the Surface Transportation Board, Office of the Secretary, Case Control Unit, 1925 K Street, NW., Washington, DC 20423–0001. In addition, one copy of each pleading must be served on John D. Heffner, Esq., REA, CROSS & AUCHINCLOSS, Suite 570, 1707 L Street, NW., Washington, DC 20036 [Attorney for DORA], and Mac Shumate, Esq., Law Department, Union Pacific Railroad Company, 101 N. Wacker Drive, Suite 1920, Chicago, IL 60606 [Attorney for UP].

Board decisions and notices are available on our website at ''WWW.STB.DOT.GOV.''

Decided: February 23, 2001.

By the Board, David M. Konschnik, Director, Office of Proceedings.

Vernon A. Williams,

Secretary.

[FR Doc. 01–5128 Filed 3–2–01; 8:45 am]

BILLING CODE 4915–00–P

DEPARTMENT OF THE TREASURY

Office of the Comptroller of the Currency

FEDERAL RESERVE SYSTEM

FEDERAL DEPOSIT INSURANCE CORPORATION

Agency Information Collection Activities: Submission for OMB Review; Comment Request

AGENCIES: Office of the Comptroller of the Currency (OCC), Treasury; Board of Governors of the Federal Reserve System (Board); and Federal Deposit Insurance Corporation (FDIC).

ACTION: Notice of information collection to be submitted to OMB for review and approval under the Paperwork Reduction Act of 1995.

SUMMARY: In accordance with the requirements of the Paperwork Reduction Act of 1995 (44 U.S.C. chapter 35), the OCC, the Board, and the FDIC (the ''agencies'') may not conduct or sponsor, and the respondent is not required to respond to, an information collection unless it displays a currently valid Office of Management and Budget (OMB) control number. On May 31, 2000, the OCC, the Board, and the FDIC (the agencies) requested public comment for 60 days on proposed revisions to the Consolidated Reports of Condition and Income (Call Report), which are currently approved collections of information. After considering the comments the agencies received, the Federal Financial Institutions Examination Council (FFIEC), of which the agencies are members, adopted several modifications to the revised reporting requirements initially proposed. However, the proposed reporting of subprime lending data remains under study and the collection of these data will not be implemented as of March 31, 2001, as proposed.

DATES: Comments must be submitted on or before April 4, 2001.

ADDRESSES: Interested parties are invited to submit written comments to any or all of the agencies. All comments, which should refer to the OMB control number(s), will be shared among the agencies.

OCC: Written comments should be submitted to the Communications Division, Office of the Comptroller of the Currency, 250 E Street, SW., Public Information Room, Mail Stop 1–5, Attention: 1557–0081, Washington, DC 20219. In addition, comments may be sent by facsimile transmission to (202) 874–4448, or by electronic mail to regs.comments@occ.treas.gov. Comments will be available for inspection and photocopying at the OCC's Public Reference Room, 250 E Street, SW., Washington, DC 20219. Appointments for inspection of comments may be made by calling (202) 874–5043.

Board: Written comments should be addressed to Jennifer J. Johnson, Secretary, Board of Governors of the Federal Reserve System, 20th and C Streets, NW., Washington, DC 20551, submitted by electronic mail to regs.comments@federalreserve.gov, or delivered to the Board's mail room between 8:45 a.m. and 5:15 p.m., and to the security control room outside of those hours. Both the mail room and the security control room are accessible from the courtyard entrance on 20th Street between Constitution Avenue and C Street, NW. Comments received may be inspected in room M–P–500 between 9 a.m. and 5 p.m., except as provided in section 261.12 of the Board's Rules Regarding Availability of Information, 12 CFR 261.12(a).

FDIC: Written comments should be addressed to Robert E. Feldman, Executive Secretary, Attention: Comments/OES, Federal Deposit Insurance Corporation, 550 17th Street, NW., Washington, DC 20429. Comments may be hand-delivered to the guard station at the rear of the 550 17th Street Building (located on F Street), on business days between 7 a.m. and 5 p.m. [FAX number: (202) 898–3838; Internet address: comments@fdic.gov]. Comments may be inspected and photocopied in the FDIC Public Information Center, Room 100, 801 17th Street, NW., Washington, DC, between 9 a.m. and 4:30 p.m. on business days.

A copy of the comments may also be submitted to the OMB desk officer for the agencies: Alexander T. Hunt, Office of Information and Regulatory Affairs, Office of Management and Budget, New Executive Office Building, Room 3208, Washington, DC 20503.

FOR FURTHER INFORMATION CONTACT: Sample copies of the two versions of the Call Report forms (designated forms FFIEC 031 and FFIEC 041) that will replace the current four versions of the Call Report (forms FFIEC 031, 032, 033, and 034) effective March 31, 2001, can be obtained at the FFIEC's web site (www.ffiec.gov) and at the FDIC's web site.[1] Sample copies of these revised Call Report forms also may be requested from any of the agency clearance officers whose names appear below.

OCC: Jessie Dunaway, OCC Clearance Officer, or Camille Dixon, (202) 874–5090, Legislative and Regulatory Activities Division, Office of the Comptroller of the Currency, 250 E Street, SW., Washington, DC 20219.

Board: Mary M. West, Chief, Financial Reports Section, (202) 452–3829, Division of Research and Statistics, Board of Governors of the Federal Reserve System, 20th and C Streets, NW., Washington, DC 20551. Telecommunications Device for the Deaf (TDD) users may contact Diane Jenkins, (202) 452–3544, Board of Governors of the Federal Reserve System, 20th and C Streets, NW., Washington, DC 20551.

FDIC: Steven F. Hanft, FDIC Clearance Officer, (202) 898–3907, Office of the Executive Secretary, Federal Deposit Insurance Corporation, 550 17th Street NW., Washington, DC 20429.

SUPPLEMENTARY INFORMATION: Request for OMB approval to extend, with revision, the following currently approved collections of information:

Report Title: Consolidated Reports of Condition and Income.

Form Number: Current form numbers: FFIEC 031, 032, 033, and 034. Revised form numbers: FFIEC 031 and 041.[2]

[1] On the FDIC's web site, a sample copy of the FFIEC 031 report form for March 31, 2001, can be accessed at http://www.fdic.gov/news/news/financial2001/fi10105d.pdf. A sample copy of the FFIEC 041 report form for March 31, 2001, can be accessed at http://www.fdic.gov/new/news/financial/2001/fi10105e.pdf.

[2] The FFIEC 031 report form will continue to be filed by banks with domestic and foreign offices. At present, the FFIEC 032 report form is filed by banks with domestic offices only and $300 million or more in total assets, the FFIEC 033 report form is filed by banks with domestic offices only and $100 million or more but less than $300 million in total assets, and the FFIEC 034 report form is filed by banks with domestic offices only and less than $100

Frequency of Response: Quarterly.
Affected Public: Business or other for-profit.
For OCC:
OMB Number: 1557–0081.
Estimated Number of Respondents: 2,300 national banks.
Estimated Time per Response: 41.11 burden hours.
Estimated Total Annual Burden: 378,194 burden hours.
For Board:
OMB Number: 7100–0036.
Estimated Number of Respondents: 1,001 state member banks.
Estimated Time per Response: 47.15 burden hours.
Estimated Total Annual Burden: 188,789 burden hours.
For FDIC:
OMB Number: 3064–0052.
Estimated Number of Respondents: 5,640 insured state nonmember banks.
Estimated Time per Response: 31.76 burden hours.
Estimated Total Annual Burden: 716,612 burden hours.

