

1246, by email at angela.dow@dot.gov, or by mail at DOT, PHMSA, 1200 New Jersey Avenue SE, PHP-30, Washington, DC 20590-0001.

SUPPLEMENTARY INFORMATION: Section 1320.8(d), Title 5, Code of Federal Regulations, requires PHMSA to provide interested members of the public and affected agencies an opportunity to comment on information collection and recordkeeping requests. In accordance with this regulation, on February 11, 2019, (84 FR 3278) PHMSA published a **Federal Register** notice with a 60-day comment period soliciting comments on the information collection. In response, PHMSA received no comments.

The following information is provided for each information collection: (1) Title of the information collection; (2) OMB control number; (3) Current expiration date; (4) Type of request; (5) Abstract of the information collection activity; (6) Description of affected public; (7) Estimate of total annual reporting and recordkeeping burden; and (8) Frequency of collection. PHMSA will request a three-year term of approval for each information collection activity.

1. **Title:** Pipeline Integrity Management in High Consequence Areas Gas Transmission Pipeline Operators.

OMB Control Number: 2137-0610.

Current Expiration Date: 4/30/2019.

Type of Request: Extension without change of a currently approved collection.

Abstract: This information collection request pertains to gas transmission operators subject to 49 CFR part 192 Subpart O—Gas Transmission Integrity Management Program. Pipeline safety regulations in § 192.907 require gas transmission operators subject to part 192 subpart O to develop and follow a written integrity management program that contains all the elements described in § 192.911. Gas transmission operators subject to these regulations must also maintain records that demonstrate compliance with subpart O, as described in § 192.947, for the life of the pipeline. PHMSA or state regulators may review the records as a part of inspections. Gas transmission operators are also required to report to PHMSA certain actions related to their integrity management program.

Affected Public: Gas transmission operators.

Annual Reporting and Recordkeeping Burden:

Estimated number of responses: 733.

Estimated annual burden hours: 1,018,807.

Frequency of collection: On occasion.

2. **Title:** Control Room Management/ Human Factors

OMB Control Number: 2137-0624.

Current Expiration Date: 4/30/2019.

Type of Request: Extension without change of a currently approved collection.

Abstract: Sections 192.631 and 195.446 address human factors and other components of control room management. These regulations require operators of hazardous liquid pipelines and gas pipelines to develop and implement a human factors management plan designed to reduce risk associated with human factors in each control room.

Affected Public: Operators of both natural gas and hazardous liquid pipeline systems.

Annual Reporting and Recordkeeping Burden:

Estimated number of responses: 2,702.

Estimated annual burden hours: 127,328.

Frequency of Collection: On occasion.

3. **Title:** Pipeline Safety: Integrity Management Program for Gas Distribution Pipelines

OMB Control Number: 2137-0625.

Current Expiration Date: 4/30/2019.

Type of Request: Extension without change of a currently approved collection.

Abstract: Section 192.1005 requires operators of gas distribution pipelines to develop and implement integrity management (IM) programs. The purpose of these programs is to enhance safety by identifying and reducing pipeline integrity risks. In accordance with § 192.1011, PHMSA requires that operators maintain records demonstrating compliance with these requirements for 10 years and that these records must include superseded IM plans.

Affected Public: Operators of gas distribution pipeline systems.

Annual Reporting and Recordkeeping Burden:

Estimated number of responses: 9,343

Estimated annual burden hours: 865,178.

Frequency of collection: On occasion.

4. **Title:** Response Plans for Onshore Oil Pipelines.

OMB Control Number: 2137-0589.

Current Expiration Date: 7/31/2019.

Type of Request: Revision of a currently approved information collection.

Abstract: Part 194 requires an operator of an onshore oil pipeline facility to prepare and submit an oil spill response plan to PHMSA for review and approval. This revision only updates the number of respondents to accurately reflect the current usage of this collection.

Affected Public: Operators of onshore oil pipeline facilities.

Annual Reporting and Recordkeeping Burden:

Estimated number of responses: 540.

Estimated annual burden hours: 73,980.

Frequency of collection: On occasion.

Comments to OMB are invited on:

(a) The need for the proposed information, including whether the information will have practical utility in helping the agency to achieve its pipeline safety goals;

(b) The accuracy of the agency's estimate of the burden of the proposed collection;

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

(d) Ways to minimize the burden on those who are to respond, including the use of appropriate automated, electronic, mechanical, or other technological collection techniques.

Authority: The Paperwork Reduction Act of 1995; 44 U.S.C. Chapter 35, as amended; and 49 CFR 1.48.

Issued in Washington, DC on April 16, 2019, under authority delegated in 49 CFR 1.97.

John A. Gale,

Director, Standards and Rulemaking Division.

[FR Doc. 2019-07925 Filed 4-18-19; 8:45 am]

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DEPARTMENT OF THE TREASURY

Office of the Comptroller of the Currency

FEDERAL RESERVE SYSTEM

FEDERAL DEPOSIT INSURANCE CORPORATION

Proposed Agency Information Collection Activities; Comment Request

AGENCY: 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: Joint notice and request for comment.

SUMMARY: In accordance with the requirements of the Paperwork Reduction Act of 1995 (PRA), the OCC, the Board, and the FDIC (the agencies) may not conduct or sponsor, and a respondent is not required to respond to, an information collection unless it displays a currently valid Office of Management and Budget (OMB) control number. The Federal Financial

Institutions Examination Council (FFIEC), of which the agencies are members, has approved the agencies' publication for public comment of a proposal to revise and extend for three years the Consolidated Reports of Condition and Income for a Bank with Domestic and Foreign Offices (FFIEC 031), the Consolidated Reports of Condition and Income for a Bank with Domestic Offices Only (FFIEC 041), and the Consolidated Reports of Condition and Income for a Bank with Domestic Offices Only and Total Assets Less than \$1 Billion (FFIEC 051), which are currently approved collections of information. The Consolidated Reports of Condition and Income are commonly referred to as Call Reports.

The proposed revisions in this notice would implement reporting changes in the Call Reports consistent with the agencies' proposed rule to develop a simplified alternative measure of capital adequacy, the community bank leverage ratio, for certain qualifying community banks with less than \$10 billion in total consolidated assets, consistent with section 201 of the Economic Growth, Regulatory Relief, and Consumer Protection Act.

