

**Supporting Statement for the  
Financial Statements for Holding Companies  
(FR Y-9 Reports; OMB No. 7100-0128)**

**Summary**

The Board of Governors of the Federal Reserve System (Board), under delegated authority from the Office of Management and Budget (OMB), has temporarily revised the Financial Statements for Holding Companies (FR Y-9 reports; OMB No. 7100-0128) pursuant to its authority to approve temporarily a collection of information without providing opportunity for public comment.<sup>1</sup> This information collection comprises the following five reports:

- Consolidated Financial Statements for Holding Companies (FR Y-9C);
- Parent Company Only Financial Statements for Large Holding Companies (FR Y-9LP);
- Parent Company Only Financial Statements for Small Holding Companies (FR Y-9SP);
- Financial Statements for Employee Stock Ownership Plan Holding Companies (FR Y-9ES); and
- Supplement to the Consolidated Financial Statements for Holding Companies (FR Y-9CS).

The Board requires bank holding companies, most savings and loan holding companies, any securities holding companies, and U.S. intermediate holding companies (collectively, “HCs”) to provide standardized financial statements through one or more of the FR Y-9 reports.<sup>2</sup> The information collected on the FR Y-9 reports is necessary for the Board to identify emerging financial risks and monitor the safety and soundness of HC operations.

In response to recent economic disruptions and volatility in U.S. financial markets caused by the spread of Coronavirus Disease 2019 (COVID-19), the Board temporarily revised the FR Y-9C effective beginning with the June 30, 2020, as-of date. This supporting statement describes temporary revisions to the FR Y-9C that were adopted in connection with three interim final rules (IFRs) related to COVID-19 and the Coronavirus Aid, Relief, and Economic Security Act (CARES Act). These temporary revisions to the FR Y-9C are consistent with recently approved revisions to the Federal Financial Institutions Examination Council (FFIEC) Consolidated Reports of Condition and Income (Call Reports) (FFIEC 031, FFIEC 041, and FFIEC 051; OMB No. 7100-0036). No revisions were made to the FR Y-9LP, FR Y-9SP, FR Y-9ES, or FR Y-9CS.

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<sup>1</sup> 5 CFR part 1320, App. A(1)(a)(3)(i)(A).

<sup>2</sup> An SLHC must file one or more of the FR Y-9 family of reports unless it is: (1) a grandfathered unitary SLHC with primarily commercial assets and thrifts that make up less than 5 percent of its consolidated assets; or (2) a SLHC that primarily holds insurance-related assets and does not otherwise submit financial reports with the SEC pursuant to section 13 or 15(d) of the Securities Exchange Act of 1934.

The current estimated total annual burden for the FR Y-9 reports is 119,667 hours. The temporary revisions resulted in an increase of 58 hours to the estimated burden hours.

The FR Y-9C form and instructions are available on the Board's public website at <http://www.federalreserve.gov/apps/reportforms/default.aspx>.

## **Background and Justification**

The FR Y-9 reports are the Board's primary source of financial data on HCs. Federal Reserve System examiners rely on the FR Y-9 reports to supervise financial institutions between on-site inspections. The Board uses the collected data to detect emerging financial problems, conduct pre-inspection analysis, monitor and evaluate capital adequacy, evaluate mergers and acquisitions, and analyze a HC's overall financial condition to monitor the safety and soundness of its operations. The information collected by the FR Y-9 report is not available from other sources.

## **Description of Information Collection**

The FR Y-9C consists of standardized financial statements similar to the Call Reports filed by commercial banks. The FR Y-9C collects consolidated data from HCs and is filed quarterly by top-tier HCs with total consolidated assets of \$3 billion or more.<sup>3</sup>

The FR Y-9LP, which collects parent company only financial data, must be submitted by each HC that files the FR Y-9C, as well as by each of its subsidiary HCs.<sup>4</sup> The report consists of standardized financial statements.

