

February 5, 2024

Chief Counsel's Office
Office of the Comptroller of the Currency
400 7th Street, SW, Suite 3E-218
Washington, DC 20219

RE: Federal Register notice of December 27, 2023, for the Federal Deposit Insurance Corporation's (FDIC) Consolidated Reports of Condition and Income (Call Report, FFIEC 031, 041 and 051) (OMB Number: 3064-0052)

Dear Chief Counselor:

The Bureau of Economic Analysis (BEA) strongly supports the continued collection of data on the FDIC's Consolidated Reports of Condition and Income (Call Report). The data collected on these forms are crucial to key components of BEA's economic statistics.

BEA uses information from the Call Report to prepare the national income and product accounts, the international transactions accounts, the benchmark and annual input-output accounts, gross domestic product by industry, and gross state product. A detailed list of items used by BEA's various accounts are found in the attachment.

Measuring the economic production activity of the financial sector and presenting the data in a way that is useful is challenging. For instance, consistency with the framework of the national income and product accounts (NIPAs) requires the separation of interest income from fee income. Similarly, we must separately identify the value of financial services provided to households and to business.

Separate estimates of fee income and interest income by category of loan income helps us to accurately distribute the value of productive services provided by commercial banks to the appropriate consumer (households, businesses, and in some cases, specific industries within the business sector). We currently use interest and fee income by loan type (for example, schedule RI line 1 .a.(1)(a)) to derive the separate estimates; however, their accuracy would be improved if we had separate breakouts of interest income from fee income for each category of loan.

We also combine income statement data from schedule RI with balance sheet data from schedule RC-C. This is also challenging, as the level of loan detail provided on the balance sheet (schedule RC-C) is greater than the detail provided on the income statement (schedule RI). We could benefit from having separate data on interest and fee income that are consistent with the detailed loan categories on schedule RC-C lines 1.a.(1)-1 .e.(2); that is, construction loans, loans secured by farmland, loans secured by multifamily residential properties, loans secured by 1 -4 unit residential properties, and loans secured by nonfarm nonresidential properties. We would be

interested in learning if such information is available or if it could be collected. The proposed increased detail in reporting for non-depository financial institutions may eventually be quite beneficial as we look to expand measures of financial intermediation services indirectly measured (FISIM) in the future.

Please keep BEA informed about any modifications to these forms. We are particularly interested in any modifications proposed during the forms approval process that would substantially affect our use of these data. For additional information, please contact Tiffany Burrell, Source Data Coordinator, on 301-278-9618 or by e-mail at Tiffany.Burrell@bea.gov. Should you need assistance in justifying these forms to the Office of Management and Budget, please do not hesitate to contact BEA.

Sincerely,

DENNIS FIXLER Digitally signed by DENNIS FIXLER
Date: 2024.02.05 11:18:42 -05'00'

Dennis Fixler
Chief Economist

Attachment

BEA's Use of Data Items from Various Schedules From the Consolidated Reports of Condition and Income

Schedule RI-Income Statement	
Items used:	Use of item:
1. Interest income	
a. Interest and fee income loans	GOS by State. ¹
(1) In domestic offices:	GOS by State
(a) Loans secured by real estate	GOS by State, FISIM ²
(1) Loans secured by 1 – 4 family residential Properties	GOS by State, FISIM
(2) All other loans secured by real estate	GOS by State, FISIM
(b) Loans to finance agricultural production and other loans to farmers	GOS by State, FISIM
(c) Commercial and industrial loans	GOS by State, FISIM
(d) Loans to individuals for household, family, and other personal expenditures:	GOS by State, FISIM
(1) Credit Cards	GOS by State, FISIM
(2) Other (includes single payment, installment, all student loans, and revolving credit plans other than credit cards)	GOS by State, FISIM
(e) Loans to foreign governments and official institutions	GOS by State
(f) All other loans in domestic offices	GOS by State
(2) In foreign offices, Edge and Agreement subsidiaries, and IBF's	GOS by State
(3) Total interest and fee income on loans (sum of items 1.a. (1) through 1.a.(2))	GOS by State
b. Income from lease financing receivables	FISIM
c. Interest income on balances due from depository institutions	FISIM
d. Interest and dividend income on securities:	FISIM
(1) U.S. Treasury securities and U.S. Government agency obligations (excluding mortgage-backed securities)	FISIM
(2) Mortgage-backed securities	FISIM
(3) All other securities (includes securities issued by state and political subdivisions in the U.S.)	FISIM
e. Interest income from trading assets	FISIM
f. Interest income on federal funds sold and securities under agreements to resell	FISIM
g. Other interest income	
h. Total interest income (sum of items 1.a.(3) through 1.g)	GOS by State

