

and regulations and also discusses consumer disclosures that financial institutions typically provide as a standard business practice. Certain portions of the guidance are “information collections” subject to the PRA’s requirements.

Legal authorization and confidentiality: The information collection is authorized pursuant to section 11 of the Federal Reserve Act, 12 U.S.C. 248 (state member banks); sections 25 and 25A of the Federal Reserve Act, 12 U.S.C. 625 (Edge and Agreement corporations); section 5 of the Bank Holding Company Act of 1956, 12 U.S.C. 1844 (bank holding companies and, in conjunction with section 8 of the International Banking Act, 12 U.S.C. 3106, foreign banking organizations); section 7(c) of the International Banking Act of 1978, 12 U.S.C. 3105(c) (branches and agencies of foreign banks); and section 10 of the Home Owners’ Loan Act, 12 U.S.C. 1467a, (savings and loan holding companies). This guidance is voluntary.

Because the documentation required by the guidance is maintained by each institution, the Freedom of Information Act (FOIA) would only be implicated if the Federal Reserve’s examiners retained a copy of this information as part of an examination or as part of its supervision of a financial institution. However, records obtained as a part of an examination or supervision of a financial institution are exempt from disclosure under FOIA exemption (b)(8) (5 U.S.C. 552(b)(8)). In addition, the information may also be kept confidential under exemption 4 of the FOIA which protects commercial or financial information obtained from a person that is privileged or confidential (5 U.S.C. 552(b)(4)).

Board of Governors of the Federal Reserve System, June 28, 2018.

Michele Taylor Fennell,

Assistant Secretary of the Board.

[FR Doc. 2018–14303 Filed 7–2–18; 8:45 am]

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FEDERAL RESERVE SYSTEM

[Docket No. OP–1612]

Announcement of Financial Sector Liabilities

Section 622 of the Dodd-Frank Wall Street Reform and Consumer Protection Act, implemented by the Board’s Regulation XX, prohibits a merger or acquisition that would result in a financial company that controls more than 10 percent of the aggregate consolidated liabilities of all financial

companies (“aggregate financial sector liabilities”). Specifically, an insured depository institution, a bank holding company, a savings and loan holding company, a foreign banking organization, any other company that controls an insured depository institution, and a nonbank financial company designated by the Financial Stability Oversight Council (each, a “financial company”) is prohibited from merging or consolidating with, acquiring all or substantially all of the assets of, or acquiring control of, another company if the resulting company’s consolidated liabilities would exceed 10 percent of the aggregate financial sector liabilities.¹

Pursuant to Regulation XX, the Federal Reserve will publish the aggregate financial sector liabilities by July 1 of each year. Aggregate financial sector liabilities equals the average of the year-end financial sector liabilities figure (as of December 31) of each of the preceding two calendar years.

FOR FURTHER INFORMATION CONTACT: Sean Healey, Supervisory Financial Analyst, (202) 912–4611; Matthew Suntag, Counsel, (202) 452–3694; for the hearing impaired, TTY (202) 263–4869.

Aggregate Financial Sector Liabilities

Aggregate financial sector liabilities is equal to \$20,283,121,945,000.² This measure is in effect from July 1, 2018 through June 30, 2019.

Calculation Methodology

Aggregate financial sector liabilities equals the average of the year-end financial sector liabilities figure (as of December 31) of each of the preceding two calendar years. The year-end financial sector liabilities figure equals the sum of the total consolidated liabilities of all top-tier U.S. financial companies and the U.S. liabilities of all top-tier foreign financial companies, calculated using the applicable methodology for each financial company, as set forth in Regulation XX and summarized below.

Consolidated liabilities of a U.S. financial company that was subject to consolidated risk-based capital rules as of December 31 of the year being measured, equal the difference between its risk-weighted assets (as adjusted upward to reflect amounts that are deducted from regulatory capital elements pursuant to the Federal banking agencies’ risk-based capital

rules) and total regulatory capital, as calculated under the applicable risk-based capital rules. Companies in this category include (with certain exceptions listed below) bank holding companies, savings and loan holding companies, and insured depository institutions. The Federal Reserve used information collected on the Consolidated Financial Statements for Holding Companies (FR Y–9C) and the Bank Consolidated Reports of Condition and Income (Call Report) to calculate liabilities of these institutions.

Consolidated liabilities of a U.S. financial company not subject to consolidated risk-based capital rules as of December 31 of the year being measured, equal liabilities calculated in accordance with applicable accounting standards. Companies in this category include nonbank financial companies supervised by the Board, bank holding companies and savings and loan holding companies subject to the Federal Reserve’s Small Bank Holding Company Policy Statement, savings and loan holding companies substantially engaged in insurance underwriting or commercial activities, and U.S. companies that control insured depository institutions but are not bank holding companies or savings and loan holding companies. “Applicable accounting standards” is defined as GAAP, or such other accounting standard or method of estimation that the Board determines is appropriate.³ The Federal Reserve used information collected on the FR Y–9C, the Parent Company Only Financial Statements for Small Holding Companies (FR Y–9SP), and the Financial Company Report of Consolidated Liabilities (FR XX–1) to calculate liabilities of these institutions.