The FR Y-9SP is a parent company only financial statement filed semiannually by HCs with total consolidated assets of less than \$3 billion. In a banking organization with total consolidated assets of less than \$3 billion that has tiered HCs, each HC in the organization must submit, or have the top-tier HC submit on its behalf, a separate FR Y-9SP. This report collects basic balance sheet and income data for the parent company, as well as data on its intangible assets and intercompany transactions.

The FR Y-9ES is filed annually by each employee stock ownership plan (ESOP) that is also an HC. The report collects financial data on the ESOP's benefit plan activities. The FR Y-9ES consists of four schedules: a Statement of Changes in Net Assets Available for Benefits, a Statement of Net Assets Available for Benefits, Memoranda, and Notes to the Financial Statements.

The instructions to each of the FR Y-9C, FR Y-9LP, FR Y-9SP, and FR Y-9ES state that respondent HCs should retain workpapers and other records used in the preparation of the reports.

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<sup>3</sup> Under certain circumstances described in the FR Y-9C's General Instructions, HCs with assets under \$3 billion may be required to file the FR Y-9C.

<sup>4</sup> A top-tier HC may submit a separate FR Y-9LP on behalf of each of its lower-tier HCs.

The FR Y-9CS is a voluntary, free-form supplemental report that the Board may utilize to collect critical additional data from HCs deemed to be needed in an expedited manner. The FR Y-9CS data collections are used to assess and monitor emerging issues related to HCs, and the report is intended to supplement the other FR Y-9 reports. The data requested by the FR Y-9CS would depend on the Board's data needs in a given situation. For example, changes made by the Financial Accounting Standards Board may introduce into U.S. generally accepted accounting principles new data items that are not currently collected by the other FR Y-9 reports. The Board could use the FR Y-9CS report to collect these data until the items are implemented into the other FR Y-9 reports.<sup>5</sup>

## **Respondent Panel**

The FR Y-9 reports panel is comprised of HCs. Specifically, the FR Y-9C panel consists of top-tier HCs with total consolidated assets of \$3 billion or more; the FR Y-9LP panel consists of each HC that files the FR Y-9C, as well as each of its subsidiary HCs; the FR Y-9SP panel consists of HCs with total consolidated assets of less than \$3 billion; the FR Y-9ES panel consists of each employee stock ownership plan (ESOP) that is also an HC; and the FR Y-9CS panel consists of any HC the Board selects.

## **Adopted Revisions**

The delegation of authority to the Board from OMB that permits the Board to approve collections of information under the Paperwork Reduction Act includes the authority to temporarily approve a collection of information without seeking public comment. To exercise this authority, the Board must determine that a new collection of information or a change to an existing collection must be instituted quickly and that public participation in the approval process would substantially interfere with the Board's ability to perform its statutory obligation. Following the temporary approval of an information collection, the Board must conduct a normal delegated review of the collection within six months, including publishing in the *Federal Register* a notice seeking public comment.

Recent events have suddenly and significantly impacted financial markets. The spread of COVID-19 has disrupted economic activity in many countries. In addition, U.S. financial markets have experienced significant volatility. The magnitude and persistence of the overall effects on the economy remain highly uncertain. In light of these developments, HCs may realize a sudden, unanticipated drop in capital ratios and liquidity. This could create a strong incentive for these HCs to limit their lending and other financial intermediation activities in order to avoid facing abrupt regulatory capital and liquidity limitations. Also, small businesses are facing severe liquidity constraints and a collapse in revenue streams resulting from COVID-19 situation. Lastly, financial disruptions arising in connection with the COVID-19 situation have caused many depositors to have a more urgent need for access to their funds by remote means,

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<sup>5</sup> The FR Y-9CS was most recently used by the Board on June 30, 2008. In that collection, data were requested from banking organizations implementing an Advanced Measurement Approach to calculate operational risk capital under the Basel II Risk-Based Capital Framework. The report was used to conduct a voluntary Loss Data Collection Exercise relating to operational risk.

particularly in light of the closure of many depository institution branches and other in person facilities.