The estimated time per response 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 banks, types of activities in which they are engaged, and number of banks with foreign offices). The time per response for a bank is estimated to range from 14 to 500 hours, depending on individual circumstances. Moreover, because the revisions to the Call Report will be phased in over several quarters rather than all at once, the time per response represents an estimate of the reporting burden when the phase-in has been completed on March 31, 2002.

In addition, the effect on the time per response of the changes to the Call Report that are the subject of this submission for OMB review will vary from bank to bank. Except for the one-time additional burden associated with their initial adjustment to the revisions to the reporting requirements, many smaller banks should experience an overall decrease in time per response, after considering eliminations of items and reductions in detail, because they are not involved in the activities for which most of the new information will be collected. In contrast, the time per response for many large banks is expected to increase, even after considering eliminations of items and reductions in detail, because the proposed new information will be applicable to them and because the reporting of trust activities will be moved into the Call Report from two separate trust activities reports.[3]

General Description of Report

This information collection is 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). Except for selected items, this information collection is 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

The agencies requested comment on proposed revisions to the Call Report that are intended to make the content of the report more relevant to the agencies. The more significant of the proposed revisions included:

- Streamlining the present reporting requirements through deletions of items and reductions in detail that would produce a decrease of approximately 10 percent in the overall number of individual data items currently contained on the four existing versions of the Call Report forms (excluding items reported for regulatory capital purposes), the collection of which is no longer warranted;
- Adopting a new regulatory capital reporting approach that uses step-by-step ''building blocks'' to compute the key elements of the capital ratios;
- Combining the three separate report forms for banks of different sizes that have only domestic offices into a single form while retaining the separate form for banks with foreign offices;
- Collecting new information on:
- Nontraditional and higher risk bank activities, i.e., subprime loans, securitizations and asset sale activities, additional categories of noninterest income, and restructured derivative contracts, and
- Federal Home Loan Bank advances and other borrowings;
- Replacing the two separate trust activities reports with a single, streamlined trust schedule in the Call Report;
- Eliminating the confidential treatment for loans, leases, and other assets that are past due 30 through 89 days; and
- Eliminating the additional 15-day period that banks with more than one foreign office are given for submitting their Call Reports.

These revised reporting requirements were also designed to complement the agencies' emphasis on risk-focused supervision. Furthermore, the revisions address certain aspects of sections 307(b) and (c) of the Riegle Community Development and Regulatory Improvement Act of 1994 (the Riegle Act). These sections direct the federal banking agencies to work jointly toward more uniform reporting, review the information that institutions currently report, and eliminate existing reporting requirements that are not warranted for safety and soundness or other public policy purposes.[4]

After considering the comments the agencies received, the FFIEC approved several modifications to the initial set of proposed revisions. However, the proposed reporting of subprime lending data remains under study and the collection of these data will not be implemented as of March 31, 2001, as proposed. The comments on the agencies' initial Call Report proposal and the changes made in response to the comments are discussed below.

Type of Review: Revisions of currently approved collections.

On May 31, 2000, the agencies jointly published a notice soliciting comments for 60 days on proposed revisions to their currently approved Call Report information collections (65 FR 34801). The notice described the specific changes that the agencies, with the approval of the FFIEC, were proposing to implement as of March 31, 2001.

In response to this notice, the agencies collectively received comments

million in total assets. The FFIEC 041 report form will replace the FFIEC 032, 033, and 034 report forms and will be filed by all banks with domestic offices only.

[3] The Annual Report of Trust Assets (FFIEC 001) and the Annual Report of International Fiduciary Activities (FFIEC 006): for the OCC, OMB Number 1557–0127; for the Board, OMB Number 7100–0031; and for the FDIC, OMB Number 3064–0024. The FDIC does not collect the FFIEC 006.

[4] Sections 1211(b) and (c) of the American Homeownership and Economic Opportunity Act of 2000, Pub. L. 106–569, which was signed into law on December 27, 2000, are identical to Sections 307(b) and (c) of the Riegle Act. As a consequence, the Call Report revisions that are the subject of this submission likewise address certain aspects of Sections 1211(b) and (c) of Pub. L. 106–569.

from 110 respondents: 86 banks and banking organizations, 15 state and national banking trade groups and other bankers' organizations, 4 community groups, 2 bank supervisory groups, a mortgage insurance trade group, a law firm, and a government-sponsored enterprise. Of these 110 respondents, 88 commented on the proposed reporting of subprime lending data and the majority of these commenters addressed only this aspect of the proposal. The agencies and the FFIEC have considered all of the comments received on the proposal.

Most of the commenters that discussed the streamlining of the information currently collected in the Call Report supported this portion of the proposed revisions. However, several small banks complained that the Call Report forms they would be receiving in 2001 would be increasing from 29 to 41 pages and some of these institutions recommended that the agencies continue to keep a separate form for small banks. Nevertheless, the agencies note that the single form for all banks with domestic offices only, which has been designated the FFIEC 041, contains reporting thresholds for certain schedules and portions of schedules that will exempt smaller institutions from having to complete these schedules or portions thereof. In addition, because of the specialized nature of the activities covered in the new schedule on securitizations and asset sales, this schedule will not be applicable to most banks. The Call Report's new schedule on trust activities, which replaces two separate trust activities reports, will only be applicable to about 2,300 institutions.

In addition, one national banking trade group, while urging the FFIEC and the agencies to move forward with the proposed deletions and reductions in detail in March 2001, stated that the proposed revisions did not achieve the goal of streamlining the Call Report burden as required by the Riegle Act. This trade group indicated that the agencies' review of information that banks report in the Call Report failed to meet the statute's mandate to "eliminate requirements that are not warranted for reasons of safety and soundness or other public purposes." The FFIEC and the agencies have interpreted "public purposes" to mean public policy purposes. The FFIEC and the agencies therefore believe that the Riegle Act permits the agencies to retain (and impose) reporting requirements for purposes other than safety and soundness that assist the agencies in fulfilling their missions.

In contrast, the banking trade group stated that Congress intended "that information required for another public purpose was intended to be narrowly construed" because "the conference report [on the Riegle Act] gives only one example of a 'public purpose,' " i.e., information needed to determine an institution's deposit insurance premiums. The agencies believe that, by using the word "purposes," which is plural, Congress clearly intended for the agencies to read the statutory language more broadly than the trade group suggested with respect to the purposes for which data collection is warranted.