¹ GOS – Gross Operating Surplus

² FISIM – Financial Intermediation Services Indirectly Measured

Items used:	Use of item:
2. Interest expense:	
a. Interest on deposits:	GOS by State, FISIM
(1) Interest on deposits in domestic offices:	GOS by State
(a) Transaction accounts (NOW accounts, ATS accounts, and telephone and preauthorized transfer accounts)	GOS by State
(b) Non-transaction accounts:	GOS by State, FISIM
(1) Saving deposits (includes MMDAs)	GOS by State
(2) Time deposits of \$100,000 or more	GOS by State
(3) Time deposits of less than \$100,000	GOS by State
(2) Interest on deposits in foreign offices, Edge and Agreements subsidiaries, and IBF's	GOS by State, FISIM
b. Expenses of federal funds purchased and securities sold under agreements to repurchase	FISIM
c. Interest on trading liabilities and other borrowed money	FISIM
d. Interest on subordinated notes and debentures	FISIM
e. Total interest expense (sum of items 2.a through 2.d)	GOS by State
4. Provision for loan and lease losses	GOS by State, FISIM
5. Non-interest income:	
a. Income from fiduciary activities	PCE ³
b. Service charges on deposit accounts in domestic offices	PCE
c. Trading revenue	
d. (1) Fees and commission from securities brokerages	
(2) Investment banking, advisory, and underwriting fees and Commissions	
(3) Fees and commissions from annuity sales	
(4) Underwriting income from insurance and reinsurance Activities	
(5) Income from other insurance activities	
f. Net servicing fees	
l. Other non-interest income	PCE
m. Total non-interest income (sum of items 5.a through 5.i)	
6. a. Realized gains (losses) on held-to-maturity securities	
b. Realized gains (losses) on available-for-sale securities	

³ Personal Consumption Expenditures

Items used:	Use of item:
7. Non-interest expense:	
a. Salaries and employee benefits	
b. Expenses of premises and fixed assets (net of rental income) (excluding salaries and employee benefits and mortgage interest)	
c. (1) Goodwill impairment losses (2) Amortization expenses and impairment losses for other intangible assets	
d. Other non-interest expense	
e. Total non-interest expense (sum of items 7.a through 7.d)	
8. Income (loss) before income taxes and extraordinary items and other adjustments (item 3 plus or minus items 4, 5.m, 6.a, 6.b and 7.e)	
9. Applicable income taxes (on item 8)	
10. Income (loss) before extraordinary items and other adjustments (item 8 minus item 9)	

Schedule RC-C Loans and Lease Financing Receivables	
Items used:	Use of item:
1. Loans secured by real estate	FISIM
a. Construction, land development, and other land loans:	GOS by State
(1) 1-4 family residential construction loans	GOS by State
(2) Other construction loans and all land development and other land loans	GOS by State
b. Secured by farmland (including farm residential and other improvements)	
c. Secured by 1-4 family residential properties:	
(1) Revolving, open-end loans secured by 1-4 family Residential properties and extended under lines of credit	
(2) Closed-ended loans secured by 1-4 family residential properties:	
(a) Secured by first liens	
(b) Secured by junior liens	
d. Secured by multifamily (5 or more) residential properties	
e. Secured by non-farmland nonresidential properties:	
(1) Loans secured by owner-occupied nonfarm nonresidential properties	
(2) Loans secured by other nonfarm nonresidential Properties	

Items used:	Use of Item:
2. Loans to depository institutions and acceptances of other banks:	
a. To commercial banks in the U.S.	FISIM
(1) To U.S. branches and agencies of foreign banks	
(2) To other commercial banks in the U.S.	
b. To other depository institutions in the U.S.	
c. To banks in foreign countries	FISIM
(1) To foreign branches of other U.S. banks	
(2) To other banks in foreign countries	
3. Loans to finance agriculture production and other loans to Farmers	FISIM
4. Commercial and industrial loans:	FISIM
a. To U.S. addressees (domicile)	
b. To non-U.S. addressees (domicile)	
5. Not applicable	
6. Loans to individuals for household, family, and other personal expenditures (i.e. consumer loans) (includes purchased paper):	PCE, FISIM
a. Credit cards	PCE, FISIM
b. Other revolving credit plans	PCE, FISIM
c. Other consumer loans (includes single payment, installment, and all student loans)	PCE, FISIM
7. Loans to foreign governments and official institutions (including foreign central banks)	
8. Obligations (other than securities and leases) of states and political subdivisions in the U.S.	
9. Other Loans	PCE
a. Loans for purchasing or carrying securities (secured and unsecured)	PCE
b. All other loans (exclude consumer loans)	PCE
10. Lease financing receivables (net of unearned income)	PCE, FISIM
a. Leases to individuals for household, family, and other personal expenditures (i.e., consumer leases)	PCE
b. All other leases	PCE

