

**OMB Supporting Statement for the  
Capital Assessments and Stress Testing information collection  
(FR Y-14A/Q/M; OMB No. 7100-0341)**

**Summary**

The Board of Governors of the Federal Reserve System (Board), under delegated authority from the Office of Management and Budget (OMB), proposes to revise the Capital Assessments and Stress Testing information collection (FR Y-14A/Q/M; OMB No. 7100-0341). The annual FR Y-14A collects large bank holding companies' (BHCs') quantitative projections of balance sheet, income, losses, and capital across a range of macroeconomic scenarios and qualitative information on methodologies used to develop internal projections of capital across scenarios.<sup>1</sup> The quarterly FR Y-14Q collects granular data on BHCs' various asset classes and pre-provision net revenue (PPNR) for the reporting period, which are used to support supervisory stress test models and for continuous monitoring efforts.<sup>2</sup> The monthly FR Y-14M comprises three loan- and portfolio-level collections, and one detailed address matching collection to supplement two of the loan- and portfolio level collections for first lien mortgages and home equity mortgages.

The Federal Reserve proposes revising the monthly FR Y-14M schedules and modifying the frequency for certain FR Y-14A and FR Y-14Q schedules, effective March 31, 2013. Revisions to the FR Y-14M schedules include: (1) adding data items to all three loan- and portfolio-level collections, and the address matching collection, (2) clarifying several data items currently collected, and (3) deleting data items that are no longer needed. For additional details on the proposed revisions, refer to the Description of Information Collection section in this proposal.

The data are used to assess the capital adequacy of large BHCs using forward-looking projections of revenue and losses, to support supervisory stress test models and continuous monitoring efforts, as well as to inform the Federal Reserve's operational decision-making as it continues to implement the Dodd-Frank Wall Street Reform and Consumer Protection Act.

The total current annual burden for FR Y-14A/Q/M is estimated to be 592,462 hours and is estimated to increase by 89,250 hours to 681,712 hours.

**Background and Justification**

During the years leading up to the recent financial crisis, many BHCs made significant distributions of capital, in the form of stock repurchases and dividends, without due consideration of the effects that a prolonged economic downturn could have on their capital

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<sup>1</sup> BHCs that must re-submit their capital plan generally also must provide a revised FR Y-14A in connection with their resubmission.

<sup>2</sup> Currently BHCs are required to submit both quarterly and annual schedules for third quarter data, with the exception of the Basel III/Dodd-Frank and Regulatory Capital Instruments schedules. For these schedules, only data for the annual schedules are submitted for third quarter data.

adequacy and ability to continue to operate and remain credit intermediaries during times of economic and financial stress.

In 2009, the Board conducted the Supervisory Capital Assessment Program (SCAP), a “stress test” of 19 large, domestic BHCs. The SCAP was focused on identifying whether large BHCs had capital sufficient to weather a more-adverse-than-anticipated economic environment while maintaining their capacity to lend. The Federal Reserve required BHCs identified as having capital shortfalls to raise specific dollar amounts of capital within six months of the release of the SCAP results. The Department of the Treasury established a government backstop available to BHCs unable to raise the required capital from private markets.

In early 2011, the Federal Reserve continued its supervisory evaluation of the resiliency and capital adequacy processes of 19 BHCs through the Comprehensive Capital Analysis and Review (CCAR) 2011. The CCAR 2011 involved the Federal Reserve’s forward-looking evaluation of the internal capital planning processes of the BHCs and their anticipated capital actions in 2011, such as increasing dividend payments or repurchasing or redeeming stock. In the CCAR 2011, the Federal Reserve evaluated whether these BHCs had satisfactory processes for identifying capital needs. The CCAR 2011 also evaluated whether these BHCs held adequate capital to maintain ready access to funding, continue operations and meet their obligations to creditors and counterparties, and continue to serve as credit intermediaries, even under stressful conditions. As a result of the CCAR 2011, the Federal Reserve developed a deeper understanding of the processes by which large BHCs form and monitor their assessments and expectations for maintaining appropriate capital, and the appropriateness of their planned actions and policies for returning capital to shareholders.

