

l. Major Capital Projects as defined by 49 CFR part 633 “Project Management Oversight” must document FTA has reviewed the project management plan and provided approval.

m. Milestone information is complete. FTA will also review status of other open award reports to confirm financial and milestone information is current on other open awards.

n. Recipient has ensured that it has registered to report to the National Transit Database, and that any beneficiaries that provide public transportation service have also registered to report to the National Transit Database. FTA must also provide Congressional notification before awarding competitive grants.

Other important issues that impact FTA grant processing activities in addition to the list above are discussed below.

a. Award Budgets—Scope Codes and Activity Line Items (ALI) Codes; Financial Purpose Codes

FTA uses Scope and ALI Codes in the award budgets to track disbursements, monitor program trends, report to Congress, and to respond to requests from the Inspector General and the Government Accountability Office, as well as to manage grants. The accuracy of the data is dependent on the careful and correct use of codes.

b. Designated and Direct Recipients Documentation

For its formula programs, FTA primarily apportions funds to the designated recipient in the large UZAs (areas over 200,000), or for areas under 200,000 (small UZAs and rural areas), it apportions the funds to the Governor, or its designee (*e.g.*, State DOT). Depending on the program, as described in the individual program sections found in Section IV of this notice, further suballocation of funds may be permitted to eligible recipients who may then apply directly to FTA for the funding as direct recipients.

For the programs in which FTA may make grants to eligible direct recipients, other than the designated recipient(s), recipients are reminded that documentation must be on file to support: (1) The status of the recipient either as a designated recipient or direct recipient; and (2) the allocation of funds to the direct recipient.

Documentation to support existing designated recipients for the UZA must also be on file at the time of the first application in FY 2021. Split letters and/or suballocation letters (Governor’s Apportionment letters), must also be on file to support grant applications for

direct recipients. Once suballocation letters for FY 2021 funding are finalized, they should be uploaded as part of the application into TrAMS.

The Direct Recipient is required to upload to TrAMS a copy of the suballocation letter (Letter) indicating their allocation of funding, for the appropriate fund program, when the applicant transmits their application for initial review. The Letter must be signed by the Designated Recipient, or as applicable in accordance with their planning requirements. If there are two Designated Recipients, both entities must sign the Letter. The Letter must: (1) Indicate the allocations to the respective Direct Recipients listed in the letter; (2) incorporate language above the signatories to reflect this agreement; and (3) make clear that the Direct Recipient will assume any/all responsibility associated with the award for the funds. When drafting the Letter, Designated Recipients may use the template language below:

As identified in this Letter, the Designated Recipient(s) authorize the reassignment/reallocation of [enter fund source; *e.g.*, Section 5307 funds] to the Direct Recipient(s) named herein. The undersigned agree to the amounts allocated/reassigned to each direct Recipient. Each Direct Recipient is responsible for its application to the Federal Transit Administration to receive such funds and assumes the responsibilities associated with any award for these funds.

The contents of this document do not have the force and effect of law and are not meant to bind the public in any way. This document is intended only to provide clarity to the public regarding existing requirements under the law or agency policies.

Recipients should refer to applicable regulations and statutes referenced in this document.

Nuria I. Fernandez,

Administrator.

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DEPARTMENT OF THE TREASURY

Office of the Comptroller of the Currency

FEDERAL RESERVE SYSTEM

FEDERAL DEPOSIT INSURANCE CORPORATION

Proposed Agency Information Collection Activities; Comment Request

AGENCY: Office of the Comptroller of the Currency (OCC), Treasury; Board of

Governors of the Federal Reserve System (Board); and Federal Deposit Insurance Corporation (FDIC).

ACTION: Joint notice and request for comment.

