



FEDERAL RESERVE SYSTEM

Proposed Agency Information Collection Activities; Comment Request

AGENCY: Board of Governors of the Federal Reserve System.

ACTION: Notice, request for comment.

SUMMARY: The Board of Governors of the Federal Reserve System (Board or Federal Reserve) invites comment on a proposal to extend for three years, with revision, the Financial Statements of U.S. Nonbank Subsidiaries of U.S. Holding Companies (FR Y-11; OMB No. 7100-0244), the Abbreviated Financial Statements of U.S. Nonbank Subsidiaries of U.S. Holding Companies (FR Y-11S; OMB No. 7100-0244), the Financial Statements of Foreign Subsidiaries of U.S. Banking Organizations (FR 2314; OMB No. 7100-0073), and the Abbreviated Financial Statements of Foreign Subsidiaries of U.S. Banking Organizations (FR 2314S; OMB No. 7100-0073).

On June 15, 1984, the Office of Management and Budget (OMB) delegated to the Board authority under the Paperwork Reduction Act (PRA) to approve of and assign OMB control numbers to collection of information requests and requirements conducted or sponsored by the Board. In exercising this delegated authority, the Board is directed to take every reasonable step to solicit comment. In determining whether to approve a collection of information, the Board will consider all comments received from the public and other agencies.

DATES: Comments must be submitted on or before [INSERT DATE 60 DAYS AFTER PUBLICATION IN THE FEDERAL REGISTER].

ADDRESSES: You may submit comments, identified by *FR Y-11*, *FR Y-11S*, *FR 2314*, or *FR 2314S*, by any of the following methods:

- Agency Website: <http://www.federalreserve.gov>. Follow the instructions for submitting

comments at <http://www.federalreserve.gov/apps/foia/proposedregs.aspx> .

- Federal eRulemaking Portal: <http://www.regulations.gov>. Follow the instructions for submitting comments.
- E-mail: regs.comments@federalreserve.gov. Include OMB number 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 from the Board's website at

<http://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. Public comments may also be viewed electronically or in paper form in Room 3515, 1801 K Street (between 18th and 19th Streets NW) Washington, DC 20006 between 9:00 a.m. and 5:00 p.m. on weekdays.

Additionally, commenters may send a copy of their comments to the OMB Desk Officer – Shagufta Ahmed – Office of Information and Regulatory Affairs, Office of Management and Budget, New Executive Office Building, Room 10235, 725 17th Street, NW, Washington, DC 20503 or by fax to (202) 395-6974.

FOR FURTHER INFORMATION CONTACT: A copy of the PRA OMB submission, including the proposed reporting form and instructions, supporting statement, and other documentation will be placed into OMB's public docket files, once approved. These documents will also be made available on the Federal Reserve Board's public website at:

<http://www.federalreserve.gov/apps/reportforms/review.aspx> or may be requested from the agency clearance officer, whose name appears below.

Federal Reserve Board Clearance Officer – Nuha Elmaghrabi – Office of the Chief Data Officer, Board of Governors of the Federal Reserve System, Washington, DC 20551 (202) 452-3829.

Telecommunications Device for the Deaf (TDD) users may contact (202) 263-4869, Board of Governors of the Federal Reserve System, Washington, DC 20551.

SUPPLEMENTARY INFORMATION:

Request for comment on information collection proposal

The Board invites public comment on the following information collection, which is being reviewed under authority delegated by the OMB under the PRA. Comments are invited on all aspects of the proposal, including:

- a. Whether the proposed collection of information is necessary for the proper performance of the Federal Reserve's functions; including whether the information has practical utility;
- b. The accuracy of the Federal Reserve's estimate of the burden of the proposed information collection, 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 collection on respondents, including through the use of automated collection techniques or other forms of information technology; and
- e. Estimates of capital or startup costs and costs of operation, maintenance, and purchase of services to provide information.

At the end of the comment period, the comments and recommendations received will be analyzed to determine the extent to which the Federal Reserve should modify the proposed revisions prior to giving final approval.

Proposal to approve under OMB delegated authority the extension for three years, with revision, of the following information collections:

1. Report title: Financial Statements of U.S. Nonbank Subsidiaries of U.S. Holding Companies and the Abbreviated Financial Statements of U.S. Nonbank Subsidiaries of U.S. Holding Companies.

Agency form number: FR Y-11 and FR Y-11S.

OMB control number: 7100-0244.

Frequency: Quarterly and annually.

Reporters: Holding companies.

Estimated annual reporting hours: FR Y-11 (quarterly): 17,244; FR Y-11 (annual): 1,564; FR Y-11S: 299.

Estimated average hours per response: FR Y-11 (quarterly): 6.8; FR Y-11 (annual): 6.8; FR Y-11S: 1.

Number of respondents: FR Y-11 (quarterly): 634; FR Y-11 (annual): 230; FR Y-11S: 299.

General Description of Report: The FR Y-11 reporting forms collect financial information for individual non-functionally regulated U.S. nonbank subsidiaries of domestic holding companies (i.e., bank holding companies, savings and loan holding companies, securities holding companies, and intermediate holding companies). Holding companies file the FR Y-11 on a quarterly or annual basis or the FR Y-11S on an annual basis, predominantly based on whether the organization meets certain asset size thresholds. The FR Y-11 data are used with other

holding company data to assess the condition of holding companies that are heavily engaged in nonbanking activities and to monitor the volume, nature, and condition of their nonbanking operations.