On December 1, 2011, the Federal Reserve published a final rulemaking (Capital Plan rule) in the *Federal Register* (76 FR 74631) that revised the Board’s Regulation Y requiring large BHCs to submit capital plans to the Federal Reserve annually and to require such BHCs to request prior approval from the Federal Reserve under certain circumstances before making a capital distribution. In connection with submissions of capital plans to the Federal Reserve, BHCs are required, pursuant to 12 CFR 225.8(d)(3), to provide certain data to the Federal Reserve. The FR Y-14 information collection notice implementing the reporting requirements to support the ongoing CCAR exercise and fulfilling the data collection requirements under 12 CFR 225.8(d)(3) was published in the *Federal Register* on November 29, 2011 (76 FR 73634). Data required by the Federal Reserve includes, but is not be limited to, information regarding the BHCs’ financial condition, structure, assets, risk exposure, policies and procedures, liquidity, and management.

On May 17, 2012, the Board approved revisions to the FR Y-14 information collection, effective June 30, 2012. The approved revisions enhanced data items previously collected and implemented new monthly reporting schedules. The final *Federal Register* notice was published on June 4, 2012 (77 FR 32970).

On September 25, 2012, the Board approved revisions to the FR Y-14 information collection, effective September 30, 2012. The revisions included: (1) implementing three new quarterly reporting schedules, (2) revising the respondent panel, (3) enhancing data items

previously collected, (4) deleting data items that are no longer needed, and (5) collecting contact information. The approved revisions were based on experience gained from previous capital review and stress testing efforts. The final *Federal Register* notice was published on October 4, 2012 (77 FR 60695).

The Federal Reserve continues to hold large BHCs to an elevated capital planning standard because of the elevated risk posed to the financial system by large BHCs and the importance of capital in mitigating these risks. The final Capital Plan rule addressed the practices that led up to the financial crisis, building upon the Federal Reserve's existing supervisory expectation that large BHCs have robust systems and processes that incorporate forward-looking projections of revenue and losses to monitor and maintain their internal capital adequacy. The final Capital Plan rule built also upon the Federal Reserve's recent supervisory practice of requiring capital plans from large, complex BHCs.

On October 12, 2012, the Federal Reserve published two final rules in the *Federal Register* (77 FR 62409) with stress testing requirements for certain bank holding companies, state member banks, and savings and loan holding companies. The final rules implement sections 165(i)(1) and (i)(2) of the Dodd-Frank Wall Street Reform and Consumer Protection Act. Section 165(i)(1) of the Dodd-Frank Act requires the Board to conduct an annual stress test of each covered company<sup>3</sup> to evaluate whether the covered company has sufficient capital, on a total consolidated basis, to absorb losses as a result of adverse economic conditions (supervisory stress tests). Section 165 (i)(2) requires the Board to issue regulations that require covered companies to conduct stress tests semi-annually and require financial companies with total consolidated assets of more than \$10 billion that are not covered companies and for which the Federal Reserve is the primary federal financial regulatory agency to conduct stress tests on an annual basis (collectively, company-run stress tests).

### **Description of Information Collection**

The data collected through the FR Y-14A/Q/M schedules provide the Federal Reserve with the additional information and perspective needed to help ensure that large BHCs have strong, firm-wide risk measurement and management processes supporting their internal assessments of capital adequacy and that their capital resources are sufficient given their business focus, activities, and resulting risk exposures. The annual CCAR exercise is also complemented by other Federal Reserve supervisory efforts aimed at enhancing the continued viability of large BHCs, including (1) continuous monitoring of BHCs' planning and management of liquidity and funding resources and (2) regular assessments of credit, market and operational risks, and associated risk management practices. Information gathered in this data collection is also used in the supervision and regulation of these financial institutions. In order to fully evaluate the data submissions, the Federal Reserve may conduct follow up discussions with or request responses to follow up questions from respondents, as needed.

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<sup>3</sup> See 12 U.S.C. 5365(a). A "covered company" includes any bank holding company with total consolidated assets of \$50 billion or more and each nonbank financial company that the Council has designated for supervision by the Board.

### **Current FR Y-14A (annual collection)**

The annual collection of BHCs quantitative projected regulatory capital ratios across various macroeconomic scenarios comprises six primary schedules (Summary, Macro Scenario, CCR, Basel III/Dodd-Frank, Regulatory Capital Instruments, and Operational Risk schedules), each with multiple supporting worksheets.

