

**Supporting Statement for the  
Reports of Deposits  
(FR 2900; OMB No. 7100-0087)**

**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 Reports of Deposits (FR 2900; OMB No. 7100-0087). This information collection currently comprises the following four reports:

- Report of Transaction Accounts, Other Deposits, and Vault Cash (FR 2900),
- Annual Report of Deposits and Reservable Liabilities (FR 2910a),
- Report of Foreign (Non-U.S.) Currency Deposits (FR 2915), and
- Allocation of Low Reserve Tranche and Reservable Liabilities Exemption (FR 2930).

The FR 2900 report is filed by depository institutions and is the primary source of data used for the calculation of reserve requirements and for the construction and analysis of the monetary aggregates. The FR 2910a report is also filed by depository institutions and is used to determine who must file the FR 2900. The FR 2915 report is filed by any FR 2900 reporter that offers deposits denominated in foreign currencies at their U.S. offices; this report is used by the Board in the construction of the monetary aggregates. The FR 2930 report is filed by depository institutions with offices (or groups of offices) in more than one state or Federal Reserve District with data to be used in the calculation of reserve requirements.

Federal Reserve actions since January 2019 have reduced the need to collect data to calculate respondents' reserve requirements. In January 2019, the Federal Open Market Committee (FOMC) announced its intention to implement monetary policy in an ample reserves regime. Reserve requirements do not play a role in this operating framework.<sup>1</sup> Accordingly, the Board announced that, effective March 26, 2020, reserve requirement ratios were reduced to zero percent.<sup>2</sup> The Board proposed to take steps to reduce reporting burden associated with reserve requirements by discontinuing the collection of the FR 2910a and FR 2930, ceasing the quarterly collection of the FR 2900, and refocusing the items collected on the weekly collection of the FR 2900 and the FR 2915 to those that support the construction and analysis of the monetary aggregates.

In addition, on April 28, 2020, the Board adopted an interim final rule (Regulation D IFR) deleting the six transfer limit from the "savings deposit" definition in Regulation D to allow

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<sup>1</sup> See <https://www.federalreserve.gov/newsevents/pressreleases/monetary20190130c.htm>.

<sup>2</sup> See <https://www.federalreserve.gov/newsevents/pressreleases/monetary20200315b.htm>; (85 FR 16525, March 24, 2020). Prior to the elimination of reserve requirements, depository institutions satisfied reserve requirements by maintaining cash in their vault or, if vault cash was insufficient, by maintaining a balance in an account at a Federal Reserve Bank. The amount that a depository institution had to maintain was known as the depository institution's reserve requirement. See 12 CFR 204.4 (computation of reserve requirements). The amount that a depository institution had to maintain in an account at a Reserve Bank over and above the amount of its vault cash was known as the depository institution's reserve balance requirement. See 12 CFR 204.2(ee) (definition of reserve balance requirement).

depository institution customers more convenient access to their funds and to simplify account administration for depository institutions.<sup>3</sup> In response to the Regulation D IFR, the Board temporarily revised the FR 2900 and FR 2910a instructions to exclude any reference to a numeric transfer or withdrawal limit from the definition of a savings deposit.<sup>4</sup> The revised instructions provided flexibility in how a depository institution reported data on the FR 2900 while the Board took time to devise a more permanent strategy for reporting in response to the regulatory change and make that strategy available for public comment.<sup>5</sup> As part of this supporting statement, the Board consolidated the reporting of deposits that meet the regulatory definition of a “savings deposit” with those that meet the regulatory definition of a “transaction account” in one line item on the FR 2900. The revised FR 2900 and FR 2915 forms and accompanying instructions are to take effect with the report as of dates April 12, 2021, and June 21, 2021, respectively. In addition, reporters must submit the FR 2900 electronically with the implementation of the revised form in April 2021.

The Board also announced that it is discontinuing the collection of Reports of Deposits from bankers’ banks and corporate credit unions (CCUs). Data from these respondents have historically been used to calculate reserve requirements, but not for the construction of the monetary aggregates. Specifically, data from Reports of Deposits from bankers’ banks and CCUs were excluded from the construction of the monetary aggregates because the monetary aggregates measure money in the hands of the nonbanking public, while deposits at bankers’ banks and CCUs represent interbank liabilities. With all reserve requirement ratios set to zero percent, there is no longer any need to collect Reports of Deposits from these respondents.

The current estimated total annual burden for the FR 2900 is 134,356 hours, and would decrease to 52,232 hours. The revisions would result in a decrease of 82,124 hours. The forms and instructions are available on the Board’s public website at <https://www.federalreserve.gov/apps/reportforms/default.aspx>.