The proposed revisions in this notice would also implement reporting changes consistent with the FDIC's proposed rule to amend the deposit insurance assessment regulations to apply the community bank leverage ratio framework to the deposit insurance assessment system.

The proposed revisions in this notice would take effect the same quarter as the effective date of the forthcoming final rules on the community bank leverage ratio and the related deposit insurance assessment revisions. At the end of the comment period for this notice, the FFIEC and the agencies will review any comments received to determine whether to modify the proposal in response to comments. If modifications are made to the proposed community bank leverage ratio or deposit insurance assessment rules when those rules are adopted in final form, the agencies would modify the Call Report proposal to incorporate such changes. As required by the PRA, the agencies will then publish a second **Federal Register** notice on the proposal for a 30-day comment period and submit the final Call Reports to OMB for review and approval.

DATES: Comments must be submitted on or before June 18, 2019.

ADDRESSES: Interested parties are invited to submit written comments to any or all of the agencies. All comments, which should refer to the "CBLR

Reporting Revisions," will be shared among the agencies.

OCC: You may submit comments, which should refer to "CBLR Reporting Revisions," by any of the following methods:

- **Email:** prainfo@occ.treas.gov.
- **Mail:** Chief Counsel's Office, Office of the Comptroller of the Currency, Attention: 1557-0081, 400 7th Street SW, Suite 3E-218, Washington, DC 20219.
- **Hand Delivery/Courier:** 400 7th Street SW, Suite 3E-218, Washington, DC 20219.

Instructions: You must include "OCC" as the agency name and "1557-0081" in your comment. In general, the OCC will publish comments on www.reginfo.gov without change, including any business or personal information provided, such as name and address information, email addresses, or phone numbers. Comments received, including attachments and other supporting materials, are part of the public record and subject to public disclosure. Do not include any information in your comment or supporting materials that you consider confidential or inappropriate for public disclosure.

You may review comments and other related materials that pertain to this information collection beginning on the date of publication of the second notice for this collection by any of the following methods:

- **Viewing Comments Electronically:** Go to www.reginfo.gov. Click on the "Information Collection Review" tab. Underneath the "Currently under Review" section heading, from the drop-down menu select "Department of Treasury" and then click "submit". This information collection can be located by searching by OMB control number "1557-0081" or "CBLR Reporting Revisions". Upon finding the appropriate information collection, click on the related "ICR Reference Number." On the next screen, select "View Supporting Statement and Other Documents" and then click on the link to any comment listed at the bottom of the screen.

- For assistance in navigating www.reginfo.gov, please contact the Regulatory Information Service Center at (202) 482-7340.

- **Viewing Comments Personally:** You may personally inspect comments at the OCC, 400 7th Street SW, Washington, DC. For security reasons, the OCC requires that visitors make an appointment to inspect comments. You may do so by calling (202) 649-6700 or, for persons who are deaf or hearing impaired, TTY, (202) 649-5597. Upon

arrival, visitors will be required to present valid government-issued photo identification and submit to security screening in order to inspect comments.

Board: You may submit comments, which should refer to "CBLR Reporting Revisions," by any of the following methods:

- **Agency Website:** <http://www.federalreserve.gov>. Follow the instructions for submitting comments at: <http://www.federalreserve.gov/generalinfo/foia/ProposedRegs.cfm>.

- **Email:** regs.comments@federalreserve.gov. Include "CBLR Reporting Revisions" 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 on the Board's website at <https://www.federalreserve.gov/apps/foia/proposedregs.aspx> as submitted, unless modified for technical reasons.

Accordingly, your 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.

FDIC: You may submit comments, which should refer to "CBLR Reporting Revisions," by any of the following methods:

- **Agency Website:** <https://www.fdic.gov/regulations/laws/federal/>. Follow the instructions for submitting comments on the FDIC's website.

- **Federal eRulemaking Portal:** <https://www.regulations.gov>. Follow the instructions for submitting comments.

- **Email:** comments@FDIC.gov. Include "CBLR Reporting Revisions" in the subject line of the message.

- **Mail:** Manuel E. Cabezal, Counsel, Attn: Comments, Room MB-3007, Federal Deposit Insurance Corporation, 550 17th Street NW, Washington, DC 20429.

- **Hand Delivery:** 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 7:00 a.m. and 5:00 p.m.

• *Public Inspection:* All comments received will be posted without change to <https://www.fdic.gov/regulations/laws/federal/> including any personal information provided. Paper copies of public comments may be requested from the FDIC Public Information Center by telephone at (877) 275-3342 or (703) 562-2200.

Additionally, commenters may send a copy of their comments to the OMB desk officer for the agencies by mail to the Office of Information and Regulatory Affairs, U.S. Office of Management and Budget, New Executive Office Building, Room 10235, 725 17th Street NW, Washington, DC 20503; by fax to (202) 395-6974; or by email to oira_submission@omb.eop.gov.

FOR FURTHER INFORMATION CONTACT: For further information about the proposed revisions to the information collections discussed in this notice, please contact any of the agency staff whose names appear below. In addition, copies of the Call Report forms can be obtained at the FFIEC's website (https://www.ffiec.gov/ffiec_report_forms.htm).

OCC: Kevin Korzeniewski, Counsel, Chief Counsel's Office, (202) 649-5490, or for persons who are hearing impaired, TTY, (202) 649-5597.

Board: Nuha Elmaghrabi, Federal Reserve Board Clearance Officer, (202) 452-3884, Office of the Chief Data Officer, Board of Governors of the Federal Reserve System, 20th and C Streets NW, Washington, DC 20551. Telecommunications Device for the Deaf (TDD) users may call (202) 263-4869.

FDIC: Manuel E. Cabeza, Counsel, (202) 898-3767, Legal Division, Federal Deposit Insurance Corporation, 550 17th Street NW, Washington, DC 20429.