In April and May 2020, the Board, the Federal Deposit Insurance Corporation, and the Office of the Comptroller of the Currency (collectively, “the agencies”) issued IFRs relating to the Community Bank Leverage Ratio<sup>6</sup> and the Paycheck Protection Program Liquidity Facility (PPPLF)<sup>7</sup> to make changes to their regulatory capital and liquidity rules and to facilitate banking organizations’ use of the Board’s emergency facility and support prudent lending by banking organizations. Various provisions of the CARES Act led to the agencies issuing these IFRs. The Paycheck Protection Program (PPP)<sup>8</sup> implemented by the U.S. Small Business Administration (SBA) and the PPPLF established by the Board were put in place to provide financing to small businesses and liquidity to small business lenders to help stabilize the financial system in a time of significant economic strain. The Board also issued an IFR to amend its Regulation D<sup>9</sup> to allow depository institution customers more convenient access to their funds. The IFRs were issued with an immediate effective date. Finally, section 4013 of the CARES Act provided temporary relief from the requirement to classify COVID-19 related loan modifications as Troubled Debt Restructurings.

As described below, the Board has temporarily revised the FR Y-9C to account for the three IFRs described above, as well as section 4013 of the CARES Act. The Board determined that these revisions had to be instituted quickly and that public participation in the approval process would have substantially interfered with the Board’s ability to perform its statutory obligations.

#### *Community Bank Leverage Ratio - Interim Final Rules*

Section 4012 of the CARES Act required the appropriate Federal banking agencies to reduce the community bank leverage ratio (CBLR) to 8 percent for a temporary period ending on the earlier of the termination date of the national emergency concerning the coronavirus disease COVID-19 outbreak declared by the President on March 13, 2020, under the National Emergencies Act<sup>10</sup> (National Emergency) or December 31, 2020, which the agencies did through an interim final rule.<sup>11</sup> To provide further clarity around the possible end date of the statutory relief and provide a qualifying community banking organization that is planning to elect to use the community bank leverage ratio framework sufficient time to meet the leverage ratio requirement, the agencies also issued an interim final rule extending relief for the 8 percent community bank leverage ratio through 2020, providing relief through an 8.5 percent community bank leverage ratio in 2021, and resuming the existing 9 percent community bank leverage ratio

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<sup>6</sup> 85 FR 22924 (April 23, 2020).

<sup>7</sup> 85 FR 20387 (April 13, 2020).

<sup>8</sup> See 85 FR 20811 (April 15, 2020).

<sup>9</sup> 85 FR 23445 (April 28, 2020).

<sup>10</sup> 50 U.S.C. § 1601 et seq.

<sup>11</sup> 85 FR 22924 (April 23, 2020).

in 2022.<sup>12</sup> Neither interim final rule changed the methodology for calculating the CBLR, merely the qualifying ratio for an institution to report as a CBLR institution.

There are no substantive reporting revisions associated with the revised CBLR framework. However, it is possible that some additional holding companies that are now eligible CBLR institutions under the lower qualifying ratio may choose to use the less burdensome reporting for regulatory capital on Schedule HC-R. Therefore the Board has temporarily revised the FR Y-9C instructions to accurately reflect aspects of the statutory interim final rule and the transition interim final rule. Since the CBLR framework only came into effect for purposes of reporting for the first quarter of 2020, the Board currently does not have an accurate estimate of the number of holding companies that elected to use the CBLR reporting for the first quarter of 2020. Similarly, the Board cannot reliably estimate the number of holding companies that might use the CBLR reporting in the second quarter of 2020 under the reduced ratio at this time. The Board plans to revise the burden estimates after more data is available on holding companies' election to use the CBLR framework.

#### *Regulatory Capital: Paycheck Protection Program Liquidity Facility (PPPLF) and Paycheck Protection Program (PPP) Loans – Interim Final Rule and CARES Act Section 1102*

Section 1102 of the CARES Act allows banking organizations to make loans under a program of the Small Business Administration (SBA) in connection with COVID-19 disruptions to small businesses (referred to as PPP loans or PPP covered loans). While the loans are funded by the banking organizations, they receive a guarantee from the SBA. The statute specified that these loans should receive a zero percent risk weight for regulatory capital purposes. The Federal Reserve subsequently established a liquidity facility to permit banking organizations to obtain non-recourse loans, for which PPP loans are pledged to the facility, to provide additional liquidity.