## **Background and Justification**

The Reports of Deposits are designed to implement the requirements of the Federal Reserve Act, as amended by both the Monetary Control Act of 1980 (MCA)<sup>6</sup> and the Garn-St Germain Depository Institutions Act of 1982 (Garn-St Germain Act).<sup>7</sup> The MCA requires depository institutions that have transaction accounts or nonpersonal time deposits to maintain reserves in ratios of between zero percent and fourteen percent, as established by the Board. In implementing the MCA, the Board required quarterly instead of weekly deposit reporting for depository institutions that have total transaction accounts, savings deposits, and small time deposits below a certain amount (the nonexempt deposit cutoff). The Garn-St Germain Act

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<sup>3</sup> 85 FR 23445 (April 28, 2020).

<sup>4</sup> The supporting statement submitted to OMB is available at [https://www.reginfo.gov/public/do/PRAViewDocument?ref\\_nbr=202007-7100-009](https://www.reginfo.gov/public/do/PRAViewDocument?ref_nbr=202007-7100-009).

<sup>5</sup> If a depository institution chooses to suspend enforcement of the six transfer limit on a “savings deposit,” the depository institution may continue to report that account as a “savings deposit” or may instead choose to report that account as a “transaction account.”

<sup>6</sup> Pub. L. No. 96-221, 94 Stat. 132 (March 31, 1980).

<sup>7</sup> Pub. L. No. 97-320, 96 Stat. 1469 (October 15, 1982).

imposes a reserve requirement ratio of zero percent on a specific amount (the reserve requirement exemption amount)<sup>8</sup> of a depository institution's total reservable liabilities (transaction accounts, nonpersonal time deposits, and Eurocurrency liabilities) that are less than or equal to that amount. The Garn-St Germain Act also requires that, consistent with the Board's responsibility to monitor and control the monetary and credit aggregates, depository institutions which have a reserve requirement of zero percent be subject to less overall reporting requirements than depository institutions which have a reserve requirement of greater than zero percent. In 1990, the Board reduced the reserve requirement ratios applicable to nonpersonal time deposits and Eurocurrency liabilities to zero percent. As discussed above, effective March 26, 2020, the Board reduced the reserve requirement ratios applicable to all transaction accounts to zero percent, eliminating all reserve requirements.

Respondents submit completed deposit reports to their local Reserve Banks, which collect and review the deposit data on a schedule that allows the Board to incorporate these aggregate data in a timely manner into the production of public statistical releases and internal reports.

## **Description of Information Collection**

### **Report of Transaction Accounts, Other Deposits, and Vault Cash (FR 2900)**

The FR 2900 has been the primary source of data used for the calculation of required reserves and applied vault cash, and for the construction and analysis of the monetary aggregates. Data have also been used to index amounts used in the calculation of reserve requirements and to determine whether depository institutions file the FR 2900 either weekly or quarterly.

**Data Coverage.** The current FR 2900 reporting form comprises 15 data items. Twelve data items are reported at a daily frequency and are used to calculate reserve requirements and construct the monetary aggregates. Three data items are filed at an annual frequency for use in the indexation of amounts used in the calculation of reserve requirements.

**Frequency.** The weekly reporting period for the 12 daily frequency data items on the FR 2900 covers the seven-day period beginning on Tuesday and ending the following Monday. The quarterly reporting period for the 12 daily items on the FR 2900 covers the seven-day period beginning on the third Tuesday of the reporting month and ending the following Monday. All FR 2900 respondents submit the three annual FR 2900 report items one day each year.

**Respondent Panel.** Depository institutions with net transaction accounts greater than the exemption amount (other than banking Edge and agreement corporations and U.S. branches and agencies of foreign banks) file the FR 2900 weekly or quarterly depending on their deposit size. The size of FR 2900 has been assessed using two thresholds: the nonexempt deposit cutoff and the reduced reporting limit.<sup>9</sup> The rules for weekly and quarterly reporting are summarized below.

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<sup>8</sup> See 84 FR 64705 (November 25, 2019) for a detailed description of the reserve requirement exemption amount.

<sup>9</sup> See <https://www.federalregister.gov/documents/2019/11/25/2019-25428/reserve-requirements-of-depository-institutions> for a detailed description of the nonexempt deposit cutoff and reduced reporting limit.

- **FR 2900 weekly:** Depository institutions (other than banking Edge and agreement corporations and U.S. branches and agencies of foreign banks) with a sum of total transaction accounts, savings deposits, and small time deposits greater than or equal to the nonexempt deposit cutoff, or with a sum of total transaction accounts, savings deposits, and small time deposits greater than or equal to the reduced reporting limit, regardless of the amount of net transaction accounts.
- **FR 2900 quarterly (March, June, September, and December):** Depository institutions with a sum of total transaction accounts, savings deposits, and small time deposits less than the nonexempt deposit cutoff.

