deposit Liabilities, Memorandum item 1.a, used to report the total amount of Individual Retirement Account and Keogh plan deposits.
- Schedule RC-E, Memorandum item 5, used to report whether institutions offer consumer deposit products.
- Schedule RC-M, Memoranda, items 8.a through 8.c, used to report institutions' primary Internet website address, addresses for other websites used to solicit deposits, and alternate trade names used by the institutions.

- Schedule RC-R, Part II, Regulatory Capital Risk-Weighted Assets, items 1 through 25, columns A through S, used to report detailed information about the risk-weighting of various types of assets and other exposures under the agencies' regulatory capital rules.
- Schedule RC-R, Part II, Memorandum items 1 through 3, including all subitems and columns, used to report report detailed information in these items about derivative exposures that are elements of the risk-weighting process for these exposures.
- Schedule RC-T, Fiduciary and Related Services, items 4 through 13, columns A through D; items 14 through 22; and Memorandum items 3.a through 3.h, for institutions with total fiduciary assets greater than \$250 million but less than or equal to \$1 billion, and gross fiduciary and related services income less than or equal to 10 percent of total revenue. These items are used to report detail for managed and non-managed accounts of the assets and number of accounts by type of fiduciary account, along with fiduciary and related services income by type of fiduciary account.

## A. JUSTIFICATION

### 1. Circumstances and Need

Institutions submit Consolidated Reports of Condition and Income (Call Report) data to the agencies each quarter for the agencies' use in monitoring the condition, performance, and risk profile of individual institutions and the industry as a whole. Call Report data provide the most current statistical data available for evaluating institutions' corporate applications, identifying areas of focus for on-site and off-site examinations, and monetary and other public policy purposes. The agencies use Call Report data in evaluating interstate merger and acquisition applications to determine, as required by law, whether the resulting institution would control more than ten percent of the total amount of deposits of insured depository institutions in the United States. Call Report data are also used to calculate institutions' deposit insurance and Financing Corporation assessments and national banks' and federal savings associations' semiannual assessment fees.

The agencies are making changes to various sections of the Call Report to eliminate data items that are no longer relevant or reducing the frequency from quarterly to semiannual or annual.

### 2. Use of Information Collected

Institutions submit Consolidated Reports of Condition and Income (Call Report) data to the agencies each quarter for the agencies' use in monitoring the condition, performance, and risk profile of individual institutions and the industry as a whole. Call Report data provide the most current statistical data available for evaluating institutions' corporate applications, identifying areas of focus for on-site and off-site examinations, and monetary and other public policy purposes. The agencies use Call Report data in evaluating interstate merger and acquisition applications to determine, as required by law, whether the resulting institution would control more than ten percent of the total amount of deposits of insured depository institutions in the United States. Call Report data are also used to calculate institutions' deposit insurance and

Financing Corporation assessments and national banks' and federal savings associations' semiannual assessment fees.

3. Use of Technology to Reduce Burden

All banks and savings associations are subject to an electronic filing requirement for Call Reports. Institutions may use information technology to the extent feasible to maintain required records.

4. Efforts to Identify Duplication

This information is unique because no other report or a series of reports provides all the Call Report data in a consistent and timely manner.

5. Minimizing the Burden on Small Entities

The agencies attempt to limit the information collected to the minimum information needed to evaluate the condition of an institution, regardless of size. The FFIEC 051 is specifically designed to collect information relevant to the agencies' supervision of small entities, and eliminates many data items that are not relevant to, or less useful in, supervising smaller banks.

6. Consequences of Less Frequent Collection

The Federal financial regulatory agencies must have condition and income data at least quarterly to properly monitor individual bank and industry trends and to comply with a statutory requirement to obtain four reports of condition per year. 12 U.S.C. § 1817(a)(3). Less frequent collection of this information would impair the agencies' ability to monitor financial institutions and could delay regulatory response.

7. Special Circumstances

There are no special circumstances.

8. Consultation with Persons Outside the OCC

The OCC, along with the FDIC and Board, are issuing a proposed rule requesting comment on the proposed changes.

9. Payment or Gift to Respondents

No payments or gifts will be given to respondents.

10. Confidentiality

Except for selected data items, the Call Report is not given confidential treatment.

11. Information of a Sensitive Nature

No information of a sensitive nature is requested.

12. Estimate of Annual Burden

Estimated Number of Respondents: 1,222 national banks and federal savings associations.

Estimated Time per Response: 43.84 burden hours per quarter to file.

Estimated Total Annual Burden: 214,290 burden hours to file.

The OCC estimates the cost of the hour burden to respondents as follows:

214,290 hours @ \$117/hour = \$25,071,930

The hourly rate is based on data from May 2017 for wages (by industry and occupation) from the U.S. Bureau of Labor Statistics (BLS) for depository credit intermediation (NAICS 522100). To estimate compensation costs associated with the rule, we use \$117 per hour. This estimate is based on the average of the 90th percentile for seven occupations, adjusted for inflation, plus an additional 34.2 percent to cover private sector benefits.

13. Capital, Start-up, and Operating Costs

Not applicable.

14. Estimates of Annualized Cost to the Federal Government

Not applicable.

15. Change in Burden

Former burden: 232,836 burden hours.

New burden: 214,290 burden hours.

Change: - 18,546 burden hours.

The burden per quarter is 43.84 hours for the OCC (totaling 214,290 hours per year). The change from the prior burden amount represents a savings of 9,923 hours due to the proposed frequency reductions and expansion of eligibility for the FFIEC 051 and a reduction of 8,623 hours due to 47 fewer institutions filing the Call Report.

Not applicable.

17. Exceptions to Expiration Date Display

None.

18. Exceptions to Certification

None.

B. COLLECTION OF INFORMATION EMPLOYING STATISTICAL METHODS

Not applicable.