

## **FEDERAL RESERVE SYSTEM**

### **Proposed Agency Information Collection Activities; Comment Request**

**AGENCY:** Board of Governors of the Federal Reserve System

**SUMMARY: Background.** On June 15, 1984, the Office of Management and Budget (OMB) delegated to the Board of Governors of the Federal Reserve System (Board) its approval authority under the Paperwork Reduction Act (PRA), as per 5 CFR 1320.16, to approve of and assign OMB control numbers to collection of information requests and requirements conducted or sponsored by the Board under conditions set forth in 5 CFR 1320 Appendix A.1. Board-approved collections of information are incorporated into the official OMB inventory of currently approved collections of information. Copies of the Paperwork Reduction Act Submission, supporting statements and approved collection of information instruments are placed into OMB's public docket files. The Federal Reserve may not conduct or sponsor, and the respondent is not required to respond to, an information collection that has been extended, revised, or implemented on or after October 1, 1995, unless it displays a currently valid OMB control number.

#### **Request for comment on information collection proposals**

The following information collections, which are being handled under this delegated authority, have received initial Board approval and are hereby published for comment. At the end of the comment period, the proposed information collections, along with an analysis of comments and recommendations received, will be submitted to the Board for final approval under OMB delegated authority. Comments are invited on the following:

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; and

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.

**DATES:** Comments must be submitted on or before March 30, 2010.

**ADDRESSES:** You may submit comments, identified by FR 3033, FR 2436 FR 4031, or FR H-1, by any of the following methods:

- Agency Web Site: <http://www.federalreserve.gov>. Follow the instructions for submitting comments at <http://www.federalreserve.gov/generalinfo/foia/ProposedRegs.cfm>.
- Federal eRulemaking Portal: <http://www.regulations.gov>. Follow the instructions for submitting comments.
- E-mail: [regs.comments@federalreserve.gov](mailto:regs.comments@federalreserve.gov). Include docket number in the subject line of the message.
- FAX: 202/452-3819 or 202/452-3102.
- Mail: Jennifer J. Johnson, Secretary, Board of Governors of the Federal Reserve System, 20<sup>th</sup> Street and Constitution Avenue, N.W., Washington, DC 20551.

All public comments are available from the Board's web site at [www.federalreserve.gov/generalinfo/foia/ProposedRegs.cfm](http://www.federalreserve.gov/generalinfo/foia/ProposedRegs.cfm) 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 MP-500 of the Board's Martin Building (20th and C Streets, N.W.) between 9:00 a.m. and 5:00 p.m. on weekdays.

Additionally, commenters should send a copy of their comments to the OMB Desk Officer by mail to the Office of Information and Regulatory Affairs, U.S. Office of Management and Budget, New Executive Office Building, Room 10235, 725 17<sup>th</sup> 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/boarddocs/reportforms/review.cfm> or may be requested from the agency clearance officer, whose name appears below.

Michelle Shore, Federal Reserve Board Clearance Officer (202-452-3829), Division of Research and Statistics, Board of Governors of the Federal Reserve System, Washington, DC 20551. Telecommunications Device for the Deaf (TDD) users may contact (202-263-4869), Board of Governors of the Federal Reserve System, Washington, DC 20551.

**Proposal to approve under OMB delegated authority the implementation of the following report:**

*Report title:* Census of Finance Companies.

*Agency form number:* FR 3033p.

*OMB control number:* 7100-0277.

*Frequency:* One-time.

*Reporters:* Domestic finance companies and mortgage companies.

*Estimated annual reporting hours:* 6,000 hours.

*Estimated average hours per response:* 0.33 hours.

*Number of respondents:* 18,000.

*General description of report:* This information collection is authorized by law (12 U.S.C. §§225a, 263, and 353-359) and is voluntary. Individual responses are exempt from disclosure pursuant to section (b)(4) of the Freedom of Information Act (5 U.S.C. §552).

*Abstract:* The FR 3033 information collection includes the Census of Finance Companies (FR 3033p) and the Quinquennial Finance Company Survey (FR 3033s). The survey will be reviewed in a separate proposal in 2010.

Since June 1955, the Federal Reserve System has surveyed the assets and liabilities of finance companies at five-year intervals. The census would ask a set of questions designed to identify the universe of finance companies eligible for potential inclusion in the survey and to enable the stratification of the sample for more statistically efficient estimation. The census would gather limited information including total assets, areas of specialization, and information on the corporate structure of the companies.

For purposes of this information collection, finance companies were defined as domestic companies (excluding commercial banks, cooperative banks, investment banks, savings banks, savings and loan institutions and industrial loan corporations or their subsidiaries) whose largest portion of assets is made up of consumer or business loans or leases.

*Current actions:* The Federal Reserve proposes to revise the census to improve the response rate and help staff identify respondents for the upcoming survey, once approved.

The Federal Reserve proposes the following revisions to the census: (1) Change the title of the census from *Finance Company Questionnaire* to *Census of Finance Companies*.

