OTS Sets Schedule for Implementing Changes to Thrift Financial Report

WASHINGTON, D.C., Nov. 22, 2000 - The Office of Thrift Supervision (OTS) said today it will phase in proposed changes to the Thrift Financial Report (TFR) in response to thrift industry requests for more time to implement the changes. OTS will delay collecting information on subprime and high loan-to-value (LTV) lending until September 2001, but will begin collecting consolidated financial data on savings and loan holding companies it regulates starting with the March 2001 TFR.

Collection of holding company data, which will be filed electronically through the thrift, is part of OTS's strategy to improve supervision of these entities. Heeding comments received on the proposal to collect the data, OTS will allow filers up to 45 days after the close of the calendar quarter, rather than 30 days as proposed, to get the holding company fiscal quarter data to OTS. This information will not be public, OTS said.

The delay in collecting subprime and uninsured high loan-to-value information will allow OTS and the federal banking agencies time to complete work on a definition of subprime loans. Information on these loans will appear in a new Schedule LD, loan data.

In addition, the agency said the proposed changes to Schedule CMR, which provides the interest rate, repricing and maturity characteristics of all financial instruments held by thrifts, would become effective next March. These changes will allow thrifts to more accurately assess the interest rate risk of structured borrowings, such as callable Federal Home Loan Bank advances. All CMR information will remain confidential.

Other activity to begin in March 2001 includes:

- Reporting on residual interests in financial assets sold, which are interests retained after the sale of loans, securities, or other financial assets and represent the thrift's right to receive residual cash flows from the sold assets;
- Dropping the proposed collection of board interest rate limits and ending the confidential treatment in Schedule PD of all other loans past due 30 through 89 days;
Deleting all items targeted for elimination in the August proposal, including Schedule YD, yield on deposits.

All other proposed changes to the TFR will be delayed until March 2002, including the collection of information on thrifts' trust assets. The agency increased the threshold for quarterly reporting on fiduciary activity from the proposed $100 million in trust assets to $250 million to be consistent with bank reporting requirements.

The Office of Thrift Supervision (OTS), a bureau of the U.S. Treasury, regulates and supervises the nation's thrift industry. OTS's mission is to ensure the safety and soundness of thrift institutions and to support their role as home mortgage lenders and providers of other community credit and financial services. For copies of news releases or other documents visit the OTS web page at www.ots.treas.gov.