

**Supporting Statement for the
Consolidated Reports of Condition and Income
(FFIEC 031, FFIEC 041, and FFIEC 051; OMB No. 7100-0036)**

1. Explain the circumstances that make the collection of information necessary.

The Board of Governors of the Federal Reserve System (Board) 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; OMB No. 7100-0036) under the emergency clearance provisions of OMB's regulations. With respect to the Board, these reports are required of state member banks 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 Comptroller of the Currency (OCC) have also submitted a similar request for OMB review to request this information from banks under their supervision.

The Board uses the information collected on the Call Reports to fulfill its statutory obligation to supervise state member banks. State member banks 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 Board, FDIC, and OCC (the agencies) propose under the emergency clearance provisions of OMB's regulations to revise the Call Reports effective beginning with the March 31, 2020 report date. The agencies are providing a summary of the three interim final rules (IFRs) issued in response to disruptions related to COVID-19 and one reporting change related to the Coronavirus Aid, Relief, and Economic Security Act (CARES Act).¹ Although there is a substantive change to the actual calculation of items, as identified below, for purposes of the Call Reports, the change should be minimal and result in a zero net change in hourly burden under the agencies' information collections. The current estimated total annual burden for the Call Reports is 138,506 hours, and would not change with the proposed revision.

The agencies have determined that (1) the collection of information within the scope of this request is needed prior to the expiration of time periods established under 5 CFR 1320.10, (2) this collection of information is essential to the mission of the agencies, and (3) the agencies cannot reasonably comply with the normal clearance procedures because an unanticipated event has occurred and the use of normal clearance procedures is reasonably likely to prevent or disrupt the collection of information.

Recent events have suddenly and significantly impacted financial markets. The spread of the coronavirus disease 2019 has disrupted economic activity in many countries. In addition, financial markets have experienced significant volatility. The magnitude and persistence of the overall effects on the economy remain highly uncertain. In light of these developments, banking organizations may realize a sudden, unanticipated drop in capital ratios and liquidity. This could

¹ Pub. L. No. 116-136, 134 Stat. 281 (March 27, 2020).

create a strong incentive for these banking organizations to limit their lending and other financial intermediation activities in order to avoid facing abrupt regulatory capital and liquidity limitations.

In late March, the agencies issued three IFRs to make changes to their regulatory capital and liquidity rules to facilitate banking organizations' use of the Board's emergency facilities and support prudent lending by banking organizations. The IFRs were issued with immediate effective date and they impact amounts reported on Schedule RC-R, Regulatory Capital, Part 1. These changes, as listed below, apply to the three versions of the Call Report (FFIEC 031, FFIEC 041, and FFIEC 051). As stated in the three *Federal Register* notices, the agencies believe that, in light of current market uncertainty, the public interest is best served by implementing the IFR changes as soon as possible. The agencies request emergency clearance from OMB to permit these revisions for the March 31, 2020, Call Reports.

2. Indicate how, by whom, and for what purpose the information is to be used. Except for a new collection, indicate the actual use the agency has made of the information received from the current 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.

The Call Reports consist of three reporting forms that apply to different categories of state member banks. Currently, banks that have foreign offices or that have total consolidated assets of \$100 billion or more must file the FFIEC 031, banks with domestic offices only and total consolidated assets of less than \$100 billion but more than \$5 billion file the FFIEC 041, and banks with domestic offices only and total assets less than \$5 billion file the FFIEC 051.

The information collected by the Call Reports is not available from other sources. Although there are other reports that collect information similar to certain items on the Call Reports, the information they collect would be of limited value as a replacement for Call Report data. For example, the Board collects various data in connection with its measurement of monetary aggregates, bank credit, and flow of funds. These reports provide the Board with detailed information relating to balance sheet accounts such as balances due from depository institutions, loans, and deposit liabilities. These collections of information, however, are collected on a weekly basis usually prepared as of dates other than the last business day of each quarter. Moreover, information on bank credit is obtained on a sample basis rather than from all insured banks. Additionally, institutions below a certain size are exempt entirely from some of these reporting requirements.