Banking Edge and agreement corporations and U.S. branches and agencies of foreign banks, regardless of size, have also been required to submit the FR 2900 weekly. The relationship between these institutions and their parent organizations made possible short-term transfers of liabilities and assets between reporting dates to avoid reserve requirements. To eliminate the possibility of reserve avoidance, submission of weekly data for these institutions was deemed necessary.

### **Annual Report of Deposits and Reservable Liabilities (FR 2910a)**

The FR 2910a reporting form has collected three data items: total transaction accounts, savings deposits, and small time deposits; reservable liabilities; and net transaction accounts. The first data item, total transaction deposits, savings deposits, and small time deposits, has been used to determine whether an institution was eligible for reduced reporting and, if not, the frequency at which the institution was required to submit FR 2900 data (weekly or quarterly). In addition, these data have been used in the annual indexation of the nonexempt deposit cutoff and the reduced reporting limit. The second data item, reservable liabilities, is the sum of net transaction accounts, nonpersonal savings deposits, and nonpersonal time deposits, regardless of maturity. Data on reservable liabilities have been used for the annual indexation of the exemption amount (as required by statute). The third data item, net transaction accounts, comprised total transaction accounts less demand balances due from depository institutions and cash items in process of collection. Data on net transaction accounts have been used in the annual indexation of the low reserve tranche (as required by statute) and to determine whether an institution was eligible for reduced reporting.<sup>10</sup>

***Respondent Panel and Frequency.*** Any depository institution that does not submit FR 2900 data and that has total deposits greater than the exemption amount on its December Call Report<sup>11</sup> must submit FR 2910a data the subsequent year.<sup>12</sup>

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<sup>10</sup> See <https://www.federalregister.gov/documents/2019/11/25/2019-25428/reserve-requirements-of-depository-institutions> for a detailed description of the exemption amount and low reserve tranche amount.

<sup>11</sup> Institutions are added to the FR 2910a reporting panel based on total deposits (not total transaction accounts, savings deposits, and small time deposits) because nonpersonal savings and time deposits (a component of FR 2910a data item 2, Reservable Liabilities) typically include some large time deposits.

<sup>12</sup> In this document, the term Call Report refers to the commercial bank Consolidated Reports of Condition and Income (FFIEC 031, FFIEC 041, and FFIEC 051; OMB No. 7100-0036) and the credit union Statement of Financial Condition (NCUA 5300/5300SF; OMB No. 3133-0004).

FR 2910a data are submitted annually.<sup>13</sup>

### **Report of Foreign (Non-U.S.) Currency Deposits (FR 2915)**

All FR 2900 respondents, both weekly and quarterly, that offer deposits denominated in foreign currencies at their U.S. offices, file the FR 2915 quarterly on the same reporting schedule as quarterly FR 2900 respondents. FR 2915 data are used to net foreign currency-denominated deposits from the FR 2900 data because foreign currency deposits are excluded from the monetary aggregates. Since the removal of the item on foreign currency deposits from the Call Report in March 1996, the FR 2915 has been the only source of data on such deposits.

**Data Coverage.** The amounts of foreign currency deposits held at U.S. offices of a depository institution are converted to U.S. dollars and included in the appropriate existing data items on the institution's FR 2900, which collects outstanding balances as of the close of business each day of the seven-day reporting week that begins on Tuesday and ends the following Monday. The six data items (data item 1, total transaction accounts; data item 2, cash items in process of collection; data item 3, total savings and time deposits; memorandum item 4, demand deposits due to depository institutions; memorandum item 5, time and savings deposits due to depository institutions; and memorandum item 6, all time deposits with balances of \$100,000 or more) break out the amounts of these foreign currency-denominated deposits that are included in selected FR 2900 data items. Specific FR 2900 data items are referenced on the face of the FR 2915 reporting form.

**Respondent Panel and Frequency.** Approximately 116 institutions report offering foreign currency deposits. A quarterly collection frequency is sufficient for making accurate adjustments to deposit data used in the construction of the monetary aggregates.

### **Allocation of Low Reserve Tranche and Reservable Liabilities Exemption (FR 2930)**

This report form is used in the computation of reserve requirements. The report form collects data from depository institutions on how they intend to allocate the reserve requirement exemption amount and low reserve tranche amount, both of which are used in the calculation of a reserve requirement. Only those institutions with offices (or groups of offices) in more than one state or Federal Reserve District, or those operating under operational convenience, are required to file the FR 2930 at least annually to indicate how they would like the exemption amount and low reserve tranche amount allocated.

