Meeting Between Staff of the Federal Reserve Board and Bank Group
September 30, 2015

Participants: Phillip Basil, Hillel Kipnis, Aleksandra Wells, Nawsheen Rabbani, Lisa Ryu, and Laura McGaughey (Federal Reserve Board)

Stephanie Richard (Ally); Daniel Beck (Bank of the West); Sharon Hamiton (BBVA Compass); Pam Piarowski and Kent Luken (BMO Financial Corp); Jay Oberg and Mark Fontana (Comerica); Ed McGrogan (Discover); Jamie Leonard and Jason Lenihan (Fifth Third); Jim Dutey (Huntington); Doug Schosser (Key Bank); Sabeth Siddique (M&T); Mark Eichelberger and Matt Reece (Northern Trust); Deron Smithy and Anil Chadha (Regions); and David Lapadat and Robert Gerber (Zions Bancorp)

Summary: Staff of the Federal Reserve Board participated in a meeting with representatives of a subset of banking organizations with assets less than $250 billion to discuss feedback related to FR Y-14 reporting requirements for firms of this size and complexity. The representatives of the firms recognized the effort in the latest FR Y-14 Federal Register Notice (80 FR 55621) to differentiate requirements for the Large Institution Supervision Coordinating Committee (LISCC) banks and smaller institutions. The representatives, however, felt that there are additional opportunities to distinguish regulatory expectations in the FR Y-14.

Representatives expressed the need for reporting changes to stabilize and be finalized six months prior to the effective date to allow sufficient time for implementation. Representatives recommended ways to alleviate reporting extensiveness including prioritizing data fields, alternative reporting frequencies, and edit check thresholds. Representatives also requested changes to the de minimis threshold, including raising the threshold to 10% and grandfathering in new loans to only report on a go-forward basis, and requested additional guidance on determining de minimis portfolios. Representatives also proposed improvements related to acquisitions and portfolio purchases. Specifically, representatives requested that the Board include an acquisition identifier across all schedules, allow higher tolerances and the use of proxy data for acquired portfolios, and allow a grace period post-acquisition without punitive loss rates. Board staff indicated that a remediation plan could also be filed in instances where data related to an acquired portfolio is not available.