

**Supporting Statement for the
Reports of Deposits
(FR 2900 and FR 2915; 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, without revision, the Reports of Deposits (FR 2900 and FR 2915; OMB No. 7100-0087). The Reports of Deposits information collection comprises the Report of Deposits and Vault Cash (FR 2900) and Report of Foreign (Non-U.S.) Currency Deposits (FR 2915). The FR 2900 collects information on select deposits and vault cash from depository institutions. The FR 2915 collects the weekly average amount outstanding of deposits denominated in foreign (non-U.S.) currencies held at U.S. offices of depository institutions that are included in the FR 2900.

The estimated total annual burden for the FR 2900 and FR 2915 is 59,168 hours. The forms and instructions are available on the Board's public website at <https://www.federalreserve.gov/apps/reportingforms>.

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) and Garn-St. Germain Depository Institutions Act of 1982 (Garn-St. Germain Act). 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. The Garn-St Germain Act imposes a reserve requirement ratio of zero percent on a specific amount (the reserve requirement exemption amount) 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 that have a reserve requirement of zero percent be subject to less overall reporting requirements than depository institutions that 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. Effective March 26, 2020, the Board reduced the reserve requirement ratios applicable to all transaction accounts to zero percent, eliminating all reserve requirements.

With reserve requirements effectively eliminated, the Board introduced in 2021 several amendments to the Reports of Deposits to reduce reporting burden associated with this information collection. The burden reduction strategy included discontinuing select reports (such as the Annual Report of Deposits and Reservable Liabilities (FR 2910a) and Allocation of Low Reserve Tranche and Reservable Liabilities Exemption (FR 2930)) and refocusing the items collected on the FR 2900 and FR 2915 to those that would support the construction and analysis of the monetary aggregates. In addition, the Board also took steps to simplify the criteria used to identify which depository institutions must file the FR 2900. The new criteria provided the

means to determine the smallest weekly panel needed to ensure consistent measurements of weekly time series for the monetary aggregates. The refocused FR 2900 and FR 2915 report forms were implemented in 2021. The FR 2900 report is the primary source of data used in the construction and analysis of the monetary aggregates. 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 also used by the Board in the construction of the monetary aggregates.

The data provided by this information collection is not available from other sources at a high enough frequency to ensure the Board can publish accurate measures of the monetary aggregates. The FR 2915 is the only data source on foreign currency denominated deposits available to the Board. Currently, the Board publishes monthly averages of the monetary aggregates and their underlying components once a month on the H.6 statistical release, Money Stock Measures. In addition, as part of the H.6 release process, the Board provides weekly average, nonseasonally adjusted data for the aggregates and their components to the public through the Data Download Program. While similar deposit data are available elsewhere, such as the Call Reports,¹ these alternative data sources are only available once a quarter, and thus, cannot be used to accurately construct weekly average and monthly average stocks of the monetary aggregates.

Description of Information Collection

Report of Deposits and Vault Cash (FR 2900)

The FR 2900 is the primary source of data used to construct and analyze the U.S. monetary aggregates. Data from this report are also used by the Board to meet its obligations under section 19(b) of the Federal Reserve Act.² All FR 2900 reporters are expected to submit the FR 2900 electronically via Reporting Central.

Data Coverage

The FR 2900 reporting form is comprised of eight items. Five data items are reported at a daily frequency and are used to construct the monetary aggregates. Three items are reported annually with the report week that contains June 30th. One annual item is a check box for reporters to indicate whether their institution has foreign (non-U.S.) currency denominated deposits at any of their U.S. offices and thus should file the quarterly FR 2915. The remaining two annual items are used by the Board to update the exemption and low reserve tranche amounts as required by section 19(b) of the Federal Reserve Act.

¹ 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 (Form 5300 and Form 5300SF; OMB No. 3133-0004).

² The Board is required under section 19(b) of the Federal Reserve Act to update the exemption and low reserve tranche amounts once a year. 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 ratios on net transaction accounts have been set to zero percent.

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

FR 2915 data are used to net foreign currency-denominated deposits from data reported on the FR 2900 reporting form. This netting occurs to ensure foreign currency deposits are excluded from the monetary aggregates and their components.

Data Coverage

The FR 2915 reporting form is comprised of four data items and one check box. The four data items mirror the first four items on the FR 2900 reporting form. FR 2915 filers are expected to report the weekly (seven-day) average for each item in U.S. dollars. The instructions for the FR 2915 provide guidance on how to convert foreign currency-denominated deposits to U.S. dollars. A check box is included for filers to select if they do not have any foreign-currency denominated deposits at their U.S. offices on every day of the reporting week.

