

**Supporting Statement for the
Selected Balance Sheet Items for Discount Window Borrowers
(FR 2046; OMB No. 7100-0289)**

Summary

The Board of Governors of the Federal Reserve System (Board), under authority delegated by the Office of Management and Budget (OMB), has extended for three years, with revision, the Selected Balance Sheet Items for Discount Window Borrowers (FR 2046; OMB No. 7100-0289). The balance sheet data collected on the FR 2046 report from certain institutions that borrow from the discount window are used to monitor discount window borrowing. The Board's Regulation A - Extensions of Credit by Federal Reserve Banks (12 CFR Part 201) requires that Reserve Banks review balance sheet data in determining whether to extend credit and to help ascertain whether undue use is made of such credit. The FR 2046 report is primarily used to assess appropriate use of seasonal credit. Certain depository institutions that borrow from the discount window report on the FR 2046 certain balance sheet data for a period that encompasses the dates of borrowing.

The Board revised the FR 2046 to update data element definitions to account for the introduction of the Consolidated Reports of Condition and Income for a Bank with Domestic Offices Only and Total Assets Less than \$5 Billion (FFIEC 051; OMB No. 7100-0036) reporting form. In addition, the face of the FR 2046 report will be updated to (1) reflect all of the legal statutes that authorize the collection of the report, (2) indicate that the report is "authorized" (not required) by law, and (3) clarify that, if the report is requested under the Freedom of Information Act, the report will be treated as confidential unless the borrower's identity has already been disclosed pursuant to the two year lag provided under the Dodd-Frank Wall Street Reform and Consumer Protection Act (Dodd-Frank Act).¹

The current estimated total annual burden for the FR 2046 is 376 hours, and is unaffected by the adopted revisions. The draft form and instructions are available on the Board's public website at <https://www.federalreserve.gov/apps/reportforms/review.aspx>.

Background and Justification

The Board's Regulation A establishes rules under which Federal Reserve Banks may extend credit to depository institutions and defines three basic lending programs: primary credit, secondary credit, and seasonal credit.² Primary credit is designed as a back-up funding source to assist depository institutions in meeting very short-term needs (usually overnight). Since such credit is provided at an above-market rate and ordinarily is available to generally sound depository institutions, there is little or no administrative burden on the borrower or the Reserve

¹ 12 U.S.C. § 248(s).

² Regulation A also defines "Emergency credit for others" under which in unusual and exigent circumstances, credit may be extended to any participant in a program or facility with broad-based eligibility. Regulation A also defines a temporary Term Auction Facility (TAF) in which depository institutions obtain discount window loans at an interest rate that is determined as the result of an auction. Borrowers of these two types of credit are not required to file the FR 2046.

Banks. Secondary credit is designed as a back-up funding source for depository institutions that do not qualify for primary credit. Such credit may be provided to meet temporary funding needs of an institution if such a credit extension would be consistent with the institution's timely return to a reliance on market funding sources, or if such credit would facilitate the orderly resolution of serious financial difficulties of the borrowing institution. Unlike primary credit borrowers, secondary credit borrowers are subject to a higher level of administration by the lending Reserve Bank and therefore subject to a slightly higher interest rate. Seasonal credit is designed to assist smaller institutions in meeting longer-term funding needs arising from regular intra-year patterns in deposits and loans. Regulation A requires that Reserve Banks ensure that the borrower's funding need is truly seasonal in nature and that it will persist for at least four weeks.³ Seasonal credit is provided at a market-related rate.