In developing the streamlining portion of the proposed Call Report revisions, the agencies carefully reviewed the purposes for which each existing Call Report data item is used. This process involved requesting feedback from the staffs within the agencies on the specific uses of each Call Report item. The trade group's comment letter asked the agencies to "release their compilation of 'the purposes for which and extent to which they use each data item.' " In this regard, the results of the agencies' review of the uses of the Call Report items were not compiled as a single statistical report. Rather, each agency analyzed its use of each Call Report item in order to determine whether and, if so, how the item was essential to the agency's safety and soundness efforts or critical for other public policy purposes. Those items lacking sufficient practical utility were proposed for elimination or collection in a more appropriate aggregate form.

As a result, the agencies believe the principal reason for collecting virtually all of the items in the Call Report as it has been streamlined, aside from those items used for deposit insurance assessment calculations, directly relate to their safety and soundness objectives. The principal safety and soundness uses of Call Report data were identified as examination activities, including pre-examination planning and report preparation; analysis of industry performance and risk exposures; off-site surveillance and modeling, e.g., the Uniform Bank Performance Report, the FDIC's SCOR (Statistical CAMELS Off-site Rating), and the Board's SEER (System to Estimate Examination Ratings) models; the evaluation of bank applications; and assessing compliance with safety and soundness laws and regulations such as regulatory capital requirements. The agencies acknowledge that Call Report data are also used for public policy purposes besides deposit insurance assessments, such as assessing consumer compliance issues including the Community Reinvestment Act, constructing and benchmarking various financial aggregate measures, constructing sources and uses of funds for the banking sector in the flow of funds accounts and debt aggregates, and publishing banking statistics. However, the agencies believe that items collected solely for these other public policy purposes are a small percentage of the Call Report items when compared to those collected for safety and soundness purposes.

More specific information on the comments received is presented below.

Implementation Timetable for the Call Report Revisions—With respect to the proposed information that would be new to the Call Report, two trade groups whose members include large banks that would be subject to these new reporting requirements and four large banks addressed the proposed March 31, 2001, effective date for this new information. They stated that, considering the complexity of a number of the proposed Call Report changes and changes in generally accepted accounting principles taking effect at the beginning of 2001, they would not have time to put reporting systems in place by March 31. Some of these commenters suggested that the agencies should phase in the reporting of the new data (including trust data) quarter by quarter over the course of 2001 or delaying it until 2002. A few smaller banks also commented that there would be insufficient time to modify software and reporting systems by March 31 and to train personnel in the proposed new reporting requirements.

The FFIEC and the agencies have concluded that deferring the starting dates for reporting certain new information until the dates recommended by respondents would be a reasonable response to bankers' concerns about the need for lead time to make necessary systems changes and train staff. The remainder of the revisions to the Call Report that the FFIEC and the agencies have decided to proceed with will take effect in March 2001 as originally proposed, except as discussed in the following section.

In this regard, those respondents that suggested a specific implementation schedule recommended the introduction of the proposed securitization and asset sales activity schedule in June 2001, the subprime loan reporting requirements in September 2001, and the trust activity reporting in December 2001. As discussed further below, because the agencies are continuing to evaluate how to proceed with the proposed subprime lending reporting requirements, the collection of subprime lending data will not be implemented as of March 31, 2001, as proposed.

Reporting Loan Information by Loan Category Outside the Loan Schedule—The Call Report currently uses two different definitional schemes for reporting information on loan income, loan averages, past due and nonaccrual loans, and charge-offs and recoveries by loan category. The definitional scheme applicable to a particular bank depends primarily on its size. Banks that file the FFIEC 033 and 034 report forms, i.e., banks with domestic offices only and less than $300 million in total assets, are permitted to report these four types of loan information using general loan categories. These banks define for themselves which of their loans to include in the general loan categories based upon their own individual loan systems. In contrast, banks that currently file the FFIEC 031 and 032 report forms, i.e., banks with foreign offices or with $300 million or more in total assets, must provide these four types of loan information using the standard loan category definitions from the Call Report's loan schedule (Schedule RC–C, part I).

To obtain more consistent loan information, the agencies proposed to adopt uniform loan categories and definitions based on the standard loan categories found in the loan schedule. These standard loan categories would be used by all banks for reporting loan income, loan averages, past due and nonaccrual loans, and loan charge-offs and recoveries by loan category. However, banks with less than $25 million in assets currently are not required to report a breakdown of their total loan income or their quarterly average of total loans by loan category. The agencies requested comment on the merits of eliminating this exemption.

In their comment letters, a few small banks indicated that it would be difficult to change from reporting certain loan information using self-defined general loan categories to reporting based on the standard loan category definitions. One bank trade group also observed that community banks would have to modify various general ledger accounts in order to implement this reporting change, which would be a significant burden for many of them. However, other small banks commented favorably on parts of the proposal without mentioning the change in the loan category definitions that they would have to use. The only bank with less than $25 million in assets that commented on the proposed changes to the existing reporting requirements urged the agencies to leave the Call Report unchanged in its entirety.

All banks regardless of size currently provide a breakdown of the loans in their loan portfolios as of the Call Report date each quarter using the standard loan categories. Therefore, the definitions for the standard loan categories should not be entirely foreign to banks with less than $300 million in assets. Nevertheless, considering the concerns expressed by commenters, the FFIEC and the agencies believe that a transition rule for banks with domestic offices only and less than $300 million in assets (as of June 30, 2000) would help to address their concerns about this reporting change. Therefore, these banks may use their best efforts through year-end 2001 to report information on loan income, loan averages, past due and nonaccrual loans, and charge-offs and recoveries by loan category based on the standard Call Report loan category definitions.[5] However, banks with less than $25 million in assets that do not currently report loan income and averages by loan category would retain this reporting exemption during 2001. This will provide the smallest banks with one year to plan for and make whatever changes may be needed in their records and reporting systems. The transition period will end in the first quarter of 2002, at which time all banks should be reporting loan information outside the loan schedule based on that schedule's standard loan category definitions.

Regulatory Capital Reporting—The agencies proposed to adopt a revised regulatory capital reporting approach and schedule that uses step-by-step building blocks to compute the key elements of the capital ratios for all banks. More commenters supported this revised approach than objected to it. However, one bank trade group pointed out that the schedule would be expanded for many banks that are not required to complete the existing schedule in its entirety if a capital ratio test is met. One respondent suggested that the changes to the schedule should be deferred until the new capital framework under development internationally by the Basel Committee on Banking Supervision takes effect. In this regard, the Basel Committee has proposed that implementation of its new framework begin in 2004. Moreover, a number of larger banking organizations have for some time been recommending that a more logical reporting format for regulatory capital information, such as the format used in bank holding company reports filed with the Board on form FR Y–9C, be incorporated into the Call Report. The regulatory capital schedule proposed by the agencies would accomplish this. After considering all the comments addressing the proposed new approach, the FFIEC and the agencies have concluded that they should proceed with the capital reporting revisions.