On April 13, 2020, the agencies published an interim final rule with an immediate effective date, which permits banking organizations to exclude from regulatory capital requirements PPP loans pledged to the PPPLF.<sup>13</sup> The interim final rule modifies the agencies' capital rule to allow banking organizations to neutralize the effects on their risk-based and leverage capital ratios of making PPP loans that are pledged to the PPPLF. Specifically, a banking organization may exclude from its total leverage exposure, average total consolidated assets, standardized total risk-weighted assets, and advanced approaches total risk-weighted assets, as applicable, any exposure from a PPP loan pledged to the PPPLF. The interim final rule also codified the statutory zero percent risk weight for PPP loans; however, the PPP loans already received a zero percent risk weight under the agencies' existing capital rules as an exposure directly and unconditionally guaranteed by an agency of the U.S. government. The Board has temporarily revised the FR Y-9C instructions to reflect the changes made in this interim final rule.

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<sup>12</sup> 85 FR 22930 (April 23, 2020).

<sup>13</sup> 85 FR 20387 (April 13, 2020).

The Board needs to collect information on the number and outstanding balance of PPP loans, as well as the outstanding balance and quarterly average of PPP loans pledged to the liquidity facility, for their use in supervising holding companies. These items also would enable Federal Reserve supervision staff to monitor credit and liquidity risk, aggregate industry trends, and individual institutions' use of the PPPLF. Therefore, the Board temporarily approved the addition of four new data items to collect this information, with the collection of these items expected to be time-limited.

Starting with the June 30, 2020, reporting period, a holding company will report the total number of PPP loans outstanding, the outstanding balance of PPP loans, the outstanding balance of PPP loans pledged to the Federal Reserve's liquidity facility, and the quarterly average amount of PPP loans pledged to the Federal Reserve's liquidity facility and excluded from average total assets in the calculation of the leverage ratio. These items will tentatively be added to Schedule HC-M, as items 25.a, 25.b, 25.c, and 25.d.

Also starting with the June 30, 2020, reporting period, the quarterly average amount of PPP loans pledged to the liquidity facility and reported in 25.d would be reported as a deduction in Schedule HC-R, part I, item 29, "LESS: Other deductions from (additions to) assets for leverage ratio purposes," and thus excluded from Schedule HC-R, Part I, item 30, "Total assets for the leverage ratio."

Since PPP loans, regardless of whether they are pledged to the liquidity facility, receive a zero percent risk weight, they are effectively not included in the standardized total risk-weighted assets. Similarly, advanced approaches holding companies would not reflect PPP loans in "Total risk-weighted assets" reported on Schedule HC-R, Part I, item 46.a.

HCs subject to the supplementary leverage ratio requirement would report their adjusted "Supplementary leverage ratio" in Schedule HC-R, Part I, items 53.

#### *Regulation D Amendments – Interim Final Rule*

The Board published in the Federal Register on April 28, 2020, an interim final rule that amends the Board's Regulation D (Reserve Requirements of Depository Institutions).<sup>14</sup> The interim final rule amends the six per month transfer limit in the "savings deposit" definition in Regulation D. This interim final rule deleted a provision in the "savings deposit" definition that required depository institutions either to prevent transfers and withdrawals in excess of the limit or to monitor savings deposits ex post for violations of the limit. The interim final rule also makes conforming changes to other definitions in Regulation D that refer to "savings deposit," as necessary.

The interim final rule allows depository institutions to immediately suspend enforcement of the six transfer limit and to allow their customers to make an unlimited number of convenient transfers and withdrawals from their savings deposits. The interim final rule permits, but does not require, depository institutions to suspend enforcement of the six transfer limit. The interim

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<sup>14</sup> 85 FR 23445 (April 28, 2020).

final rule also does not require any changes to the deposit reporting practices of depository institutions.