The Board also collects financial data from bank holding companies on a regular basis. Such data is generally required to be reported for the holding company on a consolidated basis, including its banking and nonbanking subsidiaries, and on a parent-company-only basis. Data collected from bank holding companies on a consolidated basis reflect aggregate amounts for all

entities within the organization, including banking and nonbanking subsidiaries, so that the actual dollar amounts applicable to any banking subsidiary would not be determinable from the holding company reporting information. Therefore, reports collected from bank holding companies lack the data necessary to assess the financial condition of individual banks to determine whether there had been any deterioration in their condition.

3. Describe whether, and to what extent, the collection of information involves the use of automated, electronic, mechanical, or other technological collection techniques or other forms of information technology.

Banks are required to transmit their Call Report data electronically. The agencies have created the Central Data Repository (CDR) as the only method available to banks and savings associations for submitting their Call Report data. Under the CDR system, institutions file their Call Report data via the Internet using software that contains the FFIEC's edits for validating Call Report data before submission.

4. Describe efforts to identify duplication. Show specifically why any similar information already available cannot be used or modified for use for the purposes described in Item 2 above.

There is no other report or series of reports that collects from all insured banks and savings associations the regulatory capital and other information gathered through the Call Reports as a whole. There are other information collection systems that tend to duplicate certain parts of the Call Report, but the information they provide would be of limited value as a replacement for the Call Report.

5. If the collection of information impacts small businesses or other small entities, describe any methods used to minimize burden.

Of respondents to the Call Reports, 526 are considered small entities as defined by the Small Business Administration (i.e., entities with less than \$600 million in total assets), www.sba.gov/document/support--table-size-standards. Data collected in the Call Report information collection is tiered to the size and activity levels of reporting institutions.

The Call Report requires the least amount of data from small institutions with domestic offices only and less than \$5 billion in total assets that file the streamlined FFIEC 051 report form. Certain institutions with less than \$300 million in total assets have fewer items applicable to them than do institutions with \$300 million to \$1 billion in assets. In addition, the supplemental information schedule in the FFIEC 051, which replaced five entire schedules and parts of certain other schedules that had been in the FFIEC 041, includes nine indicator questions with "yes"/"no" responses that ask about an institution's involvement in certain complex or specialized activities. Only if the response to a particular indicator question is a "yes" is an institution required to complete an average of three indicator items that provide data on the extent of the institution's involvement in that activity.

Exemptions from reporting certain Call Report data within the FFIEC 041 report form

also apply to institutions with less than \$500 million, \$1 billion, and \$10 billion in total assets. In both the FFIEC 051 and the FFIEC 041, other exemptions are based on activity levels rather than total assets and these activity-based thresholds tend to benefit small institutions. In addition, for small institutions with domestic offices only and less than \$1 billion in total assets that file the FFIEC 051, a significant number of data items in the FFIEC 051 report are collected semiannually or annually rather than quarterly as they had been when these institutions filed the FFIEC 041 report.

6. Describe the consequence to Federal program or policy activities if the collection is not conducted or is conducted less frequently, as well as any technical or legal obstacles to reducing burden.

The 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. Less frequent collection of this information would impair the agencies' ability to monitor financial institutions and could delay regulatory response.

7. Explain any special circumstances that would cause an information collection to be conducted in a manner inconsistent with 5 CFR 1320.5(d)(2).

This information collection is conducted in a manner consistent with the guidelines in 5 CFR 1320.5(d)(2).

8. Describe comments in response to the *Federal Register* notice and efforts to consult outside the agency.

The Board coordinated and consulted with the FDIC and OCC in proposing these revisions. The agencies will follow this request for emergency processing with a request under normal clearance procedures, during which comments will be solicited for the typical 60-day and 30-day periods. All comments received on paperwork burden, whether during the 60-day or 30-day comment periods, will be considered in finalizing the collection.

9. Explain any decision to provide any payment or gift to respondents, other than remuneration of contractors or grantees.

There are no payments or gifts provided to respondents.

10. Describe any assurance of confidentiality provided to respondents and the basis for the assurance in statute, regulation, or agency policy. If the collection requires a systems of records notice (SORN) or privacy impact assessment (PIA), those should be cited and described here.