Nevertheless, one banking organization commented that the portion of the proposed regulatory capital schedule in which assets are allocated to appropriate risk weight categories was more detailed than necessary. The bank suggested that the agencies could reduce the number of separate asset categories in this part of the schedule without any real loss of information because of the typical risk weights to which these assets would be assigned. The agencies agreed with this suggestion and have simplified the schedule in the manner the bank recommended. Accordingly, the proposed separate lines for reporting interest- and noninterest-bearing balances due from depository institutions have been combined as have six separate lines for such ''other assets'' as bank premises, other real estate owned, and intangible assets.

Even with this reduction in the number of separate asset categories, the agencies recognize that the revised regulatory capital schedule may give some banks that were previously not required to complete existing Schedule RC–R in its entirety the impression that they are now required to go through an extensive exercise in risk-weighting their assets and off-balance sheet items. The agencies' proposal reminded banks that they are not required to identify each on-balance sheet asset and off-balance sheet item that qualifies for a risk weight of less than 100 percent. Rather, each bank can decide for itself how detailed an analysis of its assets and off-balance sheet items it wishes to perform and how many of the specific lower risk-weighted items it wishes to identify. In other words, a bank can choose from among its assets and off-balance sheet items that have a risk weight of less than 100 percent which ones to risk-weight at an appropriate lower risk weight, or it can simply risk-weight some or all of these items at a 100 percent risk weight. A statement along these lines has been placed at the beginning of the risk-weighting section of Schedule RC–R in the Call Report forms to ensure that banks are aware of

[5] For example, for each new loan, a bank could begin reporting loan information using the appropriate standard loan category in 2001. For existing loans, the banks could make reasonable estimates of the amounts that should be reallocated from the general loan categories to the various standard loan categories.

this. The FFIEC and the agencies also reiterated this position on risk-weighting in materials they issued to all banks on January 17, 2001, describing all of the revisions to the Call Report. For banks that were previously not required to complete existing Schedule RC–R in its entirety, these materials also describe a simplified risk-weighting process they could follow in the revised schedule that is similar to the one they have been using when they perform the capital ratio test in the existing schedule.

The proposal also noted that the agencies are reviewing and implementing applicable provisions of the Gramm-Leach-Bliley Act. One area where the agencies' review of the Act indicated the need to modify the Call Report involves regulatory capital requirements for banks with financial subsidiaries. In this regard, the agencies decided to add six new items to the regulatory capital schedule. These items cover the adjustments to regulatory capital that are necessary to calculate the capital ratios of banks with financial subsidiaries, i.e., adjustments to total risk-based capital, risk-weighted assets, and average total assets for the leverage ratio. Over the near term, these financial subsidiary items are likely to be applicable to only a small percentage of banks.

Finally, one bank observed that, in the version of Schedule RC–R that appeared in the proposed Call Report forms, the items for "Net unrealized gains (losses) on available-for-sale debt securities" and "Net unrealized gains on available-for-sale equity securities" in the leverage ratio section of the schedule appeared to be unnecessary because of the manner in which average total assets is calculated. The FFIEC and the agencies agree with this commenter and have deleted these two items.

New Data on Subprime Lending Activities—The agencies proposed to collect information on subprime lending to make possible the early detection and proper supervision of subprime lending programs through offsite monitoring procedures. Banks involved in subprime lending would report quarter-end data for eight categories of subprime loans as well as past due and nonaccrual subprime loans and the year-to-date charge-offs and recoveries on these loans for two broader categories of loans. The proposal acknowledged that the quality and validity of the proposed Call Report information on subprime lending would depend on the agencies' ability to develop a workable definition of subprime lending. The agencies also indicated that subprime loans could be defined on the basis of either (a) loan portfolios or programs that possess certain characteristics or (b) individual loans with these characteristics. The proposal included numerous questions pertaining to the definition and specifically requested comment on this issue. The proposed definition was based on the definition in the agencies' March 1999 guidelines for subprime lending and, in part, characterized these loans as "extensions of credit to borrowers who, at the time of the loan's origination, exhibit characteristics indicating a significantly higher risk of default than traditional bank lending customers."

Virtually every commenter that addressed the proposed collection of data on subprime lending had unfavorable comments on the agencies' proposed definition of this term. The commenters observed that, without a clearer definition of subprime lending, the proposed reporting requirement would result in inconsistent information across banks while imposing a significant burden on banks.

In light of the comments received on the proposed collection of subprime lending data, the agencies are continuing to evaluate how to proceed with this part of the proposal. In this regard, the banking agencies issued expanded examination guidance for subprime lending programs on January 31, 2001, which defines subprime lending. Thus, the agencies are considering whether this definition should form the basis for reporting requirements on banks' subprime lending activities. In the meantime, however, the FFIEC and the agencies are delaying the effective date for the reporting of subprime lending data in the Call Report until after March 31, 2001, the effective date that had been proposed. Banks will be notified when the FFIEC and the agencies complete their deliberations concerning the introduction of a subprime loan reporting requirement. At that time, in accordance with the Paperwork Reduction Act of 1995, the agencies will request comment on this reporting requirement, including the definition of subprime lending to be used for reporting purposes, when they submit this requirement to OMB for review and approval.

Bank Securitization and Asset Sale Activities—The agencies proposed to revise and expand the information collected in the Call Report on bank involvement in securitization and asset sale activities in order to facilitate more effective analysis of these activities on bank credit exposures. This revision would be accomplished by creating a new Schedule RC–S to comprehensively capture information related to bank securitizations and asset sales.

In their proposal, the agencies requested comment on the reporting of data on ownership (or seller's) interests in securitizations. As proposed, the agencies would collect data for seller's interests carried as securities, but they asked whether (and, if so, how) these data should cover seller's interests carried as loans. One commenter pointed out that, for seller's interests carried as loans, the delinquency and charge-off information is already included in the separate Call Report schedules for past due and nonaccrual loans and for loan charge-offs and recoveries. Thus, this bank observed that having banks combine this information in Schedule RC–S with the delinquency and charge-off information for loans underlying seller's interests carried as securities would create duplicate reporting in the Call Report. As a consequence, the FFIEC and the agencies decided to modify the Schedule RC–S proposal to add an item to this new schedule that asks banks to report seller's interests carried as loans, but without any additional disclosures about delinquencies and charge-offs.

One commenter recommended that the agencies compare the Call Report's new asset securitization disclosures in proposed Schedule RC–S to those that were to be promulgated by the Financial Accounting Standards Board (FASB) in its amendment to FASB Statement No. 125, Accounting for Transfers and Servicing of Financial Assets and Extinguishments of Liabilities (FAS 125). This commenter and one other added that the agencies should make every effort to coordinate these Call Report disclosures with those in the FAS 125 amendment and with the agencies' revisions to the risk-based capital rules on recourse. The agencies note that, in designing Schedule RC–S, their intent was for the content of the schedule to be consistent with the direction they were taking in their proposed amendments to the risk-based capital treatment of recourse and securitizations.