The Board has temporarily revised the instructions to the FR Y-9C to reflect the revised definition of “savings deposits” in accordance with the amendments to Regulation D in the interim final rule. Specifically, the Board revised the General Instructions for Schedule HC-E, Deposit Liabilities, and the Glossary entry for “Deposits” in the FR Y-9C instructions to remove references to the six transfer limit. As a result of the amendments to Regulation D, if a holding company chooses to suspend enforcement of the six transfer limit on a “savings deposit” the holding company may continue to report that account as a “savings deposit” or may instead choose to report that account as a “transaction account.”

In addition, certain reporting items on Schedule HC-E differentiate between transaction accounts and nontransaction accounts, in part based on the definitions in Regulation D (including the previous six transfer limit distinction). Specifically, the revised definition would apply to the classification of deposits in Schedule HC-E, items 1.b, 1.c, 2.b and 2.c. Nevertheless, the Board anticipates there will be no material change in burden resulting from these revisions to the reporting of deposit accounts.

#### *Section 4013 - Temporary Relief from Troubled Debt Restructurings (TDR)*

Section 4013 of the CARES Act suspends the requirements under United States generally accepted accounting principles for eligible loan modifications related to the COVID-19 pandemic that would otherwise be categorized as troubled debt restructurings (TDRs). The CARES Act defines an eligible loan under section 4013 (section 4013 loan) as a loan modification that is (1) related to COVID-19, (2) executed on a loan that was not more than 30 days past due as of December 31, 2019, and (3) executed between March 1, 2020, and the earlier of (A) 60 days after the date of termination of the National Emergency concerning the COVID-19 outbreak or (B) December 31, 2020. Section 4013(d)(2) of the CARES Act provides that federal banking agencies may collect data about section 4013 loans for supervisory purposes.

Holding companies accounting for eligible loans under Section 4013 are not required to apply ASC Subtopic 310-40 to the section 4013 loans for the term of the loan modification. In addition, HCs do not have to report section 4013 loans as TDRs in regulatory reports. However, as provided for under section 4013, HCs should maintain records of the volume of section 4013 loans and the collection of data about such loans may be required for supervisory purposes.

Consistent with section 4013(d)(2) of the CARES Act, the Board has temporarily approved the addition of two new data items to the FR Y-9C. These confidential items would enable Federal Reserve supervision staff to monitor credit risk, aggregate industry trends, and individual institutions’ use of the temporary relief provided by section 4013. These new items, Memorandum item 16.a, “Number of Section 4013 loans outstanding,” and Memorandum item 16.b, “Outstanding balance of Section 4013 loans”, will be added to Schedule HC-C, Loans and Lease Financing Receivables. Holding companies will be instructed to report the total number of loans outstanding that have been modified under section 4013 in Memorandum item 16.a, and the outstanding balance of these loans in Memorandum item 16.b, beginning as of the June 30,

2020, report date. Therefore, the Board temporarily approved the addition of four new data items to collect this information, with the collection of these items expected to be time-limited.

The Board will collect institution-level Section 4013 loan information on a confidential basis. The Board has encouraged financial institutions to work with their borrowers during the National Emergency related to COVID-19, including use of the relief under Section 4013.<sup>15</sup> However, the Board considers that public disclosure of supervisory information on Section 4013 loans could have a detrimental impact on holding companies offering modifications under this provision to borrowers that need relief due to COVID-19.

### **Time Schedule for Information Collection**

The FR Y-9C and FR Y-9LP are filed quarterly as of the last calendar day of March, June, September, and December. The filing deadline for the FR Y-9C is 40 calendar days after the March 31, June 30, and September 30 as-of dates and 45 calendar days after the December 31 as-of date. The filing deadline for the FR Y-9LP is 45 calendar days after the quarter-end as-of date. The FR Y-9SP is filed semiannually as of the last calendar day of June and December, and the filing deadline is 45 calendar days after the as-of date. The annual FR Y-9ES is collected as of December 31, and the filing deadline is July 31 of the following year, unless an extension to file by October 15 is granted. Respondents will be notified of the filing deadline for the FR Y-9CS if it is utilized by the Board.