Most of the information provided on the Call Reports is made public. However, the following items are confidential: (1) the FDIC deposit insurance assessment information reported in response to item 2.g on schedule RI-E, (2) the prepaid deposit insurance assessments information reported in response to item 6.f on schedule RC-F, and (3) the information regarding other data for deposit insurance and FICO assessments reported in response to memorandum

items 6-9, 14-15, and 18 on schedule RC-O. Board staff have determined that it is possible to reverse engineer an institution’s Capital, Asset Quality, Management, Earnings, Liquidity, and Sensitivity (CAMELS) rating based on the data reported under the FDIC deposit insurance assessment data item and the prepaid deposit insurance assessments data item. If this information were publicly available, it would be possible to determine the state member bank’s CAMELS rating. Therefore, this information can be kept confidential under exemption 8 of the Freedom of Information Act (FOIA), which specifically exempts from disclosure information “contained in or related to examination, operating, or condition reports prepared by, on behalf of, or for the use of an agency responsible for the regulation or supervision of financial institutions” (5 U.S.C. § 552(b)(8)). Board staff have also advised that the release of this information and information regarding other data for deposit insurance and FICO assessments reported in response to memorandum items 6-9, 14-15, and 18 on schedule RC-O would likely cause substantial harm to the competitive position of the institution from whom the information was obtained if it was released. Therefore, this information can be kept confidential also under exemption 4 of FOIA, which exempts “trade secrets and commercial or financial information obtained from a person and privileged or confidential” (5 U.S.C. § 552(b)(4)).

11. Provide additional justification for any questions of a sensitive nature.

There are no questions of a sensitive nature.

12. Provide estimates of the annual hourly burden of the collection of information.

As shown in the table below, the estimated total annual burden for the Call Reports is 138,506 hours, and would remain unchanged with the proposed revisions. The estimated average hours per response for the quarterly filings of the Call Report is a weighted average of the three versions of the Call Report (FFIEC 031, FFIEC 041, and FFIEC 051). Both the weighted average Call Report burden estimate and the three separate versions of the Call Report vary by agency because of differences in the composition of the institutions under each agency’s supervision (e.g., size distribution of institutions, types of activities in which they are engaged, and existence of foreign offices). These reporting requirements represent 1.3 percent of the Board’s total paperwork burden.

FFIEC 031, FFIEC 041, and FFIEC 051	<i>Estimated number of respondents</i>	<i>Annual frequency</i>	<i>Estimated average hours per response</i>	<i>Estimated annual burden hours</i>
Current	779	4	44.45	138,506

The estimated total annual cost to the public for the Call Reports is \$7,977,946.

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 Occupational Classification System, <https://www.bls.gov/soc/>.

13. Provide an estimate for the total annual cost burden to respondents or record keepers resulting from the collection of information.

There are no annualized costs to the respondents.

14. Provide estimates of annualized costs to the Federal government.

The estimated cost to the Federal Reserve System for collecting and processing the FFIEC 031, FFIEC 041, and FFIEC 051 is \$1,871,500 per year.

15. Explain the reasons for any program changes or adjustments reported on the burden worksheet.

There are no changes to the burden worksheet, but the agencies propose the following revisions:

Eligible Retained Income - Interim Final Rule

Under the capital rule, a banking organization must maintain a minimum amount of regulatory capital. In addition, a banking organization must maintain a buffer of regulatory capital above its minimum capital requirements to avoid restrictions on capital distributions. The agencies intend for the buffer requirements to limit the ability of banking organizations to distribute capital in the form of dividends and discretionary bonus payments and therefore strengthen the ability of banking organizations to continue lending and conducting other financial intermediation activities during stress periods. The agencies are concerned, however, that the existing calculation method could lead to sudden and severe distribution limits if such banking organizations were to experience even a modest reduction in their capital ratios.

Therefore, the agencies adopted an interim final rule² on March 20, 2020, that revises the definition of eligible retained income. By modifying the definition of eligible retained income and thereby allowing banking organizations to more freely use their capital buffers, this interim final rule should help to promote lending activity and other financial intermediation activities by banking organizations and avoid compounding disruptions due to COVID-19.

Reporting Revisions

The interim final rule on Eligible Retained Income revises the calculation on the Call Report, Schedule RC-R, Part I, Item 53, “Eligible retained income”.

Previously, an institution’s eligible retained income was net income for the four preceding calendar quarters, net of any distributions and associated tax effects not already reflected in net income. Under the interim final rule, an institution would now report the amount

² 85 FR 15909 (March 20, 2020).

of eligible retained income as the *greater* of (1) an institution's net income for the four preceding calendar quarters, net of any distributions and associated tax effects not already reflected in net income and (2) the average of an institution's net income over the four preceding calendar quarters.