The agencies reviewed the securitization disclosure provisions contained in the May 2000 preballot draft of the FASB Statement amending FAS 125 and the final Statement amending FAS 125 itself, which was issued in September 2000 and designated FASB Statement No. 140 (FAS 140). The disclosure requirements of FAS 140 covering securitizations (paragraphs 17(f) and (g)) require information to be presented for each major asset type and the standard cites mortgage loans, credit card receivables, and automobile loans as examples of asset types. Similarly, new Schedule RC–S requires disclosures for seven major asset types including 1–4 family residential mortgages, credit card receivables, and auto loans.

When an institution has securitized financial assets during any period presented in its financial statements and it accounts for the transfer as a sale, paragraph 17(f) of FAS 140 requires the institution to describe its ''continuing involvement with transferred assets, including, but not limited to, servicing, recourse, and restrictions on retained interests.'' As proposed, Schedule RC–S required the reporting of information on securitizations when the continuing involvement was in the form of recourse or other seller-provided credit enhancements, including retained interest-only strips. The agencies' proposal, however, did not include securitizations where the continuing involvement is limited to servicing. For this reason, the agencies requested comment on the manner in which banks' internal management reports capture information on asset securitization activities, *i.e.,* are these reports prepared based on whether the bank provides credit enhancements (which was how the proposed Schedule RC–S was structured) or on whether the bank services the securitized assets. One bank commented that its internal reporting for the residential mortgage loans it sells is based on the retention of servicing rather than retention of recourse or other credit enhancements. After considering this aspect of FAS 140 and the one comment on this issue, the FFIEC and the agencies agreed to revise the securitization disclosures in Schedule RC–S so that they would cover transactions in which servicing is retained as well as those in which the bank retains recourse or provides other credit enhancements for the assets it securitizes.

The disclosure requirements of paragraph 17(g) of FAS 140 also direct an institution that has retained interests in securitized financial assets as of the financial statement date to separately disclose for each major asset type the total principal amount outstanding, including the portion no longer carried on the balance sheet and the portion that continues to be carried on the balance sheet, delinquencies, and credit losses (net of recoveries) during the period. Schedule RC–S also collects data by major asset type on the principal amount outstanding for the portion of securitized assets no longer carried on the balance sheet and on the carrying amount, rather than the principal amount, of seller's interests that continue to be carried on the balance sheet. For the off-balance sheet portion of these securitizations and for the on-balance sheet portion carried as securities, Schedule RC–S requires disclosure of delinquencies and of charge-offs and recoveries during the year-to-date period. For Schedule RC–S, as discussed above, a bank must report this information when it retains interests that act as credit enhancements, when it otherwise provides recourse, and when it retains servicing. In contrast, this FAS 140 disclosure requirement does not apply when an institution has provided recourse or has retained servicing, but has no retained interest. The agencies acknowledge that this represents a difference between Schedule RC–S and FAS 140. Nevertheless, when a bank is the servicer of loans and leases it has sold and securitized, but has no other continuing involvement, the bank should have information on the outstanding principal balance of these assets as well as the delinquencies, charge-offs, and recoveries. As servicer, it would need to report this information to trustees, investors, and/or other providers of credit enhancements. If the bank does not service the loans and leases it has securitized, but provides recourse or other credit enhancements, sound risk management practices would dictate that the bank should regularly receive the same type of performance information so that it can evaluate its ongoing credit exposure.

One bank noted that reporting past due and charge-off data may be an issue when the securitization structure contains loans sold by multiple banks because the ongoing reporting of the loans in the structure is not concerned with who the original seller of the loans was. As Schedule RC–S is designed, a bank that has sold loans to another institution with recourse or other seller-provided credit enhancements (but was not the bank that securitized the loans) would not have to report delinquency and charge-off information for these loans. The FFIEC and the agencies have attempted to address this concern by providing appropriate guidance in the instructions for Schedule RC–S.

Another bank raised general concerns about the content of some of the proposed items in Schedule RC–S and indicated that the agencies' instructions for the schedule should be clear and concise. This bank recommended that the FFIEC and the agencies circulate these instructions to the banking industry prior to the implementation of the schedule. The FFIEC issued draft instructions for Schedule RC–S on January 17, 2001, mailing them to each bank and making them available on the Internet on the FFIEC's and the FDIC's Web sites. The FFIEC invited institutions to submit questions and comments on these instructions.

Under the existing Call Report requirements, banks report certain information related to securitizations, asset sales, and servicing in Schedules RC–L—Off-Balance Sheet Items—and RC–M—Memoranda. To avoid the loss of this information until the new Schedule RC–S is implemented on June 30, 2001, these existing items will be moved and reported in the Memoranda section of Schedule RC–S for the March 31, 2001, report date. These existing items cover: the outstanding principal balance and amount of recourse exposure on single family residential mortgage loans, small business obligations, and other financial assets that have been sold with recourse; the amount outstanding of consumer credit cards and related plans that have been securitized and sold with servicing retained; and residential mortgage loan and other loan servicing volume. To the extent that some of this information is currently collected only from banks that meet certain reporting thresholds, these thresholds would continue to apply for purposes of reporting this information as of the March 31, 2001, report date.

Additional Information on Components of Noninterest Income—The agencies proposed to collect a more detailed breakdown of noninterest income in the Call Report income statement (Schedule RI) in order to identify the principal types of revenue-generating services in which banks are involved and the amount of income earned from them. One commenter questioned how meaningful the proposed noninterest income category for ''loan and other credit-related fees'' would be and suggested that it be eliminated as a required income category. The agencies considered the merits of this suggestion in light of the accounting standards that govern the recognition of fees associated with lending and other extensions of credit and decided to eliminate this proposed item.

Trading Revenue from Cash Instruments—Banks with $100 million or more in assets currently report a four-way breakdown of their trading revenue by risk exposure (interest rate, foreign exchange, equity, and other including commodity). Under the proposal, banks with $5 billion or more in notional amount of derivatives held for trading were to begin to also report the amount of their trading revenue derived from cash instruments using the same four-way breakdown. Comments from large banks opposed the collection of this additional information on trading revenue. These banks indicated that they often manage market risk or use trading strategies that involve managed positions in combinations of cash instruments and derivative contracts. Because the revenue resulting from these managed positions is generally not separated by instrument (cash versus derivative), significant information systems modifications would be needed to capture these data. Even if the data were available, these banks believe that evaluating cash instrument revenue figures in isolation would be misleading because their linkage to managed positions would not be seen. After considering these comments, the agencies decided against collecting the proposed cash instrument trading revenue information.

Federal Home Loan Bank Advances—To improve their monitoring and understanding of individual banks' funding sources, asset-liability management, and liquidity, the agencies proposed to have banks report Federal Home Loan Bank advances separately from their remaining ''Other borrowed money,'' including the existing three-way maturity breakdown on these borrowings. The only commenter addressing the segregation of advances from other borrowings, a national banking trade group, supported this proposed reporting change. The FFIEC and the agencies are implementing this revision as proposed.