### **Public Availability of Data**

Data from the FR Y-9 reports that are not granted confidential treatment are publicly available on the FFIEC website: <https://www.ffiec.gov/NPW>.

### **Legal Status**

The Board has the authority to impose the reporting and recordkeeping requirements associated with the FR Y-9 family of reports on bank holding companies pursuant to section 5 of the Bank Holding Company Act of 1956 (BHC Act) (12 U.S.C. § 1844); on savings and loan holding companies pursuant to section 10(b)(2) and (3) of the Home Owners' Loan Act (12 U.S.C. § 1467a(b)(2) and (3)), as amended by sections 369(8) and 604(h)(2) of the Dodd-Frank Wall Street and Consumer Protection Act (Dodd-Frank Act); on U.S. intermediate holding companies pursuant to section 5 of the BHC Act (12 U.S.C. § 1844), as well as pursuant to sections 102(a)(1) and 165 of the Dodd-Frank Act (12 U.S.C. §§ 511(a)(1) and 5365);<sup>16</sup> and on

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<sup>15</sup> See “Interagency Statement on Loan Modifications and Reporting for Financial Institutions Working with Customers Affected by the Coronavirus (Revised)” (April 7, 2020), available at <https://www.occ.gov/news-issuances/news-releases/2020/nr-ia-2020-50a.pdf>.

<sup>16</sup> Section 165(b)(2) of Title I of the Dodd-Frank Act (12 U.S.C. § 5365(b)(2)), refers to “foreign-based bank holding company.” Section 102(a)(1) of the Dodd-Frank Act (12 U.S.C. § 5311(a)(1)), defines “bank holding company” for purposes of Title I of the Dodd-Frank Act to include foreign banking organizations that are treated as bank holding companies under section 8(a) of the International Banking Act of 1978 (12 U.S.C. § 3106(a)). The Board has required, pursuant to section 165(b)(1)(B)(iv) of the Dodd-Frank Act (12 U.S.C. § 5365(b)(1)(B)(iv)), certain foreign banking organizations subject to section 165 of the Dodd-Frank Act to form U.S. intermediate

securities holding companies pursuant to section 618 of the Dodd-Frank Act (12 U.S.C. § 1850a(c)(1)(A)). Except for the FR Y-9CS report, which is expected to be collected on a voluntary basis, the obligation to submit the remaining reports in the FR Y-9 series of reports and to comply with the recordkeeping requirements set forth in the respective instructions to each of the other reports, is mandatory.

With respect to the FR Y-9C report, Schedule HI's data item 7(g) "FDIC deposit insurance assessments," Schedule HC-P's data item 7(a) "Representation and warranty reserves for 1-4 family residential mortgage loans sold to U.S. government agencies and government sponsored agencies," and Schedule HC-P's data item 7(b) "Representation and warranty reserves for 1-4 family residential mortgage loans sold to other parties" are considered confidential commercial and financial information. Such treatment is appropriate under exemption 4 of the Freedom of Information Act (FOIA) (5 U.S.C. § 552(b)(4)) because these data items reflect commercial and financial information that is both customarily and actually treated as private by the submitter, and which the Board has previously assured submitters will be treated as confidential. It also appears that disclosing these data items may reveal confidential examination and supervisory information, and in such instances, this information would also be withheld pursuant to exemption 8 of the FOIA (5 U.S.C. § 552(b)(8)), which protects information related to the supervision or examination of a regulated financial institution.

In addition, for both the FR Y-9C report, Schedule HC's memorandum item 2.b. and the FR Y-9SP report, Schedule SC's memorandum item 2.b., the name and email address of the external auditing firm's engagement partner, is considered confidential commercial information and protected by exemption 4 of the FOIA (5 U.S.C. § 552(b)(4)) if the identity of the engagement partner is treated as private information by HCs. The Board has assured respondents that this information will be treated as confidential since the collection of this data item was proposed in 2004.