For Schedule RC-R, Part I, item 53, four preceding calendar quarters refers to the calendar quarter ending on the last day of the reporting period and three preceding calendar quarters. The average of an institution's net income over the four preceding calendar quarters refers to average of three-month net income for the calendar quarter ending on the last of the reporting quarter and three-month net income for the three preceding calendar quarters.

Money Market Mutual Fund Liquidity Facility (MMLF) - Interim Final Rule

To enhance the liquidity and functioning of money markets, the Federal Reserve Bank of Boston launched the Money Market Mutual Fund Liquidity Facility (MMLF) on March 18, 2020. On March 23, 2020, the agencies published an interim final rule,³ which permits banking organizations to exclude from regulatory capital requirements exposures related to the MMLF.

The interim final rule modifies the agencies' capital rule to allow banking organizations to neutralize the effects of purchasing assets through the MMLF on their risk-based and leverage capital ratios. This treatment extends to the community bank leverage ratio. Specifically, a banking organization may exclude from its total leverage exposure, average total consolidated assets, standardized total risk-weighted assets, and advanced approaches total risk-weighted assets, as applicable, any exposure acquired pursuant to a non-recourse loan from the MMLF. The interim final rule only applies to activities with the MMLF. The facility is scheduled to terminate on September 30, 2020, unless the facility is extended by the Federal Reserve Board.

Reporting Revisions

Starting with the March 31, 2020 reporting period, banking organizations would include the amount of assets purchased from the MMLF in Schedule RC-B and Schedule RC-R, as appropriate. For regulatory capital reporting, assets purchased from the MMLF should be reported in either Schedule RC-R, Part II, item 2.a., "Held-to-maturity securities," or Schedule RC-R, Part II, item 2.b., "Available-for-sale debt securities and equity securities with readily determinable fair values not held for trading," as appropriate, in both Column A (Totals) and Column C (0% risk-weight category). The average of such assets purchased would be reported in Schedule RC-R, part I, item 29, "LESS: Other deductions from (additions to) assets for leverage ratio purposes," and thus excluded from Schedule RC-R, item 30, "Total assets for the leverage ratio."

Advanced approaches banking organizations should not include assets purchased from the MMLF in "total risk-weight assets (RWAs)" reported in Schedule, RC-R, Part I, item 48.b. Banking organizations would report their adjusted "Total leverage exposure" and "Supplementary leverage ratio" in Schedule RC-R, Part I, item 55.a and 55.b.

³ 85 FR 16232 (March 23, 2020).

Borrowings from the Federal Reserve Bank of Boston would be included in Schedule RC, item 16, “Other borrowed money,” and included in Schedule RC-M, item 5.b.(1)(a), “Other borrowed money with a remaining maturity of one year or less.”

Furthermore, banking organizations are encouraged to separately disclose in a “Narrative Statement Concerning the Amounts Reported in the Reports of Condition and Income,” the amount of assets purchased from the MMLF included in Schedule RC-R, Part II, item 2.a. or 2.b. In addition, banking organizations are encouraged to separately disclose in a similar narrative, the average amount of assets purchased from the MMLF that were excluded from Schedule RC-R, item 30.

Current Expected Credit Losses (CECL) Revised Transition - Interim Final Rule

The interim final rule,⁴ published on March 31, 2020, delays the estimated impact on regulatory capital stemming from the implementation of Accounting Standards Update No. 2016-13, Financial Instruments - Credit Losses, Topic 326, Measurement of Credit Losses on Financial Instruments. The interim final rule provides banking organizations that implement CECL before the end of 2020 the option to delay for two years an estimate of CECL’s effect on regulatory capital, relative to the incurred loss methodology’s effect on regulatory capital, followed by a three-year transition period. The agencies are providing this relief to allow such banking organizations to better focus on supporting lending to creditworthy households and businesses in light of market disruptions as a result of COVID-19, while also maintaining the quality of regulatory capital.

Reporting Revisions

The interim final rule on Current Expected Credit Losses Regulatory Capital Transition would revise the calculation on the Call Report, Schedule RC-R, Part I, Items 2 (Retained earnings), 27 (Average total consolidated assets), 42 (FFIEC 041 and FFIEC 051) or 42.a. (FFIEC 031) (Allowance for Loan and Lease Losses includable in Tier 2 capital), 42.b. (Eligible credit reserves includable in tier 2 capital) (FFIEC 031 only), 55.a (Total leverage exposure) (FFIEC 031 and FFIEC 041 only), and Schedule RC-R, Part II, Item 8 (All other assets).