One government-sponsored enterprise further recommended that a bank's ''Other borrowings'' be split so that secured and unsecured borrowings are reported separately. This commenter stated that, given the different treatment that secured and unsecured borrowings receive when an institution fails, this information would be of great value to regulators, analysts, and all of a bank's creditors. The agencies acknowledge that data on secured and unsecured borrowings would be of some value to them, and they may consider proposing such a reporting change in the future.

Restructured Derivative Contracts—The agencies proposed to require banks with foreign offices or with $300 million or more in assets to report the fair value of derivative contracts carried as assets that have been restructured or renegotiated for reasons related to the counterparty's financial difficulties. This information was intended to supplement data these banks currently report on past due derivative contracts. Comments from large banks questioned the need for this information because derivative contracts will be reported at fair value and this value will reflect any decline in the counterparty's credit risk. They noted that such contracts will typically be included in a bank's derivatives held for trading and these losses in value will be charged to earnings. Furthermore, these banks stated that it would be difficult for them to identify derivative contracts that were restructured in prior years for credit reasons. Based on these comments, the agencies concluded that the proposed new item for restructured derivatives should not be implemented.

Reporting of Trust Data—Currently, banks that exercise fiduciary powers and have fiduciary assets or accounts report information on their trust activities each December 31 in the Annual Report of Trust Assets (FFIEC 001). Institutions with trust operations in foreign offices also complete the Annual Report of International Fiduciary Activities (FFIEC 006).

The agencies proposed to change the manner in which banks report information on their trust activities by replacing these separate reports with a new Call Report schedule on fiduciary and related services. This new schedule significantly reduces the amount of detail reported in the current forms, but continues to collect information on the number of accounts and market value of trust assets for specified categories of fiduciary activities, fiduciary and related services income, corporate trust activities, collective investment funds and common trust funds, fiduciary settlements and other losses, and types of managed assets held in personal trust and agency accounts.

As originally proposed, institutions (including all nondeposit trust companies that file Call Reports) with total fiduciary assets greater than $100 million or with fiduciary income greater than 10 percent of their net interest income plus noninterest income would be required to report some of the trust information quarterly and the rest annually. Other institutions with trust activities would report only annually, but would not be required to report fiduciary income and loss information.

Four commenters questioned the need for quarterly reporting by larger trust institutions, indicating that the agencies should better justify this change in reporting frequency. The collection of quarterly data is limited to essential trust asset and income information. The agencies believe that this information is necessary to carry out their respective supervisory responsibilities, particularly because the income generated from fiduciary activities (before expenses) is a significant contributor to the earnings of large banks.[6] Specifically, quarterly data will allow the agencies to identify and monitor in a timely manner those institutions with significant exposure to fiduciary-related risks, accurately monitor and measure fiduciary asset and income profiles and trends both on an individual institution basis and on an industry basis, and respond to changing risk profiles by allocating examiner resources toward areas of increasing or significant risk.

Two banks with trust departments commented that the $100 million in fiduciary assets test is too low a threshold for imposing a quarterly trust reporting requirement given the limited amount of revenue and risk arising from that level of trust department business. The FFIEC and the agencies reviewed the proposed fiduciary asset size threshold for quarterly reporting and decided to increase this threshold to $250 million in fiduciary assets. Thus, under the phased-in implementation schedule discussed above, annual reporting of trust data by all trust institutions will take effect December 31, 2001, and quarterly reporting of trust data by institutions meeting the fiduciary assets or income test will begin in March 2002. Institutions subject to the quarterly reporting requirement hold more than 90 percent of total fiduciary assets.

In their comments opposing the introduction of quarterly reporting for larger trust operations, a number of banks stated that they have not developed automated systems for capturing certain trust data. Because of the significant amount of manual data gathering and compilation that would be entailed, these banks regard quarterly reporting of a trust income statement as imposing a significant additional burden. The expense information in the trust income statement was specifically cited as one area where data are developed manually.

The agencies' primary supervisory interest in the quarterly trust income information is in institutions' fee income rather than net trust income. Consequently, the FFIEC and the agencies concluded that only fee income data should be reported in March, June, and September by institutions subject to quarterly reporting. Thus, institutions with larger trust operations will continue to report fiduciary expenses, losses, and intracompany income credits only annually as of December 31, consistent with current reporting

[6] For commercial banks with $1 billion or more in total assets, income from fiduciary activities has approximated 30 percent of these banks' aggregate net income each year since 1993.

requirements. Trust institutions with more than $100 million but less than $250 million in fiduciary assets that do not meet the fiduciary income threshold will complete the trust income statement in the Call Report once each year as of December 31, which is also consistent with their current reporting requirements.

After comparing the information proposed to be reported on corporate trust and agency accounts in Schedule RC–T, Memorandum item 2, with the existing reporting requirements, the agencies are reducing the amount of data they will collect on this trust activity. Institutions with fiduciary activities will report the number of issues and principal amount outstanding for ''Corporate and municipal trusteeships'' in Memorandum item 2.a and only the number of issues for ''Transfer agent, registrar, paying agent, and other corporate agency'' in Memorandum item 2.b. The agencies are also correcting two lines in the fiduciary assets section of the schedule. For corporate trust and agency accounts (Schedule RC–T, item 6), the proposed forms that the agencies distributed to banks erroneously indicated that the two items for the number of accounts were not to be reported. However, institutions should report the number of managed and non-managed accounts (columns C and D). For investment management agency accounts (Schedule RC–T, item 7), institutions should report the market value of managed assets and the number of managed accounts (columns A and C) whereas the proposed forms incorrectly showed that the market value of non-managed assets and the number of non-managed accounts (columns B and D) were also to be reported.

Eliminating Confidential Treatment for Certain Past Due and Nonaccrual Data—The information that banks report in the Call Report on the amount of their loans, leases, and other assets that are past due 30 through 89 days and still accruing (and on the amount of restructured loans and leases that are past due 90 days or more and still accruing or in nonaccrual status) has been accorded confidential treatment on an individual bank basis since its collection began 18 years ago. In contrast, Call Report data on assets that are 90 days or more past due and still accruing or that are in nonaccrual status have been publicly available, after an initial transition period, for the past 17 years. The agencies proposed to eliminate the confidential treatment for the 30–89 days past due (and restructured) items beginning with the amounts banks would report as of March 31, 2001.

The five banks and bank trade groups that commented on this issue opposed the public disclosure of the currently confidential information on past due (and restructured) assets. The two bank supervisory groups that commented on this proposal supported the elimination of confidential treatment.

In their comments objecting to the proposal, bankers stated that 30–89 day delinquencies, particularly those that are 30–59 days past due, are not highly correlated with actual losses and a material percentage of these accounts return to current status. One large bank observed that the amount of its 30–89 day past due loans is subject to periodic volatility due to seasonal factors that vary with the type of loan. These bankers therefore believe that the value of this delinquency information as a performance indicator is not reliable and can be misleading. As a result, by releasing information that is highly susceptible to misinterpretation, the agencies will reduce rather than enhance market discipline.