Additionally, items on the FR Y-9C, Schedule HC-C for loans modified under Section 4013, data items Memorandum items 16.a, "Number of Section 4013 loans outstanding"; and Memorandum items 16.b, "Outstanding balance of Section 4013 loans" are considered confidential. While the Board generally makes institution-level FR Y-9C report data publicly available, the Board is collecting Section 4013 loan information as part of condition reports for the impacted HCs and the Board considers disclosure of these items at the HC level would not be in the public interest.<sup>17</sup> Such information is permitted to be collected on a confidential basis, consistent with 5 U.S.C. § 552(b)(8).<sup>18</sup> In addition, holding companies may be reluctant to offer

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holding companies. Accordingly, the parent foreign-based organization of a U.S. intermediate holding company is treated as a bank holding company for purposes of the BHC Act and section 165 of the Dodd-Frank Act. Because section 5(c) of the BHC Act authorizes the Board to require reports from subsidiaries of bank holding companies, section 5(c) provides additional authority to require U.S. intermediate holding companies to report the information contained in the FR Y-9 series of reports.

<sup>17</sup> See 12 U.S.C. 1464(v)(2).

<sup>18</sup> Exemption 8 of the Freedom of Information Act (FOIA) specifically exempts from disclosure information "contained in or related to examination, operating, or condition reports prepared by, on behalf of, or for the use of an agency responsible for the regulation or supervision of financial institutions."

modifications under Section 4013 if information on these modifications made by each holding company is publicly available, as analysts, investors, and other users of public FR Y-9C report information may penalize an institution for using the relief provided by the CARES Act. The Board may disclose Section 4013 loan data on an aggregated basis, consistent with confidentiality or as otherwise required by law.

Aside from the data items described above, the remaining data items on the FR Y-9C report and the FR Y-9SP report are generally not accorded confidential treatment. The data items collected on FR Y-9LP, FR Y-9ES, and FR Y-9CS<sup>19</sup> reports, are also generally not accorded confidential treatment. As provided in the Board's Rules Regarding Availability of Information (12 CFR part 261), however, a respondent may request confidential treatment for any data items the respondent believes should be withheld pursuant to a FOIA exemption. The Board will review any such request to determine if confidential treatment is appropriate, and will inform the respondent if the request for confidential treatment has been denied.

To the extent the instructions to the FR Y-9C, FR Y-9LP, FR Y-9SP, and FR Y-9ES reports each respectively direct the financial institution to retain the workpapers and related materials used in preparation of each report, such material would only be obtained by the Board as part of the examination or supervision of the financial institution. Accordingly, such information is considered confidential pursuant to exemption 8 of the FOIA (5 U.S.C. § 552(b)(8)). In addition, the financial institution's work papers and related materials may also be protected by exemption 4 of the FOIA, to the extent such financial information is treated as confidential by the respondent (5 U.S.C. § 552(b)(4)).

## **Consultation Outside the Agency**

The Board coordinated and consulted with the FDIC and the OCC about the revisions to the FR Y-9C.

## **Estimate of Respondent Burden**

As shown in the table below, the estimated total annual burden for the FR Y-9C is 119,667 hours and would increase by 58 hours with the temporary revisions. These reporting requirements represent 1.35 percent of the total Federal Reserve System paperwork burden.

### **Current**

<i>Reporting</i>	<i>Estimated number of</i>	<i>Annual</i>	<i>Estimated</i>	<i>Estimated annual burden</i>
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<sup>19</sup> The FR Y-9CS is a supplemental report that may be utilized by the Board to collect additional information that is needed in an expedited manner from HCs. The information collected on this supplemental report is subject to change as needed. Generally, the FR Y-9CS report is treated as public. However, where appropriate, data items on the FR Y-9CS report may be withheld under exemptions 4 and/or 8 of the Freedom of Information Act (5 U.S.C. § 552(b)(4) and (8)).

