



NATIONAL CREDIT UNION ADMINISTRATION

Revision of Agency Information Collection of a Previously Approved Collection; Request for Comments

AGENCY: National Credit Union Administration (NCUA).

ACTION: Notice of submission to the Office of Management and Budget.

SUMMARY: As required by the Paperwork Reduction Act of 1995, the National Credit Union Administration (NCUA) is submitting the following revision of currently approved collection to the Office of Management and Budget (OMB) for renewal. The revisions are proposed to take effect with the March 31, 2025, report date.

DATES: Written comments should be received on or before **[INSERT DATE 30 DAYS AFTER DATE OF PUBLICATION IN THE *FEDERAL REGISTER*]** to be assured consideration.

ADDRESSES: You may submit written comments on the information collection by any of the following methods identified by the OMB Control Number 3133-0004 or by Document Number (Please send comments by one method only):

Federal Register Portal: <https://www.federalregister.gov> Find this information collection by searching for “National Credit Union Administration”, then selecting “Past 90 days”, and scrolling through the list of documents.

Regulations.gov: <https://www.regulations.gov/search?filter=ncua> Find this information collection by scrolling through the search results and looking for Call Report Form 2025-Q1.

Rulemakings and Proposals for Comment: <https://ncua.gov/regulation-supervision/rulemakings-proposals-comment> NCUA will post a link to the regulations.gov webpage where you can submit a comment by selecting Comment.

Mail: 1775 Duke Street, Suite 5067, Alexandria, Virginia 22314

Fax: 703-519-8161

Email: PRAComments@NCUA.gov.

FOR FURTHER INFORMATION CONTACT: Copies of the submission may be obtained by contacting Dacia Rogers at (703) 518-6547, emailing PRAComments@ncua.gov, or viewing the entire information collection request at www.reginfo.gov. Enhanced content is also available from the Notice on the Federal Register website. (www.federalregister.gov). In addition, copies of the NCUA Form 5300, Call Report Form and Instructions can be obtained at the NCUA's website (<https://ncua.gov/regulation-supervision/regulatory-reporting/cuonline>).

SUPPLEMENTARY INFORMATION:

OMB Number: 3133-0004.

Title: NCUA Call Report.

Type of Review: Revision of a currently approved collection.

Abstract: Sections 106 and 202 of the Federal Credit Union Act require federally insured credit unions to submit financial reports to the NCUA. Section 741.5 of the NCUA regulations describes the method federally insured credit unions must use to submit this information to NCUA. Specifically, credit unions use NCUA Form 5300, Call Report to file quarterly financial and statistical data through NCUA's online portal, CUOnline. This financial and statistical information is essential to NCUA's supervision of federal credit unions and the data gathered

through the Form 5300, Call Report facilitates NCUA's monitoring of other credit unions with share accounts insured by the National Credit Union Share Insurance Fund (Share Insurance Fund).

Form 5300 Credit Union Call Report—Proposed Changes and Comments Received

In the September 16, 2024, notice, the NCUA proposed revisions to the Form 5300, Call Report including revisions to Schedule A, Section 4; Schedule C, Section 4; Schedule D, Section 2; and Schedule D, Section 3.¹ The comment period for the September 2024 notice ended on November 15, 2024. The NCUA received 20 comment letters, 2 of which did not apply to the actual information collection.

Schedule A, Section 4

The NCUA proposed two additional accounts for credit unions to report the year-to-date number and amount of loans granted to credit union officials and senior executive staff. Four commenters objected to reporting the year-to-date number and amount of loans granted to credit union officials and senior executive staff because the information is included in the Items Needed List for an examination. These commenters did not see the benefit of providing this information quarterly. After considering these comments, the NCUA will not proceed with the proposed changes.

The NCUA proposed to remove two accounts for credit unions to report information related to Purchased Credit Impaired Loans. No comments were received related to removing these accounts.

Schedule C, Section 4

¹ 89 FR 75590 (September 16, 2024).

The NCUA proposed to remove three accounts where credit unions previously reported information related to FRB Paycheck Protection Program Lending Facility loans. No comments were received related to removing these accounts.

The NCUA also proposed to add an account for credit unions to report assets pledged to secure deposits, other funding arrangements, and other counterparty requirements. No comments were received related to adding this account.

Schedule D, Section 2

The NCUA proposed adding or changing accounts on Schedule D, Section 2 as noted in the September 16, 2024, *Federal Register* Notice. One commenter objected to adding the accounts related to non-member term deposits because this information is already reported in the same section. Reporting these deposits in Items 15 and 16 assists the NCUA in monitoring compliance with NCUA regulations § 701.32(b). The NCUA will proceed with the proposed change.