There are cases in which discount window borrowing might be considered inappropriate and inconsistent with the Board's Regulation A. For example, using the primary or secondary credit programs as a primary funding source, or using seasonal credit to meet a non-seasonal funding need, would be considered inappropriate. To guard against such situations, Regulation A (12 CFR 201.3(c)(2)-(3)) requires Reserve Banks to consider the balance sheet information of borrowers in determining whether to extend credit and to ensure that any credit provided is used for an appropriate purpose. In 1998, the Subcommittee on Credit, Reserves, and Risk Management (SCRRM) requested standardized data reporting for discount window monitoring as part of its broader effort to promote greater uniformity across the Federal Reserve System in the administration of the discount window.⁴ There had been considerable variation across the twelve Federal Reserve Districts in the specific data elements collected, in the time periods for which data were requested, and in the formats in which data were reported. The implementation of the FR 2046 report standardized these aspects of data collection across Reserve Banks and, in many cases, reduced reporting burden relative to that under the previous data reporting procedures. The FR 2046 report and instructions have undergone a number of revisions since 1998.⁵

The FR 2046 report is primarily used to assess appropriate use of seasonal credit. Although seasonal credit is provided at a market-related rate, borrowers may still find the rate charged on seasonal credit attractive relative to the rates they would be charged for comparable credit arrangements from market sources. Therefore, while borrowing at the discount window, seasonal borrowers must agree to limit their net federal funds sales to an amount consistent with their usual operating pattern.⁶ The information obtained on federal funds sold and purchased on the FR 2046 is used by discount officers to assess whether a seasonal borrower's position in the federal funds market is consistent with normal operations.

Similarly, information on a seasonal borrower's total assets, loans, securities and deposits is used to monitor whether seasonal credit loans are being used for the program's intended

³ 12 CFR 201.4(c)(1).

⁴ This subcommittee is now known as SCRM (Subcommittee on Credit Risk Management). SCRM is a subcommittee of the Conference of Presidents of the Federal Reserve Banks' Committee on Credit and Risk Management.

⁵ See 75 FR 33807 (June 15, 2010) (describing revisions being implemented); 78 FR 28846 (May 16, 2013) (describing proposed revisions); and 78 FR 44952 (July 25, 2013) (implementing proposed revisions).

⁶ See S-Letter 2487, March 1985.

purpose. Total loans and total deposits are used in monitoring seasonal credit borrower's net funds availability (defined as total deposits less total loans) during the period of borrowing. Historical data on net funds availability is a key variable used in establishing an institution's seasonal credit line. Discount officers monitor net funds availability during the period of borrowing to ensure that an institution's actual funding need during the year is consistent with its seasonal credit line. Many seasonal credit borrowers, for example, exhibit a marked increase in their loan portfolios over the first three quarters in each year reflecting increased agricultural credit demands. Later in the year, loan demand at these banks subsides as farmers sell their crops and repay their outstanding bank loans with the proceeds. Deviations from this typical pattern might indicate that seasonal credit was being used inappropriately. For example, if a seasonal borrower's total loans increased only modestly during the year while its securities portfolio expanded sharply, discount officers might contact the institution to verify whether it remained eligible for the seasonal credit program.

Seasonal credit is typically extended over lengthy periods, and the borrower's funding need is expected to change slowly over the term of the borrowing. Therefore, Reserve Banks can obtain an adequate picture of a borrower's balance sheet trends by collecting only one day of data per week. In cases where seasonal credit is extended to institutions in marginal financial condition, increased monitoring of the borrower is required, and daily data may be collected at the Reserve Bank's discretion.

Secondary credit borrowers are not in generally sound condition and are subject to a higher level of administration by the lending Reserve Bank. For example, if the loan is requested for a reason other than to cover an unexpected overdraft, the borrower is not allowed to increase its net exposure to other depository institutions—such as by selling federal funds—without permission. The FR 2046 data are not routinely collected from secondary credit borrowers, as adequate information on the need for funding and the reason for borrowing from the Federal Reserve is usually available from other sources, such as direct contacts with banking regulators. The FR 2046 report may be required if the Reserve Bank becomes concerned about the frequency or size of the institution's borrowing. Secondary credit is generally extended for one day at a time; therefore, daily data are necessary to capture the borrower's balance sheet trends.⁷