SUMMARY: In accordance with the requirements of the Paperwork Reduction Act of 1995 (PRA), the OCC, the Board, and the FDIC (the agencies) may not conduct or sponsor, and the respondent is not required to respond to, an information collection unless it displays a currently valid Office of Management and Budget (OMB) control number. The Federal Financial Institutions Examination Council (FFIEC), of which the agencies are members, has approved the agencies’ publication for public comment of a proposal to revise and extend the Consolidated Reports of Condition and Income (Call Reports) (FFIEC 031, FFIEC 041, and FFIEC 051), which are currently approved collections of information. The agencies are requesting comment on proposed changes to clarify instructions for reporting of deferred tax assets (DTAs) consistent with a proposed rule on tax allocation agreements and a new item related to the final rule on the standardized approach for counterparty credit risk.

DATES: Comments must be submitted on or before September 20, 2021.

ADDRESSES: Interested parties are invited to submit written comments to any or all of the agencies. All comments, which should refer to the “Call Report Revisions,” will be shared among the agencies.

OCC: You may submit comments, which should refer to “Call Report Revisions,” by any of the following methods:

- *Email:* prainfo@occ.treas.gov.
- *Mail:* Chief Counsel’s Office, Office of the Comptroller of the Currency, Attention: 1557-0081, 400 7th Street SW, Suite 3E-218, Washington, DC 20219.
- *Hand Delivery/Courier:* 400 7th Street SW, Suite 3E-218, Washington, DC 20219.

Instructions: You must include “OCC” as the agency name and “1557-0081” in your comment. In general, the OCC will publish comments on www.reginfo.gov without change, including any business or personal information provided, such as name and address information, email addresses, or phone numbers. Comments received, including attachments and other supporting materials, are part of the public record and subject to public disclosure. Do not include any information in your comment or

supporting materials that you consider confidential or inappropriate for public disclosure.

You may review comments and other related materials that pertain to this information collection beginning on the date of publication of the second notice for this collection by the following method:

- **Viewing Comments Electronically:** Go to www.reginfo.gov. Click on the "Information Collection Review" link on the "Information Collection Review" tab. Underneath the "Currently under Review" section heading, from the drop-down menu select "Department of Treasury" and then click "submit." This information collection can be located by searching by OMB control number "1557-0081." Upon finding the appropriate information collection, click on the related "ICR Reference Number." On the next screen, select "View Supporting Statement and Other Documents" and then click on the link to any comment listed at the bottom of the screen.

- For assistance in navigating www.reginfo.gov, please contact the Regulatory Information Service Center at (202) 482-7340.

Board: You may submit comments, which should refer to "Call Report Revisions," by any of the following methods:

- **Agency Website:** <http://www.federalreserve.gov>. Follow the instructions for submitting comments at: <http://www.federalreserve.gov/generalinfo/foia/ProposedRegs.cfm>.

- **Email:** regs.comments@federalreserve.gov. Include "Call Report Reporting Revisions" in the subject line of the message.

- **Fax:** (202) 452-3819 or (202) 452-3102.

- **Mail:** Ann E. Misback, Secretary, Board of Governors of the Federal Reserve System, 20th Street and Constitution Avenue NW, Washington, DC 20551.

All public comments are available on the Board's website at <https://www.federalreserve.gov/apps/foia/proposedregs.aspx> as submitted, unless modified for technical reasons. Accordingly, your comments will not be edited to remove any identifying or contact information.

FDIC: You may submit comments, which should refer to "Call Report Revisions," by any of the following methods:

- **Agency Website:** <https://www.fdic.gov/regulations/laws/federal/>. Follow the instructions for submitting comments on the FDIC's website.

- **Federal eRulemaking Portal:** <https://www.regulations.gov>. Follow the instructions for submitting comments.

- **Email:** comments@FDIC.gov. Include "Call Report Revisions" in the subject line of the message.

- **Mail:** Manuel E. Cabeza, Counsel, Attn: Comments, Room MB-3128, Federal Deposit Insurance Corporation, 550 17th Street NW, Washington, DC 20429.

- **Hand Delivery:** Comments may be hand delivered to the guard station at the rear of the 550 17th Street Building (located on F Street) on business days between 7:00 a.m. and 5:00 p.m.