SUPPLEMENTARY INFORMATION:

I. Background

A. Overview of the Proposed Regulatory Capital Rule: Community Bank Leverage Ratio for Qualifying Community Banks

The agencies proposed a rule to provide a simplified alternative measure of capital adequacy, the community bank leverage ratio (CBLR), for qualifying community banks with less than \$10 billion in total consolidated assets (CBLR proposed rule),¹ consistent with section 201 of the Economic Growth, Regulatory Relief, and Consumer Protection Act.²

Under the CBLR proposed rule, banks and savings associations (collectively, banks) that have less than \$10 billion in total consolidated assets, meet risk-based qualifying criteria, and have a

CBLR of greater than 9 percent would be eligible to opt into a community bank leverage ratio framework (CBLR framework). A bank that opts into the CBLR framework and maintains a CBLR of greater than 9 percent (CBLR bank) would not be subject to other risk-based and leverage capital requirements and, in the case of an insured depository institution (IDI), would be considered to have met the well capitalized capital ratio requirements for purposes of the agencies' prompt corrective action (PCA) framework. As described in the CBLR proposed rule, if such CBLR bank's CBLR subsequently falls to 9 percent or less, the CBLR bank would become subject to the same restrictions, based on its CBLR level, that currently apply to other IDIs in the same PCA category. Further, if such CBLR bank's CBLR declines to less than 6 percent, the institution would be considered significantly undercapitalized and required to promptly provide to its appropriate regulators information necessary to calculate the tangible equity ratio as defined under the existing PCA framework for IDIs. Additionally, under the CBLR proposed rule, the appropriate regulators may require the information necessary to determine the institution's PCA tangible equity ratio at any time.

Under the CBLR proposed rule, a CBLR bank may opt out of the CBLR framework and use the generally applicable capital requirements in the agencies' capital rules³ by reporting its regulatory capital information in Call Report Schedule RC-R, "Regulatory Capital," Parts I and II. Additionally, the agencies note that a CBLR bank may opt out of the CBLR framework between reporting periods by producing the capital ratios under the generally applicable capital requirements to its appropriate regulators at the time of opting out.

As described in the CBLR proposed rule, a bank that no longer meets the qualifying criteria for the CBLR framework would be required within two consecutive calendar quarters (grace period) either to once again satisfy the qualifying criteria or demonstrate compliance with the generally applicable capital requirements. The grace period would begin as of the end of the calendar quarter in which a bank ceases to satisfy the qualifying criteria and end after two consecutive calendar quarters. During the grace period, the bank would continue to be treated as a CBLR bank and would be required to report CBLR on the CBLR reporting

schedule described in this notice. A CBLR bank that ceases to meet the qualifying criteria as a result of a business combination (e.g., a merger) would receive no grace period, and immediately become subject to the generally applicable capital requirements.

B. Overview of the Proposed Revisions to the Deposit Insurance Assessment Regulations To Incorporate the CBLR Framework

On February 21, 2019, the FDIC published a proposed rule⁴ (CBLR Assessments proposed rule) to amend the deposit insurance assessment regulations to incorporate the CBLR framework into the deposit insurance assessment system. Under the CBLR Assessments proposed rule, the FDIC would assess all IDIs that are CBLR banks as small institutions for the purpose of deposit insurance assessments.

For the CBLR, the proposed amendments to the assessment regulations would define "tangible equity" for deposit insurance assessment purposes to mean either CBLR tangible equity or Tier 1 capital, and would define the Leverage Ratio that the FDIC uses to calculate a small institution's assessment rate as the higher of either the CBLR or the Tier 1 leverage ratio.

The CBLR Assessments proposed rule would clarify that (1) an IDI that is a CBLR bank and meets the definition of a custodial bank⁵ would have no change to its custodial bank deduction or reporting items on Call Report Schedule RC-O, "Other Data for Deposit Insurance and FICO Assessments," required to calculate the custodial bank deduction; and (2) the assessment regulations would continue to reference the PCA regulations for the definitions of capital categories used in the deposit insurance assessment system, with technical amendments to align with the CBLR proposed rule.

C. Proposed Reporting Revisions

In this notice, the agencies are proposing reporting revisions to the Call Reports for banks that qualify for and opt into the CBLR framework, consistent with the CBLR proposed rule.⁶ The agencies also are proposing reporting revisions for such banks that are IDIs for purposes of the deposit insurance

⁴ 84 FR 5380 (February 21, 2019).

⁵ See 12 CFR 327.5(c)(1).

⁶ In connection with the CBLR proposed rule, the Federal Reserve Board will separately propose to make corresponding revisions to the Consolidated Financial Statements for Holding Companies (FR Y-9C).

¹ 84 FR 3062 (February 8, 2019).

² Public Law 115-174, 132 Stat. 1296 (2018).

³ 12 CFR part 3 (OCC); 12 CFR part 217 (Board); 12 CFR part 324 (FDIC).

assessment regulations, consistent with the CBLR Assessments proposed rule. Any changes to these proposed rules made in final rules that affect reporting would be reflected in a subsequent 30-day PRA notice related to the CBLR and related assessments reporting revisions that would be published in the **Federal Register**. Interested persons who seek to submit comments on the CBLR proposed rule or the CBLR Assessments proposed rule should comment on the respective proposed rules, rather than on this notice, which only addresses the related reporting revisions.

The reporting changes proposed in this notice would take effect in the same quarter as the effective date of the final rules adopting the CBLR framework and the related amendments to the deposit insurance assessment regulations.

II. Call Report Overview

The agencies propose to extend for three years, with revision, the FFIEC 031, FFIEC 041, and FFIEC 051 Consolidated Reports of Condition and Income.

Report Title: Consolidated Reports of Condition and Income (Call Report).

Form Numbers: FFIEC 031 (for banks and savings associations with domestic and foreign offices or domestic offices only and total consolidated assets of \$100 billion or more), FFIEC 041 (for banks and savings associations with domestic offices only and total consolidated assets of less than \$100 billion, except those that file the FFIEC 051), and FFIEC 051 (for banks and savings associations with domestic offices only and total assets less than \$1 billion).

Frequency of Response: Quarterly.

Affected Public: Business or other for-profit.

OCC

OMB Control No.: 1557–0081.