Except for the annual Basel III/Dodd-Frank schedule, which collects annual forecast data, and the Operational Risk schedule, all other FR Y-14A schedules collect quarter-by-quarter results and projections. BHCs must complete each FR Y-14A schedule for each scenario, and they must include:

- current and projected balances for balance sheet and off-balance-sheet positions and exposures for a number of identified categories under each scenario;
- reconciliation that clearly demonstrates that all balances have been accounted for in the analysis, or demonstration that the current balances for each category tie to the corresponding category on the Consolidated Financial Statements for Bank Holding Companies (FR Y-9C; OMB No. 7100-0128);
- estimates of losses as specified in each schedule;
- potential losses or exposures not captured in other data items should be included in the completed schedules, and a description of the source of the losses should be attached; and
- estimates of resources available to absorb losses, including PPNR, the Allowance for Loan and Lease Losses (ALLL), and capital.

BHCs are also required to submit qualitative information supporting their projections, including descriptions of the methodologies used to develop the internal projections of capital across scenarios and other analyses that support their comprehensive capital plans.

### **Current FR Y-14Q (quarterly collection)**

Data submitted on FR Y-14Q schedules (Securities Risk, Retail Risk, PPNR, Wholesale Risk, Trading Risk, Basel III/Dodd-Frank, Regulatory Capital Instruments, Fair Value Option/Held for Sale, Mortgage Servicing Rights, Operational Risk and Supplemental schedules), which collect BHC-specific data on positions and exposures, are used as input to supervisory stress test models and to monitor actual versus forecast information on a quarterly basis.

### **Current FR Y-14M (monthly collection)**

Beginning with the June 2012 as-of date, the Federal Reserve increased the reporting frequency for three retail portfolios from quarterly to monthly: two loan- and portfolio-level collection for *First Lien Closed-End 1-4 Family Residential Loan* data and *Home Equity Loan and Home Equity Line* data and one account- and portfolio-level collection for *Domestic Credit Card data Collection Data Dictionary*.<sup>4</sup> In order to match senior and junior lien residential

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<sup>4</sup> In the case of the credit card portfolio, the collection gathers account data instead of loan data.

mortgages on the same collateral, the *Address Matching Loan Level Data Collection* gathers additional information on the residential mortgage loans reported in the *First Lien Closed-End 1-4 Family Residential Loan* and *Home Equity Loan and Home Equity Line* collections.

### **Proposed Revision to the FR Y-14A (annual collection)**

**Summary and Macro scenario schedules.** Effective November 15, 2012, sections 252.145 (Mid-cycle stress test) and 252.147(a)(2) (Reports of stress test results) of Regulation YY (12 CFR 252) Supervisory and Company-Run Stress Test Requirements for Covered Companies, requires that, in addition to the stress test required under section 252.144, a covered company must conduct a stress test and report the results by July 5<sup>th</sup> during each stress test cycle based on data as of March 31<sup>st</sup> of that calendar year, unless the time or the as-of date is extended by the Board in writing.<sup>5</sup> Therefore, the Federal Reserve proposes revising the reporting frequency from annual to semi-annual for the Summary and Macro scenario schedules. In the mid-cycle summary schedules, trading and counterparty worksheets would be used if a market shock is included in one of the BHC stress scenarios. In the mid-cycle macro scenario schedule, BHCs would not be required to provide items related to supervisory scenarios.

### **Proposed Revision to FR Y-14Q (quarterly collection)**

The Federal Reserve proposes revising the FR Y-14Q Basel III/Dodd-Frank schedule and Regulatory Capital Instruments schedule to increase the reporting frequency from three times to four times a year effective beginning with the September 30, 2013 report date. The Federal Reserve needs these data to be provided quarterly, consistent with the data provided in other FR Y-14Q schedules. The previous frequency of three times a year reflected the fact that these schedules were implemented in the fourth quarter 2011 and were reported only three quarters during the first year of implementation.

### **Proposed Revisions to the FR Y-14M (monthly collection)<sup>6</sup>**

The proposed revisions to the FR Y-14M (monthly collection) consist of adding data items, clarifying instructions, and clarifying current data items on four schedules. The proposed changes to the FR Y-14M monthly data collections would (1) provide additional information to support supervisory models used during CCAR and DFAST as well as continuous supervisory monitoring of BHCs' portfolios, (2) be responsive to industry comments, (3) create greater uniformity in the information collected across respondents, (4) create greater consistency in field definitions across related FR Y-14 schedules, (5) account for developments in the market for loan products, (6) clarify ambiguity in existing variable definitions and (7) create efficiencies in the processing of the data. In addition, the Federal Reserve believes that because many of the proposed new data items request information that large servicers of these loans currently collect

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<sup>5</sup> Published October 12, 2012 (77 FR 62378)

