

# General Reserve Bank Data Privacy Notice

## Introduction and Scope

This privacy notice provides a high-level overview of Federal Reserve Bank (Reserve Bank) activities that rely at least in part on use of personal information. We seek to provide transparency into relevant Reserve Bank functions, the personal information involved, and general uses of such information.

While this notice covers general categories of activities and functions conducted across and within multiple Reserve Banks, each Reserve Bank is a separate legal entity responsible for its own privacy practices. As some of the many functions that the Reserve Banks perform have been operationally consolidated into one or more Reserve Banks, each Reserve Bank is publishing a similar version of this notice regardless of whether a function is performed at a particular Reserve Bank. This is to make it easier to find relevant information without having to understand the complexities of the Federal Reserve System.

When we use the term personal information in this notice, we mean personal information handled or retained by a Reserve Bank that is linked or linkable to an individual. This notice covers instances where personal information is received from sources other than the individuals to which the personal information relates. It also covers situations where individuals provide information for Reserve Bank security or law enforcement purposes.

This notice is **not** intended to cover situations:

- 1) that are generally covered by more specific notices posted at the point of collection, such as collecting personal information directly from members of the public on the web (e.g., signing up for newsletters);
- 2) where the Reserve Banks collect or use personal information for routine corporate functions, such as managing employees, administering benefit plans, performing audits and accounting; and
- 3) that involve operation of Reserve Bank websites (e.g., cookie policies).

## Reserve Bank Functions That Use PII

This notice describes the six core functions that the Reserve Banks perform involving personal information that are within the scope explained above. Regardless of functional area, the Reserve Banks generally DO NOT sell personal information to unrelated third parties for their commercial benefit. The Reserve Banks DO share personal information if required by law or if such sharing is necessary to accomplish the listed functions and activities (including sharing between the Reserve Banks and with Reserve Bank vendors if such vendor requires the information to provide services to the Reserve Bank(s)).

### ***Banking Supervision & Regulation***

The Board of Governors of the Federal Reserve System (Board) is a federal agency that is responsible for the supervision and regulation (S&R) of certain financial institutions and bank holding companies. The Board has delegated some of these functions to Reserve Banks acting as agents of the Board.

As part of the delegated functions, the Reserve Banks receive personal information from financial institutions. For example, Reserve Banks review consumer loan data as part of an examination of a bank. Reserve Banks may also receive personal information about individuals who are involved in bank leadership in connection with applications submitted by such bank for approval. In carrying out Board delegated functions, the Reserve Banks are required to follow the Board's data privacy policies. For more information about what personal information may be involved in supervisory activities, please see the [Federal Reserve Board privacy site](#).

### ***Fiscal Agent Services to the United States Department of the Treasury (Treasury)***

The Reserve Banks act as fiscal agents to the U.S. Treasury to support its goals related to collecting, disbursing, borrowing, investing and accounting for government funds.

In this capacity, the Reserve Banks collect, use and share personal information for the exclusive purpose of providing such fiscal services, which include payment of government benefits and auctioning Savings Bonds to the public. In carrying out these functions, the Reserve Banks follow Treasury's data privacy and other requirements. See the list of privacy impact assessments published by Treasury: [https://www.fiscal.treasury.gov/fsreports/rpt/fspia/fs\\_pia.htm](https://www.fiscal.treasury.gov/fsreports/rpt/fspia/fs_pia.htm)

### ***Financial Services***

The Reserve Banks provide financial services to depository institutions such as banks, credit unions, and savings and loans associations (together "financial institutions"). These services include acting as an intermediary between financial institutions for clearing checks and Automated Clearing House (ACH) payments and electronically transferring funds.

The receipt and sharing of personal information is a necessary aspect of the Reserve Banks' provision of financial services. As financial intermediaries, Reserve Banks come into possession of personal information, such as names, addresses, and account numbers contained in payment instruments and instructions provided by the financial institutions. In some instances a check or payment instruction might also include a social security number or other more sensitive personal information. As financial intermediaries, the Reserve Banks rely on the financial institutions to provide the personal information used in the services and do

not collect it directly from individuals. The Reserve Banks have no control over the type or accuracy of personal information submitted by financial institutions. The Reserve Banks pass payment instructions onto the next financial institution in the payment chain either directly or through the financial institution's designated agent/vendor. Such information may also be used in connection with compliance activities and for other operational purposes related to payments processing. For more information about these financial services, see [FRB services](#).

### ***Lending***

The Reserve Banks extend certain types of credit to financial institutions. This includes allowing short term overdrafts on accounts (called daylight overdraft) as well as other lending programs (called Discount Window advances).

Discount Window advances must be secured by collateral, and financial institutions can pledge collateral to avoid charges incurred by their use of daylight overdrafts. The collateral pledged to a Reserve Bank may include consumer loans (e.g., mortgage loans, auto loans). While the loans generally remain in the custody of the financial institution borrowing from the Reserve Bank, the Reserve Banks require information about each of the loans pledged as collateral. The consumer loan level information obtained for collateral purposes include name, loan number, loan amount and balance. If actual loan documentation is obtained for sampling or safekeeping purposes, it will include all the information contained therein, which may also include social security numbers, dates of birth, and account numbers. Personal information obtained for the lending functions is used only to support and facilitate these lending activities. Generally, the information is used for collateral verification and valuation purposes. The personal information is shared internally to the extent necessary to support these activities. Please see [www.frbdiscountwindow.org](http://www.frbdiscountwindow.org) for more information about these activities.

### ***Research & Monetary Policy***

The Research and Monetary Policy functions conduct independent economic research for publication in leading academic journals and provide policy analysis in support of the Federal Reserve's monetary policy mission.

Economic research and policy analysis are data-intensive activities that sometimes involve analyzing mostly aggregate and/or de-identified personal information. The majority of this information is acquired from third party data providers who aggregate large volumes of financial data and make it available for purchase. This information is generally anonymized through removal or obfuscation of select identifiers and its use is subject to restrictions about re-identifying it. The Reserve Banks may also acquire information from other third parties that specialize in aggregating publicly available data sources, such as the Bureau of Labor Statistics or county tax records. This information is used for research purposes and for supporting the Reserve Bank Presidents in their monetary policy capacity associated with the Federal Open Market Committee. The Reserve Banks are subject to strict use, confidentiality and sharing requirements with respect to this information.

### ***Law Enforcement***

Each Reserve Bank has its own Federal Reserve law enforcement officers responsible for protecting its facilities, physical assets and staff.

In order to protect the people and assets of the Reserve Banks, Law Enforcement collects some personal information from people who visit the Reserve Banks for business or other reasons. Such visitors may be required to provide identifying information before being allowed access to Reserve Bank facilities. This information may include name and information on a government issued ID. Some Reserve Banks also collect personal information for the purpose of conducting background checks. This information is used to verify the identity of an individual and determine whether such individual poses a threat to the security of the Reserve Bank. Background checks are conducted with the consent of the individual and will generally involve the sharing of personal information with vendors engaged to perform screening and/or governmental agencies that conduct aspects of the screening.

## **Questions or Comments**

If you have any questions about the Reserve Banks' privacy practices, please [contact us](#).

Questions or comments relating to Board delegated and Fiscal agent functions should be directed to the Board of Governors and the U.S. Treasury, respectively.