Estimated Number of Respondents: 1,178 national banks and federal savings associations.

Estimated Average Burden per Response: 39.62 burden hours per quarter to file.

Estimated Total Annual Burden: 186,689 burden hours to file.

Board

OMB Control No.: 7100–0036.

Estimated Number of Respondents: 794 state member banks.

Estimated Average Burden per Response: 43.54 burden hours per quarter to file.

Estimated Total Annual Burden: 138,283 burden hours to file.

FDIC

OMB Control No.: 3064–0052.

Estimated Number of Respondents: 3,483 insured state nonmember banks and state savings associations.

Estimated Average Burden per Response: 38.37 burden hours per quarter to file.

Estimated Total Annual Burden: 534,571 burden hours to file.

The estimated average burden hours collectively reflect the estimates for the FFIEC 031, the FFIEC 041, and the FFIEC 051 reports. When the estimates are calculated by type of report across the agencies, the estimated average burden hours per quarter are 93.65 (FFIEC 031), 48.89 (FFIEC 041), and 33.65 (FFIEC 051). The burden hours for the currently approved reports are 95.47 (FFIEC 031), 55.71 (FFIEC 041), and 39.77 (FFIEC 051),⁷ so the revisions in this notice would represent a reduction in estimated average burden hours per quarter by 1.83 (FFIEC 031), 6.82 (FFIEC 041), and 6.12 (FFIEC 051). The reduction in average burden hours is significantly less for the FFIEC 031 than for the FFIEC 041 or the FFIEC 051 because greater percentages of institutions that would be eligible to use the proposed CBLR schedule currently file the FFIEC 041 or the FFIEC 051 than the FFIEC 031. The estimated burden per response for the quarterly filings of the Call Report is an average that varies by agency because of differences in the composition of the banks and savings associations under each agency's supervision (e.g., size distribution of such institutions, types of activities in which they are engaged, and existence of foreign offices).

Type of Review: Extension for three years, with revision, of currently approved collections.

Statutory Basis and Confidential Treatment

The Call Report information collections are mandatory: 12 U.S.C. 161 (for national banks), 12 U.S.C. 324 (for state member banks), 12 U.S.C. 1817 (for insured state nonmember banks), and 12 U.S.C. 1464 (for federal and state savings associations). At present, except for selected data items and text, these information collections are not given confidential treatment.

General Description of Call Reports

Banks and savings associations submit Call Report data to the agencies each quarter for the agencies' use in monitoring the condition, performance, and risk profile of individual institutions and the industry as a whole. Call Report data serve a regulatory or public policy purpose by assisting the

agencies in fulfilling their shared missions of ensuring the safety and soundness of financial institutions and the financial system and protecting consumer financial rights, as well as agency-specific missions affecting national and state-chartered institutions, such as conducting monetary policy, ensuring financial stability, and administering federal deposit insurance. Call Reports are the source of the most current statistical data available for identifying areas of focus for on-site and off-site examinations. Among other purposes, the agencies use Call Report data in evaluating institutions' corporate applications, including interstate merger and acquisition applications for which the agencies are required by law to determine whether the resulting institution would control more than 10 percent of the total amount of deposits of IDIs in the United States. Call Report data also are used to calculate institutions' deposit insurance assessments and Financing Corporation assessments and national banks' and federal savings associations' semiannual assessment fees.

III. Specific Proposed Revisions

A. Proposed Reporting Revisions Related to the Proposed CBLR Rule

1. CBLR Reporting Schedule

As described in the proposed CBLR rule, a CBLR bank would not be required to report its regulatory capital information on Call Report Schedule RC–R, Parts I and II. Instead, a CBLR bank would report the information necessary for the calculation of the CBLR and the qualifying criteria for eligibility for the CBLR framework in a proposed new CBLR schedule, which would be added to Schedule RC–R.⁸

Specifically, the agencies propose to add a new CBLR reporting schedule as Schedule RC–R, CBLR, which would be included immediately preceding Schedule RC–R, Parts I and II. CBLR banks would only be required to fill out Schedule RC–R, CBLR. If a CBLR bank chooses to opt out of the CBLR framework, it would stop reporting Schedule RC–R, CBLR, and instead would complete Schedule RC–R, Parts I and II.

⁸ Before a bank first files proposed Schedule RC–R, CBLR, as part of its Call Report, the bank would need to calculate some of the items on proposed Schedule RC–R, CBLR, to determine whether it is initially eligible to use the CBLR, and the burden for those calculations is included in the agencies' estimates. However, if a bank is not eligible to use the CBLR, or is not within the 6-month grace period after failing to meet the CBLR criteria (as described above), the bank would not report any items on the proposed Schedule RC–R, CBLR, and instead would complete Schedule RC–R, Parts I and II.

⁷ 84 FR 4131 (February 14, 2019).

The agencies seek comment on the proposed location of Schedule RC–R, CBLR. The agencies also seek views on any alternatives for CBLR reporting within the Call Report forms to ease potential regulatory compliance burden.

The specific wording of the captions for the data items in proposed Schedule RC–R, CBLR, and the numbering of these data items should be regarded as preliminary.

2. CBLR Numerator

As provided in the CBLR proposed rule, the numerator of the CBLR ratio would be CBLR tangible equity. CBLR tangible equity would be calculated as a CBLR bank's total bank equity capital with specific adjustments. A CBLR bank would start with its total bank equity capital as of the quarter-end report date, determined in accordance with the reporting instructions to Schedule RC, item 27.a, of the Call Report. The CBLR bank would then adjust total bank equity capital by: Neutralizing accumulated other comprehensive income (AOCI); deducting all intangible assets (other than mortgage servicing assets (MSAs)); and deducting deferred tax assets (DTAs), net of any related valuation allowances, that arise from net operating loss and tax credit carryforwards, each as of the quarter-end report date.⁹ The CBLR bank would report these items to calculate CBLR tangible equity on the proposed CBLR Schedule, items 1 through 6.

Specifically, in proposed item 1, a CBLR bank would report its total bank equity capital, as it is reported in Schedule RC, item 27.a. This amount would not include any equity capital attributable to noncontrolling interests in consolidated subsidiaries.