**Respondent Panel and Frequency.** The FR 2930 data are collected at least once a year after the low reserve tranche and reservable liabilities exemption thresholds are adjusted toward the end of each calendar year or upon the establishment of an office outside the home state or Federal Reserve District. The data are required at least one week before the beginning of the reserve computation period (a fourteen-day period beginning on Tuesday and ending two Mondays thereafter) in which the revised allocations are to be effective. The FR 2930 reporting panel consists of a single designated office from each family of U.S. branches and agencies of a

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<sup>13</sup> Any depository institution that does not file the FR 2900 or whose Call Report is not readily available, must submit an FR 2910a report.

foreign bank, and a single designated office from each banking Edge or agreement corporation that has offices located in more than one state or Federal Reserve District.

## Proposed Revisions

### Report of Transaction Accounts, Other Deposits, and Vault Cash (FR 2900)

The Board proposes four changes to the FR 2900:

First, the Board proposes to reduce substantially the number of items collected on a daily frequency. The number of daily items collected on the FR 2900 report will be reduced from twelve to five, effective with the report as of date April 12, 2021. The seven data items to be discontinued are summarized in the table below. Five of these items no longer need to be collected because they have been used solely for the calculation of reserve requirements. The remaining two items will be consolidated into one line item, small time deposits, which is needed to construct the monetary aggregates. The Board no longer needs to collect total time and time deposits with balances of \$100,000 or more (that is, large time deposits) separately, to support the construction of the monetary aggregates.

Items to be Discontinued	Rationale
<b>A.1.a Demand deposits due to depository institutions</b>	Data items used to calculate net transaction accounts for the purpose of administering reserve requirements.
<b>A.1.b Demand deposits due to U.S. Government</b>	
<b>A.3 Total transaction accounts</b>	
<b>B.1 Deductions from Transaction Accounts, Demand balances due from depository institutions in the U.S.</b>	Reserve requirements have been effectively set at zero since March 26, 2020; these data items are still necessary to satisfy the Board’s annual indexation requirement under section 19(b) of the Federal Reserve Act but will be collected annually as discussed later.
<b>AA.1 Ineligible acceptances and obligations issued by affiliates maturing in less than 7 days (from Schedule AA)</b>	
<b>D.1 Total Time Deposits</b>	Collect only what is needed to construct the monetary aggregates. Board proposes to consolidate reporting to one line item to collect small time deposits, a component of the M2 monetary aggregate, which is currently equal to the difference between D.1 and F.1.
<b>F.1 Memorandum Item, All time deposits with balances of \$100,000 or more (included in Item D.1 above)</b>	

The revised FR 2900 report would have five daily items as specified in the table below and explained here.

“Demand deposits due to the public” and “Cash items in the process of collection” are needed to calculate the “Demand Deposits Adjusted” component of the M1 monetary aggregate.

“Other liquid deposits” reflects the consolidation of two existing report items: ATS accounts and NOW accounts/share drafts, and telephone preauthorized transfers (A.2 on the

current form) and Total Savings Deposits (including MMDAs) (C.1. on the current form). The data reported in “Other liquid deposits” will inform the construction of the monetary aggregates.

“Small time deposits” replaces the reporting of Total Time Deposits (D.1) and Memorandum Item, All time deposits with balances of \$100,000 or more (F.1). The data reported in this new line item will directly feed into the construction of the “Small time deposits” component of M2.

Vault cash from FR 2900 reporters is used to estimate the Money Stock Currency component of M1. Vault cash is an existing FR 2900 data item; the Board is proposing to retain and renumber this item on the report form.

Proposed Daily Items	Purpose	Relation to Current Form
<b>A. Liquid Deposits</b>		Rename of existing form header.
<b>1. Demand deposits due to the public</b>	Used in the construction of M1.	Rename and renumber of existing item A.1.c (Other demand).  “Due to the public” will be defined in the form instructions to exclude any deposits due to depository institutions or the U.S. government.
<b>2. Other liquid deposits</b>	Used in the construction of M1.	Combines data currently reported in items A.2 (ATS accounts and NOW accounts/share drafts, and telephone preauthorized transfers) and C.1. (Total Savings Deposits (including MMDAs)).
<b>B. Deductions from Liquid Deposits</b>		Rename of existing header.
<b>1. Cash items in the process of collection</b>	Used in the construction of M1; netted from M1 components.	Appears on existing form as B.2.
<b>C.1. Small time deposits (time deposits with balances less than \$100,000)</b>	Used in the construction of M2.	Replaces existing items D.1 (Total Time Deposits) and F.1. (All time deposits with balances of \$100,000 or more (included in Item D.1 above))
<b>D.1. Vault Cash</b>	Deducted from currency in circulation to arrive at the currency component of M1.	Appears on existing form as E.1.

