



FEDERAL RESERVE SYSTEM

Agency Information Collection Activities: Announcement of Board Approval under Delegated Authority and Submission to OMB

AGENCY: Board of Governors of the Federal Reserve System.

SUMMARY: The Board of Governors of the Federal Reserve System (Board) is adopting a proposal to revise for three years, without extension, the Capital Assessments and Stress Testing (FR Y-14A/Q/M; OMB No. 7100-0341). The revisions are applicable with the reports as of December 31, 2018.

FOR FURTHER INFORMATION CONTACT: Federal Reserve Board Clearance Officer – Nuha Elmaghrabi – Office of the Chief Data Officer, Board of Governors of the Federal Reserve System, Washington, DC, 20551, (202) 452-3829. Telecommunications Device for the Deaf (TDD) users may contact (202) 263-4869, Board of Governors of the Federal Reserve System, Washington, DC 20551.

OMB Desk Officer – Shagufta Ahmed – Office of Information and Regulatory Affairs, Office of Management and Budget, New Executive Office Building, Room 10235, 725 17th Street, N.W., Washington, DC 20503, or by fax to (202) 395-6974.

SUPPLEMENTARY INFORMATION: On June 15, 1984, the Office of Management and Budget (OMB) delegated to the Board authority under the Paperwork Reduction Act (PRA) to approve and assign OMB control numbers to collection of information requests and requirements conducted or sponsored by the Board. Board-approved collections of information are incorporated into the official OMB inventory of currently approved collections of information. Copies of the Paperwork Reduction Act Submission, supporting statements and approved collection of information instrument(s) are placed

into OMB's public docket files. The Board may not conduct or sponsor, and the respondent is not required to respond to, an information collection that has been extended, revised, or implemented on or after October 1, 1995, unless it displays a currently valid OMB control number.

Final Approval under OMB Delegated Authority of the Revision, Without Extension, of the Following Information Collection:

Report title: Capital Assessments and Stress Testing.

Agency form number: FR Y-14A/Q/M.

OMB control number: 7100-0341.

Effective Date: December 31, 2018.

Frequency: Annually, semi-annually, quarterly, and monthly.

Respondents: The respondent panel consists of any top-tier bank holding company (BHC) that has \$100 billion or more in total consolidated assets, as determined based on: (i) the average of the firm's total consolidated assets in the four most recent quarters as reported quarterly on the firm's FR Y-9C; or (ii) the average of the firm's total consolidated assets in the most recent consecutive quarters as reported quarterly on the firm's FR Y-9Cs, if the firm has not filed an FR Y-9C for each of the most recent four quarters. The respondent panel also consists of any U.S. intermediate holding company (IHC). Reporting is required as of the first day of the quarter immediately following the quarter in which the respondent meets this asset threshold, unless otherwise directed by the Board.

Estimated number of respondents: 36.

Estimated average hours per response: FR Y-14A: Summary, 887 hours; Macro Scenario, 31 hours; Operational Risk, 18 hours; Regulatory Capital Instruments, 21 hours; Business Plan Changes, 16 hours; and Adjusted Capital Plan Submission, 100 hours. FR Y-14Q: Retail, 15 hours; Securities, 13 hours; PPNR, 711 hours; Wholesale, 151 hours; Trading, 1,926 hours; Regulatory Capital Transitions, 23 hours; Regulatory Capital Instruments, 54 hours; Operational Risk, 50 hours; MSR Valuation, 23 hours; Supplemental, 4 hours; Retail FVO/HFS, 15 hours; Counterparty, 514 hours; and Balances, 16 hours. FR Y-14M: 1st Lien Mortgage, 516 hours; Home Equity, 516 hours; and Credit Card, 512 hours. FR Y-14 On-going Automation Revisions, 480 hours. FR Y-14 Attestation On-going Audit and Review, 2,560 hours.

