**Supporting Statement for the Consolidated Reports of Condition and Income**

**(Call Report) (FFIEC 031, FFIEC 041, FFIEC 051)**

**OMB Control No. 1557-0081**

**Background**

 The Office of the Comptroller of the Currency (OCC), in coordination with the Federal Deposit Insurance Corporation (FDIC) and the Board of Governors of the Federal Reserve System (Board) (collectively, the agencies), each of which is submitting a separate request, hereby requests approval from the Office of Management and Budget (OMB) pursuant to the Paperwork Reduction Act for a proposal to extend for three years, with revisions, the Consolidated Reports of Condition and Income (Call Report), Control No. 1557-0081. These reports are currently approved collections of information.

**Summary of Actions and Related Revisions**

On September 28, 2023, the agencies, under the auspices of the Federal Financial Institutions Examination Council (FFIEC), requested public comment for 60 days on a proposal to revise and extend the Consolidated Reports of Condition and Income (Call Report) (FFIEC 031, FFIEC 041, and FFIEC 051).

The notice proposed revisions to the Call Report that relate to the Financial Accounting Standards Board’s (FASB) Accounting Standards Update (ASU) 2022–02, “Financial Instruments—Credit Losses (Topic 326): Troubled Debt Restructurings and Vintage Disclosures (ASU 2022–02); reporting of past due loans; and reporting of internet website addresses of depository institution trade names.

The agencies finalized all of the proposed revisions, except for the change related to how long past due loans needed to be reported for. The agencies deferred action on this item pending additional review of the comments. The agencies are now proceeding with finalizing this last item from the September 2023 notice.

**A. JUSTIFICATION**

1. ***Circumstances and Need:***

 The OCC requires the information collected on the Call Reports to fulfill its statutory obligation to supervise national banks and Federal savings associations. These institutions are required to file detailed schedules of assets, liabilities, and capital accounts in the form of condition report and summary statements as well as detailed schedules of operating income and expense, sources and disposition of income, and changes in equity capital.

 Institutions 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 provide the most current statistical data available for evaluating institutions’ corporate applications, identifying areas of focus for on-site and off-site examinations, and furthering monetary and other public policy purposes.

 Within the Call Report information collection system as a whole, there are three reporting forms that apply to different categories of banks: (1) all banks that have domestic and foreign offices (FFIEC 031), total assets of $100 billion or more, or are Category I or II institutions; (2) banks with domestic offices only (FFIEC 041); and (3) banks with domestic offices only with total assets of $5 billion or less (FFIEC 051).

***2. Use of Information Collected:***

 The agencies use Call Report data in evaluating interstate merger and acquisition applications to determine, as required by law, whether the resulting institution would control more than ten percent of the total amount of deposits of insured depository institutions in the United States. Call Report data are also used to calculate institutions’ deposit insurance assessments and national banks’ and federal savings associations’ semiannual assessment fees.

***3. Use of Technology to Reduce Burden:***

All banks and savings associations are subject to an electronic filing requirement for Call Reports. Institutions may use information technology to the extent feasible to maintain required records and prepare their Call Reports.

***4. Efforts to Identify Duplication***:

 There is no other series of reporting forms that collect this information from all commercial and savings banks. Although other information collections are similar to certain items on the Call Report, the information they collect would be of limited value as a replacement for the Call Report.

1. ***Minimizing the Burden on Small Entities:***

The agencies attempt to limit the information collected to the minimum information needed to evaluate the condition of an institution, regardless of size.

***6. Consequences of Less Frequent Collection:***

The Federal financial regulatory 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. 12 U.S.C. § 1817(a)(3). Less frequent collection of this information would impair the agencies' ability to monitor financial institutions and could delay regulatory response.

***7. Special circumstances necessitating collection inconsistent with 5 CFR part 1320:***

Not applicable.

***8. Consultation with Persons Outside the OCC:***

**60-Day FRN (88 FR 66933)**

 On September 28, 2023, the agencies proposed revisions to all three versions of the Call Report (FFIEC 031, FFIEC 041 and FFIEC 051) in response to FASB’s ASU 2022-02, reporting on past due loans and reporting on internet website addresses of depository institution trade names. In general, these revisions eliminate reporting of troubled debt restructurings and align the data collected in the Call Report forms and instructions with the definition of loan modifications to borrowers experiencing financial difficulty that is used in U.S. generally accepted accounting principles (GAAP). The comment period for the September notice ended on November 27, 2023. The agencies received six comment letters on the September notice.

 The September proposal included instruction revisions related to the length of time for reporting modifications. Four commenters objected to the length of time for which these modifications would be reported on the Call Report. These commenters indicated that the timeline divergence from GAAP disclosure requirements in accordance with ASU 2022-02 would create additional costs, complexity, and operational challenges without any substantial corresponding benefit to the institutions or agencies. The agencies are continuing to evaluate these comments.

 The agencies are now proposing to modify the final instructions to align the Call Report requirements with GAAP. This outcome is consistent with the feedback provided by commenters on the September 2023 notice.

***9. Payment or Gift to Respondents:***

 No payments or gifts will be given to respondents.

***10. Confidentiality:***

 Except for selected data items, the Call Report is not given confidential treatment.

***11. Information of a Sensitive Nature:***

 No information of a sensitive nature is requested.

1. ***Estimate of Annual Burden:***

 **Aggregated Estimates:**

 Estimated Number of Respondents: 984 national banks and federal savings

 associations.

 Estimated Time per Response: 41.41 burden hours per quarter to file.

 Estimated Recordkeeping Burden for Attestation: 0 hours.

 Estimated Total Annual Burden: 162,990 burden hours to file.

The OCC estimates the cost of the hour burden to respondents as follows:

162,990 hours @ $131.10 /hour = $21,367,989

To estimate wages the OCC reviewed May 2024 data for wages (by industry and occupation) from the U.S. Bureau of Labor Statistics (BLS) for credit intermediation and related activities (NAICS 5220A1). To estimate compensation costs associated with the rule, the OCC uses $131.10 per hour, which is based on the average of the 90th percentile for six occupations adjusted for inflation (3.6 percent as of Q1 2025), plus an additional 35.6 percent for benefits (based on the percent of total compensation allocated to benefits as of Q4 2024 for NAICS 522: credit intermediation and related activities).

 **Breakdown reflected in ICR:**

 FFIEC 031: 43 respondents x 93.92 hours x 4 = 16,154 hours

 FFIEC 041: 252 respondents x 53.95 hours x 4 = 54,382 hours

 FFIEC 051: 689 respondents x 33.54 hours x 4 = 92,436 hours

 Total: 162,972 hours (excludes 18 hours due to rounding in totals)

***13. Capital, Start-up, and Operating Costs:***

Not applicable.

1. ***Estimates of Annualized Cost to the Federal Government:***

 Not applicable.

***15. Change in Burden:***

 There is no change in burden associated with the finalization of the reporting instructions on past due loans. The decrease of 3,313 burden hours, from 166,303 hours to 162,990 hours, is due solely to a reduction in the number of respondents. The number of banks filing the Call Report decreased from 1,004 institutions to 984 institutions.

***16. Information regarding information collections whose results are planned to be published for statistical use:***

 Not applicable.

***17. Exceptions to Expiration Date Display:***

 None.

1. ***Exceptions to Certification:***

 None.

**B. COLLECTION OF INFORMATION EMPLOYING STATISTICAL METHODS**

 Not applicable.