Respondent Panel

The FR 2900 is required from all banking Edge Act and agreement corporations and U.S. branches and agencies of foreign (non-U.S.) banks, regardless of the level of their deposits, and from all other depository institutions in the United States with total liquid deposits and small time deposits greater than or equal to a reporting threshold specified annually by the Federal Reserve Board. The reporting threshold for 2022 was \$1.4 billion. The Board has determined that deposit flows from non-U.S. banks are significantly large enough and different from other depository institutions that their weekly reporting of data is needed to support the construction of accurate monetary aggregates.

All FR 2900 reporters that offer deposits denominated in foreign currencies at their U.S. offices should file the FR 2915 once a quarter. Respondents self-identify whether they have any deposits denominated in foreign currencies once a year using a check box on the FR 2900.

Frequency and Time Schedule

The FR 2900 reports are submitted weekly. The Board has determined that weekly data are currently needed to maintain publication of accurate measures of the monetary aggregates to the public. The Board makes monthly averages of the monetary aggregates and their components available to the public on the H.6 statistical release. FR 2900 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 30th.

The FR 2915 is submitted once a quarter. FR 2915 respondents submit weekly average data for the week beginning on the third Tuesday of each March, June, September, and December and ending on the following Monday.

Public Availability of Data

Aggregate data for deposits are published on the H.6 statistical release. In addition, weekly average, nonseasonally adjusted data for the aggregates and their components are provided to the public through the Data Download Program.

Legal Status

The FR 2900 report and FR 2915 report,³ 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 sections 25(4) and (7) of the FRA (12 U.S.C. §§ 602 and 604(a)) and section 25A(6) of the FRA (12 U.S.C. § 615), 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 is considered confidential pursuant to exemption 4 of the Freedom of Information Act, which protects nonpublic commercial or financial information which is both customarily and actually treated as private by the respondent (5 U.S.C. § 552(b)(4)).

Consultation Outside the Agency

There has been no consultation outside the Federal Reserve System.

Public Comments

On August 18, 2023, the Board published an initial notice in the *Federal Register* (88 FR 56622) requesting public comment for 60 days on the extension, without revision, of the FR 2900 and FR 2915. The comment period for this notice expired on October 17, 2023. The Board did not receive any comments. The Board adopted the extension, without revision, of the FR 2900 and FR 2915 as originally proposed. On December 4, 2023, the Board published a final notice in the *Federal Register* (88 FR 84141).

Estimate of Respondent Burden

As shown in the table below, the estimated total annual burden for the FR 2900 and FR 2915 is 59,168 hours. The number of respondents is based on a list of current FR 2900 and FR 2915 filers as of February 2, 2023. The burden estimate was produced using the standard Board burden calculation methodology. These reporting requirements represent less than 1 percent of the Board's total paperwork burden.

³ 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).

| FR 2900 and FR 2915 | <i>Estimated number of respondents⁴</i> | <i>Estimated annual frequency</i> | <i>Estimated average hours per response</i> | <i>Estimated annual burden hours</i> |
|----------------------------|--|-----------------------------------|---|--------------------------------------|
| FR 2900 | 994 | 52 | 1.14 | 58,924 |
| FR 2915 | 111 | 4 | 0.55 | <u>244</u> |
| <i>Total</i> | | | | 59,168 |

The estimated total annual cost to the public for the FR 2900 and FR 2915 is \$3,919,880.⁵

Sensitive Questions

This information collection contains 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 \$2,717,800.

⁴ Of these respondents, 36 for the FR 2900 and 7 for the FR 2915 are considered small entities as defined by the Small Business Administration (i.e., entities with less than \$850 million in total assets). Size standards effective March 17, 2023. See <https://www.sba.gov/document/support-table-size-standards>.

⁵ Total cost to the responding public is estimated using the following formula: total burden hours, multiplied by the cost of staffing, where the cost of staffing is calculated as a percent of time for each occupational group multiplied by the group’s hourly rate and then summed (30% Office & Administrative Support at \$22, 45% Financial Managers at \$80, 15% Lawyers at \$79, and 10% Chief Executives at \$118). Hourly rates for each occupational group are the (rounded) mean hourly wages from the Bureau of Labor Statistics (BLS), *Occupational Employment and Wages, May 2022*, published April 25, 2023, <https://www.bls.gov/news.release/ocwage.t01.htm>. Occupations are defined using the BLS Standard Occupational Classification System, <https://www.bls.gov/soc/>.