Schedule RC-E Deposit Liabilities Part I. Deposits in Domestic Offices	
Items used:	Use of item:
Deposits of:	
1. Individuals, partnerships, and corporations (include all certified and official checks (Column A) (Total transaction accounts, including Total demand deposits)	GOS by State, FISIM (sectoral allocation of depositor FISIM)
2. U.S. Government (Column A) (Total transaction accounts, including Total demand deposits)	GOS by State, FISIM (sectoral allocation of depositor FISIM)
3. States and political subdivisions in the U.S. (Column A) (Total transactions accounts, including Total demand deposits)	GOS by State, FISIM (sectoral allocation of depositor FISIM)
4. Banks in foreign countries (Column A) (Total transaction accounts, including Total demand deposits)	GOS by State, FISIM (sectoral allocation of depositor FISIM)
5. Foreign governments and official institutions (including foreign central banks (Column A) (Total transactions accounts, including Total demand deposits)	GOS by State, FISIM (sectoral allocation of depositor FISIM)

Schedule RC-E Deposit Liabilities Part I. Deposits in Domestic Offices	
Items used:	Use of item:
Deposits of:	
1. Individual, partnerships, and corporations (include all certified and official checks (Column C) Total non-transaction accounts (including MMDAs)	FISIM (sectoral allocation of depositor FISIM)
2. U.S. Government (Column C) Total non-transaction accounts (including MMDAs)	FISIM (sectoral allocation of depositor FISIM)
3. States and political subdivisions in the U.S. (Column C) Total non-transaction accounts (including MMDAs)	FISIM (sectoral allocation of depositor FISIM)
4. Banks in foreign countries (Column C) Total non-transaction accounts (including MMDAs)	FISIM (sectoral allocation of depositor FISIM)
5. Foreign governments and official institutions (including foreign central banks) (Column C) Total non-transaction accounts (including MMDAs)	FISIM (sectoral allocation of depositor FISIM)

Schedule RC-K Quarterly Averages	
Items used:	Use of item:
Assets:	
1. Interest bearing balances due from depository institutions	FISIM
2. U.S. Treasury securities and U.S. Government agency obligations (excluding mortgage-backed securities)	FISIM
3. Mortgage-backed securities	
4. All other securities (includes securities issued by states and political subdivision in the U.S.)	FISIM
5. Federal funds sold and securities purchased under agreements to resell	FISIM
6. Loans:	
a. Loans in domestic offices:	FISIM
(1) Total loans	FISIM
(2) Loans secured by real estate:	FISIM
(a) Loans secured by 1 -4 family residential properties	FISIM
(b) All other loans secured by real estate	FISIM
(3) Loans to finance agricultural production and other loans to farmers	FISIM
(4) Commercial and industrial loans	FISIM
(5) Loans to individuals for household, family, and other personal expenditures:	FISIM
(a) Credit cards	FISIM
(b) Other (includes single payment, installment, all student loans, and revolving credit plans other than credit cards)	FISIM
b. Total loans in foreign offices, Edge and Agreement subsidiaries, and IBFs	
7. Trading assets	FISIM
8. Lease financing receivables (net of unearned income)	FISIM
9. Total assets	
Liabilities:	
10. Interest-bearing transaction accounts in domestic offices (NOW accounts, ATS accounts, and telephone and pre-authorized transfer accounts) (exclude demand deposits)	FISIM
11. Nontransaction accounts in domestic offices:	FISIM
(a) Savings deposits (includes MMDAs)	FISIM
(b) Time deposits of \$100,000 or more	FISIM
(c) Time deposits of less than \$100,000	FISIM
12. Interest-bearing deposits in foreign offices, Edge and Agreement subsidiaries, and IBFs	
13. Federal funds purchased and securities sold under agreements to repurchase	FISIM
14. Other borrowed money (includes mortgage indebtedness and obligations under capitalized leases)	FISIM