<sup>6</sup> The Federal Reserve notes that the Risk-Based Capital Reporting for Institutions Subject to the Advanced Capital Adequacy Framework (FFIEC 101; OMB No. 7100-0319) information collection, which applies to some Reporters, does not provide the necessary level of granularity to support the loan-level modeling process. In addition, loan-level Basel II parameter offers a valuable tool for the quantitative horizontal analysis of Basel II implementation across banks.

in the regular course of business, the incremental burden of adding such fields would be low. Some of the proposed changes are also intended to facilitate increased data sharing across regulatory agencies that should reduce the overall burden of data submissions on reporters. A summary of the proposed revisions is provided below. In addition, some fields will have the added benefit of facilitating the review Basel II implementation at certain BHCs. For a listing of, and additional details on, the proposed data items, please see the Attachment.

**Domestic First Lien Closed-End 1-4 Family Residential Loan Schedule.** The Federal Reserve proposes adding 40 data items to the Domestic First Lien Closed-End 1-4 Family Residential Loan schedule to collect information on loans before and after modification, loan performance and status indicators, risk analysis and loss information, Basel II parameters and identifier variables (such as customer and co-borrower ID). Also, the Federal Reserve proposes to remove three data items from the loan level table that can be derived from other data items.

**Domestic Home Equity Loan and Home Equity Line Schedule.** The Federal Reserve proposes adding 27 data items to the Domestic Home Equity Loan and Home Equity Line schedule and deleting one data item. The Federal Reserve proposes adding the data items to provide more information on loan performance, including loss, default, modification, foreclosure and recovery variables, and Basel II parameters, and to be consistent with the proposed revisions to the Domestic First Lien Closed End 1-4 Family Residential Loan schedule, as discussed above. The Federal Reserve proposes to delete the Paid-in-Full Coding data item (Field 52), as this information is sufficiently captured in the Liquidation Status data item (Field 54).

**Address Matching Loan Level Data Collection.** The Federal Reserve proposes to add one data item to the Address Matching Loan Level Data Collection schedule to indicate whether the loan is included in the FR Y-14M First Lien Closed-End or Home Equity Loan and Home Equity Line schedule for that month.

**Domestic Credit Card data Collection Data Dictionary.** The Federal Reserve proposes to add 65 data items to the Domestic Credit Card Data Collection Data Dictionary schedule. 46 data items would be added at the account level to collect information surrounding identifier variables (including corporation and borrower IDs, address, entity type, and trade key), purchase and payment rate variables, status and performance data, various fees incurred, workout program descriptors, and credit scores and limits. In addition, the Federal Reserve proposes to revise the current reporting of 11 account level data items from optional to mandatory, in order to create greater uniformity in the reporting of balance, cycle and account dates and amounts. At the portfolio level, 19 data items would be added to collect information on interest and non-interest expenses, interest and noninterest income, various types of fee income, and taxes.

## **Respondent Panel**

The respondent panel consists of any top-tier BHC (other than a foreign banking organization), that has \$50 billion or more in total consolidated assets, as determined based on: (i) the average of the BHC's total consolidated assets in the four most recent quarters as reported quarterly on the BHC's Consolidated Financial Statements for Bank Holding Companies (FR Y-9C) (OMB No. 7100-0128); or (ii) the average of the BHC's total consolidated assets in the most

recent consecutive quarters as reported quarterly on the BHC's FR Y-9Cs, if the BHC has not filed an FR Y-9C for each of the most recent four quarters. Reporting is required as of the first day of the quarter immediately following the quarter in which it meets this asset threshold, unless otherwise directed by the Federal Reserve.

### **Sensitive Questions**

This collection of information contains no questions of a sensitive nature, as defined by OMB guidelines.

### **Consultation Outside the Agency**

The Federal Reserve has consulted with other federal regulators, including the Office of the Comptroller of the Currency, and data collection and aggregation professionals regarding the changes to the FR Y-14 to ensure that the revised collections are comprehensive given the collection's purposes and that requested information is collected on BHCs' data management systems. In order to reduce the burden on the reporters and facilitate inter-agency data sharing, certain fields were added or modified so that the FR Y-14 schedules conform, where possible, to those used by other regulators.

On December 20, 2012, the Federal Reserve published a notice in the *Federal Register* (77 FR 75434) requesting public comment for 60 days on the proposed revisions to the Capital Assessments and Stress Testing information collection. The comment period for this notice expires on February 19, 2013.