Section 19(b) of the Federal Reserve Act requires the Board to index the exemption and low reserve tranche amounts set forth in that section once a year before December 31. The

exemption amount defines the amount of net transaction accounts subject to a reserve requirement ratio of zero percent while the low reserve tranche denotes the amount of net transaction accounts subject to a reserve requirement ratio of 3 percent. Annual indexation of these amounts will continue even though reserve requirement ratios on net transaction accounts have been set to zero percent.

The revised FR 2900 form will collect certain data items at an annual frequency (as it does today). However, the Board proposes to limit the data items collected annually so that only the data items needed to index the exemption amount and low reserve tranche amount are collected, as shown in the table below.

Proposed Annual Items	Purpose	Relation to Current Form
<b>The following items should be reported as of close of business on June 30 each year</b>	Data are used in the annual indexation of the exemption and low reserve tranche amounts. The Board must index these amounts each year according to statute.	Replaces existing items AA.1 (Ineligible acceptances and obligations issued by affiliates maturing in less than 7 days), BB.1 (Total nonpersonal savings and time deposits), BB.2 (Ineligible acceptances and obligations issued by affiliates maturing in 7 days or more (Nonpersonal Only) and CC.1 (Net Eurocurrency liabilities).
<b>Foreign currency checkbox</b> If your institution had no foreign (non-U.S.) currency denominated deposits at any of your U.S. offices, please check this box. If you did not check this box, your institution is responsible for filing the quarterly FR 2915 Report of Foreign (non-U.S.) Currency Deposits.	Checkbox is used to identify institutions that should file the FR 2915.	Appears on existing form.
<b>1. Reservable Liabilities</b>	Input for calculation of the reserve requirement exemption amount.	
<b>a. Net Transaction Accounts</b>	Input for calculation of the low reserve tranche amount.	

Second, the Board proposes to discontinue quarterly reporting of FR 2900 items (FR 2900Q), effective January 1, 2021.<sup>14</sup> Data collected on the FR 2900Q have been used for the calculation of the reserve requirements of respondent depository institutions and in the estimation of the monetary aggregates. Since the Board has set all reserve requirement ratios to zero percent, the Board no longer needs to collect these data on the FR 2900Q. The Board will

<sup>14</sup> The last report as of date for quarterly reporters of the FR 2900 is proposed to be Monday, December 21, 2020.



use other data sources, such as Call Reports, to replace the FR 2900Q data in the estimation of the monetary aggregates.

Third, the Board proposes to simplify the criteria used to identify which depository institutions must file the FR 2900 on a weekly basis. It will use a new reporting threshold based on the sum of total liquid deposits and small time deposits, as calculated using data from the weekly FR 2900 or Call Reports. Depository institutions with total liquid deposits and small time deposits meeting or exceeding the new reporting threshold will be required to file the FR 2900 weekly. Those institutions with total liquid deposits and small time deposits less than the new reporting threshold will be exempt from FR 2900 reporting. The new threshold will be used to determine the FR 2900 weekly panel for reporting starting in September 2021 and will be initially set at \$1 billion.

In 2017, the Board conducted a thorough analysis to determine the smallest weekly panel needed to ensure consistent measurements of weekly time series for the monetary aggregates. It estimated that a reduction in the weekly panel to approximately 1,000 respondents was appropriate, and accordingly increased the non-exempt deposit cutoff, one of the main determinants of whether an institution reported the FR 2900 weekly or quarterly, from \$436 million to \$1.0 billion. This reduced the number of weekly respondents from over 2,000 to 1,136, just over the 1,000 target. The remaining weekly reporters included many respondents that would have been eligible to report quarterly but that opted to voluntarily remain on the weekly reporting panel, citing a preference for having reserve requirements recomputed at a higher frequency or a desire for consistency and to avoid shifting from between weekly and quarterly from year to year. The Board believes that the elimination of reserve requirements and quarterly FR 2900 reporting will also eliminate any convenience institutions perceive in reporting the FR 2900 weekly when they are not required to do so. The Board estimates that relying on this new threshold (\$1 billion) will bring the size of the weekly FR 2900 reporting panel to its target of 1,000 reporters. The Board will reevaluate this reporting threshold annually to ensure that the weekly FR 2900 panel size is large enough to maintain publication of accurate measures of the monetary aggregates.

The reporting threshold discussed above will not apply to banking Edge and agreement corporations and U.S. branches and agencies of foreign banks. The Board proposes to maintain its current practice of requiring banking Edge and agreement corporations and U.S. branches and agencies of foreign banks to report weekly, regardless of size, which presently applies to approximately 200 institutions. The Board has determined that the deposit flows of these institutions are significantly large enough and different from other depository institutions that their weekly reporting of data is needed to support the construction of the monetary aggregates. Moreover, this requirement imposes almost no additional burden. Over 93 percent of these institutions would be required to report weekly anyway because the sum of their liquid and small time deposits meets or exceeds the \$1 billion reporting threshold. Presently, only 13 of these institutions have deposits that are below this threshold.

