

OMB Number: 3064-0052.

Estimated Number of Respondents:

5,354 insured state nonmember banks.

Estimated Time per Response: 32.85 burden hours.

Estimated Total Annual Burden:

703,411 burden hours.

The estimated time per response for the Call Report is an average, which varies by agency because of differences in the composition of the banks under each agency's supervision (e.g., size distribution of institutions, types of activities in which they are engaged, and number of banks with foreign offices). For the Call Report as it would be revised, the time per response for a bank is estimated to range from 15 to 550 hours, depending on individual circumstances.

General Description of Report

These information collections are mandatory: 12 U.S.C. 161 (for national banks), 12 U.S.C. 324 (for state member banks), and 12 U.S.C. 1817 (for insured state nonmember commercial and savings banks, and for all banks for deposit information). Except for selected items, these information collections are not given confidential treatment. Small businesses (i.e., small banks) are affected.

Abstract

Banks file Call Reports with the agencies each quarter for the agencies' use in monitoring the condition, performance, and risk profile of reporting banks and the industry as a whole. In addition, Call Reports provide the most current statistical data available for evaluating bank corporate applications such as mergers, for identifying areas of focus for both on-site and off-site examinations, and for monetary and other public policy purposes. Call Reports are also used to calculate all banks' deposit insurance and Financing Corporation assessments and national banks' semiannual assessment fees.

Current Actions

On November 8, 2002, the OCC, the Board, and the FDIC jointly published a notice soliciting comments for 60 days on proposed revisions to the Call Report (67 FR 68229). The agencies' notice addressed a number of different types of changes to the Call Report requirements. These changes related to the content of the Call Report itself, the submission deadline for certain banks, and the agencies' process for validating and releasing the data that banks report. First, the agencies proposed several revisions to the content of the Call Report and one instructional

clarification. These revisions focus on improving the information reported by banks that engage in certain specific activities and generally will be applicable to small percentages of banks rather than to most or all banks. This first group of proposed revisions, which were proposed to take effect as of March 31, 2003, include:

- Adding five items dealing with accrued fees and finance charges on credit card accounts, allowances for uncollectible accrued fees and finance charges, and charge-offs of such accrued amounts, which would be reported by banks with a significant volume of credit card activity;

- Splitting the item in the securitization schedule (Schedule RC-S) for seller-provided credit enhancements to the bank's securitization structures (other than credit-enhancing interest-only strips) into separate items, one for on-balance sheet assets and another for other enhancements;

- Separating the current income statement (Schedule RI) item for income from insurance activities into two items, one for insurance underwriting income and the other for income from other insurance activities;

- Adding a yes/no question asking whether any of the bank's Internet Web sites has transactional capability, i.e., allows the bank's customers to execute transactions on their accounts;

- Extending to banks with less than \$100 million in assets the requirement to disclose the fair values of derivative contracts in Schedule RC-L—Derivative and Off-Balance Sheet Items, because current accounting standards require derivatives to be reported on the balance at fair value;

- Changing where banks report any provisions for allocated transfer risk in the income statement (Schedule RI);

- Clarifying the instructions for the reporting of certain loans;

- Clarifying that, for the Memorandum items on the number and amount of deposit accounts by size of account in the insurance assessments schedule (Schedule RC-O), the dollar amount for the size of an account represents the deposit insurance limit in effect on the report date; and

- Creating a supplement to the Call Report that would enable the agencies to collect a limited amount of data from certain banks in the event of an immediate and critical need for specific information.

Second, the agencies proposed to reduce the Call Report filing period for banks with more than one foreign office from 45 to 30 days effective June 30, 2003. In connection with this change, the FDIC would be authorized to contact

not more than 20 of these banks around May 1, 2003, if their March 31 reports have not yet been received in order to obtain certain deposit data needed to estimate insured deposits.

Third, to improve the timeliness with which Call Report data become available to the public, the agencies would begin posting the reports for individual banks on the FDIC's Web site as soon as the agencies' analysis of an individual report has been completed. The agencies stated that this change would begin as early as with the first quarter 2003 reports.

Finally, in conjunction with the planned implementation of a new business model for collecting and validating Call Reports in 2004, the agencies proposed that a bank's Call Report must pass all validity edits and must include an explanatory comment addressing each quality edit exception identified in the bank's report in order for the agencies to accept the bank's Call Report submission.

After considering the comments the agencies received, the FFIEC and the agencies decided to modify the proposed changes relating to allocated transfer risk and the instructional clarification addressing loans held for trading. Some additional insurance-related instructional clarifications also will be made. Except as noted in the following sentence, the FFIEC and the agencies are proceeding with all of the other proposed revisions. In this regard, the FFIEC and the agencies are continuing to evaluate three elements of their November 2002 proposal: the creation of a supplement to the Call Report that would enable the agencies to collect a limited amount of data from certain banks to meet an immediate and critical need for specific information, the reduction from 45 to 30 days in the Call Report filing period for banks with more than one foreign office, and the establishment of edit criteria that would have to be met in order for a bank's Call Report to be accepted. If and when the agencies decide to proceed with one or more of these three proposals, one or more separate **Federal Register** notices would then be published and submissions to OMB would then be made.

With respect to the Call Report filing period for banks with multiple foreign offices, the agencies' proposal had called for the shortening of this period from 45 to 30 days to take effect with the reports for June 30, 2003. The agencies note that the Board proposed on December 24, 2002, to reduce the filing period for the FR Y-9C report filed by certain bank holding companies from 45 to 35 days effective June 30,