### **Legal Status**

The Board's Legal Division has determined that this mandatory information collection is authorized by section 165 of the Dodd-Frank Act, which requires the Board to ensure that certain BHCs and nonbank financial companies supervised by the Board are subject to enhanced risk-based and leverage standards in order to mitigate risks to the financial stability of the United States (12 U.S.C. § 5365). Additionally, section 5 of the Bank Holding Company Act authorizes the Board to issue regulations and conduct information collections with regard to the supervision of BHCs (12 U.S.C. § 1844).

As these data are collected as part of the supervisory process, they are subject to confidential treatment under exemption 8 of the Freedom of Information Act (FOIA) (5 U.S.C. § 552(b)(8)). In addition, commercial and financial information contained in these information collections may be exempt from disclosure under exemption 4 of FOIA (5 U.S.C. § 552(b)(4)). Such exemptions would be made on a case-by-case basis.

### **Time Schedule for Information Collection and Publication**

**Time Schedule** - The following tables outline by risk factor (schedules and sub-worksheets) the as-of dates for the data and the due date for the current and proposed submissions to the Federal Reserve by reporting frequency (annually, quarterly, or monthly).

Risk Factor Schedules and Sub-Worksheets	Data as-of-date	Submission due to Federal Reserve
<b>Current FR Y-14A (Annual Filings)</b>		
<p><b>Basel III/Dodd-Frank schedule, Regulatory Capital Instruments schedule, Macro Scenario schedule, Operational Risk, and Summary schedule</b></p> <ul style="list-style-type: none"> <li>• <b>Balance Sheet</b></li> <li>• <b>Income Statement</b></li> <li>• <b>Capital</b></li> <li>• <b>Retail Risk</b></li> <li>• <b>Operational Risk</b></li> <li>• <b>Securities Risk</b></li> <li>• <b>PPNR</b></li> </ul>	<p>Data as-of September 30<sup>th</sup>.</p>	<p>Data are due January 5<sup>th</sup> of the following year.</p>
<p><b><u>CCAR Market Shock exercise</u> Summary schedule</b></p> <ul style="list-style-type: none"> <li>• <b>Trading Risk</b></li> <li>• <b>CCR</b></li> </ul> <p><b>CCR Annual schedule</b></p>	<p>Data as-of a specified date in the fourth quarter. As-of-date would be communicated during the fourth quarter after it had occurred.</p> <p>For any BHC that is required to resubmit a capital plan that would include the market shock exercise, the as-of date will be the same as the as-of date for the Trading Risk schedule.</p>	<p>Data are due January 5<sup>th</sup> of the following year.</p> <p>For any BHC that is required to resubmit a capital plan that would include the market shock exercise, the due date will be the same as the due date for the Trading Risk Schedule.</p>

Risk Factor Schedules and Sub-Worksheets	Data as-of-date	Submission due to Federal Reserve
<b>Current FR Y-14Q (Quarterly Filings)</b>		
<b>Securities Risk schedule</b> <b>PPNR schedule</b> <b>Retail Risk schedule</b> <b>Wholesale Risk schedule</b> <b>Operational Risk schedule</b> <b>MSR Valuation schedule</b> <b>Supplemental schedule</b> <b>Retail FVO/HFS schedule</b>	Data as-of each calendar quarter end.	Same as FR Y-9C reporting schedule: Reported data (40 calendar days after the calendar quarter-end for March, June, and September and 45 calendar days after the calendar quarter-end for December).
<b>Basel III/Dodd-Frank schedule</b> <b>Regulatory Capital Instruments schedule</b>	Data as-of each calendar quarter end. Quarterly data reported for the <b>first, second, and fourth quarters ONLY.</b>	Same as FR Y-9C reporting schedule (see above).
<b>Trading Risk schedule</b>	<p>Due to the fact that the data is part of the CCAR Market Shock exercise, the as-of-date for the third quarter would be communicated in the subsequent quarter. For all other quarters, the as-of date would be the last day of the quarter, except for BHCs that are required to re-submit their capital plan. For these BHCs, the as-of date for the quarter preceding the quarter in which they are required to re-submit a capital plan would be communicated to the BHCs during the subsequent quarter.</p>	<p>The data would be due 40 calendar days after the notification date (notifying respondents of the as-of-date) or, for the 3<sup>rd</sup> quarter data, December 15, whichever comes earlier. BHCs may provide these data as-of the most recent date that corresponds to their weekly internal risk reporting cycle as long as it falls before the as-of-date.</p> <p>In addition, for BHCs that are required to re-submit a capital plan, the due date for the quarter preceding the quarter in which the BHCs are required to re-submit a capital plan would be the later of (1) the normal due date or (2) the date that the re-submitted capital plan is due, including any extensions.</p>
<b>FR Y-14M (Monthly Filings)</b>		
<b>All monthly Retail Risk schedules</b>	Data as-of the last business day of each calendar month.	Reported data due by the 30 <sup>th</sup> calendar day of the following month.