In proposed item 2, a CBLR bank would report AOCI, as it is reported in Schedule RC, item 26.b.

In proposed item 3, a CBLR bank would report its goodwill, as it is reported in Schedule RC–M, item 2.b.

In proposed item 4, a CBLR bank would report all other intangible assets, as they are reported in Schedule RC–M, item 2.c.

In proposed item 5, a CBLR bank would report the amount of DTAs that arise from net operating loss and tax credit carryforwards, net of any related valuation allowances. The calculation of these DTAs would be consistent with

⁹ Solely for purposes of the FDIC's proposed definition of CBLR tangible equity, FDIC-supervised institutions that opt into the CBLR framework must deduct identified losses as defined in 12 CFR 324.2 (to the extent that CBLR tangible equity would have been reduced if the appropriate accounting entries to reflect the identified losses had been recorded on the FDIC-supervised institution's books).

the calculation of the Call Report instructions for Schedule RC–R, Part I, item 8, with the exception that deferred tax liabilities would not be netted against the DTAs reported in this proposed item 5.

In proposed item 6, a CBLR bank would calculate its CBLR tangible equity by subtracting proposed items 2, 3, 4, and 5 from proposed item 1. Subtracting proposed item 2 (*i.e.*, adding back any AOCI with a negative (debit) balance or subtracting any AOCI with a positive (credit) balance) would have the effect of neutralizing AOCI for CBLR tangible equity purposes.

3. CBLR Denominator

As provided in the CBLR proposed rule, the denominator of the CBLR would be CBLR average total consolidated assets. Specifically, CBLR average total consolidated assets would be calculated in accordance with the reporting instructions to Schedules RC–K, item 9, on the Call Report, less the items deducted from the CBLR numerator, except for the AOCI adjustment. CBLR banks would report the items to calculate the denominator on proposed Schedule RC–R, CBLR, items 7 through 9.

In proposed item 7, a CBLR bank would report its average total assets, as reported in Schedule RC–K, item 9.

In proposed item 8, a CBLR bank would report the sum of proposed items 3, 4, and 5, described above.

In proposed item 9, a CBLR bank would calculate its CBLR average total consolidated assets by subtracting proposed item 8 from proposed item 7.

4. CBLR Ratio

In proposed item 10, a CBLR bank would calculate its CBLR by dividing proposed

item 6 (CBLR tangible equity) by proposed item 9 (CBLR average total consolidated assets). The CBLR ratio would be reported as a percentage with four decimal places.

5. Qualifying Criteria for Using the CBLR Framework

As provided in the CBLR proposed rule, a bank would need to satisfy certain qualifying criteria in order to be eligible to opt into the CBLR framework. The proposed items identified below would collect information necessary to ensure that a bank continuously meets the qualifying criteria for using the CBLR framework.

Specifically, a CBLR bank would be a bank that is not an advanced approaches

bank¹⁰ and meets the following qualifying criteria:

- Total consolidated assets of less than \$10 billion;
- Total off-balance sheet exposures (excluding derivatives other than credit derivatives and unconditionally cancelable commitments) of 25 percent or less of total consolidated assets;
- Total trading assets and trading liabilities of 5 percent or less of total consolidated assets;
- MSAs of 25 percent or less of CBLR tangible equity; and
- Temporary difference DTAs of 25 percent or less of CBLR tangible equity.¹¹

Accordingly, the agencies propose collecting the items described below.

In proposed item 11, a CBLR bank would report total assets, as it is reported in Call Report Schedule RC, item 12.

In proposed item 12, a CBLR bank would report MSAs from Schedule RC–M, item 2.a, in Column B, and as divided by proposed Schedule RC–R, CBLR, item 6 (CBLR tangible equity), and expressed as a percentage in Column A. As provided in the CBLR proposed rule, a bank would not meet the definition of a qualifying community bank for purposes of the CBLR framework if this percentage is greater than 25 percent.

In proposed item 13, a CBLR bank would report DTAs arising from temporary differences that the bank could not realize through net operating loss carrybacks, net of any related valuation allowances, in Column B, and as divided by proposed Schedule RC–R, CBLR, item 6 (CBLR tangible equity), and expressed as a percentage in Column A. The calculation of these DTAs would be consistent with the calculation of these DTAs set forth in the existing Call Report instructions for Schedule RC–R, Part I, item 15, with the exception that deferred tax liabilities would not be netted against the DTAs

¹⁰ In general, an advanced approaches bank, as defined in the agencies' capital rule, has consolidated total assets equal to \$250 billion or more, has consolidated total on-balance sheet foreign exposure equal to \$10 billion or more, is a subsidiary of a depository institution or holding company that uses the advanced approaches to calculate its total risk-weighted assets, or elects to use the advanced approaches to calculate its total risk-weighted assets. See 12 CFR 3.100 (OCC); 12 CFR 217.100 (Board); 12 CFR 324.100 (FDIC).

¹¹ As provided in the CBLR proposed rule, the agencies would reserve the authority to disallow the use of the CBLR framework by a depository institution, based on the risk profile of the bank. This authority would be reserved under the general reservation of authority included in the capital rule, in which the CBLR framework would be codified. See 12 CFR 3.1(d) (OCC); 12 CFR 217.1(d) (Board); 12 CFR 324.1(d) (FDIC).

used in the calculation of this proposed item 13. As discussed in the CBLR proposed rule, a bank would not meet the definition of a qualifying community bank for purposes of the CBLR framework if the percentage to be reported in Column A is greater than 25 percent.

In proposed item 14, a CBLR bank would report the sum of trading assets from Schedule RC, item 5, and trading liabilities from Schedule RC, item 15, in Column B. The bank would also report that sum divided by total assets from Schedule RC, item 12, and expressed as a percentage in Column A. As provided in the CBLR proposed rule, trading assets and trading liabilities would be added together, not netted, for purposes of this calculation. Also as discussed in the CBLR proposed rule, a bank would not meet the definition of a qualifying community bank for purposes of the CBLR framework if the percentage to be reported in Column A is greater than 5 percent.

In proposed items 15.a through 15.c, a CBLR bank would report information related to commitments and other off-balance sheet exposures.