Description of Information Collection

Table 1, below, lists the data items on the FR 2046 report. All data are reported for the borrower's domestic offices only and reported in thousands of dollars. The data elements include the amounts of total securities, federal funds sold and securities purchased under agreements to

⁷ Primary credit borrowers are in generally sound financial condition and as noted above there is usually little or no administrative burden on their borrowing, and the FR 2046 will usually not be collected from them. However, the FR 2046 may be required from a primary credit borrower in very unusual circumstances, such as frequent borrowing or if there is information to suggest that undue use is being made of the credit. In these cases, information on federal funds sold and purchased (including resale and repurchase agreements, respectively) would be important in identifying situations in which an institution might be attempting to substitute borrowing at the discount window for its normal market sources of funding. In addition, information on total assets, loans, deposits, and securities could be used to assess the borrower's funding need or use of the credit. Because primary credit is extended for very short terms, daily data are necessary to capture the borrower's balance sheet trends.

resell, total loans, total assets, total deposits, and federal funds purchased and securities sold under agreements to repurchase.

Seasonal credit borrowers must submit FR 2046 reports weekly for each two-week period in which a borrowing is outstanding, and report daily data for Wednesdays only. Seasonal credit borrowers that already report total securities, federal funds sold and resale agreements, total loans, and total assets weekly on the Weekly Report of Selected Assets and Liabilities of Domestically Chartered Commercial Banks and U.S. Branches and Agencies of Foreign Banks (FR 2644; OMB No. 7100-0075) or total deposits weekly on the Report of Transaction Accounts, Other Deposits, and Vault Cash (FR 2900; OMB No. 7100-0087) or on the FR 2644 do not need to provide these data on the FR 2046.⁸

If requested by a Reserve Bank, primary or secondary credit borrowers report daily data for the week requested. A primary or secondary credit borrower need not supply deposit data on the FR 2046 report when it already files such information weekly on the FR 2900.

⁸ The FR 2644 and the FR 2900 employ somewhat different concepts of total deposits. Either concept is adequate for the purpose of monitoring discount window borrowers.

Table 1 - Data Items on the FR 2046

Type of Credit	Data Elements	Days of Report Period for which Data are Provided	Qualifications	Definition Source*
Primary or Secondary	Total securities	All	None	Call Report / NCUA 5300
	Federal funds sold and resale agreements		None	Call Report
	Total loans		None	Call Report / NCUA 5300
	Total assets		None	Call Report / NCUA 5300
	Total deposits		When not reported weekly on FR 2900	FR 2900 or Call Report / NCUA 5300
	Federal funds purchased and repurchase agreements (exclude FRB borrowings)		None	Call Report
Seasonal	Total securities	Wednesday only	When not reported on FR 2644	Call Report / NCUA 5300
	Federal funds sold and resale agreements	Wednesday only	When not reported on FR 2644	Call Report
	Total loans	Wednesday only	When not reported on FR 2644	FR 2644 or Call Report / NCUA 5300
	Total assets	Wednesday only	When not reported on FR 2644	Call Report / NCUA 5300
	Total deposits	Wednesday only	When not reported weekly on FR 2900 or FR 2644	FR 2900 or Call Report / NCUA 5300
	Federal funds purchased and repurchase agreements (exclude FRB borrowings)	Wednesday only	None	Call Report
<p>* source of definition:</p> <p>Call Reports = U.S. commercial bank Consolidated Reports of Condition and Income (FFIEC 031, FFIEC 041, and FFIEC 051; OMB No. 7100-0036) <i>or</i> Report of Assets and Liabilities of U.S. Branches and Agencies of Foreign Banks (FFIEC 002; OMB No. 7100-0032)</p> <p>NCUA 5300 = Statement of Financial Condition (NCUA 5300; OMB No. 3133-0004)</p> <p>FR 2644 = Weekly Report of Selected Assets and Liabilities of Domestically Chartered Commercial Banks and U.S. Branches and Agencies of Foreign Banks (FR 2644; OMB No. 7100-0075)</p> <p>FR 2900 = Report of Transaction Accounts, Other Deposits, and Vault Cash (FR 2900; OMB No. 7100-0087)</p>				