Risk Factor Schedules and Sub-Worksheets	Data as-of-date	Submission due to Federal Reserve
<b>Proposed FR Y-14A (Annual and Semi-Annual Filings)</b>		
<b>Macro Scenario schedule and Summary schedule</b> <ul style="list-style-type: none"> <li>• <b>Balance Sheet</b></li> <li>• <b>Income Statement</b></li> <li>• <b>Capital</b></li> <li>• <b>Retail Risk</b></li> <li>• <b>Operational Risk</b></li> <li>• <b>Securities Risk</b></li> <li>• <b>PPNR</b></li> </ul>	<ul style="list-style-type: none"> <li>• Data as-of September 30<sup>th</sup>.</li> <li>• Data as-of March 31<sup>st</sup>.</li> </ul>	<ul style="list-style-type: none"> <li>• Data are due January 5<sup>th</sup> of the following year.</li> <li>• Data are due July 5<sup>th</sup> of the same year.</li> </ul>
<b>Basel III/Dodd-Frank schedule, Regulatory Capital Instruments, and Operational Risk schedule</b>	<ul style="list-style-type: none"> <li>• Data as-of September 30<sup>th</sup>.</li> </ul>	<ul style="list-style-type: none"> <li>• Data are due January 5<sup>th</sup> of the following year.</li> </ul>
<u><b>CCAR Market Shock exercise Summary schedule</b></u> <ul style="list-style-type: none"> <li>• <b>Trading Risk</b></li> <li>• <b>CCR</b></li> </ul> <b>CCR Annual schedule</b>	<p>Data as-of a specified date in the fourth quarter. As-of-date would be communicated during the fourth quarter after it had occurred.</p> <p>For any BHC that is required to resubmit a capital plan that would include the market shock exercise, the as-of date will be the same as the as-of date for the Trading Risk schedule.</p>	<p>Data are due January 5<sup>th</sup> of the following year.</p> <p>For any BHC that is required to resubmit a capital plan that would include the market shock exercise, the due date will be the same as the due date for the Trading Risk Schedule.</p>

Risk Factor Schedules and Sub-Worksheets	Data as-of-date	Submission due to Federal Reserve
<b>Proposed FR Y-14Q (Quarterly Filings)</b>		
<b>Securities Risk schedule</b> <b>PPNR schedule</b> <b>Retail Risk schedule</b> <b>Wholesale Risk schedule</b> <b>Operational Risk schedule</b> <b>MSR Valuation schedule</b> <b>Supplemental schedule</b> <b>Retail FVO/HFS schedule</b>	Data as-of each calendar quarter end.	Same as FR Y-9C reporting schedule: Reported data (40 calendar days after the calendar quarter-end for March, June, and September and 45 calendar days after the calendar quarter-end for December).
<b>Basel III/Dodd-Frank schedule</b> <b>Regulatory Capital Instruments schedule</b>	Data as-of each calendar quarter end.	Same as FR Y-9C reporting schedule.
<b>Trading Risk schedule</b>	<p>Due to the fact that the data is part of the CCAR Market Shock exercise, the as-of-date for the third quarter would be communicated in the subsequent quarter. For all other quarters, the as-of date would be the last day of the quarter, except for BHCs that are required to re-submit their capital plan. For these BHCs, the as-of date for the quarter preceding the quarter in which they are required to re-submit a capital plan would be communicated to the BHCs during the subsequent quarter.</p>	<p>The data would be due 40 calendar days after the notification date (notifying respondents of the as-of-date) or, for the 3<sup>rd</sup> quarter data, December 15, whichever comes earlier. BHCs may provide these data as-of the most recent date that corresponds to their weekly internal risk reporting cycle as long as it falls before the as-of-date.</p> <p>In addition, for BHCs that are required to re-submit a capital plan, the due date for the quarter pre-ceeding the quarter in which the BHCs are required to re-submit a capital plan would be the later of (1) the normal due date or (2) the date that the re-submitted capital plan is due, including any extensions.</p>
<b>FR Y-14M (Monthly Filings)</b>		
<b>All monthly Retail Risk schedules</b>	Data as-of the last business day of each calendar month.	Reported data due by the 30 <sup>th</sup> calendar day of the following month.