In proposed item 15.a, a CBLR bank would report the unused portion of conditionally cancelable commitments. This amount would be the amount of all unused commitments less the amount of unconditionally cancelable commitments, as discussed in the CBLR proposed rule and defined in the agencies' capital rule.¹² This item would be calculated consistent with the sum of Schedule RC–R, Part II, items 18.a and 18.b, Column A.

In proposed item 15.b, a CBLR bank would report total securities lent and borrowed, which would be the sum of Schedule RC–L, items 6.a and 6.b.

In proposed item 15.c, a CBLR bank would report the sum of certain other off-balance sheet exposures. Specifically, a CBLR bank would report the sum of self-liquidating, trade-related contingent items that arise from the movement of goods; transaction-related contingent items (performance bonds, bid bonds, warranties, and performance standby letters of credit); sold credit protection in the form of guarantees and credit derivatives; credit-enhancing representations and warranties; financial standby letters of credit; forward agreements that are not derivative contracts; and off-balance sheet securitizations. A CBLR bank would not include derivatives that are not credit derivatives, such as foreign

exchange swaps and interest rate swaps, in this item.

In proposed item 15.d, a CBLR bank would report the sum of proposed items 15.a through 15.c in Column B. The bank would also report that sum divided by total assets from Schedule RC, item 12, and expressed as a percentage in Column A. As discussed in the CBLR proposed rule, a bank would not be eligible to opt into the CBLR framework if this percentage is greater than 25 percent.

In proposed item 16, a CBLR bank would report the total of unconditionally cancellable commitments, which would be calculated consistent with the instructions for existing Schedule RC–R, Part II, item 19. This item is not used specifically to calculate a bank's eligibility for the CBLR framework. However, the agencies are collecting this information to identify any bank using the CBLR framework that may have significant or excessive concentrations in unconditionally cancellable commitments that would warrant the agencies' use of the reservation of authority in their capital rule to direct an otherwise-eligible CBLR bank to report its regulatory capital using the generally applicable capital requirements.¹³

B. Proposed Reporting Revisions Related to the CBLR Assessments Proposed Rule

As described above, under the CBLR Assessments proposed rule, the FDIC would assess all IDIs that are CBLR banks as "small institutions" for the purpose of deposit insurance assessments. The FDIC assesses all IDIs an amount for deposit insurance equal to an institution's deposit insurance assessment base multiplied by its risk-based assessment rate. Under the current risk-based deposit insurance assessment system, an IDI's assessment base and risk-based assessment rate depend in part on the amounts reported in a number of data items currently collected from all IDIs on Call Report Schedules RC–O and RC–R, including Tier 1 capital, the Tier 1 leverage ratio, and certain risk-weighted assets.¹⁴ Under the CBLR proposed rule, a CBLR bank would no longer report several of these items on Schedule RC–R, Parts I and II, of the Call Reports.

For some institutions, the use of the CBLR or CBLR tangible equity may result in a higher assessment. To minimize or eliminate any resulting

increase in assessments that may arise without a change in risk, the agencies are proposing amendments to the reporting form and corresponding instructions for Call Report Schedule RC–O to allow CBLR banks the option to use Tier 1 capital or the Tier 1 leverage ratio for deposit insurance assessment purposes. The proposed amendments would impact only those IDIs that are CBLR banks, as detailed below.

IDIs that are not CBLR banks would not be affected by the proposed changes described below and would continue reporting their assessment-related data on Schedule RC–O without any change.

1. Average Tangible Equity for the Calendar Quarter

Consistent with the CBLR Assessments proposed rule, IDIs that are CBLR banks would have the option to use either Tier 1 capital or CBLR tangible equity when reporting "average tangible equity" on Schedule RC–O for purposes of the assessment base calculation. Accordingly, the agencies are proposing to retain Schedule RC–O, item 5, "Average tangible equity for the calendar quarter," and to amend the corresponding instructions and the corresponding footnote on the reporting form consistent with the amendment to the definition of "average tangible equity" in the CBLR Assessments proposed rule. The amendments to the instructions and corresponding footnote would define "average tangible equity" in Schedule RC–O, item 5, as Tier 1 capital as set forth in the agencies' regulatory capital rules and measured in accordance with the instructions for Schedule RC–R, Part I, item 26, "Tier 1 capital," except as otherwise described in the instructions for Schedule RC–O, item 5, and except in the case of IDIs that are CBLR banks. The instructions would specify that IDIs that are CBLR banks have the option of reporting "average tangible equity" in Schedule RC–O, item 5, using either the Tier 1 capital definition from Schedule RC–R, Part I, item 26, or CBLR tangible equity as proposed and in accordance with the instructions for the proposed Schedule RC–R, CBLR, item 6, except as described in the instructions for Schedule RC–O.

The instructions for Schedule RC–O, item 5, would further clarify that the Call Report changes corresponding to the CBLR proposed rule would exempt IDIs that are CBLR banks from the requirement to report on the existing Schedule RC–R, Part I, the components of regulatory capital used in the calculation of the Tier 1 leverage ratio or risk-based capital ratios, such as Tier 1 capital or risk weighted assets. If an

¹² See definition of "unconditionally cancellable" in 12 CFR 3.2 (OCC); 12 CFR 217.2 (Board); 12 CFR 324.2 (FDIC).

¹³ Other factors also may lead the agencies to determine that the risk profile of an otherwise-eligible CBLR bank would warrant the use of the reservation of authority.

¹⁴ See 12 CFR part 327.

IDI that is a CBLR bank elects to use Tier 1 capital for purposes of calculating its assessment base in lieu of CBLR tangible equity, the IDI would measure Tier 1 capital for purposes of reporting average tangible equity in Schedule RC–O, item 5, in accordance with the instructions for Schedule RC–R, Part I, item 26, “Tier 1 capital.”

2. Clarification Pertaining to the Custodial Bank Deduction

The CBLR Assessments proposed rule would clarify that for any IDI that is a CBLR bank and meets the definition of a custodial bank under the assessment regulations, there would be no change in the reporting on Schedule RC–O that is necessary to calculate and receive the custodial bank deduction under the assessment regulations.¹⁵ A CBLR bank that also meets the definition of a custodial bank under the assessment regulations would continue to report items related to the custodial bank deduction on Schedule RC–O of the Call Report.

