



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) invites comment on a proposal to extend for three years, with revision, the Survey of Small Business and Farm Lending (SSBFL) (FR 2028; OMB No. 7100-0061).

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 2028, by any of the following methods:

- Agency Website: <https://www.federalreserve.gov/>. Follow the instructions for submitting comments at <https://www.federalreserve.gov/apps/foia/proposedregs.aspx>.
- E-mail: regs.comments@federalreserve.gov. Include the 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 <https://www.federalreserve.gov/apps/foia/proposedregs.aspx> as submitted, unless modified for technical reasons or to remove personally identifiable information at the commenter's request. Accordingly, comments will not be edited to remove any identifying or contact information. Public comments may also be viewed electronically or in paper in Room 146, 1709 New York

Avenue, NW, Washington, DC 20006, between 9:00 a.m. and 5:00 p.m. on weekdays. For security reasons, the Board requires that visitors make an appointment to inspect comments.

You may do so by calling (202) 452-3684. Upon arrival, visitors will be required to present valid government-issued photo identification and to submit to security screening in order to inspect and photocopy comments.

Additionally, commenters may send a copy of their comments to the Office of Management and Budget (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 Paperwork Reduction Act (PRA) OMB submission, including the reporting form and instructions, supporting statement, and other documentation will be placed into OMB’s public docket files, if approved. These documents will also be made available on the Board’s public website at <https://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.

SUPPLEMENTARY INFORMATION: On June 15, 1984, OMB delegated to the Board authority under the PRA to approve and assign OMB control numbers to collections of information 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.

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 the following:

- a. Whether the proposed collection of information is necessary for the proper performance of the Board's functions, including whether the information has practical utility;
- b. The accuracy of the Board'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 Board should modify the proposal.

Proposal under OMB Delegated Authority to Extend for Three Years, With Revision, the Following Information Collection:

Report title: Survey of Small Business and Farm Lending.

Agency form number: FR 2028.

OMB control number: 7100-0061.

Frequency: Quarterly.

Respondents: Domestically chartered commercial banks.

Estimated number of respondents: FR 2028B – 250, FR 2028S – 250, FR 2028D – 398.

Estimated average hours per response: FR 2028B – 1.4, FR 2028S – 0.1, FR 2028D – 3.0.

Estimated annual burden hours: FR 2028B – 1,400, FR 2028S – 100, FR 2028D – 4,776.

General description of report: The SSBFL (previously the Survey of Terms of Lending) collects unique information concerning price and certain nonprice terms of loans made to businesses and farmers each quarter (February, May, August, and November). The FR 2028B collects detailed data on individual loans funded during the first full business week of the mid-month of each quarter and the FR 2028S collects the prime interest rate for each day of the survey week from FR 2028B respondents. The FR 2028D provides focused and enhanced information on small business lending including rates, terms, credit availability, and reasons for their changes. The FR 2028D collects quarterly average quantitative data on terms of small business loans and qualitative information on changes and the reasons for changes in the terms of lending. From these sample SSBFL data, estimates of the terms of business loans and farm loans extended are constructed. The aggregate estimates for business loans are published in the Federal Reserve Bank of Kansas City's quarterly release, *Small Business Lending Survey*, and aggregate estimates for farm loans are published in the statistical release, *Agricultural Finance Databook*.

Proposed revisions: The Federal Reserve proposes to implement revisions to the FR 2028D reporting requirements, forms and instructions, to be effective with the reports as of August 1, 2020. Most of the revisions are proposed to minimize burden on respondents. These changes include removing items related to base lending rates, secured loans and loan guarantees.

Additionally, questions related to low and moderate income (LMI) tracts have been removed from the survey as have two qualitative questions ranking the relative weight of certain survey responses. A question related to credit card loans has been added to the survey for those respondents with an asset size of greater than \$10 billion. Changes to the instructions are

clarifying in nature or address changes to the form. One change broadens the definition of small business lending to allow institutions that do not track borrowers' organization revenue to participate in the survey. Additionally, revisions have been made to the Frequently Asked Questions section to increase clarity of form definitions.

Small Business Lending Survey Form Deletions

Questions determined to provide lower value, in comparison to the burden imposed on respondents required to track and respond, would be removed from the survey. Survey questions related to weighted average base rates and the number and dollar amount of secured loans would be removed, eliminating 12 questions each for fixed rate and variable rate small business commercial and industrial (C&I) loans. Questions related to loan guarantees, including those referencing Small Business Administration loans, would also be removed, a reduction of 22 questions for fixed rate loans and 16 questions for variable rate loans. Four questions each were removed for fixed rate and variable rate loans regarding number of loans at the interest rate floor, and five questions related to LMI tracts for Community Reinvestment Act purposes would be removed. Finally, two questions ranking the relative weight of certain survey responses would be eliminated.

Small Business Lending Survey Form Additions

For institutions with an asset size greater than \$10 billion, questions related to credit card lending would be added to the survey. Six questions, each for fixed and variable rate lending, would be added for the purpose of improving clarity in small business C&I lending and to identify situations where interest rates on credit card loans may skew data on weighted average interest rates. Additionally, an option to choose the secured overnight financing rate (SOFR) as

an institution's base rate for C&I small business lending would be added to questions 1 and 2 of the survey.

Survey Period

The Federal Reserve proposes a change to begin the transmission period two weeks earlier to extend the transmission time for respondents to 28 calendar days, allowing additional time for reporters to prepare and transmit data.

Legal authorization and confidentiality: The FR 2028 is authorized by section 11(a)(2) of the Federal Reserve Act (12 U.S.C. 248(a)(2)), which authorizes the Board to require any depository institution to make such reports of its assets and liabilities as the Board may determine to be necessary or desirable to enable the Board to discharge its responsibilities to monitor and control monetary and credit aggregates. The FR 2028 survey submissions are voluntary.

Individual respondents may request that information submitted to the Board through a survey under FR 2028 be kept confidential. If a respondent requests confidential treatment, the Board will determine whether the information is entitled to confidential treatment on a case-by-case basis. The Board will consider whether information collected through these surveys may be kept confidential under exemption 4 for the Freedom of Information Act (FOIA), which protects privileged or confidential commercial or financial information (5 U.S.C. 552(b)(4)), or any other applicable FOIA exemption.

Board of Governors of the Federal Reserve System, February 25, 2020.

Michele Taylor Fennell,

Assistant Secretary of the Board.

Billing Code 6210-01-P

[FR Doc. 2020-04195 Filed: 2/28/2020 8:45 am; Publication Date: 3/2/2020]