Data Content

In general, the definitions of data items reported on the FR 2046 correspond closely with data definitions employed in the quarterly Call Reports (FFIEC 031, FFIEC 041, and FFIEC 051) for each type of institution. Specifically, as shown in Table 2, below, the definitions of the data items “total assets,” “total securities,” “total loans,” and “total deposits” correspond to

the relevant definitions of these data items in the quarterly Call Reports filed by each type of institution.⁹

Most institutions that borrow at the discount window are banks and hence file the Call Report. Thus, these definitions should be familiar to the vast majority of discount window borrowers. Moreover, the Call Report definitions are adequate for discount window monitoring purposes; they include federal funds purchased and sold on an overnight basis or rolled over daily under a continuing contract and also include most overnight and term funding under repurchase agreements. Thus, this definition includes instruments that are likely alternative market sources of short-term funds for most discount window borrowers.

Table 2 - Definitions of Securities, Loans, Assets, and Deposits on the FR 2046

FR 2046 data item	U.S. commercial banks and others:			U.S. branches and agencies of foreign banks:	Credit unions:
	FFIEC 031	FFIEC 041	FFIEC 051	FFIEC 002 ¹⁰	NCUA 5300
Total securities	Schedule RC Balance Sheet, Domestic office portion of: + Held-to-maturity securities, item 2.a + Available-for-sale securities, item 2.b + Equity securities with readily determinable fair values not held for trading, item 2.c + Trading assets, item 5	Schedule RC Balance Sheet + Held-to-maturity securities, item 2.a + Available-for-sale securities, item 2.b + Equity securities with readily determinable fair values not held for trading, item 2.c + Trading assets, item 5	Schedule RC Balance Sheet + Held-to-maturity securities, item 2.a + Available-for-sale securities, item 2.b + Equity securities with readily determinable fair values not held for trading, item 2.c + Trading assets, item 5	Schedule RAL Assets and Liabilities, Assets + U.S. Treasury securities, item 1.b.(1) + U.S. government agency obligations, item 1.b.(2) + Securities of foreign governments and official institutions, item 1.c.(1), Col. A minus Col. B + Mortgage-backed securities issued or guaranteed by U.S. Govt. agencies, item 1.c.(2)(a), Col. A minus Col. B + Other mortgage-backed securities, item 1.c.(2)(b), Col. A minus Col. B + Other asset-backed securities, Item 1.c.(3), Column A minus Column B + All other bonds, notes, debentures, and corporate stock (including state and local securities), Item 1.c.(4), Column A minus Column B + Trading assets, U.S. Treasury and Agency securities, item 1.f.(1), Col. A minus Col. B	Statement of Financial Condition, Assets, Investments: +Trading securities, item 4, column E +Available for sale securities, item 5, column E +Held-to-maturity securities, item 6, column E

⁹ For U.S. branches and agencies of foreign banks that file a consolidated condition report, it is likely that discount officers would request FR 2046 data for the particular branch that borrows.

¹⁰ Excluding transactions of the reporting institution's own International Banking Facilities (IBFs) with nonrelated parties and related depository institutions.