Section 622 provides that the U.S. liabilities of a “foreign financial company” equal the risk-weighted

³ A financial company may request to use an accounting standard or method of estimation other than GAAP if it does not calculate its total consolidated assets or liabilities under GAAP for any regulatory purpose (including compliance with applicable securities laws). 12 CFR 251.3(e). In previous years, the Board received and approved requests from eleven financial companies to use an accounting standard or method of estimation other than GAAP to calculate liabilities. Ten of the companies are insurance companies that report financial information under Statutory Accounting Principles (“SAP”), and one is a foreign company that controls a U.S. industrial loan company that reports financial information under International Financial Reporting Standards (“IFRS”). For the insurance companies, the Board approved a method of estimation that was based on line items from SAP-based reports, with adjustments to reflect certain differences in accounting treatment between GAAP and SAP. For the foreign company, the Board approved the use of IFRS. These companies continue to use the previously approved methods. The Board did not receive any new requests this year.

¹ 12 U.S.C. 1852(a)(2), (b).

² This number reflects the average of the financial sector liabilities figure for the year ending December 31, 2016 (\$20,079,196,276,000) and the year ending December 31, 2017 (\$20,487,047,614,000).

assets and regulatory capital attributable to the company's "U.S. operations." Under Regulation XX, liabilities of a foreign banking organization's U.S. operations are calculated using the risk-weighted asset methodology for subsidiaries subject to risk-based capital rules, plus the assets of all branches, agencies, and nonbank subsidiaries, calculated in accordance with applicable accounting standards. Liabilities attributable to the U.S. operations of a foreign financial company that is not a foreign banking organization are calculated in a similar manner to the method described for foreign banking organizations, but liabilities of a U.S. subsidiary not subject to risk-based capital rules are calculated based on the U.S. subsidiary's liabilities under applicable accounting standards. The Federal Reserve used information collected on the Capital and Asset Report for Foreign Banking Organizations (FR Y-7Q), the FR Y-9C and the FR XX-1 to calculate liabilities of these institutions.

By order of the Board of Governors of the Federal Reserve System, acting through the Director of Supervision and Regulation under delegated authority, June 27, 2018.

Ann Misback,

Secretary of the Board.

[FR Doc. 2018-14241 Filed 7-2-18; 8:45 am]

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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 extend for three years, without revision, Recordkeeping and Disclosure Requirements Associated with Consumer Financial Protection Bureau's (CFPB) Regulation B (Equal Credit Opportunity Act) (FR B; OMB No. 7100-0201).

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 NW, 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 of 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 extension for three years, without revision, of the following report:

Report title: Recordkeeping and Disclosure Requirements Associated with Consumer Financial Protection Bureau's (CFPB) Regulation B (Equal Credit Opportunity Act).

Agency form number: FR B.

OMB control number: 7100-0201.

Frequency: Monthly; annually.

Respondents: State member banks; subsidiaries of state member banks; subsidiaries of bank holding companies; U.S. branches and agencies of foreign banks (other than federal branches, federal agencies, and insured state branches of foreign banks); commercial lending companies owned or controlled by foreign banks; and organizations operating under section 25 or 25A of the Federal Reserve Act (12 U.S.C. 601-604a; 611-631).

Estimated number of respondents: Notifications, furnishing of credit information, record retention (applications, actions, and prescreened solicitations), information for monitoring purposes, and rules on providing appraisal reports (providing appraisal report), 958 respondents; Self-testing: Record retention—incumbents, 92 respondents; Self-testing: Record retention—self-correction, 23 respondents; and Self-testing: Record retention—rules concerning requests for information (disclosure for optional self-test), 92 respondents.

Estimated average hours per response: Notifications, 6 hours; Furnishing of

credit information, 2.5 hours; Record retention (applications, actions, and prescreened solicitations), 8 hours; Information for monitoring purposes, 0.25 hours; Rules on providing appraisal reports (providing appraisal report), 3 hours; Self-testing: Record retention—incumbents, 2 hours; Self-testing: Record retention—self-correction, 8 hours; and Self-testing: Record retention—rules concerning requests for information (disclosure for optional self-test), 3.5 hours.

Estimated annual burden hours: Notifications, 68,976 hours; Furnishing of credit information, 28,740 hours; Record retention (applications, actions, and prescreened solicitations), 7,664 hours; Information for monitoring purposes, 2,874 hours; Rules on providing appraisal reports (providing appraisal report), 34,488 hours; Self-testing: Record retention—incumbents, 184 hours; Self-testing: Record retention—self-correction, 184 hours; and Self-testing: Record retention—rules concerning requests for information (disclosure for optional self-test), 3,864 hours.

General description of report: The Equal Credit Opportunity Act (ECOA) was enacted in 1974 and is implemented by the CFPB's Regulation B for institutions the Board supervises.¹ The ECOA prohibits discrimination in any aspect of a credit transaction because of race, color, religion, national origin, sex, marital status, age (provided the applicant has the capacity to contract), or other specified bases (receipt of public assistance, or the fact that the applicant has in good faith exercised any right under the Consumer Credit Protection Act (15 U.S.C. 1600 *et seq.*)). To aid in implementation of this prohibition, the statute and regulation subject creditors to various mandatory disclosure requirements, notification provisions informing applicants of action taken on the credit application, provision of appraisal reports in connection with mortgages, credit history reporting, monitoring rules, and recordkeeping requirements. These requirements are triggered by specific events and disclosures must be provided within the time periods established by the statute and regulation.

Legal authorization and confidentiality: The CFPB is authorized to issue its Regulation B pursuant to its authority to prescribe regulations to carry out the purposes of ECOA (15 U.S.C. 1691b). The obligation to comply with the recordkeeping and disclosure

¹ 15 U.S.C. 1691. The CFPB's Regulation B is located at 12 CFR part 1002.