	<i>respondents<sup>20</sup></i>	<i>frequency</i>	<i>average hours per response</i>	<i>hours</i>
FR Y-9C (non AA HCs CBLR) with less than \$5 billion in total assets	71	4	29.14	8,276
FR Y-9C (non AA HCs CBLR) with \$5 billion or more in total assets	35	4	35.11	4,915
FR Y-9C (non AA HCs non CBLR) with less than \$5 billion in total assets	84	4	40.98	13,769
FR Y-9C (non AA HCs non CBLR) with \$5 billion or more in total assets	154	4	46.95	28,921
FR Y-9C (AA HCs)	19	4	48.59	3,693
FR Y-9LP	434	4	5.27	9,149
FR Y-9SP	3,960	2	5.40	42,768
FR Y-9ES	83	1	0.50	42
FR Y-9CS	236	4	0.50	472
<i>Recordkeeping</i>				
FR Y-9C	363	4	1.00	1,452
FR Y-9LP	434	4	1.00	1,736
FR Y-9SP	3,960	2	0.50	3,960
FR Y-9ES	83	1	0.50	42
FR Y-9CS	236	4	0.50	<u>472</u>
<i>Current Total</i>				119,667

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### **Proposed**

<sup>20</sup> Of these respondents, 4 FR Y-9C (non AA HCs non CBLR) with less than \$5 billion in total assets filers; 177 FR Y-9LP filers; 3,153 FR Y-9SP filers; and 83 FR Y-9ES filers are considered small entities as defined by the Small Business Administration (i.e., entities with less than \$600 million in total assets), <https://www.sba.gov/document/support--table-size-standards>.

<i>Reporting</i>	<i>Estimated number of respondents<sup>21</sup></i>	<i>Annual frequency</i>	<i>Estimated average hours per response</i>	<i>Estimated annual burden hours</i>
FR Y-9C (non AA HCs CBLR) with less than \$5 billion in total assets	71	4	29.17	8,284
FR Y-9C (non AA HCs CBLR) with \$5 billion or more in total assets	35	4	35.14	4,920
FR Y-9C (non AA HCs non CBLR) with less than \$5 billion in total assets	84	4	41.01	13,779
FR Y-9C (non AA HCs non CBLR) with \$5 billion or more in total assets	154	4	46.98	28,940
FR Y-9C (AA HCs)	19	4	48.80	3,709
FR Y-9LP	434	4	5.27	9,149
FR Y-9SP	3,960	2	5.40	42,768
FR Y-9ES	83	1	0.50	42
FR Y-9CS	236	4	0.50	472
<i>Recordkeeping</i>				
FR Y-9C	363	4	1.00	1,452
FR Y-9LP	434	4	1.00	1,736
FR Y-9SP	3,960	2	0.50	3,960
FR Y-9ES	83	1	0.50	42
FR Y-9CS	236	4	0.50	<u>472</u>
<i>Proposed Total</i>				119,725
<i>Difference</i>				+58

<sup>21</sup> Of these respondents, 4 FR Y-9C (non AA HCs non CBLR) with less than \$5 billion in total assets filers; 177 FR Y-9LP filers; 3,153 FR Y-9SP filers; and 83 FR Y-9ES filers are considered small entities as defined by the Small Business Administration (i.e., entities with less than \$600 million in total assets), <https://www.sba.gov/document/support--table-size-standards>.

The total cost to respondents is estimated to be \$6,910,769 and would increase to \$6,914,119 with the revisions.<sup>22</sup>

## **Sensitive Questions**

These collections of information contain no questions of a sensitive nature, as defined by OMB guidelines.

## **Estimate of Cost to the Federal Reserve System**

The estimated cost to the Federal Reserve System for collecting and processing these information collections will be \$2,050,800.

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<sup>22</sup> Total cost to the public was estimated using the following formula: percent of staff time, multiplied by annual burden hours, multiplied by hourly rates (30% Office & Administrative Support at \$20, 45% Financial Managers at \$71, 15% Lawyers at \$70, and 10% Chief Executives at \$93). Hourly rates for each occupational group are the (rounded) mean hourly wages from the Bureau of Labor and Statistics (BLS), Occupational Employment and Wages May 2019, published March 31, 2020 [www.bls.gov/news.release/ocwage.t01.htm](http://www.bls.gov/news.release/ocwage.t01.htm). Occupations are defined using the BLS Occupational Classification System, [www.bls.gov/soc/](http://www.bls.gov/soc/)