One trade group also indicated that the disclosure of this past due information would put U.S. banks at a competitive disadvantage with domestic nonbank financial institutions and foreign banks that are not subject to a comparable disclosure requirement. This group also suggested that this disclosure may exaggerate the public's perception of a bank's credit risk and could cause an unjustifiable loss of funding. The group recommended that the agencies should await the American Institute of Certified Public Accountants' decisions on additional public disclosures about the loan loss allowance and loan quality as part of its project to provide additional accounting and disclosure guidance about the allowance.

Two smaller banks stated that many of the delinquencies in the 30–89 day range are due to technicalities and do not represent additional credit risk. As an example, they cited matured loans where the borrower is still making the normal monthly payment, but the renewal process has not yet been completed because the borrower has not provided all the necessary information for the bank to approve the renewal. It was suggested that public disclosure would cause banks to imprudently renew loans to avoid having to report them as past due, which would be an unsafe and unsound practice. However, if a bank follows sound loan administration procedures, the process for determining whether to renew a loan should be initiated prior to maturity for those loans whose repayment schedule indicates that a renewal request is expected to be made. As a result, the delinquency situations these banks described should occur infrequently.

The FFIEC and the agencies have considered the comments received on this issue and have decided to proceed with the elimination of the confidential treatment now accorded the 30–89 day past due (and restructured) assets effective March 31, 2001. However, for periods prior to March 31, 2001, data on loans, leases, and other assets past due 30 through 89 days and still accruing (and on restructured loans and leases that are 90 days or more past due and still accruing or that are in nonaccrual status) will not be publicly disclosed on an individual bank basis.

The agencies have consistently found 30–89 day past due information helpful in identifying potential problem banks when used in conjunction with other key measures of financial performance and condition. Further, they use the 30–89 day past due information in econometric surveillance models that flag weak and potentially weak banks for review between on-site examinations.[7] These models have consistently shown data on 30–89 day past due loans to be among the items that are statistically significant in contributing to bank deterioration and supervisory rating (CAMELS) downgrades. Therefore, the FFIEC and the agencies believe that the 30–89 day delinquency information complements data currently available publicly and is useful in the assessment of general asset quality.

Moreover, when presented in the Uniform Bank Performance Report, a publicly available analytical tool created for bank supervisory, examination, and bank management purposes, ratios of 30–89 day past due loans to total loans will be supplemented with the peer average ratio for banks of similar size. This will assist the public in evaluating the significance of a bank's level of 30–89 day past due loans. In addition, banks have the option to include in their Call Report a brief narrative statement that provides explanatory comments about any data disclosure which they feel may be subject to

[7] The FDIC uses the delinquency date in SCOR (Statistical CAMELS Off-site Rating), a model designed to identify banks with a relatively high likelihood of receiving a downgrade to a less than satisfactory CAMELS rating. The Board uses the 30–89 day past due loan data in its two SEER (System to Estimate Examination Ratings) models. The SEER ratings model estimates a bank's current CAMELS using its current Call Report data. The SEER risk rank model estimates the probability that a bank will fail or become critically undercapitalized within the next two years.

misinterpretation, the text of which is available to the public.

The agencies consider market discipline an important public policy issue as it is used to complement supervisory resources. Market discipline relies on market participants having information about the risks and financial condition of banking organizations. The agencies believe that disclosure that increases transparency of asset quality information should lead to more accurate market assessments of risk and value that, in turn, should result in more effective market discipline on banking organizations.

Call Report Submission Period for Banks with Foreign Offices—Banks that have (or have previously had) more than one foreign office are given 45 days to submit their Call Reports rather than the 30 days which applies to all other banks. Because of technological advances that have improved the timeliness with which data from overseas locations can be gathered and to put all banks on an equal footing in terms of the amount of time available to complete their Call Reports, the agencies proposed to eliminate the additional 15 days that these banks with foreign offices receive for filing their reports.

Banks with foreign offices strongly objected to this proposed change. While some acknowledged that the additional 15 days is not needed from a data collection perspective, they argued that this extra time is needed because banks with foreign offices must report a larger amount of data in their Call Reports than other banks are required to report. These banks also pointed out that they will be the ones who are most significantly affected by the new reporting requirements the agencies have proposed and by the incorporation of quarterly trust activity reporting into the Call Report. Thus, these banks believe that a 45-day reporting deadline is necessary to ensure that they report high quality data given the large number of departments and entities within their organizations that are involved in preparing the detailed data required in the Call Report. The 45-day filing period also enables these banks to reconcile their Call Report data to the comparable consolidated holding company data their organizations report to the Board in the FR Y–9C report and to the information in the holding company reports their organizations (if they are public companies) file with the Securities and Exchange Commission, which have 45-day or longer deadlines.

After considering these comments, the FFIEC and the agencies concluded that they should retain the existing 45-day Call Report submission period for banks with foreign offices.

Subchapter S Bank Dividends—A bank that has elected Subchapter S status is treated as a pass-through entity for federal income tax purposes and generally is not subject to any federal income taxes. Instead, the bank's shareholders pay federal income taxes on their proportionate share of the bank's taxable income.

The agencies requested comment on whether they should add an item to the Call Report in which Subchapter S banks would report the amount of dividends distributed to cover shareholders' personal tax liabilities. Adding such an item was considered as a way to improve the agencies' comparisons of the dividend rates and after-tax earnings of Subchapter S banks and banks that are subject to federal corporate income taxes, i.e., Subchapter C banks, in the Uniform Bank Performance Report (UBPR).

Two Subchapter S banks and one bank trade group commented on the proposed dividend item and each opposed adding it to the Call Report. These banks considered the item to be unnecessary and one indicated that it would be difficult for a bank to determine the amount to report in the item. The trade group stated that the information would most likely be unavailable and, if available, inappropriate to report. Based on these comments, the FFIEC and the agencies decided against adding an item to the Call Report for dividends distributed by Subchapter S banks to their shareholders to cover their personal tax liabilities.

Other Comments—The agencies proposed to modify the Call Report income statement (Schedule RI) to segregate the amortization expense of goodwill from the amortization expense of other intangible assets. Under this proposal, banks would report ''Goodwill charges,'' i.e., goodwill amortization expense net of applicable income taxes, after their ''Income (loss) before extraordinary items and other adjustments'' rather than as part of noninterest expense. The agencies proposed this change in response to the FASB's proposed accounting standard, Business Combinations and Intangible Assets, which would require this method of financial statement presentation for goodwill charges. Two commenters questioned whether this change in presentation should be implemented in the Call Report based on a FASB proposal.

Because the FASB has not yet adopted a final standard on accounting for business combinations and intangible assets, the agencies agree that it would be premature to implement the proposed method of presenting goodwill charges. Accordingly, goodwill amortization expense will be reported as part of ''Amortization expense of intangible assets'' in the noninterest expense section of the Call Report income statement. However, in their submissions to OMB, the agencies are requesting approval to revise the Call Report income statement in the first calendar quarter of the first calendar year after the effective date of the final FASB standard so it will conform automatically with the method of presentation ultimately prescribed by the FASB for goodwill amortization or impairment losses.