Legal authorization and confidentiality: The Board's Legal Division has determined that the FR Y-11 series of reports are mandatory and the collection of these reports from bank holding companies, savings and loan holding companies, securities holding companies, and intermediate holding companies (IHCs) is authorized under: section 5(c) of the Bank Holding Company Act (BHC Act) (12 U.S.C. 1844(c)); section 10(b) of the Homeowners' Loan Act (12 U.S.C. 1467a(b)(2)); section 165 of the Dodd-Frank Act (12 U.S.C. 5365)(IHCs only); sections 8 and 13 of the International Banking Act (12 U.S.C. 3106, 3108); and section 618 of the Dodd-Frank Act, (12 U.S.C. 1850a). Overall, the Federal Reserve does not consider these data to be confidential. However, a respondent may request confidential treatment pursuant to sections (b)(4), (b)(6), and (b)(8) of the Freedom of Information Act (5 U.S.C. 552(b)(4), (b)(6), (b)(8)). The applicability of these exemptions would need to be determined on a case-by-case basis.

Proposed revisions: The Federal Reserve is proposing to revise the instructions for Schedule IS and related line item captions on the reporting form to remove the term "extraordinary items" and replace it with "discontinued operations" on the Financial Statements of U.S. Nonbank Subsidiaries of U.S. Holding Companies (FR Y-11), effective for reports submitted on or after October 1, 2017, beginning with the reports reflecting the September 30, 2017 report date. This reflects ASU No. 2015-01, "Simplifying Income Statement Presentation by Eliminating the Concept of Extraordinary Items," issued by the Financial Accounting Standards Board in 2015. Additionally, the Federal Reserve proposes to replace report form captions and instructions referencing "Loans net of unearned income" with "Loans held for investment" where applicable.

2. *Report title:* Financial Statements of Foreign Subsidiaries of U.S. Banking Organizations and the Abbreviated Financial Statements of Foreign Subsidiaries of U.S. Banking Organizations.

Agency form number: FR 2314 and FR 2314S.

OMB control number: 7100-0073.

Frequency: Quarterly and annually.

Reporters: U.S. state member banks, holding companies, and Edge or agreement corporations.

Estimated annual reporting hours: FR 2314 (quarterly): 13,807; FR 2314 (annual): 1,690; FR 2314S: 322.

Estimated average hours per response: FR 2314 (quarterly): 6.6; FR 2314 (annual): 6.6; FR 2314S: 1.

Number of respondents: FR 2314 (quarterly): 523; FR 2314 (annual): 256; FR 2314S: 322.

General Description of Report: The FR 2314 reporting forms collect financial information for non-functionally regulated direct or indirect foreign subsidiaries of U.S. state member banks (SMBs), Edge and agreement corporations, and holding companies (i.e., bank holding companies, savings and loan holding companies, securities holding companies, and intermediate holding companies). Parent organizations (SMBs, Edge and agreement corporations, or holding companies) file the FR 2314 on a quarterly or annual basis, or the FR 2314S on an annual basis, predominantly based on whether the organization meets certain asset size thresholds. The FR 2314 data are used to identify current and potential problems at the foreign subsidiaries of U.S. parent companies, to monitor the activities of U.S. banking organizations in specific countries, and to develop a better understanding of activities within the industry, in general, and of individual institutions, in particular.

Legal authorization and confidentiality: The Board's Legal Division has determined that the FR 2314 series of reports is mandatory and the collection of these reports from bank holding companies, savings and loan holding companies, securities holding companies, and intermediate holding companies (IHCs) is authorized under: section 5(c) of the Bank Holding Company Act (BHC Act) (12 U.S.C. 1844(c)); section 10(b) of the Homeowners' Loan Act, (12 U.S.C. 1467a(b)(2)); section 165 of the Dodd-Frank Act, (12 U.S.C. 5365)(IHCs only); sections 8 and 13 of the International Banking Act (12 U.S.C. 3106, 3108); and section 618 of the Dodd-Frank Act, (12 U.S.C. 1850a). Collection of information from non-functionally regulated direct or indirect foreign subsidiaries of U.S. state member banks, Edge and agreement corporations filing the FR 2314 series of reports is authorized under sections 9(6), 25(7) and 25A(17) of the Federal Reserve Act, (12 U.S.C. 324, 602, and 625), respectively. Overall, the Federal Reserve does not consider these data to be confidential. However, a respondent may request confidential treatment pursuant to sections (b)(4), (b)(6), and (b)(8) of the Freedom of Information Act (5 U.S.C. 552(b)(4), (b)(6), (b)(8)). The applicability of these exemptions would need to be determined on a case-by-case basis.

Proposed revisions: The Federal Reserve is proposing to revise the instructions for Schedule IS and related line item captions on the reporting form to remove the term "extraordinary items" and replace it with "discontinued operations" on the Financial Statements of Foreign Subsidiaries of U.S. Banking Organizations (FR 2314), effective for reports submitted on or after October 1, 2017, beginning with the reports reflecting the September 30, 2017 report date. This reflects ASU No. 2015-01, "Simplifying Income Statement Presentation by Eliminating the Concept of Extraordinary Items," issued by the Financial Accounting Standards Board in 2015.

Additionally, the Federal Reserve proposes to replace report form captions and instructions referencing “Loans net of unearned income” with “Loans held for investment” where applicable.

Board of Governors of the Federal Reserve System, July 12, 2017.

Ann E. Misback
Secretary of the Board.

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