Board staff believes using the term ‘census’ in the title would stress that every response is important. (2) Modify and combine the Purpose of Report and the Scope of the Report sections. The modifications would make the survey easier to understand. (3) Change several questions to allow the Federal Reserve to gather information needed to determine whether a company is a finance company rather than asking whether it meets the definition. The Federal Reserve believes these changes would improve the accuracy of identifying finance companies. and (4) Increase the respondent panel size from 3,000 to 30,000. The Federal Reserve estimates that it would receive responses from 18,000 finance companies (60 percent response rate).

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

*Report title:* Semiannual Report of Derivatives Activity.

*Agency form number:* FR 2436.

*OMB control number:* 7100-0286.

*Frequency:* Semiannually.

*Reporters:* U.S. dealers of over-the-counter derivatives.

*Annual reporting hours:* 2,100 hours.

*Estimated average hours per response:* 210 hours.

*Number of respondents:* 5.

*General description of report:* This information collection is voluntary (12 U.S.C. 225a, 248(a), 348(a), 263, and 353-359) and is given confidential treatment (5 U.S.C. 552(b)(4)).

*Abstract:* This voluntary report collects derivatives market statistics from the five largest U.S. dealers of over-the-counter (OTC) derivatives. Data are collected on the notional amounts and gross market values of the volumes outstanding of broad categories of foreign exchange, interest rate, and equity- and commodity-linked OTC derivatives contracts across a range of underlying currencies, interest rates, and equity markets. This collection of information complements the ongoing triennial Survey of Foreign Exchange and Derivatives Market Activity (FR 3036; OMB No. 7100-0285). The FR 2436 collects similar data on the outstanding volume of derivatives, but not on derivatives turnover. The Federal Reserve conducts both surveys in coordination with other central banks and forwards the aggregated data furnished by U.S. reporters to the Bank for International Settlements (BIS), which publishes global market statistics that are aggregations of national data.

*Current Actions:* The Federal Reserve proposes to revise the FR 2436 by collecting additional data on credit default swaps (CDSs). The large size of the credit derivatives

market and the important role that credit derivatives play for financial institutions in managing their credit risk have increased the need for more detailed comprehensive data on CDS activity. As a result, the central banks of the Group of Ten Countries (G-10) would like to collect additional data on CDSs from their important derivatives dealers and report the aggregate data to the BIS (so that more detailed global statistics can be assembled). The proposed revisions would be implemented in two phases in order to balance the need for additional information quickly against the burden associated with implementing changes relatively rapidly. Phase 1 would be effective with the June 30, 2010, report date and Phase 2 would be effective with the June 30, 2011, report date.

**Proposal to approve under OMB delegated authority the extension for three years, without revision, of the following reports:**

1. *Report title:* Notice of Branch Closure.

*Agency form number:* FR 4031.

*OMB control number:* 7100-0264.

*Frequency:* On occasion.

*Reporters:* State member banks.

*Estimated annual reporting hours:* 291 hours.

*Estimated average hours per response:* Reporting requirements, 2 hours; Disclosure requirements, customer mailing, 0.75 hours and posted notice, 0.25 hours; and Recordkeeping requirements, 8 hours.

*Number of respondents:* Reporting requirements, 70; Disclosure requirements, customer mailing, 70 and posted notice, 70; and Recordkeeping requirements, 10.

*General description of report:* This information collection is mandatory (12 U.S.C. 1831r-l(a)(1)) and may be given confidential treatment upon request (5 U.S.C.552(b)(4)).

*Abstract:* The mandatory reporting, recordkeeping, and disclosure requirements regarding the closing of any branch of an insured depository institution are imposed by section 228 of the Federal Deposit Insurance Corporation Improvement Act of 1991. There is no reporting form associated with the reporting portion of this information collection; state member banks notify the Federal Reserve by letter prior to closing a branch. The Federal Reserve uses the information to fulfill its statutory obligation to supervise state member banks.

2. *Report title:* Reports Related to Securities Issued by State Member Banks as Required by Regulation H.

*Agency form number:* FR H-1.

*OMB control number:* 7100-0091.

*Frequency:* Quarterly and on occasion.

*Reporters:* State member banks.

*Estimated annual reporting hours:* 1,230 hours.

*Estimated average hours per response:* 5.17 hours.

*Number of respondents:* 14.

*General description of report:* This information collection is mandatory (15 U.S.C. 781(i) and 78w (a)(1)) and is not given confidential treatment.

*Abstract:* The Federal Reserve's Regulation H requires certain state member banks to submit information relating to their securities to the Federal Reserve on the same forms that bank holding companies and nonbank entities use to submit similar information to

the Securities and Exchange Commission. The information is primarily used for public disclosure and is available to the public upon request.

Board of Governors of the Federal Reserve System, January 25, 2010.

**(signed)**

**Jennifer J. Johnson,**  
Secretary of the Board.