The Table below summarizes the proposed changes to the weekly FR 2900 reporting panel.

Panel	Current Panel Determination	Current Panel Size	Proposed Panel Determination	Proposed Panel Size
<b>Weekly FR 2900</b>	(total transactions, savings, and small time deposits $\geq$ reduced reporting limit (\$2.208 billion) OR (net transactions accounts $>$ exemption amount (\$16.9 million)) AND total transactions, savings, and small time deposits $\geq$ non-exempt deposit cutoff (\$1.058 billion))	1,136	Total liquid and small time deposits $\geq$ weekly reporting threshold (\$1 billion)	1,000
<b>Quarterly FR 2900</b>	net transactions accounts $>$ exemption amount (\$16.9 million) AND total transactions accounts, savings, and small time $<$ non-exempt deposit cutoff (\$1.058 billion)	5,453	Eliminated	0

Lastly, the Board proposes to require reporters to submit the FR 2900 electronically.<sup>15</sup> Requiring electronic submissions should reduce validity edits, such as those due to rounding errors without increasing burden on reporters substantially.<sup>16</sup>

### **Annual Report of Deposits and Reservable Liabilities (FR 2910a)**

The Board proposes to discontinue the collection of the FR 2910a. Data collected on this form had been used in the determination of reporting panels for the Reports of Deposits and annual indexation of the exemption amount and low reserve tranche amount. With the elimination of reserve requirements, the Board has decided to reduce the number of reporting panels from four (weekly, quarterly, annually, or nonreporters) to two (weekly or nonreporters). As discussed above, the Board will simplify its determination of reporting panels to use the sum of total liquid deposits and small time deposits from Call Reports or the FR 2900 to determine

<sup>15</sup> Please visit <https://www.frbervices.org/central-bank/index.html> for information on the Federal Reserves electronic submission portal, Reporting Central.

<sup>16</sup> According to internal records, over 95 percent of current weekly FR 2900 filers submit their data electronically.

whether an institution should report the FR 2900 weekly. The Board will still need to index the exemption amount and low reserve tranche amount used in reserve requirement calculations annually even though reserve ratios are zero, but most of the data collected on the FR 2910a for the purposes of indexation are available on other data sources, and the items that are not available will not negatively affect our ability to accurately index these amounts.<sup>17</sup> The Table below summarizes the proposed changes to the annual FR 2910a reporting panel.

Panel	Current Panel Determination	Current Panel Size	Proposed Panel Determination	Proposed Panel Size
<b>Annual FR 2910a</b>	total deposits greater than exemption amount (\$16.9 million) AND net transactions accounts ≤ exemption amount (\$16.9 million) AND sum of total transactions accounts, savings, and small time deposits < (reduced reporting limit) \$2.208 billion	2,941	Eliminated	0

### **Report of Foreign (Non-U.S.) Currency Deposits (FR 2915)**

The Board proposes to continue the FR 2915 information collection with revisions. The revised FR 2915 form will collect four data items, Demand deposits due to the public, Other liquid deposits, Cash items in the process of collection, and Small time deposits, mirroring the data items on the revised FR 2900 that require adjustment. The Board conservatively estimates that this change will have no impact on reporting burden. The revised FR 2915 is proposed to take effect with the report as of date, June 21, 2021.

The Board contemplated eliminating the FR 2915 and instead requiring them to net foreign currency denominated deposits from their FR 2900 filing. However, requiring FR 2900 filers to net these data daily would likely increase reporter burden. Thus, the Board has elected to maintain the current form, which is collected only once a quarter.

The above revisions will only apply to reporters on the FR 2900 weekly panel. The last FR 2900 quarterly report is proposed for December 21, 2020, and the last FR 2915 for FR 2900 quarterly reporters with foreign currency deposits is December 21, 2020.

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<sup>17</sup> FR 2910a data represent a very small share of the liability measures used in annual indexation calculations.

## **Allocation of Low Reserve Tranche and Reservable Liabilities Exemption (FR 2930)**

The Board proposes to discontinue collection of the FR 2930 at the end of 2020. Data collected on the FR 2930 are used solely to support the calculation of respondent's reserve requirements. As the Board has set all reserve requirement ratios to zero percent, this collection and the associated data are no longer needed.

### **Time Schedule for Information Collection**

FR 2900 weekly respondents submit daily data on a weekly basis for report weeks that begin on a Tuesday and end on the following Monday, and annual data for the report week that contains June 30<sup>th</sup>. FR 2915 respondents submit weekly average data for the week beginning on the third Tuesday of the given month and ending the following Monday each March, June, September, and December.