Schedule D, Section 3

The NCUA proposed adding three accounts for credit unions to report the maturity distribution of total uninsured shares and deposits. Ten commenters indicated that the instructions needed more detail to enable credit unions to determine how to report the maturity distribution. The NCUA revised the proposed instructions for Schedule D, Section 3. The proposed instruction changes indicate credit unions should assume the longest maturity term shares are insured first.

One commenter was concerned that the reporting of the maturity distribution of uninsured shares contradicted NCUA regulations § 745.200(c), which states that insurance coverage will be prorated among the member's interest in all accounts. The maturity distribution information reported on the Form 5300, Call Report will not be used to determine share insurance coverage

and will be used to monitor uninsured share behavior. Shares will be evaluated by NCUA to determine insurance coverage only when a credit union fails.

One commenter stated the reason NCUA provided for adding these accounts was not sufficient. Regulators and industry analysts cite uninsured deposit runoff as a contributing factor in postmortem assessments of the 2023 banking failures. Uninsured deposits are not as important to the funding mix for credit unions as they are for banks; however, the amount of uninsured shares has been increasing in the credit union system. Trends in uninsured depositor behavior can signal emerging risks to credit union system stability and the share insurance fund.

The NCUA already collects total uninsured deposit information on the Form 5300, Call Report. The maturity distribution will enable a more complete assessment of depositor behavior at the system and individual institution levels.

Four commenters were also concerned that the core processor would not be able to implement these changes in time to accurately report for the March 2025 quarter. While the NCUA continues to believe the information obtained will be useful for evaluating depositor behavior and the movement between uninsured non-maturity shares and share certificates, the need for additional time to develop adequate reporting systems is understandable. To provide time for credit unions to work with their core processors, the NCUA will not require credit unions to report the maturity distribution of uninsured shares in March 2025.

Other Comments Received

The NCUA also received comments related to the added burden on credit unions, the requirement to add negative share accounts to loans, and a Community Development Financial Institution (CDFI) designator.

Burden

Seven commenters were concerned with the increase in burden. Before the NCUA proposes adding items to the Form 5300, Call Report, it weighs the burden on credit unions against the benefit of the information. The NCUA feels the modest increase in burden is justified to protect the Share Insurance Fund and facilitate offsite development of an examination scope. While the NCUA understands these concerns, the agency does not expect these revisions will result in a material increase in reporting burden.

Negative shares added to loans

One commenter wanted to eliminate the requirement to add negative shares to unsecured loans and to shares. The NCUA cannot eliminate this requirement because it is a requirement of generally accepted accounting principles.

Community Development Financial Institution designator

One commenter suggested that the NCUA add a designator for credit unions to self-report as a CDFI. CDFI is a designation given by the CDFI Fund to financial institutions that provide financial services in low-income communities and to people who lack access to financing. The NCUA does not give CDFI designations, therefore the agency does not maintain a database of CDFI credit unions. Interested parties may obtain a list of CDFI credit unions at the CDFI Fund website—(<https://www.cdfifund.gov/programs-training/certification/cdfi>).

The NCUA will consider adding a checkbox for credit unions to voluntarily disclose their CDFI designation on a future Form 4501A, Profile. If the NCUA adds a CDFI designator, the Form 4501A, Profile would be the appropriate form because the designation, once reported, would not need to be changed every quarter.

Affected Public: Private Sector: Not-for-profit institutions.

Estimated Number of Respondents: 4,499.

Estimated Number of Responses per Respondent: 4.

Estimated Total Annual Responses: 17,996.

Estimated Hours per Response: 4.

Estimated Total Annual Burden Hours: 71,984.

Reason for Change: Burden decreased due to a decrease in the number of respondents.

Request for Comments: Comments submitted in response to this notice will be summarized and included in the request for Office of Management and Budget approval. All comments will become a matter of public record. The public is invited to submit comments concerning: (a) whether the collection of information is necessary for the proper performance of the function of the agency, including whether the information will have practical utility; (b) the accuracy of the agency's estimate of the burden of the collection of information, including the validity of the methodology and assumptions used; (c) ways to enhance the quality, utility, and clarity of the information to be collected; and (d) ways to minimize the burden of the collection of the information on the respondents, including the use of automated collection techniques or other forms of information technology.

By the National Credit Union Administration Board.

Melane Conyers-Ausbrooks,

Secretary of the Board.

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