



FEDERAL DEPOSIT INSURANCE CORPORATION WASHINGTON, D.C. 20429

TRAVIS HILL
CHAIRMAN

December 31, 2025

The Honorable J. French Hill
Chairman
Committee on Financial Services
U.S. House of Representatives
Washington, D.C. 20515

Dear Chairman Hill:

Thank you for your letter dated December 15, 2025, regarding the Committee's work to follow a data-driven approach to evaluate any potential reforms to the U.S. deposit insurance framework. The Federal Deposit Insurance Corporation (FDIC) values the opportunity to provide the Committee with additional information and technical feedback as it considers this important issue. Please see below responses to the questions posed.

1. Can you please confirm that the above is a correct understanding of the limitations of current call report data received by the FDIC from reporting institutions?

Your letter correctly points out that the Consolidated Reports of Condition and Income (Call Report) do not require banks to report amounts of insured or uninsured deposits by account type. Although banks are required to provide certain data on deposit liabilities on the Call Report (*e.g.*, amount and number of deposit accounts above and below \$250,000), they do not report complete information on overlapping combinations of type, insured status, or account holder.

2. Does the FDIC have the ability, using current call report data, to accurately delineate between the total amounts of insured and uninsured deposits held in the account-types below?

Deposit Accounts Held by Natural Persons

- Non-interest bearing transaction accounts held by natural persons
- Interest-bearing transaction accounts held by natural persons
- Non-interest bearing non-transaction accounts held by natural persons
- Interest bearing non-transaction accounts held by natural persons

Deposit Accounts Held by Partnerships and Corporations

- Non-interest bearing transaction accounts held by partnerships and corporations

- Interest bearing transaction accounts held by partnerships and corporations
- Non-interest bearing non-transaction accounts held by partnerships and corporations.
- Interest bearing non-transaction accounts held by partnerships and corporations.

The FDIC does not have the ability to accurately delineate insured or uninsured deposits held by natural persons or by partnerships and corporations for the account types identified above using current Call Report data.

All banks report deposits in transactions accounts and nontransaction accounts on the Call Report. Banks with total assets of \$1 billion or more also report interest-bearing and noninterest-bearing balances in transaction and nontransaction accounts. This data, however, does not distinguish between deposits held by natural persons and deposits held by partnerships and corporations.

- 3. If the FDIC does not receive sufficient data from current call reports to delineate between the account types listed in reference to question 2, what additional data or parsing of current data would the FDIC need to require reporting institutions to include in their call reports to determine the total amounts of insured and uninsured deposits held in these respective account types?**

To delineate between account types, the Call Report would need to include separate line items for the insured and uninsured amounts of each of the eight account types listed in reference to Question 2.

- 4. If the standard maximum deposit insurance amount (SMDIA) was raised for one or more of the account types listed in reference to question 2, would the FDIC have the capacity to effectively target expanded insurance coverage to those accounts using current call report data?**

Banks do not report deposit balances for any account type, including amounts that are uninsured, at any dollar threshold above the standard maximum deposit insurance amount (SMDIA), which is currently set at \$250,000. If the SMDIA was raised for one or more of the account types listed in Question 2, or for any other account type, additional or modified Call Report data would be required to accurately estimate insured deposits.

- a. If current call report data is not sufficient to achieve this end, what additional data or parsing of current data would the FDIC need to require reporting institutions to include in their call reports?**

Please see the response to Question 3.

- 5. If the SMDIA was raised for one or more of the account types listed in reference to question 2, would current call report data be sufficient to estimate the additional DIF assessments needed to cover the expanded amount of insured deposits and keep the DIF reserve ratio at the statutory minimum of 1.35 percent?**

As a general matter, if the SMDIA was raised for a subset of deposit accounts, the impact on deposit insurance assessments paid by banks would depend on the details of the expansion in coverage. In general, barring any other changes to FDIC assessments or the reserve ratio, an expansion of deposit insurance coverage would result in a lower reserve ratio. In response to a lower reserve ratio, the FDIC could retain the current assessment rate schedules, and allow the reserve ratio to grow more slowly over time (if the reserve ratio was still expected to grow despite the increase in insured deposits), or the FDIC could increase assessments to maintain a consistent growth rate in the reserve ratio.

The FDIC can make estimates on the impact on assessments of different proposals to expand deposit insurance. These estimates are subject to considerable uncertainty, given both the data limitations described above and the possibility of behavioral changes in response to changes in deposit insurance rules. Thus, more granular deposit data could improve the FDIC's estimates, but such estimates would still be subject to considerable uncertainty, because the FDIC will not be able to predict the extent to which depositors may switch from deposits ineligible for expanded coverage to deposits eligible for expanded coverage.

- a. If current call report data is not sufficient to achieve these ends, what additional data or parsing of current data would the FDIC need to require reporting institutions to include in their call reports?**

Please see the response to Question 3.