- **Public Inspection:** All comments received will be posted without change to <https://www.fdic.gov/regulations/laws/federal/> including any personal information provided. Paper copies of public comments may be requested from the FDIC Public Information Center by telephone at (877) 275-3342 or (703) 562-2200.

Additionally, commenters may send a copy of their comments to the OMB desk officers for the agencies by mail to the Office of Information and Regulatory Affairs, U.S. Office of Management and Budget, New Executive Office Building, Room 10235, 725 17th Street NW, Washington, DC 20503; by fax to (202) 395-6974; or by email to oir_submission@omb.eop.gov.

FOR FURTHER INFORMATION CONTACT: For further information about the proposed revisions to the information collections discussed in this notice, please contact any of the agency staff whose names appear below. In addition, copies of the report forms for the Call Reports can be obtained at the FFIEC's website (https://www.ffiec.gov/ffiec_report_forms.htm).

OCC: Kevin Korzeniewski, Counsel, Chief Counsel's Office, (202) 649-5490.

Board: Nuha Elmaghrahi, Federal Reserve Board Clearance Officer, (202) 452-3884, Office of the Chief Data Officer, Board of Governors of the Federal Reserve System, 20th and C Streets NW, Washington, DC 20551. Telecommunications Device for the Deaf (TDD) users may call (202) 263-4869.

FDIC: Manuel E. Cabeza, Counsel, (202) 898-3767, Legal Division, Federal Deposit Insurance Corporation, 550 17th Street NW, Washington, DC 20429.

SUPPLEMENTARY INFORMATION:

I. Report Summary

The agencies propose to extend for three years, with revision, the FFIEC 031, FFIEC 041, and FFIEC 051 Call Reports.

Report Title: Consolidated Reports of Condition and Income (Call Report).

Form Number: FFIEC 031 (Consolidated Reports of Condition and

Income for a Bank with Domestic and Foreign Offices), FFIEC 041 (Consolidated Reports of Condition and Income for a Bank with Domestic Offices Only), and FFIEC 051 (Consolidated Reports of Condition and Income for a Bank with Domestic Offices Only and Total Assets Less Than \$5 Billion).

Frequency of Response: Quarterly.

Affected Public: Business or other for-profit.

Type of Review: Revision and extension of currently approved collections.

OCC

OMB Control No.: 1557-0081.

Estimated Number of Respondents: 1,090 national banks and federal savings associations.

Estimated Average Burden per Response: 42.10 burden hours per quarter to file.

Estimated Total Annual Burden: 183,556 burden hours to file.

Board

OMB Control No.: 7100-0036.

Estimated Number of Respondents: 728 state member banks.

Estimated Average Burden per Response: 45.62 burden hours per quarter to file.

Estimated Total Annual Burden: 132,845 burden hours to file.

FDIC

OMB Control No.: 3064-0052.

Estimated Number of Respondents: 3,209 insured state nonmember banks and state savings associations.

Estimated Average Burden per Response: 40.13 burden hours per quarter to file.

Estimated Total Annual Burden: 515,109 burden hours to file.

The estimated average burden hours collectively reflect the estimates for the FFIEC 031, the FFIEC 041, and the FFIEC 051 reports for each agency. When the estimates are calculated by type of report across the agencies, the estimated average burden hours per quarter are 86.49 (FFIEC 031), 55.53 (FFIEC 041), and 35.38 (FFIEC 051). The changes to the FFIEC 031, FFIEC 041 and FFIEC 051 Call Report forms and instructions proposed in this notice would not have a material impact on the existing burden estimates. The estimated burden per response for the quarterly filings of the Call Report is an average that varies 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).

Type of Review: Extension and revision of currently approved collections. In addition to the proposed revisions discussed below, Call Reports are periodically updated to clarify instructional guidance and correct grammatical and typographical errors on the forms and instructions, which are published on the FFIEC website.¹ These non-substantive updates may also be commented upon.