In Schedule RC–O, item 11.a, “Custodial bank deduction,” an institution that meets the definition of a custodial bank under the assessment regulations reports its custodial bank deduction, which equals average qualifying low-risk assets. To receive the custodial bank deduction, a CBLR bank that also meets the definition of a custodial bank under the assessment regulations would continue to report this item, even though it is calculated based on the risk weighting of qualifying low-risk liquid assets that the bank would no longer be required to report in Schedule RC–R, Part II. The agencies propose to amend the instructions for Schedule RC–O, item 11.a, to clarify that the FDIC would not require a custodial bank that is a CBLR bank to separately report the more detailed schedule of its risk-weighted assets in Schedule RC–R in order to continue using the custodial bank deduction. Such banks would be required to continue to maintain proper documentation of their calculation for the custodial bank adjustment, and to make that documentation available upon request.¹⁶

3. Tier 1 Leverage Ratio

The CBLR Assessments proposed rule would provide IDIs that are CBLR banks the option to report the Tier 1 leverage ratio in new Call Report Schedule RC–O, Memorandum item 5, in addition to reporting the CBLR on the proposed Schedule RC–R, CBLR, item 10.

Accordingly, the agencies propose to create Memorandum item 5 on Schedule RC–O, which would be equivalent to Schedule RC–R, Part I, item 44, “Tier 1 leverage ratio,” and would be reported at the option of IDIs that are CBLR banks. An IDI that is a CBLR bank that elects to additionally report its Tier 1 leverage ratio for purposes of calculating its assessment rate would report that ratio in Memorandum item 5 on Schedule RC–O; however, the Call Report instructions would clarify that the IDI would not be required to report Schedule RC–R, Part I, item 44, or the components of this item in the more detailed Schedule RC–R, Part I, pursuant to the CBLR proposal and the related proposed Call Report revisions.

For IDIs that are CBLR banks, the proposed CBLR as reported on the proposed Schedule RC–R, CBLR, item 10, would be used to calculate the IDI’s deposit insurance assessment rate unless an IDI opts to additionally report its Tier 1 leverage ratio in Memorandum item 5 on Schedule RC–O. If the IDI that is a CBLR bank additionally reports its Tier 1 leverage ratio in Schedule RC–O, Memorandum item 5, the FDIC would apply the higher value (*i.e.*, the value that results in the lower deposit insurance assessment) when calculating the IDI’s assessment rate. If an IDI that is a CBLR bank opts to leave Schedule RC–O, Memorandum item 5, blank, the FDIC would consider the value for the Tier 1 leverage ratio to be null and the proposed CBLR would be used to calculate the institution’s assessment rate.

Schedule RC–O, Memorandum item 5, would not be applicable to IDIs that are not CBLR banks and the FDIC would continue to use the Tier 1 leverage ratio, as reported in Schedule RC–R, Part I, item 44, to calculate such an IDI’s assessment rate.

4. Clarification Pertaining to the Definition of “Small Institution” for Assessment Purposes

To address the amendment in the CBLR Assessments proposed rule to the definition of “small institution” to include all IDIs that are CBLR banks, even if such IDI would otherwise be classified as a large institution under the current assessment regulations, the agencies are proposing to amend the general instructions for Schedule RC–O, Memorandum items 6 through 18, on forms FFIEC 031 and FFIEC 041.¹⁷

¹⁷ The FFIEC 051 does not include Schedule RC–O, Memorandum items 6 through 18, which are tailored specifically to large institutions and highly complex institutions. Therefore, the proposed clarification of the definition of “small institution” in the general instructions for Schedule RC–O,

These general instructions currently provide the definition for “large institutions” and “highly complex institutions” required to report Memorandum items 6 through 18. The agencies propose to add language to these instructions specifying that an IDI that is a CBLR bank shall be classified as a small institution, even if that IDI otherwise would be classified as a large institution for assessment purposes.

C. Additional Proposed Reporting Revision

The agencies currently collect information in Schedule RC–C, Part I, “Loans and Leases,” Memorandum item 13, from institutions that have a significant amount of construction, land development, and other land loans with interest reserves in relation to their total regulatory capital. At present, total regulatory capital is defined as total capital reported on Schedule RC–R, Part I, item 35 (FFIEC 051) or item 35.a (FFIEC 031 or FFIEC 041). While CBLR banks would no longer report their total capital in Schedule RC–R, Part I, the agencies believe it is still important to collect this information from CBLR banks that have a significant amount of construction, land development, and other land loans with interest reserves. Therefore, the agencies propose to revise the reporting threshold for Schedule RC–C, Part I, Memorandum item 13, to reference either CBLR tangible equity as reported in Schedule RC–R, CBLR, item 6, or total capital as reported in Schedule RC–R, Part I, item 35 (FFIEC 051) or item 35.a (FFIEC 031 or FFIEC 041), as applicable.

IV. Request for Comment

Public comment is requested on all aspects of this joint notice. Comment is specifically invited on:

(a) Related to proposed Call Report Schedule RC–R, CBLR, whether the proposed items are clear for purposes of reporting and calculating CBLR and whether the proposed Call Report Schedule RC–R, CBLR, could be simplified further;

(b) Related to Call Report Schedule RC–O, item 5, “Average tangible equity for the calendar quarter,” whether IDIs that are CBLR banks should be required to specify whether they are reporting Tier 1 capital or CBLR tangible equity for deposit insurance assessment purposes in a separate new data item in Schedule RC–O;

(c) Related to Call Report Schedule RC–O, item 11.a, “Custodial bank

Memorandum items 6 through 18, on forms FFIEC 031 and FFIEC 041 is not applicable to the FFIEC 051.

¹⁵ See 12 CFR 327.5(c).

¹⁶ See 12 U.S.C. 1817(b)(4).

deduction,” whether an IDI that is a CBLR bank that meets the definition of a custodial bank under the assessment regulations should be required to report additional items on the Call Report to support its calculation of the custodial bank deduction for deposit insurance assessment purposes;

(d) Whether the proposed revisions to the collections of information that are the subject of this notice are necessary for the proper performance of the agencies’ functions, including whether the information has practical utility;

(e) 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;

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

(g) 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

(h) 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 joint notice will be shared among the agencies. All comments will become a matter of public record.