Institutions that elect the 2020 CECL transition approach would need to calculate the following amounts as described below, as applicable.

AACL refers to the Adjusted Allowances for Credit Losses, as defined in 12 CFR 3.2 (OCC); 12 CFR 217.2 (Board); or 12 CFR 324.2 (FDIC):

CECL Transitional Amount means the decrease in the amount of an institution’s retained earnings as of the beginning of the fiscal year in which the institution adopts CECL from the amount of the institution’s retained earnings as of the closing of the fiscal year-end immediately prior to the institution’s adoption of CECL.

Deferred Tax Assets (DTA) Transitional Amount means the increase in the amount of an

⁴ 85 FR 17723 (March 31, 2020).

institution's DTAs arising from temporary differences as of the beginning of the fiscal year in which the institution adopts CECL from the amount of the institution's DTAs arising from temporary differences as of the closing of the fiscal year-end immediately prior to the institution's adoption of CECL.

AACL Transitional Amount means the difference in the amount of an institution's AACL as of the beginning of the fiscal year in which the institution adopts CECL and the amount of the institution's ALLL as of the closing of the fiscal year-end immediately prior to the institution's adoption of CECL.

Eligible Credit Reserves Transitional Amount means the increase in the amount of an institution's eligible credit reserves as of the beginning of the fiscal year in which the institution adopts CECL from the amount of the institution's eligible credit reserves as of the closing of the fiscal year-end immediately prior to the institution's adoption of CECL.

Modified CECL Transitional Amount means A) during the first two years of the transition period, the difference between AACL as reported in the most recent Call Report (or FR Y-9C), and the AACL as of the beginning of the fiscal year in which the institution adopts CECL, multiplied by 0.25, plus the CECL transitional amount and B) during the last three years of the transition period, the difference between AACL as reported in the Call Report at the end of the second year of the transition period and the AACL as of the beginning of the fiscal year in which the institution adopts CECL, multiplied by 0.25, plus the CECL transitional amount.

Modified AACL Transitional Amount means A) during the first two years of the transition period, the difference between AACL as reported in the most recent Call Report (or FR Y-9C), and the AACL as of the beginning of the fiscal year in which the institution adopts CECL, multiplied by 0.25, plus the AACL transitional amount and B) during the last three years of the transition period, the difference between AACL as reported in the Call Report at the end of the second year of the transition period and the AACL as of the beginning of the fiscal year in which the institution adopts CECL, multiplied by 0.25, plus the AACL transitional amount.

Adjustments to Instructions for Call Report Data Items

RC-R, Part I, Item 2: (Retained Earnings) – An institution electing the 2020 CECL transition would add the Modified CECL Transitional Amount, as defined in section 301 of the agencies' regulatory capital rules, when calculating this item, adjusted as follows: 100% in Years 1 and 2 of the transition period; 75% in Year 3 of the transition period; 50% in Year 4 of the transition period; and 25% in Year 5 of the transition period.

RC-R, Part I, Item 2.a: (CECL Transition) (Starting in June 30, 2020, Call Report) – An institution that has adopted CECL would report whether it is using a CECL transition, as defined in section 301 of the agencies' regulatory capital rules, in the Call Report for the current quarter. The institution can choose from the following entries: 0 = Did not Adopt; 1 = Adopted Without Transition; 2 = 3-year CECL Transition; 3 = 5-year 2020 CECL Transition.

(FFIEC 041 and FFIEC 051) RC-R, Part I, Item 15: (DTAs Arising from Temporary

Differences) – An institution electing the 2020 CECL transition would subtract the DTA Transitional Amount, as defined in section 301 of the agencies’ regulatory capital rules, from the amount of DTAs from temporary differences used in the calculation of this item, adjusted as follows: 100% in Years 1 and 2 of the transition period; 75% in Year 3 of the transition period; 50% in Year 4 of the transition period; and 25% in Year 5 of the transition period.