FR 2046 data item	U.S. commercial banks and others:			U.S. branches and agencies of foreign banks:	Credit unions:
	FFIEC 031	FFIEC 041	FFIEC 051	FFIEC 002 ¹⁰	NCUA 5300
				+ Trading assets: Mortgage-backed securities issued or guaranteed by U.S. Govt. agencies, item 1.f.(2)(a), Col. A minus Col. B + Trading assets: Other mortgage-backed securities, item 1.f.(2)(b), Col. A minus Col. B + Trading assets: Other asset-backed securities, item 1.f.(3), Col. A minus Col. B + Trading assets: Other securities, item 1.f.(4), Col. A minus Col. B + Trading assets: Other trading assets, item 1.f.(5), Col. A minus Col. B	
Total loans	Schedule RC-C Loans and Lease Financing Receivables, Part I. Total loans and leases held for investment and held for sale, Column B, item 12	Schedule RC-C Loans and Lease Financing Receivables, Part I. Total loans and leases held for investment and held for sale, Column B, item 12	Schedule RC-C Loans and Lease Financing Receivables, Part I. Total loans and leases held for investment and held for sale, item 12	Schedule RAL Assets and Liabilities, Assets, Loans and leases held for investment and held for sale, item 1.e, Col. A minus Col. B	Statement of Financial Condition, Assets, Investments, Total Loans & Leases, item 15, amount
Total assets	Schedule RC-H Selected Balance Sheet Items for Domestic Offices + Net due <i>from</i> own foreign offices, Edge and agreement subsidiaries, and IBFs, item 6 + Total assets (excludes net due from own foreign offices, Edge and agreement subsidiaries, and IBFs), item 8	Schedule RC Balance Sheet, Total Assets, item 12	Schedule RC Balance Sheet, Total Assets, item 12	Schedule RAL Assets and Liabilities, Assets, Total Assets, item 3, Col. A minus Col. B	Statement of Financial Condition, Assets, Total Assets, item 23, amount
Total deposits	Schedule RC Balance Sheet, Deposits in domestic offices, item 13.a	Schedule RC Balance Sheet, Deposits in domestic offices, item 13.a	Schedule RC Balance Sheet, Deposits in domestic offices, item 13.a	Schedule RAL Assets and Liabilities, Liabilities, Total deposits and credit balances, item 4.a, Col. A minus Col. B	Statement of Financial Condition, Liabilities, Shares/Deposits, Total shares and deposits, item 18, column C

Reporting Panel

Any depository institution that maintains reservable deposits is eligible to borrow at the discount window. Approximately 11,500 depository institutions are eligible to borrow at the discount window, including domestic insured commercial banks, insured savings banks, savings and loan associations, insured credit unions, U.S. branches and agencies of foreign banks, and others.¹¹ However, in any given week only a relatively small number of depositories turn to the discount window.¹²

As noted above, the FR 2046 report is usually not collected from primary credit borrowers, and it is not routinely collected from secondary credit borrowers if necessary information is available from other sources. The reporting panel consists almost entirely of institutions that borrow seasonal credit. The number of seasonal credit borrowers in any given week varies considerably over the year and has been less than 100 since 2007, even during peak borrowing months.

Frequency

Reserve Banks collect weekly (Wednesday) data from seasonal credit borrowers using the FR 2046 report. When borrowing seasonal credit, institutions must submit the FR 2046 for each week during any maintenance period (i.e., a two-week reporting period that begins on a Thursday and ends on a Wednesday) in which the institution had an outstanding seasonal credit loan on one or more days. The data are typically collected after the fact in one-week increments. For example, if an institution borrows on each day of a maintenance period, Reserve Banks collect FR 2046 data twice: once to obtain data for the first week of the reporting period and a second time to obtain data for the second week of the reporting period. If an institution borrowed only during the first week of the maintenance period (or only during the second week), FR 2046 data are still collected for both weeks of that maintenance period. Reserve Banks indicate the dates for which FR 2046 data are required. For a weekly FR 2900 respondent, this period coincides with its reserve maintenance period. As mentioned previously, Reserve Banks may collect daily data from seasonal borrowers in questionable financial condition—such collection is expected to occur only in very unusual circumstances.

If requested by a Reserve Bank, primary and secondary credit borrowers would submit a weekly report that covers the five business days of daily data for the week ending on Wednesday.

Adopted Revisions to the FR 2046

The Board revised the data item definitions in the instructions to the FR 2046 to include a column comparing the definitions of the data items on the FR 2046 report to the definitions of the parallel data items in the recently introduced FFIEC 051. In addition, prior Supporting Statements for the FR 2046 report advised that, after an approximately two year lag, the Dodd-Frank Act requires the identity of discount window borrowers to be disclosed and, therefore, the FR 2046

¹¹ 12 CFR 201.2.