Legal Basis and Need for Collections

The Call Report information collections are mandatory: 12 U.S.C. 161 (national banks), 12 U.S.C. 324 (state member banks), 12 U.S.C. 1817 (insured state nonmember commercial and savings banks), and 12 U.S.C. 1464 (federal and state savings associations). At present, except for selected data items and text, these information collections are not given confidential treatment.

Banks and savings associations submit Call Report data to the agencies each quarter for the agencies' use in monitoring the condition, performance, and risk profile of individual institutions and the industry as a whole. Call Report data serve a regulatory or public policy purpose by assisting the agencies in fulfilling their shared missions of ensuring the safety and soundness of financial institutions and the financial system and protecting consumer financial rights, as well as agency-specific missions affecting national and state-chartered institutions, such as conducting monetary policy, ensuring financial stability, and administering federal deposit insurance. Call Reports are the source of the most current statistical data available for identifying areas of focus for on-site and off-site examinations. Among other purposes, the agencies use Call Report data in evaluating institutions' corporate applications, including interstate merger and acquisition applications for which the agencies are required by law to determine whether the resulting institution would control more than 10 percent of the total amount of deposits of insured depository institutions in the United States. Call Report data also are used to calculate institutions' deposit insurance assessments and national banks' and federal savings associations' semiannual assessment fees.

II. Current Actions

A. Deferred Tax Items

Background

On May 10, 2021, the agencies published a proposed rule on Tax Allocation Agreements (Tax NPR).² The Tax NPR addresses safety and soundness requirements and appropriate accounting for these agreements. Consistent with the proposed requirements and discussion in the Tax NPR, the agencies propose to revise the Call Report instructions to clarify the Glossary entry for "Income Taxes" to address treatment of temporary difference deferred tax items and operating loss and tax credit carryforward deferred tax assets (DTAs).

Temporary Difference Deferred Tax Items

Consistent with the separate entity basis reporting requirement, separating DTAs and deferred tax liabilities (DTLs) from the associated assets or liabilities that gave rise to the deferred tax items would depart from one of the primary objectives related to accounting for income taxes, which is to recognize deferred tax items for the future tax consequences of events that have been recognized in an entity's financial statements or tax returns.³ The relevant accounting standards specifically state that a temporary difference refers to a difference between the tax basis of an asset or liability and its reported amount in the financial statements that will result in taxable or deductible amounts in future years when the reported amount of the asset or liability is recovered or settled, respectively.⁴ More specifically, DTAs are the deferred tax consequences attributable to deductible temporary differences and carryforwards, while DTLs are the deferred tax consequences attributable to taxable temporary differences.⁵

Based on the description of deferred tax items in ASC paragraph 740-10-05-7 and the uncertainty over the actual amounts at which deferred tax items will be settled or realized in future periods, temporary difference deferred tax items should remain on the balance sheet as long as the associated assets or liabilities that give rise to those deferred tax items remain on the balance sheet. Accordingly, an institution's purchase, sale, or other transfer of deferred tax items arising from temporary differences is not acceptable under U.S. generally

accepted accounting principles (GAAP) unless these items are transferred in connection with the transfer of the associated assets or liabilities. In the case of timing differences, it may be appropriate to transfer DTAs or DTLs resulting from a timing difference when the underlying asset or liability that created the future tax benefit or obligation is being purchased, sold, or transferred within the consolidated group.⁶ In addition, when the DTA or DTL can be realized or is absorbed by the consolidated group in the current period tax return, it would be appropriate to settle or recover the DTA or DTL, respectively.⁷ Therefore, the agencies propose to revise the Glossary entry for "Income Taxes" to clarify the treatment for transfers of temporary difference deferred tax items as described above.

Operating Loss and Tax Credit Carryforward DTAs

Carryforwards are deductions or credits that cannot be utilized on the tax return during a year that may be carried forward to reduce taxable income or taxes payable in a future year.⁸ Thus, in contrast to temporary differences, carryforwards do not arise directly from book-tax basis differences associated with particular assets or liabilities.