### **Public Availability of Data**

Aggregate data for deposits, reserves, or both are published in numerous publicly available statistical releases: Aggregate Reserves of Depository Institutions and the Monetary Base (H.3 statistical release), Money Stock Measures (H.6 statistical release), and Assets and Liabilities of Commercial Banks in the United States (H.8 statistical release).

### **Legal Status**

The FR 2900 report and the FR 2915 report,<sup>18</sup> are authorized to be collected from depository institutions (commercial banks, credit unions and savings and loan associations) pursuant to section 11(a)(2) of the Federal Reserve Act (FRA) (12 U.S.C. § 248(a)(2)), from agreement corporations pursuant to section 25(5) and (7) of the FRA (12 U.S.C. §§ 603 and 604a), from banking Edge corporations pursuant to section 25A(17) of the FRA (12 U.S.C. § 625), and from branches and agencies of foreign banks pursuant to section 7 of the International Banking Act of 1978 (12 U.S.C. § 3105(c)(2)). The FR 2900 and FR 2915 are mandatory.

The data collected under the FR 2900 is considered confidential commercial and financial information, and respondents are assured that the data being collected will be treated as confidential by the Federal Reserve (except that aggregate data, which does not identify any individual institution, may be disclosed). Accordingly, the data collected on these reports is considered confidential pursuant to exemption 4 of the Freedom of Information Act, which protects confidential commercial or financial information from public disclosure (5 U.S.C. § 552(b)(4)).

### **Consultation Outside the Agency**

There has been no consultation outside the Federal Reserve System.

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<sup>18</sup> The FR 2915 report is collected from a subset of FR 2900 respondents (those that offer foreign currency-denominated deposits at their U.S. offices).

## Public Comments

On September 2, 2020, the Board published an initial notice in the *Federal Register* (85 FR 54577), requesting public comment for 60 days on the extension, with revision, of the FR 2900. The comment period for this notice expired on November 2, 2020. The Board received five comments: three from depository institutions, one from a trade association, and one from a federal agency. The public comments sought clarification of the proposed changes, which the Board has addressed below and in some cases through amendments to the FR 2900 instructions as identified below.

One depository institution asked for more information on the reporting requirements for U.S. branches and agencies of foreign banks. As noted in the proposal, the Board plans to maintain its current practice of requiring banking Edge and agreement corporations and U.S. branches and agencies of foreign banks to report weekly, regardless of size, because the deposit flows of these institutions are large enough and different enough from those of other depository institutions that weekly reporting of data is needed to support the construction of monetary aggregates.

Another depository institution requested clarification on the proposal's treatment of the reporting of demand deposit items: A.1.a, demand deposits due to depository institutions, A.1.b, demand deposits due to the U.S. government, and A.1.c, demand deposits due to other. The Board will discontinue collecting items A.1.a and A.1.b, and renumber and rename A.1.c to "A.1, Demand deposits due to the public (excluding demand deposits due to depository institutions and demand deposits due to the U.S. government)." The third depository institution requested clarification of the effective date of the proposed changes. The effective dates of the proposed changes vary by report form and are detailed in the Proposed Revisions section of this supporting statement that accompanied the Board's request for public comment.

The fourth comment letter was from a trade association. The commenter provided one suggestion and made four requests for clarification on the proposal. The commenter suggested the Board do more to align items reported on the FR 2900, Call, FR Y-9C, and FR 2886b reports to reduce burden on reporters. In the development of the proposal, the Board evaluated the interaction of the proposed changes to the FR 2900 with other report forms. The Board did not find it appropriate, however, to continue to collect items on the FR 2900 that are no longer needed for the Board's purposes, even if discontinuing those items led to some lack of alignment with other report forms, such as the Call Report. The same commenter also asked the Board to amend the FR 2900 instructions to include guidance on how to report retail sweep arrangements. The final version of the FR 2900 instructions includes such guidance. The commenter also requested that the Board specify whether personal or nonpersonal ineligible acceptances and obligations issued by affiliates and maturing in more than seven days should be included on the proposed annual item E.1 Reservable Liabilities. The instructions have been amended to specify that only the nonpersonal portion of ineligible acceptances and obligations issued by affiliates and maturing in more than seven days should be included. The commenter also sought confirmation on the treatment of savings deposits in Regulation CC - Availability of Funds and Collection of Checks (12 CFR Part 229) as a result of the recent amendments to Regulation D. Because Regulation CC continues to exclude accounts described in 12 CFR 204.2(d)(2) from the

Regulation CC “account” definition, the recent amendments to Regulation D did not result in savings deposits (accounts described in 12 CFR 204.2(d)(2)) being covered by Regulation CC. Lastly, the commenter requested that the Board clarify its expectations of reporters for explaining movements in data, which the commenter noted can be very burdensome. The Board continues to expect Federal Reserve System staff to work with reporters to explain movements in data and submit revisions if necessary to ensure data quality while remaining sensitive to minimizing such requests where feasible.