Dated: April 12, 2019.

Theodore J. Dowd,

Deputy Chief Counsel, Office of the Comptroller of the Currency.

Board of Governors of the Federal Reserve System, April 10, 2019.

Ann Misback,

Secretary of the Board.

Dated at Washington, DC, on April 11, 2019.

Federal Deposit Insurance Corporation.

Robert E. Feldman,

Executive Secretary.

[FR Doc. 2019-07841 Filed 4-18-19; 8:45 am]

BILLING CODE 4810-33-6210-01; 6714-01-P

DEPARTMENT OF THE TREASURY

Office of Foreign Assets Control

Notice of OFAC Sanctions Action

AGENCY: Office of Foreign Assets Control, Treasury.

ACTION: Notice.

SUMMARY: The U.S. Department of the Treasury’s Office of Foreign Assets Control (OFAC) is updating the **Federal Register** notice for the entry of one person on OFAC’s Specially Designated

National and Blocked Persons List (SDN List).

DATES: See **SUPPLEMENTARY INFORMATION** section.

FOR FURTHER INFORMATION CONTACT: OFAC: Associate Director for Global Targeting, tel.: 202-622-2420; Assistant Director for Sanctions Compliance & Evaluation, tel.: 202-622-2490; Assistant Director for Licensing, tel.: 202-622-2480; Assistant Director for Regulatory Affairs, tel.: 202-622-4855; or the Department of the Treasury’s Office of the General Counsel: Office of the Chief Counsel (Foreign Assets Control), tel.: 202-622-2410.

SUPPLEMENTARY INFORMATION:

Electronic Availability

The Specially Designated Nationals and Blocked Persons List and additional information concerning OFAC sanctions programs are available on OFAC’s website (www.treasury.gov/ofac).

Notice of OFAC Actions

On May 17, 2018, OFAC determined that the property and interests in property subject to U.S. jurisdiction of the following person are blocked under the relevant sanctions authority listed below. OFAC is updating the **Federal Register** notice for the entry of one person on OFAC’s Specially Designated National and Blocked Persons List (SDN List) in order to clarify the basis for designation for the individual listed below.

Individual

1. BAZZI, Mohammad Ibrahim (a.k.a. BAZZI, Mohamed; a.k.a. BAZZI, Muhammad Ibrahim; a.k.a. BAZZI, Muhammed), Adnan Al-Hakim Street, Yahala Bldg., Jnah, Lebanon; Eglantierlaan 13-15, 2020, Antwerpen, Belgium; Villa Bazzi, Dohat Al-Hoss, Lebanon; DOB 10 Aug 1964; POB Bent Jbeil, Lebanon; nationality Lebanon; alt. nationality Belgium; Additional Sanctions Information—Subject to Secondary Sanctions Pursuant to the Hizballah Financial Sanctions Regulations; Gender Male; Passport EJ341406 (Belgium) expires 31 May 2017; alt. Passport 750249737; alt. Passport 899002098 (United Kingdom); alt. Passport 487/2007 (Lebanon); alt. Passport RL3400400 (Lebanon); alt. Passport 0236370 (Sierra Leone); alt. Passport D0000687 (The Gambia) (individual) [SDGT] (Linked To: HIZBALLAH).

Designated pursuant to section 1(d)(i) of Executive Order 13224 of September 23, 2001, “Blocking Property and Prohibiting Transactions With Persons Who Commit, Threaten to Commit, or Support Terrorism” (E.O. 13224) for assisting in, sponsoring, or providing financial, material, or technological support for, or financial or other services to or in support of HIZBALLAH, an entity whose property and interests in property are blocked pursuant to E.O. 13224.

Dated: April 15, 2019.

Andrea Gacki,

Director, Office of Foreign Assets Control.

[FR Doc. 2019-07846 Filed 4-18-19; 8:45 am]

BILLING CODE 4810-AL-P

DEPARTMENT OF THE TREASURY

Office of Foreign Assets Control

Notice of OFAC Sanctions Actions

AGENCY: Office of Foreign Assets Control, Treasury.

ACTION: Notice.

SUMMARY: The Department of the Treasury’s Office of Foreign Assets Control (OFAC) is publishing the names of two individuals that have been placed on OFAC’s Specially Designated Nationals and Blocked Persons List based on OFAC’s determination that one or more applicable legal criteria were satisfied. All property and interests in property subject to U.S. jurisdiction of these persons are blocked, and U.S. persons are generally prohibited from engaging in transactions with them.

DATES: See **SUPPLEMENTARY INFORMATION** section.

FOR FURTHER INFORMATION CONTACT: OFAC: Associate Director for Global Targeting, tel.: 202-622-2420; Assistant Director for Sanctions Compliance & Evaluation, tel.: 202-622-2490; Assistant Director for Licensing, tel.: 202-622-2480; Assistant Director for Regulatory Affairs, tel.: 202-622-4855; or the Department of the Treasury’s Office of the General Counsel: Office of the Chief Counsel (Foreign Assets Control), tel.: 202-622-2410.

SUPPLEMENTARY INFORMATION:

Electronic Availability

The Specially Designated Nationals and Blocked Persons List and additional information concerning OFAC sanctions programs are available on OFAC’s website (www.treasury.gov/ofac).

Notice of OFAC Actions

On September 19, 2018, OFAC determined that the property and interests in property subject to U.S. jurisdiction of the following persons are blocked under the relevant sanctions authority listed below.

Individuals

1. ALEONG, Eddie (a.k.a. MOHAMMED, Ishmael; a.k.a. MUHAMMAD, Ishmail; a.k.a. YONG, Isma'il 'Ali), Trinidad and Tobago; DOB 14 Aug 1984; nationality Trinidad and Tobago; Gender Male; National ID No. 19840814025 (Trinidad and Tobago); Identification Number 752536B (Trinidad and Tobago) (individual) [SDGT] (Linked To: