



## Upcoming Due Dates

(Not all reports are applicable to all HCs)

FFIEC 031/041	Due April 30, 2016
FFIEC 002	Due April 30, 2016
FR Y-8	Due May 2, 2016
FR Y-9C	Due May 10, 2016
FFIEC 019	Due May 15, 2016
FFIEC 030	Due May 15, 2016
FR Y-9LP	Due May 16, 2016
FR Y-12	Due May 16, 2016
FR Y-11	Due May 31, 2016
FR 2314	Due May 31, 2016
FR Y-7Q	Due June 29, 2016

## FR Y-9SP Workshop

The Statistics Department of the Federal Reserve Bank of Dallas will be hosting a free, informative, hands-on workshop covering the FR Y-9SP process on Wednesday, May 4, 2016. Online registration is open and invitations were emailed to all FR Y-9SP contacts.

Seminar topics include:

- Who we are and what we do
- Introduction to and overview of FR Y reporting
- Income statement
- Balance sheet
- And much more

If you are not already on our mailing list, please contact us at [Dal-Statistics@dal.frb.org](mailto:Dal-Statistics@dal.frb.org), or you can also contact your analyst to confirm that we have your current email address.

## Have an Article Idea?

The *Regulatory Reporting Newsletter* is brought to you by the Regulatory Reporting Team at the Federal Reserve Bank of Dallas. This newsletter was designed to provide you with information on reporting issues and regulatory report changes. If you have suggestions on topics you would like to have addressed in the *Regulatory Reporting Newsletter*, please send your suggestions to: [BHCReports@dal.frb.org](mailto:BHCReports@dal.frb.org)

## Amendments to Regulation I

Regulation I governs the issuance and cancellation of capital stock by Federal Reserve Banks. Under Regulation I, a member bank must subscribe to Reserve Bank capital stock in an amount equal to 6 percent of the member bank's capital and surplus. Until recently, all member banks were entitled to receive an annual dividend of 6 percent on paid-in capital stock after all necessary expenses of the Reserve Bank have been paid.

On February 18, 2016, the Federal Reserve Board issued an Interim Final Rule amending Regulation I. This Interim Final Rule was effective immediately. The purpose of this Rule was to implement provisions of the "Fixing America's Surface Transportation Act" (FAST Act) that was signed by President Obama on December 4, 2015. A section of the FAST Act involves dividend payments to Reserve Bank stockholders. Although the Interim Final Rule amends Regulation I to establish procedures for payment of dividends, it does not amend the dividend payments to Reserve Bank stockholders with \$10 billion or less in total consolidated assets.

To give a brief synopsis, the Interim Final Rule seeks to address the rate for dividend payments by Reserve Banks, ensuring that stockholders with more than \$10 billion in total consolidated assets will receive an annual dividend at the lesser of 6 percent and the high yield of the 10-year Treasury note auctioned at the last auction held prior to the payment of the dividend. The Rule also requires the stockholders to pay for accrued dividends, at issuance, at the rate used for the previous dividend payment to stockholders with more than \$10 billion in total consolidated assets, prorated for the period held and allowing for a subsequent adjustment for rate differences between the accrual rate and the actual dividend rate paid. The Rule also requires a Reserve Bank to pay the stockholders, at cancellation, for accrued dividends at an annual rate of the lesser of 6 percent and the high yield of the 10-year Treasury note auctioned at the last auction held prior to the date of cancellation, prorated to cover the period between the last dividend payment date and the date of cancellation. Finally, the Interim Final Rule defines total consolidated assets by reference to total assets reported on the stockholder's most recent December 31 Consolidated Report of Condition and Income (Call Report), with certain exceptions.

The Federal Reserve Board is seeking comment on the Interim Final Rule until April 29, 2016. For more information on the Interim Final Rule that amends Regulation I, please visit <http://www.federalreserve.gov/newsevents/press/bcreg/bcreg20160218a1.pdf>

## Reporting Central

The Federal Reserve has completed its multiyear transition to Reporting Central. Here are a few things to keep in mind with this new application:

- For those with credentials who are in need of a password reset, please contact the Customer Contact Center (CCC) at 888-333-7010.
- An RC-1 form is required when deleting subscribers who no longer require access to Reporting Central. Please email these RC-1 forms to: [dallas.electronicreporting@dal.frb.org](mailto:dallas.electronicreporting@dal.frb.org)

If you need Reporting Central credentials or assistance with any other Reporting Central issue, please contact Daion Christenson at 214-922-5423 or Dianna Elzner at 214-922-5424.

## More Banks and Savings Associations May Qualify for 18-Month Exam Cycle

Prior to February 2016, many small banks and savings associations were examined on a 12-month cycle. Federal banking agencies have now expanded the number of small banks and savings associations eligible for an 18-month examination cycle rather than the 12-month cycle. The change is intended to reduce regulatory compliance costs for smaller institutions.

Qualifying well-capitalized and well-managed banks and savings associations with less than \$1 billion in total assets may be eligible for an 18-month examination cycle. To meet the criteria, institutions with a composite rating of 1 or 2—the top ratings in the five-point scale indicating the safety and soundness of a bank or savings association—would be considered.

The number of institutions that may qualify for an 18-month examination cycle would increase by approximately 617 to nearly 5,000 banks and savings associations.

The changes were implemented by the Federal Reserve Board, the Federal Deposit Insurance Corporation and the Office of the Comptroller Currency.

For more information, please refer to the following links:

<http://www.federalreserve.gov/newsevents/press/bcreg/20160219a.htm>  
<http://www.federalreserve.gov/newsevents/press/bcreg/bcreg20160219a1.pdf>

## Monetary Policy, Loan Maturity and Credit Availability

Ever wonder how monetary policy affects loan maturity and credit availability? Lamont Black from DePaul University and Richard Rosen from the Federal Reserve Bank of Chicago decided to re-examine this in light of the recent financial crisis to study the correlation. Does easing monetary policy lead to more credit availability? If so, how much or how strong is the correlation?

Yes, monetary policy drives loan supply, and there is an adverse relationship between the variables, both at large and small firms. If the federal funds rate increases, then it'll lead to a reduction in loan supply. If the fed funds rate decreases, then it'll lead to an increase in loan supply. As stated in the article, "A 1-percentage-point increase in the federal funds rate—our primary measure of monetary policy tightening—reduces the average maturity of loan supply by 3.3 percent, contributing to an 8.2 percent decrease in the steady-state loan supply at a typical bank."

Monetary policy is a tool that can be used to help pick up the economy or slow the economy to a more sustainable rate of growth. The Federal Reserve is aware that credit availability will reduce through time, and most importantly it'll affect loans with a longer maturity. Rest assured that as part of its day-to-day activities, the Federal Reserve uses monetary policy to help protect and provide a stable environment for growth and profitability.

Additional information online at: <http://www.ijcb.org/journal/ijcb16q1a6.pdf>

## Report Analysts

You may also wish to visit our website at <http://dallasfed.org/banking/regulatory> for electronic versions of our *Regulatory Reporting Newsletter* as well as the contact names, phone numbers and email addresses of our staff.

### Report Analysts

Mario Hernandez, Assistant Vice President

214-922-5399

[Mario.Hernandez@dal.frb.org](mailto:Mario.Hernandez@dal.frb.org)

Brian Bull, Manager Statistics Report

214-922-5433

[Brian.R.Bull@dal.frb.org](mailto:Brian.R.Bull@dal.frb.org)

Claudia Martinez, Team Lead

214-922-6313

[Claudia.Martinez@dal.frb.org](mailto:Claudia.Martinez@dal.frb.org)

James Carroll

214-922-5758

[James.P.Carroll@dal.frb.org](mailto:James.P.Carroll@dal.frb.org)

Maria DeSantiago

214-922-6312

[Maria.DeSantiago@dal.frb.org](mailto:Maria.DeSantiago@dal.frb.org)

Angelica Fast

214-922-6585

[Angelica.Fast@dal.frb.org](mailto:Angelica.Fast@dal.frb.org)

Judy Jolley

214-922-5420

[Judy.Jolley@dal.frb.org](mailto:Judy.Jolley@dal.frb.org)

Linzi Mathew

214-922-5421

[Linzi.Mathew@dal.frb.org](mailto:Linzi.Mathew@dal.frb.org)

Whitney Rose

214-922-5407

[Whitney.Rose@dal.frb.org](mailto:Whitney.Rose@dal.frb.org)

Jonathan Storer

214-922-5397

[Jonathan.Storer@dal.frb.org](mailto:Jonathan.Storer@dal.frb.org)

#### Electronic Reporting Support

##### Reporting Central

Daion Christenson

214-922-5423

[Daion.Christenson@dal.frb.org](mailto:Daion.Christenson@dal.frb.org)

Dianna Elzner

214-922-5424

[Dianna.Elzner@dal.frb.org](mailto:Dianna.Elzner@dal.frb.org)

#### Statistics Toll-Free Phone Number

800-411-5429

##### Fax Numbers

214-922-5394

214-922-5395