Estimated annual reporting hours: FR Y-14A: Summary, 63,864 hours; Macro Scenario, 2,232 hours; Operational Risk, 648 hours; Regulatory Capital Instruments, 756 hours; Business Plan Changes, 576 hours; and Adjusted Capital Plan Submission, 500 hours. FR Y-14Q: Retail, 2,160 hours; Securities, 1,872 hours; Pre-Provision Net Revenue (PPNR), 102,385 hours; Wholesale, 21,744 hours; Trading, 92,448 hours; Regulatory Capital Transitions, 3,312 hours; Regulatory Capital Instruments, 7,776 hours; Operational risk, 7,200 hours; Mortgage Servicing Rights (MSR) Valuation, 1,380 hours; Supplemental, 576 hours; Retail Fair Value Option/Held for Sale (Retail FVO/HFS), 1,500 hours; Counterparty, 24,672 hours; and Balances, 2,304 hours. FR Y-14M: 1st Lien Mortgage, 210,528 hours; Home Equity, 173,376 hours; and Credit Card, 86,016 hours. FR Y-14 On-going Automation Revisions, 17,280 hours. FR Y-14 Attestation On-going Audit and Review, 33,280 hours.

General description of report: These collections of information are applicable to top-tier BHCs with total consolidated assets of \$100 billion or more and U.S. IHCs. This family of information collections is composed of the following three reports:

- The semi-annual FR Y-14A, which collects 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.¹
- The quarterly FR Y-14Q, which collects granular data on various asset classes, including loans, securities, trading assets, and pre-provision net revenue (PPNR) for the reporting period.
- The monthly FR Y-14M, which is comprised of three retail portfolio- and loan-level schedules, and one detailed address matching schedule to supplement two of the portfolio- and loan-level schedules.

Respondent firms are currently required to submit up to 18 filings each year: 2 semi-annual FR Y-14A filings, 4 quarterly FR Y-14Q filings, and 12 monthly FR Y-14M filings.

Legal authorization and confidentiality: The FR Y-14 A/Q/M reports are mandatory. The Board has the authority to require BHCs to file the FR Y-14A/Q/M reports pursuant to section 5 of the Bank Holding Company Act (BHC Act) (12 U.S.C. 1844), and to require the U.S. IHCs of Foreign Banking Organizations to file the FR Y-14 A/Q/M reports

¹ Firms that must re-submit their capital plan generally also must provide a revised FR Y-14A in connection with their resubmission. See 12 CFR 225.8(d)(4).

pursuant to section 5 of the BHC Act, in conjunction with section 8 of the International Banking Act (12 U.S.C. 3106).

The information collected in these reports is collected as part of the Board's supervisory process, and therefore is afforded confidential treatment pursuant to exemption 8 of the Freedom of Information Act (FOIA) (5 U.S.C. 552(b)(8)). In addition, individual respondents may request that certain data be afforded confidential treatment pursuant to exemption 4 of FOIA if the data has not previously been publically disclosed and the release of the data would likely cause substantial harm to the competitive position of the respondent (5 U.S.C. 552(b)(4)). Determinations of confidentiality based on exemption 4 of FOIA would be made on a case-by-case basis.

Current actions: On August 8, 2018, the Board published a notice in the *Federal Register* (83 FR 39093) requesting public comment for 60 days on the revision, without extension, of the Capital Assessments and Stress Testing (FR Y-14A/Q/M). The Board proposed revising sub-schedule L.5 (Derivatives and SFT Profile) of the FR Y-14Q, Schedule L (Counterparty) by adding back mistakenly omitted items for total stressed net current exposure to be reported under the two supervisory stressed scenarios. With the addition of these items, the instructions would be changed to modify the associated ranking methodologies for the yearly stressed/CCAR submission in sub-schedule L.5 to require the top 25 counterparties to be reported as ranked by the total stressed net current exposure. The comment period for this notice expired on October 9, 2018. The Board received one comment from a banking organization. The commenter requested that the Board adopt these changes and publish the associated materials as soon as possible in order to provide adequate time to implement and test the changes. The Board strives to

provide as much time as possible in advance of the effective date for firms to implement revisions. The draft forms and instructions were made available with the publication of the initial notice. The revisions, including draft forms and instructions, will be implemented as proposed as of December 31, 2018.

Board of Governors of the Federal Reserve System, November 15, 2018.

Yao-Chin Chao,

Assistant Secretary of the Board.

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