The agencies requested comment on the current thresholds for itemizing and describing in Schedule RI–E—Explanations—significant components of other noninterest income and expense. At present, the reporting threshold is 10 percent of the total amount reported for other noninterest income and expense, respectively, in the Call Report income statement. In particular, the agencies asked whether it would be more appropriate to base these disclosure thresholds on the sum of ''Net interest income'' plus ''Total noninterest income.'' Two banks recommended that the agencies adopt a disclosure threshold of 1 percent of total interest and noninterest income, which is consistent with the Securities and Exchange Commission's threshold for the disclosure by bank holding companies of components of other noninterest income and expense in Regulation S–X, Section 210.9–04 (17 CFR 210.9–04). The FFIEC and the agencies agreed with this recommendation and are revising this Schedule RI–E disclosure threshold accordingly.

Another bank suggested that the agencies should significantly expand the reporting of noninterest expenses in Schedule RI–E so that banks can benchmark expenses against their peers. This bank proposed several specific categories of noninterest expenses that all banks should report in Schedule RI–E. While the agencies believe that it would be nice to know the amount of noninterest expenses in these categories for all banks, requiring this information from all banks would trigger the reporting of amounts that would be immaterial for some banks. Therefore, instead of implementing this bank's suggestion, the agencies will proceed with their proposal to add preprinted captions to Schedule RI–E, item 2 (and item 1) for the most commonly itemized and described categories of other noninterest expense (and other noninterest income). These disclosures would be made only if the dollar amount for a particular category of expense (or income) exceeded the revised disclosure threshold discussed above.

One state banking trade group recommended that the agencies combine two items in Schedule RC–A—Cash and Balances Due From Depository Institutions—so that the amount of a bank's ''Currency and coin'' is not separately reported. This trade group stated that having the amount of a bank's currency and coin available to the public on the Call Report could facilitate and encourage more people to commit robberies and burglaries at those institutions that disclose a large amount of cash on hand. While the current Call Report requirements call upon all banks to report the amount of currency and coin they have, this commenter may have overlooked the agencies' proposal to eliminate this reporting requirement for all banks with less than $300 million in total assets that do not have foreign offices. Thus, only the largest banks must continue to disclose the amount of their ''Currency and coin'' in the Call Report, which essentially achieves this trade group's objective.

One bank trade group stated that differences in the information required for Call Reports versus the information required by the Board in the quarterly holding company reports on form FR Y–9C is a source of frustration for bankers. The trade group suggested that differences in these reports should be minimized. As the agencies noted in their proposal, some of their proposed revisions were designed to reduce these differences. Furthermore, in its notice requesting comment on revisions to the FR Y–9C for 2001, which was published on November 17, 2000 (65 FR 69525), the Board proposed several reporting changes that will introduce more uniformity to certain aspects of regulatory reporting. These reporting changes include bringing a number of items on the FR Y–9C, as well as the overall reporting format of the FR Y–9C, into closer alignment with the Call Report.

Request for Comment

Comments are invited on:

(a) Whether the proposed revisions to the Call Report collections of information are necessary for the proper performance of the agencies' functions, including whether the information has practical utility;

(b) The accuracy of the agencies' estimates of the burden of the information collections as they are proposed to be revised, including the validity of the methodology and assumptions used;

(c) Ways to enhance the quality, utility, and clarity of the information to be collected;

(d) Ways to minimize the burden of information collections on respondents, including through the use of automated collection techniques or other forms of information technology; and

(e) Estimates of capital or start up costs and costs of operation, maintenance, and purchase of services to provide information.

Comments submitted in response to this Notice will be shared among the agencies. All comments will become a matter of public record. Written comments should address the accuracy of the burden estimates and ways to minimize burden as well as other relevant aspects of the information collection request.

Dated: February 26, 2001.

Mark J. Tenhundfeld,

Assistant Director, Legislative and Regulatory Activities Division, Office of the Comptroller of the Currency.

Board of Governors of the Federal Reserve System, February 26, 2001.

Jennifer J. Johnson,

Secretary of the Board.

Dated at Washington, DC., this 27th day of February, 2001.

Federal Deposit Insurance Corporation.

Robert E. Feldman,

Executive Secretary.

[FR Doc. 01–5242 Filed 3–2–01; 8:45 am]

BILLING CODE 4810–33–P, 6210–01–P, 6714–01–P

DEPARTMENT OF THE TREASURY

Internal Revenue Service

[INTL–24–94]

Proposed Collection; Comment Request for Regulation Project

AGENCY: Internal Revenue Service (IRS), Treasury.

ACTION: Notice and request for comments.

SUMMARY: The Department of the Treasury, as part of its continuing effort to reduce paperwork and respondent burden, invites the general public and other Federal agencies to take this opportunity to comment on proposed and/or continuing information collections, as required by the Paperwork Reduction Act of 1995, Public Law 104–13(44 U.S.C. 3506(c)(2)(A)). Currently, the IRS is soliciting comments concerning an existing final regulation, INTL–24–94 (TD 8671), Taxpayer Identifying Numbers (TINs) (§ 301.6109–1).

DATES: Written comments should be received on or before May 4, 2001 to be assured of consideration.

ADDRESSES: Direct all written comments to Garrick R. Shear, Internal Revenue Service, room 5244, 1111 Constitution Avenue NW., Washington, DC 20224.

FOR FURTHER INFORMATION CONTACT: Requests for additional information or copies of the information collection should be directed to Larnice Mack, (202) 622–3179, Internal Revenue Service, room 5244, 1111 Constitution Avenue NW., Washington, DC 20224.

SUPPLEMENTARY INFORMATION:

Title: Taxpayer Identifying Numbers (TINs).

OMB Number: 1545–1461.

Regulation Project Number: INTL–24–94.

Abstract: This regulation relates to requirements for furnishing a taxpayer identifying number on returns, statements, or other documents. Procedures are provided for requesting a taxpayer identifying number for certain alien individuals for whom a social security number is not available. The regulation also requires foreign persons to furnish a taxpayer identifying number on their tax returns.

Current Actions: There is no change to this existing regulation.

Type of Review: Extension of a currently approved collection.

Affected Public: Individuals.

The burden for the collection of information is reflected in the burden for Form W–7, Application for IRS Individual Tax Identification Number (For Non-U.S. Citizens or Nationals).

The following paragraph applies to all of the collections of information covered by this notice:

An agency may not conduct or sponsor, and a person is not required to respond to, a collection of information unless the collection of information displays a valid OMB control number. Books or records relating to a collection of information must be retained as long as their contents may become material in the administration of any internal revenue law. Generally, tax returns and tax return information are confidential, as required by 26 U.S.C. 6103.

Request for Comments: Comments submitted in response to this notice will be summarized and/or included in the request for OMB approval. All comments will become a matter of public record. Comments are invited on: (a) Whether the collection of information is necessary for the proper performance of the functions of the agency, including whether the