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

The cost to the Federal Reserve System for the on-going maintenance of the information collection is estimated to be \$5,580,000.

## **Estimate of Respondent Burden**

The current total annual burden for the annual, quarterly, and monthly reporting requirements of this information collection is estimated to be 592,462 hours and with the proposed revisions would increase by 89,250 hours, for a total of 681,712 hours. The increase in total annual burden hours is due to the proposed changes in frequency to the FR Y-14A and FR Y-14Q and the proposed changes to the FR Y-14M. The proposed annual burden for the FR Y-14A/Q/M would represent approximately 5 percent of total Federal Reserve System paperwork burden.

### **FR Y-14A Burden**

The current total annual burden hours for the FR Y-14A is estimated to be 29,502 hours and with the proposed revisions would increase by 26,010 hours for a total of 55,512 hours. The increase is due to the proposed changes to the reporting frequency for Summary and Macro scenario schedules.

### **FR Y-14Q Burden**

The current total annual burden hours for the FR Y-14Q is estimated to be 144,400 hours and with the proposed revisions would increase by 1,800 hours for a total of 146,200 hours. The increase is due to the proposed changes to the reporting frequency for the Basel III/Dodd-Frank and the Regulatory Capital Instruments schedules.

### **FR Y-14M Burden**

The Federal Reserve estimates that, on average, respondents would take approximately 430 hours monthly to complete the FR Y-14M. With the proposed revisions, the hourly estimate for the three monthly collections would increase to 510 hours per month. The total burden for the BHCs that complete the monthly *First Lien Closed-End Residential Mortgage* collection is estimated to increase from 129,000 hours to 153,000 hours. The total burden for the BHCs that complete the monthly *Domestic Home Equity Residential Mortgage* collection is estimated to increase from 123,840 hours to 146,880 hours. The total burden for the BHCs that complete the monthly *Credit Card* collection is estimated to increase from 77,400 hours to 91,800 hours. The current total burden for the FR Y-14M collections is estimated to increase from 330,240 hours to 391,680 hours.

## **Implementation and On-Going Automation Burden**

In an effort to more accurately reflect the burden imposed on the BHCs for reporting the FR Y-14 data, the Federal Reserve has included estimates for annual one-time implementation

burden (for new respondents) and annual on-going automation burden (for existing respondents). The Federal Reserve estimates the automation burden for each new respondent BHC that would complete the FR Y-14 would vary across BHCs. On average it would take approximately 7,200 hours (one-time implementation) to prepare their systems for submitting the data, for a total of 79,200 hours. The Federal Reserve estimates the burden for each existing respondent BHC that would update their systems in order to complete the FR Y-14 submissions would vary across BHCs. On average it would take approximately 480 hours (on-going maintenance) to update systems for submitting the data, for a total of 9,120 hours. The total automation burden for the FR Y-14 is estimated to be 88,320 hours.

The current total annual cost to the public for the FR Y-14 information collection is estimated to be \$26,571,921 and would increase by \$4,002,863, to \$30,574,783 for the revised FR Y-14.<sup>7</sup>

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<sup>7</sup> Total cost to the public was estimated using the following formula: percent of staff time, multiplied by annual burden hours, multiplied by hourly rate (30% Office & Administrative Support @ \$17, 45% Financial Managers @ \$52, 15% Legal Counsel @ \$55, and 10% Chief Executives @ \$81). Hourly rate for each occupational group are the median hourly wages (rounded up) from the Bureau of Labor and Statistics (BLS), Occupational Employment and Wages 2011, [www.bls.gov/news.release/ocwage.nr0.htm](http://www.bls.gov/news.release/ocwage.nr0.htm) Occupations are defined using the BLS Occupational Classification System, [www.bls.gov/soc/](http://www.bls.gov/soc/)