The fifth and final comment was from a U.S. government agency. The agency raised concerns that the elimination of total transaction accounts, deductions from transaction accounts, and ineligible acceptances and obligations issued by affiliates and maturing in seven days from the FR 2900 would affect their data production. These concerns have been addressed.

The Board has also considered the continued collection of FR 2900 reports from bankers’ banks and corporate credit unions.<sup>19</sup> Data reported on the FR 2900 by bankers’ banks and CCUs have historically been used to administer reserve requirements, but not for the construction of the monetary aggregates. The monetary aggregates measure money in the hands of the nonbank public in the United States. Deposits at bankers’ banks and CCUs represent funds of depository institutions and not nonbank depositors, and therefore data regarding these deposits have historically been excluded from construction of the monetary aggregates. As noted above, all reserve requirement ratios have been set to zero percent since March 2020. Because FR 2900 report data from bankers’ banks and CCUs will not be used for either administration of reserve requirements or construction of the monetary aggregates, the Board has determined to discontinue collecting FR 2900 reports from these institutions.<sup>20</sup>

Aside from the changes discussed above, the Board will adopt the extension, with revision, of the reports of deposits as originally proposed. On December 22, 2020, the Board published a final notice in the *Federal Register* (85 FR 83555).

### **Estimate of Respondent Burden**

As shown in the table below, the estimated total annual burden for the Reports of Deposits is 134,356 hours, and would decrease to 52,232 hours with the revisions. The reduction in the estimated burden is largely due to the discontinuance of the FR 2900 quarterly, FR 2910a, and FR 2930 information collections. In addition, the estimated hours per response for the FR 2900 (weekly) has been revised down (1 hour and 15 minutes to 1 hour) to reflect the reduction in the number of daily items collected. The number of respondents documented in the table below were calculated using data available as of June 1, 2020. These reporting requirements represent less than 1 percent of the Board’s total paperwork burden.

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<sup>19</sup> Currently, nine bankers’ banks and eleven corporate credit unions submit FR 2900 reports weekly, and three bankers’ banks submit the FR 2900 quarterly. The revisions to this information collection, as originally proposed, would likely affect four of these institutions and these institutions would be required to submit FR 2900 reports weekly.

<sup>20</sup> The last report as of-date for bankers’ banks and CCUs that file the FR 2900 weekly is April 5, 2021; for FR 2900 quarterly filers, the last report as of-date is December 21, 2020.

<b>FR 2900</b>	<i>Estimated number of respondents<sup>21</sup></i>	<i>Annual frequency</i>	<i>Estimated average hours per response</i>	<i>Estimated annual burden hours</i>
<b>Current</b>				
FR 2900 (weekly)	1,136	52	1.25	73,840
FR 2900 (quarterly)	4,869	4	3.0	58,428
FR 2910a	2,445	1	0.75	1,834
FR 2915	116	4	0.5	232
FR 2930	88	1	0.25	<u>22</u>
	<i>Current Total</i>			134,356
<b>Proposed</b>				
FR 2900	1,000	52	1.0	52,000
FR 2915	116	4	0.5	<u>232</u>
	<i>Proposed Total</i>			52,232
	<i>Change</i>			(82,124)

The current estimated total annual cost to the public for the FR 2900 is \$7,759,059, and would decrease to \$3,016,398 with the revisions.<sup>22</sup>

### Sensitive Questions

These collections of information contain no questions of a sensitive nature, as defined by OMB guidelines.

### Estimate of Cost to the Federal Reserve System

The estimated cost to the Federal Reserve System for collecting and processing these reports is \$73,000 for one-time costs, and \$4,087,700 for ongoing costs.

<sup>21</sup> Of these respondents, 140 for the FR 2900 and 8 for the FR 2915 are considered small entities as defined by the Small Business Administration (i.e., entities with less than \$600 million in total assets since the last four quarters ending December 31, 2019), <https://www.sba.gov/document/support--table-size-standards>.

<sup>22</sup> 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 \$20, 45% Financial Managers at \$71, 15% Lawyers at \$70, and 10% Chief Executives at \$93). 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 2019*, published March 31, 2020, <https://www.bls.gov/news.release/ocwage.t01.htm>. Occupations are defined using the BLS Standard Occupational Classification System, <https://www.bls.gov/soc/>.