- 6. If the SMDIA was raised for one or more of the account types listed in reference to question 2, does current call report data give the FDIC the ability to ensure that reporting institutions and depositors do not mischaracterize account types in order to improperly benefit from higher deposit insurance coverage?**

As noted above, Call Reports currently provide information on interest-bearing and noninterest-bearing transaction accounts, but do not break down deposits according to whether the depositor is a natural person, a partnership, or a corporation. Banks are required to file accurate Call Reports, and supervisors analyze whether Call Reports are accurate as part of examinations. If certain types of deposit accounts become eligible for higher deposit insurance coverage, this would elevate the importance of precision and accuracy in filing certain line items on Call Reports. The likelihood of account types being mischaracterized, and the need for oversight, will depend in part on the criteria for expanded coverage.

- a. If current call report data is not sufficient to achieve this end, what additional data or parsing of current data would the FDIC need to require reporting institutions to include in their call reports?**

Please see the response to Question 3.

- 7. If the SMDIA was raised for one or more of the account types listed in reference to question 2, does the FDIC believe that confusion or uncertainty would result amongst depositors and reporting institutions about differentiated levels of deposit insurance coverage depending on the respective account type(s) in question?**
- a. If such confusion or uncertainty were to result, would this lead to an unrealized benefit of increased deposit insurance coverage for natural persons, partnerships, corporations, or other account holder types that should be eligible for increased coverage?**
 - b. What steps would the FDIC need to take to ensure that an even and uniform realized benefit from increased deposit insurance coverage is received by eligible account holder types?**
 - c. What steps would reporting institutions need to take to ensure that an even and uniform realized benefit from increased deposit insurance coverage is received by eligible account holder types?**

Ultimately, if Congress decides to distinguish between account types for purposes of raising the SMDIA, it should consider using criteria that are easily accessible and distinguishable between accounts, and that are clearly defined and disclosed in ways that depositors understand. If the SMDIA were raised for certain types of deposit accounts, the FDIC would take steps to educate the public on the new deposit insurance rules. Additionally, it is likely the case that banks would have an incentive to educate depositors on the availability of expanded deposit insurance coverage.

It is worth noting that uneven awareness of the availability of expanded deposit insurance coverage is already a significant issue today. Currently, there are many avenues through which individual depositors can achieve deposit insurance far in excess of the \$250,000 limit, but a depositor generally needs some awareness of those avenues, which many depositors lack.

- 8. If the SMDIA was raised for one or more of the *natural person* deposit account types listed in reference to question 2, would the FDIC be able to accurately distinguish between accounts held by natural persons for personal, family, or household purposes and accounts held by natural persons for commercial purposes such as sole proprietorships?**

The FDIC does not have the ability to accurately distinguish between accounts held by natural persons for personal, family, or household purposes and accounts held by natural persons for commercial purposes, using current Call Report data. As noted in the response to Question 2, the FDIC does not have the ability to accurately delineate insured or uninsured deposits held by natural persons. Further, data collected on transaction account and nontransaction account balances is limited to institutions with \$1 billion or more in total assets.

- a. If current call report data is not sufficient to achieve this end, what additional data or parsing of current data would the FDIC need to require reporting institutions to include in their call reports?**

In addition to the additional line items described in Question 3 with respect to natural persons, the call report would also need to have separate line items for deposit accounts held by natural persons for personal, family, or household purposes and deposit accounts held by natural persons for commercial purposes.

- 9. If the SMDIA was raised for one or more of the *partnership or corporate* deposit account types listed in reference to question 2, would the FDIC be able to accurately distinguish between commercial, nonprofit, state and municipal government, and other commercial and noncommercial corporate-type account holders?**

The FDIC does not have the ability to accurately distinguish between commercial, nonprofit, state and municipal government, and other commercial and noncommercial corporate account holders, using current Call Report data. All banks report amounts in transaction and nontransaction accounts held by states and municipal governments on the Call Report; however, this data is not further broken out into insured and uninsured balances. The other account holders identified in Question 9 are generally included as deposits of individuals, partnerships, and corporations on the Call Report and cannot be separated. Similarly, the data reported for these account holders does not distinguish insured and uninsured balances.

- a. If current call report data is not sufficient to achieve this end, what additional data or parsing of current data would the FDIC need to require reporting institutions to include in their call reports?**

In addition to the additional line items described in Question 3 with respect to partnerships and corporations, the Call Report would also need to have separate line items for deposit accounts held by commercial, nonprofit, and state and municipal government holders, and other commercial and noncommercial corporate-type account holders.

Your interest in this matter is appreciated. If you or your staff have questions, please contact me or Andy Jiminez, Director, Office of Legislative Affairs at (202) 898-6761.

Sincerely,



Travis Hill

cc: The Honorable Maxine Waters, Ranking Member