(FFIEC 031) RC-R, Part I, Item 15.a. or 15.b.: (DTAs Arising from Temporary Differences) – An institution electing the 2020 CECL transition would subtract the DTA Transitional Amount, as defined in section 301 of the agencies’ regulatory capital rules, from the amount of DTAs from temporary differences used in the calculation of this item, adjusted as follows: 100% in Years 1 and 2 of the transition period; 75% in Year 3 of the transition period; 50% in Year 4 of the transition period; and 25% in Year 5 of the transition period.

RC-R, Part I, Item 27: (Average Total Consolidated Assets) – An institution electing the 2020 CECL transition would add the Modified CECL Transitional Amount, as defined in section 301 of the agencies’ regulatory capital rules, when calculating this item, adjusted as follows: 100% in Years 1 and 2 of the transition period; 75% in Year 3 of the transition period; 50% in Year 4 of the transition period; and 25% in Year 5 of the transition period.

RC-R, Part I, Item 42: (Adjusted Allowances for Credit Losses/ALLL in Tier 2 Capital) – An institution electing the 2020 CECL transition would subtract the Modified AACL Transitional Amount, as defined in section 301 of the agencies’ regulatory capital rules, when calculating this item, adjusted as follows: 100% in Years 1 and 2 of the transition period; 75% in Year 3 of the transition period; 50% in Year 4 of the transition period; and 25% in Year 5 of the transition period.

(FFIEC 031 and FFIEC 041) RC-R, Part I, Item 55.a: (Total Leverage Exposure) – For an institution subject to the supplementary leverage ratio (advanced approaches or Category III institution), the institution electing the 2020 CECL transition would add the Modified CECL Transitional Amount, as defined in section 301 of the agencies’ regulatory capital rules, when calculating this item, adjusted as follows: 100% in Years 1 and 2 of the transition period; 75% in Year 3 of the transition period; 50% in Year 4 of the transition period; and 25% in Year 5 of the transition period.

(FFIEC 031): RC-R, Part I, Item 42.b: (Eligible Credit Reserves) – For an institution subject to the advanced approaches, the institution electing the 2020 CECL transition would deduct Eligible Credit Reserves Transitional Amount, as defined in section 301 of the agencies’ regulatory capital rules, when calculating this item, adjusted as follows: 100% in Years 1 and 2 of the transition period; 75% in Year 3 of the transition period; 50% in Year 4 of the transition period; and 25% in Year 5 of the transition period.

RC-R, Part II, Item 8: (All Other Assets) – An institution electing the 2020 CECL transition would subtract the DTA Transitional Amount, as defined in section 301 of the agencies’ regulatory capital rules, from the amount of temporary difference DTAs associated with the AACL that are risk-weighted in this item, adjusted as follows: 100% in Years 1 and 2 of the transition period; 75% in Year 3 of the transition period; 50% in Year 4 of the transition

period; and 25% in Year 5 of the transition period.

CARES Act Section 4013

Section 4013 of the CARES Act permits banking organizations flexibility in modifying loans related to COVID-19. The statute also permits the agencies to collect information about the volume of loans modified under this section. Since the agencies anticipate a significant amount of activity related to these modifications will occur in the second quarter, the agencies are requesting emergency clearance to add a new reporting item for these loans.

Reporting Revisions

While the agencies are interested in the balance of loans modified in the first quarter, it is not operationally feasible to add a new item, as the first quarter reporting forms have already been published. Therefore, a new data item would be added to the Call Report, Schedule RC-C, starting in the second quarter of 2020. The agencies would tentatively add this as new memorandum item 17. Banks would be required to report the ending balance of any loans modified under this section of the statute.

16. Provide information regarding plans for publication of data.

Aggregate data are published in the Federal Reserve Bulletin and the Annual Statistical Digest. Additionally, data are used in the Uniform Bank Performance Report (UBPR) and the Annual Report of the FFIEC. Individual respondent data, excluding confidential information, are available to the public from the National Technical Information Service in Springfield, Virginia, upon request approximately twelve weeks after the report date. Data are also available from the FFIEC Central Data Repository Public Data Distribution (CDR PDD) website (<https://cdr.ffiec.gov/public/>). Data for the current quarter are made available, shortly after a bank's submission, beginning the first calendar day after the report date. Updated or revised data may replace data already posted at any time thereafter.

17. If seeking approval to not display the expiration date for OMB approval of the information collection, explain the reasons that display would be inappropriate.

No such approval is sought.

18. Explain each exception to the topics of the certification statement identified in "Certification for Paperwork Reduction Act Submissions."

There are no exceptions.