¹² From 2016 to 2018, the weekly number of primary credit borrowers ranged from 22 to 124, and the weekly number of secondary credit borrowers ranged from 0 to 4.

report will no longer be treated as confidential once the identity of the borrower has been disclosed. Accordingly, the face of the FR 2046 report will be corrected to reflect that the FR 2046 report will be kept confidential for approximately two years under exemption 4 of the Freedom of Information Act,¹³ but after it has been publicly disclosed that an institution borrowed from the discount window during a specific time period, the institution's FR 2046 report for that time period will no longer be considered confidential. In addition, the face of the FR 2046 report will be updated to include all of the applicable legal statutes¹⁴ and to indicate that the report is authorized (but not required) by law.

Time Schedule for Information Collection

Depository institutions file the FR 2046 by the Wednesday following the end of the reporting week. Generally, Reserve Banks receive the data via electronic transmission to the discount window or statistics department.

Legal Status

The FR 2046 report is authorized pursuant to sections 4(8), 10B, and 19(b)(7) of the Federal Reserve Act (FRA) (12 U.S.C. §§ 301, 347b, and 461(b)(7)), which authorize Federal Reserve Banks to provide discounts or advances to a member bank or other depository institution and to demand notes secured to the satisfaction of each Reserve Bank, and authorize the Board to establish rules and regulations under which a Reserve Bank may extend such credit. Specifically, section 4(8) of the FRA (12 U.S.C. § 301), requires each Reserve Bank to keep itself informed of the general character and amount of the loans and investments of a depository institution “with a view to ascertaining whether undue use is being made of bank credit,” and instructs that, “in determining whether to grant or refuse advances, rediscounts, or other credit accommodations, the Federal [R]eserve [B]ank shall give consideration to such information.” Section 4(8) of the FRA also authorizes the Board to “prescribe regulations further defining . . . the conditions under which discounts, advancements, and the accommodations may be extended to member banks.” Section 10B of the FRA (12 U.S.C. § 347b), permits Federal Reserve Banks to make advances to member banks “under rules and regulations prescribed by the Board.” Section 19(b)(7) of the FRA (12 U.S.C. § 461(b)(7)), provides that any depository institutions that hold reservable deposits are entitled to the same discount and borrowing privileges as member banks.

In addition, section 9(6) of the FRA (12 U.S.C. § 324), which requires state member banks to file reports of condition and of the payment of dividends with the Federal Reserve, also provides authority to collect balance sheet information from state member banks. Sections 2A and 11 of the FRA, respectively, (12 U.S.C. §§ 225a and 248(a)(2) & (i)) as well as section 7(c)(2) of the International Banking Act of 1978 (12 U.S.C. § 3105(c)(2)), authorize the Board to collect balance sheet data from domestically chartered commercial banks and U.S. branches and agencies of foreign banks. If requested by the lending Reserve Bank, a depository institution that borrowed from the discount window must submit the FR 2046 report. Accordingly, the

¹³ 5 U.S.C. § 552(b)(4).

¹⁴ Although additional legal statutes have been cited in prior Supporting Statements for the FR 2046 report, the report itself only cites to 12 U.S.C. §§ 248(a)(2) & (i) and 347b. The face of the report will be revised to cite to all of the legal statutes cited in the Legal Status section below.

obligation to respond is mandatory.

