



FEDERAL RESERVE SYSTEM

Proposed Agency Information Collection Activities; Comment Request

AGENCY: Board of Governors of the Federal Reserve System.

ACTION: Notice, request for comment.

SUMMARY: The Board of Governors of the Federal Reserve System (Board) invites comment on a proposal to extend for three years, with revision the Annual Daylight Overdraft Capital Report for U.S. Branches and Agencies of Foreign Banks (FR 2225; OMB No. 7100-0216).

DATES: Comments must be submitted on or before **[INSERT DATE 60 DAYS AFTER DATE OF PUBLICATION IN THE *FEDERAL REGISTER*]**.

ADDRESSES: You may submit comments, identified by *FR 2225*, by any of the following methods:

- Agency Website: <https://www.federalreserve.gov/>. Follow the instructions for submitting comments at <https://www.federalreserve.gov/apps/foia/proposedregs.aspx>.
- E-mail: regs.comments@federalreserve.gov. Include the OMB number in the subject line of the message.
- FAX: (202) 452-3819 or (202) 452-3102.
- Mail: Ann E. Misback, Secretary, Board of Governors of the Federal Reserve System, 20th Street and Constitution Avenue, NW, Washington, DC 20551.

All public comments are available from the Board's website at <https://www.federalreserve.gov/apps/foia/proposedregs.aspx> as submitted, unless modified for technical reasons or to remove personally identifiable information at the commenter's request. Accordingly, comments will not be edited to remove any identifying or contact information. Public comments may also be viewed electronically or in paper in Room 146, 1709 New York

Avenue, NW, Washington, DC 20006, between 9:00 a.m. and 5:00 p.m. on weekdays. For security reasons, the Board requires that visitors make an appointment to inspect comments.

You may do so by calling (202) 452-3684. Upon arrival, visitors will be required to present valid government-issued photo identification and to submit to security screening in order to inspect and photocopy comments.

Additionally, commenters may send a copy of their comments to the Office of Management and Budget (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, NW, Washington, DC 20503, or by fax to (202) 395-6974.

FOR FURTHER INFORMATION CONTACT: A copy of the Paperwork Reduction Act (PRA) OMB submission, including the reporting form and instructions, supporting statement, and other documentation will be placed into OMB’s public docket files, if approved. These documents will also be made available on the Board’s public website at <https://www.federalreserve.gov/apps/reportforms/review.aspx> or may be requested from the agency clearance officer, whose name appears below.

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.

SUPPLEMENTARY INFORMATION: On June 15, 1984, OMB delegated to the Board authority under the PRA to approve and assign OMB control numbers to collections of information conducted or sponsored by the Board. In exercising this delegated authority, the Board is directed to take every reasonable step to solicit comment. In determining whether to approve a collection of information, the Board will consider all comments received from the public and other agencies.

Request for Comment on Information Collection Proposal

The Board invites public comment on the following information collection, which is being reviewed under authority delegated by the OMB under the PRA. Comments are invited on the following:

- a. Whether the proposed collection of information is necessary for the proper performance of the Board's functions, including whether the information has practical utility;
- b. The accuracy of the Board's estimate of the burden of the proposed information collection, 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 collection on respondents, including through the use of automated collection techniques or other forms of information technology; and
- e. Estimates of capital or startup costs and costs of operation, maintenance, and purchase of services to provide information.

At the end of the comment period, the comments and recommendations received will be analyzed to determine the extent to which the Board should modify the proposal.

Proposal under OMB Delegated Authority to Extend for Three Years, With Revision, the Following Information Collection:

Report title: Annual Daylight Overdraft Capital Report for U.S. Branches and Agencies of Foreign Banks.

Agency form number: FR 2225.

OMB control number: 7100-0216.

Frequency: Annually.

Respondents: Foreign banking organizations (FBOs).

Estimated number of respondents: 51.

Estimated average hours per response: 1.

Estimated annual burden hours: 51.

General description of report: The FR 2225 is required for FBOs that wish to and are eligible to establish a non-zero net debit cap for their U.S. branches and agencies under the Federal Reserve Policy on Payment System Risk (PSR policy). The FR 2225 reporting form collects information needed to identify the respondent and its fiscal year-end, and collects four items to determine its year-end capital and assets for purposes of daylight overdraft monitoring. The four items, converted into U.S. dollars collected for the capital and assets determination are: worldwide capital for the reporting FBO (item 1); an adjustment to avoid double counting of capital used by any direct or indirect subsidiary of the FBO that also has access to Fedwire and has its own net debit cap (item 2); the FBO's total daylight overdraft capital base for the U.S. branch and agency family (item 3), which is used to calculate the net debit cap; and the reporting FBO's total worldwide assets (item 4). The Reserve Banks use items 1 and 2 as supplemental information to clarify the data reported in item 3. Federal Reserve staff use the assets data reported in item 4 for analytical purposes.

Proposed revisions: The Board proposes to revise the instructions to remove references to an FBO's strength of support assessment (SOSA) ranking and its status as a financial holding company (FHC). These changes are related to the revisions to the PSR policy, which the Board implemented on April 1, 2019, and which will take effect on October 1, 2020. The SOSA ranking and FHC status are no longer used for determining an FBO's eligibility for a positive net debit cap, the size of its net debit cap, and its eligibility to request a streamlined procedure to obtain maximum daylight overdraft capacity. In addition, the Board proposes to revise the

confidentiality section of the instructions to clarify how an FBO may request its information be treated as confidential, if the FBO believes the information submitted on its FR 2225 report is exempt from disclosure under the Freedom of Information Act, 5 U.S.C. 552(b). The Board also is changing language in the FR 2225 to clarify where the confidentiality instructions can be found, and updating the legal statutes listed on the face of the FR 2225.

Legal authorization and confidentiality: This information collection is authorized pursuant to section 7(a) of the International Banking Act, 12 U.S.C. 3105(a), which establishes reserve requirements for U.S. branches and agencies of foreign banks, and pursuant to section 13(14) of the Federal Reserve Act (FRA), 12 U.S.C. 347d, which provides that “each Federal Reserve bank may receive deposits from, discount paper endorsed by, and make advances to any branch or agency of a foreign bank in the same manner and to the same extent that it may exercise such powers with respect to a member bank if such branch or agency is maintaining reserves with such Reserve bank pursuant to section 7 of the International Banking Act of 1978.” In addition, sections 11(i), 16, and 19(f) of the FRA, 12 U.S.C. 248(i), 248-1, and 464, continue to provide authority for the collection of the FR 2225. The obligation to respond is required to obtain a benefit (i.e., this information is required in order for an FBO to establish a non-zero net debit cap so that its U.S. branches or agencies may be eligible for intraday credit).

Consultation outside the agency: There has been no consultation outside the Federal Reserve System.

Board of Governors of the Federal Reserve System, June 23, 2020.

Michele Taylor Fennell,

Assistant Secretary of the Board.

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