GAAP does not require a single allocation method for income taxes when members of a consolidated group issue separate financial statements.⁹ The commonly applied "separate-return" method, which would reflect DTAs for net operating losses (NOLs) and tax credit carryforwards on a separate return basis, would meet the relevant criteria.¹⁰ Other systematic and rational methods that are consistent with the broad principles established by ASC Topic 740 are also acceptable under GAAP.

As described in detail in **SUPPLEMENTARY INFORMATION** section of the Tax NPR, the agencies have determined that the derecognition by insured depository institutions of DTAs for NOL or tax credit carryforwards in

⁶ When an asset or liability is transferred outside the consolidated group, the institution would no longer recognize the associated DTA or DTL. The institution would include the tax consequences of the transaction in the calculation of its current period tax expense or benefit.

⁷ Under GAAP, a deferred tax item generally becomes a current tax item when it is expected to be used to calculate estimated taxes payable or receivable on tax returns for current and prior years. ASC Topic 740 ¶ 740-10-25-2(a) (Fin. Acct. Standards Bd. 2019).

⁸ *Id.* ¶ 740-10-20.

⁹ *See id.* ¶ 740-10-30-27 (referring to ASC subtopic 740-10).

¹⁰ *Id.*

² 86 FR 24755 (May 10, 2021).

³ Accounting Standards Codification (ASC) Topic 740 ¶ 740-10-10-1 (Fin. Acct. Standards Bd. 2019).

⁴ *Id.* ¶ 740-10-05-7.

⁵ *Id.* ¶ 740-10-20.

¹ www.ffiec.gov/forms031.htm; www.ffiec.gov/forms041.htm; www.ffiec.gov/forms051.htm.

the Call Report raises significant supervisory and other concerns. Consistent with that determination, the agencies propose to revise the instructions to clarify that an institution must not derecognize DTAs for NOLs or tax credit carryforwards on its separate-entity regulatory reports prior to the time when such carryforwards are absorbed by the consolidated group.

B. Standardized Approach for Counterparty Credit Risk (SA-CCR)

The agencies are proposing a revision to add a new item to the Call Report forms related to early or voluntary adoption of the standardized approach for counterparty credit risk methodology in the agencies' capital rules.¹¹

Background

On January 24, 2020, the agencies issued a final rule¹² (SA-CCR final rule) that amends the regulatory capital rule to implement a new approach for calculating the exposure amount for derivative contracts for purposes of calculating the total risk-weighted assets (RWA), which is called SA-CCR. The final rule also incorporates SA-CCR into the determination of the exposure amount of derivatives for total leverage exposure under the supplementary leverage ratio, and the cleared transaction framework under the capital rule.

Banking institutions that are not advanced approaches institutions may elect to use SA-CCR to calculate standardized total RWA by notifying their appropriate federal supervisor.¹³ Advanced approaches institutions are required to use SA-CCR to calculate standardized total RWA starting on January 1, 2022. Advanced approaches institutions may adopt SA-CCR prior to January 1, 2022, but must notify their appropriate federal supervisor of early adoption.¹⁴

Proposed Change

The agencies are proposing to revise Schedule RC-R, Part I, Regulatory Capital Components and Ratios, on all versions of the Call Report by adding a new line item 31.b, "Standardized Approach for Counterparty Credit Risk opt-in election." The agencies are proposing to add this new item to identify institutions that have chosen to early adopt or voluntarily elect SA-

CCR, which would allow for enhanced comparability of the reported derivative data and for better supervision of the implementation of the framework at these institutions. Due to the inherent complexity of adopting SA-CCR, this identification is particularly important for non-advanced approaches institutions that choose to voluntarily adopt SA-CCR.