	<i>Number of respondents<sup>8</sup></i>	<i>Annual frequency</i>	<i>Estimated average hours per response</i>	<i>Estimated annual burden hours</i>
<b><u>Current FR Y-14A</u></b>				
Summary	30	1	836	25,080
Macro scenario	30	1	31	930
CCR	6	1	382	2,292
Basel III/Dodd-Frank	30	1	20	600
Regulatory capital instruments	30	1	20	<u>600</u>
<i>Current FR Y-14A total</i>				<u>29,502</u>
<b><u>Current FR Y-14Q</u></b>				
Securities risk	30	4	10	1,200
Retail risk	30	4	16	1,920
PPNR	30	4	625	75,000
Wholesale risk				
• Corporate loans	28	4	60	6,720
• CRE	27	4	60	6,480
Trading risk	6	4	1,720	41,280
Basel III/Dodd-Frank <sup>9</sup>	30	3	20	1,800
Regulatory capital instruments	30	3	40	3,600
Operational risk	30	4	28	3,360
MSR Valuation	9	4	24	864
Supplemental	30	4	8	960
Retail FVO/HFS	19	4	16	<u>1,216</u>
<i>Current FR Y-14Q total</i>				<u>144,400</u>
<b><u>Current FR Y-14M</u></b>				
Retail risk				
• 1 <sup>st</sup> lien mortgage	25	12	430	129,000
• Home equity	24	12	430	123,840
• Credit card	15	12	430	<u>77,400</u>
<i>Current FR Y-14M total</i>				<u>330,240</u>
<b><u>Implementation and On-going Automation</u></b>				
Start-up – new respondents	11	1	7,200	79,200
On-going revisions	19	1	480	<u>9,120</u>
<i>Current automation total</i>				<u>88,320</u>
<i>Current collection total</i>				<u>592,462</u>

<sup>8</sup> Of the 30 respondents required to comply with this information collection, none are small entities as defined by the Small Business Administration (*i.e.*, entities with less than \$175 million in total assets) [www.sba.gov/contractingopportunities/officials/size/table/index.html](http://www.sba.gov/contractingopportunities/officials/size/table/index.html).

<sup>9</sup> The quarterly Basel III/Dodd-Frank and Regulatory Capital schedules are only reported three out of the four quarters.

	<i>Number of respondents<sup>10</sup></i>	<i>Annual frequency</i>	<i>Estimated average hours per response</i>	<i>Estimated annual burden hours</i>
<b><u>Proposed FR Y-14A</u></b>				
<b>Summary</b>	<b>30</b>	<b>2</b>	<b>836</b>	<b>50,160</b>
<b>Macro scenario</b>	<b>30</b>	<b>2</b>	<b>31</b>	<b>1,860</b>
CCR	6	1	382	2,292
Basel III/Dodd-Frank	30	1	20	600
Regulatory capital instruments	30	1	20	<u>600</u>
<i>Proposed FR Y-14A total</i>				<u>55,512</u>
<b><u>Proposed FR Y-14Q</u></b>				
Securities risk	30	4	10	1,200
Retail risk	30	4	16	1,920
PPNR	30	4	625	75,000
Wholesale risk				
• Corporate loans	28	4	60	6,720
• CRE	27	4	60	6,480
Trading risk	6	4	1,720	41,280
<b>Basel III/Dodd-Frank</b>	<b>30</b>	<b>4</b>	<b>20</b>	<b>2,400</b>
<b>Regulatory capital instruments</b>	<b>30</b>	<b>4</b>	<b>40</b>	<b>4,800</b>
Operational risk	30	4	28	3,360
MSR Valuation	9	4	24	864
Supplemental	30	4	8	960
Retail FVO/HFS	19	4	16	<u>1,216</u>
<i>Proposed FR Y-14Q total</i>				<u>146,200</u>
<b><u>Proposed FR Y-14M</u></b>				
<b>Retail risk</b>				
• 1 <sup>st</sup> lien mortgage	25	12	510	153,000
• Home equity	24	12	510	146,880
• Credit card	15	12	510	<u>91,800</u>
<i>Proposed FR Y-14M total</i>				<u>391,680</u>
<b><u>Implementation and On-going</u></b>				
<b><u>Automation</u></b>				
Start-up – new respondents	11	1	7,200	79,200
On-going revisions	19	1	480	<u>9,120</u>
<i>Proposed automation total</i>				<u>88,320</u>
<b><i>Proposed collection total</i></b>				<b><u>681,712</u></b>

<sup>10</sup> Of the 30 respondents required to comply with this information collection, none are small entities as defined by the Small Business Administration (*i.e.*, entities with less than \$175 million in total assets) [www.sba.gov/contractingopportunities/officials/size/table/index.html](http://www.sba.gov/contractingopportunities/officials/size/table/index.html).