The Federal Reserve publishes aggregate data on discount window lending, which does not identify individual borrowers. In addition, the Dodd-Frank Act requires the Board to publish certain information on individual discount window borrowers and transactions (*i.e.*, the identity of the borrower, the amount that was borrowed, the interest rate, and the types and amounts of collateral or assets pledged) after approximately a two year lag.¹⁵ The FR 2046 report is considered confidential until the fact that the institution borrowed from the discount window is disclosed. Until this point, the release of this report would cause substantial harm to the competitive position of the institution from whom the information was obtained, because it would reveal the fact of discount window borrowing, as only borrowers are required to file this form. Thus, this information can be kept confidential under exemption 4 of the Freedom of Information Act (FOIA) (5 U.S.C. § 552(b)(4)), which protects from disclosure “trade secrets and commercial or financial information obtained from a person and privileged or confidential.” Once the fact that an institution borrowed from the discount window is disclosed, the FR 2046 report is no longer considered confidential in the event a FOIA request is received.

Consultation Outside the Agency

There has been no consultation outside the agency.

Public Comments

On July 19, 2019, the Board published an initial notice in the Federal Register (84 FR 34890) requesting public comment for 60 days on the extension, with revision, of the FR 2046. The comment period for this notice expired on September 17, 2019. The Board did not receive any comments. On November 29, 2019, the Board published a final notice in the Federal Register (84 FR 65814).

Estimates of Respondent Burden

As shown in the table below, the estimated total annual burden of the FR 2046 is 376 hours and is unaffected by the adopted revisions. Because the report is event-generated, it is not possible to predict exactly how many reports will be filed in a given year. As a result, the estimate of respondent burden is based on recent historical discount window borrowing frequencies. As noted above, the FR 2046 data usually are not collected from primary credit borrowers, and are not routinely collected from secondary credit borrowers if necessary information is available from other sources. Therefore, only a nominal burden is expected for these programs. The estimated number of respondents and annual frequency for the seasonal credit program is based on borrowing activity in 2016 through 2018. The estimated average hours per response of 0.75 hours for primary and secondary credit borrowers is attributed to the collection of daily data. The estimated average hours per response of 0.25 hours for seasonal credit borrowers is attributed to the collection of weekly (Wednesday) data. These reporting requirements represent less than 1 percent of the Board’s total paperwork burden.

¹⁵ See 12 U.S.C. § 248(s).

FR 2046	<i>Estimated number of respondents¹⁶</i>	<i>Annual frequency</i>	<i>Estimated average hours per response</i>	<i>Estimated annual burden hours</i>
Primary and Secondary Credit	1	1	0.75	1
Seasonal Credit	83	18	0.25	374
Seasonal Credit, borrower in questionable financial condition ¹⁷	1	1	0.75	<u>1</u>
<i>Total</i>				<u>376</u>

The estimated total annual cost to the public for the FR 2046 is \$21,658.¹⁸

Sensitive Questions

This collection of information contains no questions of a sensitive nature, as defined by OMB guidelines.

Estimate of Cost to the Federal Reserve System

The ongoing annual cost of the FR 2046 is estimated to be \$69,900, based on an estimate of 20 minutes of staff time per filed report, plus 4 hours per Reserve Bank for biweekly processing (including panel maintenance, report generation, and report analysis), at \$40 per hour. The data are not subject to extensive editing or other manipulation and are not submitted to the Board of Governors.

¹⁶ Of these respondents, 83 are considered small entities as defined by the Small Business Administration (i.e., entities with less than \$600 million in total assets), <https://www.sba.gov/document/support--table-size-standards>.

¹⁷ As noted above, in very unusual circumstances, a Reserve Bank may collect daily data on the FR 2046 from seasonal credit borrowers in questionable financial condition.

¹⁸ Total cost to the public was estimated using the following formula: percent of staff time, multiplied by annual burden hours, multiplied by hourly rates (30% Office & Administrative Support at \$19, 45% Financial Managers at \$71, 15% Lawyers at \$69, and 10% Chief Executives at \$96). Hourly rates for each occupational group are the (rounded) mean hourly wages from the Bureau of Labor and Statistics (BLS), *Occupational Employment and Wages May 2018*, published March 29, 2019, <https://www.bls.gov/news.release/ocwage.t01.htm>. Occupations are defined using the BLS Standard Occupational Classification System, <https://www.bls.gov/soc/>.