A non-advanced approaches institution that adopts SA-CCR would enter "1" for "Yes" in line item 31.b. All other non-advanced approaches institutions would leave this item blank. If a non-advanced approaches institution has elected to use SA-CCR, the institution may change its election only with prior approval of its appropriate federal regulator.¹⁵ An advanced approaches institution that elects to early adopt SA-CCR prior to the January 1, 2022, mandatory compliance date would enter "1" for "Yes" in line item 31.b. After January 1, 2022, an advanced approaches institution would leave this item blank. This proposed reporting change would take effect starting with the December 31, 2021, Call Report. This item would no longer be applicable to advanced approaches institutions starting with the March 31, 2022, report date.

III. Request for Comment

Public comment is requested on all aspects of this joint notice. Comment is specifically invited on:

(a) Whether the proposed revisions to the collections of information that are the subject of this notice are necessary for the proper performance of the agencies' functions, including whether the information has practical utility;

(b) The accuracy of the agencies' estimates of the burden of the information collections as they are proposed to be revised, including the validity of the methodology and assumptions used;

(c) Ways to enhance the quality, utility, and clarity of the information to be collected;

(d) Ways to minimize the burden of information collections on respondents, including through the use of automated collection techniques or other forms of information technology; and

(e) Estimates of capital or start-up costs and costs of operation, maintenance, and purchase of services to provide information.

Comments submitted in response to this joint notice will be shared among the agencies.

Theodore J. Dowd,

Deputy Chief Counsel, Office of the Comptroller of the Currency.

Board of Governors of the Federal Reserve System.

Michelle Taylor Fennell,

Deputy Associate Secretary of the Board.

Federal Deposit Insurance Corporation.

Dated at Washington, DC, on July 13, 2021.

James P. Sheesley,

Assistant Executive Secretary.

[FR Doc. 2021-15556 Filed 7-21-21; 8:45 am]

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DEPARTMENT OF THE TREASURY

Bureau of the Fiscal Service

Prompt Payment Interest Rate; Contract Disputes Act

AGENCY: Bureau of the Fiscal Service, Treasury.

ACTION: Notice of prompt payment interest rate; Contract Disputes Act.

SUMMARY: For the period beginning July 1, 2021, and ending on December 31, 2021, the prompt payment interest rate is 1½% per centum per annum.

DATES: Effective July 1, 2021, to December 31, 2021.

ADDRESSES: Comments or inquiries may be mailed to: E-Commerce Division, Bureau of the Fiscal Service, 401 14th Street SW, Room 306F, Washington, DC 20227. Comments or inquiries may also be emailed to PromptPayment@fiscal.treasury.gov.

FOR FURTHER INFORMATION CONTACT: Thomas M. Burnum, E-Commerce Division, (202) 874-6430; or Thomas Kearns, Senior Counsel, Office of the Chief Counsel, (202) 874-7036.

SUPPLEMENTARY INFORMATION: An agency that has acquired property or service from a business concern and has failed to pay for the complete delivery of property or service by the required payment date shall pay the business concern an interest penalty. 31 U.S.C. 3902(a). The Contract Disputes Act of 1978, Sec. 12, Public Law 95-563, 92 Stat. 2389, and the Prompt Payment Act, 31 U.S.C. 3902(a), provide for the calculation of interest due on claims at the rate established by the Secretary of the Treasury.

The Secretary of the Treasury has the authority to specify the rate by which the interest shall be computed for interest payments under section 12 of the Contract Disputes Act of 1978 and

¹¹ 12 CFR part 3 (OCC); 12 CFR part 217 (Board); 12 CFR part 324 (FDIC).

¹² 85 FR 4362 (Jan. 24, 2020).

¹³ 12 CFR 3.34(a)(1)(ii) (OCC); 12 CFR 217.34(a)(1)(ii) (Board); 12 CFR 324.34(a)(1)(ii) (FDIC).

¹⁴ 12 CFR 3.300(g) (OCC); 12 CFR 217.300(h) (Board); 12 CFR 324.300(g) (FDIC).

¹⁵ 12 CFR 3.34(a)(1)(ii) (OCC); 12 CFR 217.34(a)(1)(ii) (Board); 12 CFR 324.34(a)(1)(ii) (FDIC).