

SUPPORTING STATEMENT
Fiduciary Powers of Savings Associations
OMB Control No. 1550-0037

A. Justification

1. Circumstances and need for the collection.

Under 12 U.S.C. § 1464(n), the Office of Thrift Supervision (OTS) regulates the fiduciary activities of federal savings associations.

12 C.F.R. § 550.70(a) requires that a Federal savings association that wants to conduct fiduciary activities for the first time, and for which OTS has not previously approved an application submitted under this part, must obtain prior approval from OTS before it may conduct the activities.

12 C.F.R. § 550.70(b) requires that a Federal savings association that wants to conduct fiduciary activities that are materially different from the activities that OTS has previously approved for it, including fiduciary activities that OTS has previously approved that have not been exercised for at least five years, must obtain prior approval from OTS before it may conduct the activities.

12 C.F.R. § 550.70(c) requires that a federal savings association that wants to commence in a new state fiduciary activities that are not materially different from those that OTS has already approved, must file a notice with OTS. OTS must know when a federal savings association expands its fiduciary activities, and the locations at which a federal savings association is acting in a fiduciary capacity, in order to effectively monitor and examine the fiduciary activities of the association.

2. Use of information.

OTS will use the information in order to ensure that the proposed activities conform to applicable statutes and regulations and are properly organized and conducted.

3. Use of technology to reduce burden.

This information collection is not amenable to reduction through improved technology. Since automated information systems may be used in a very limited capacity to obtain or process the information required by the proposed information collection, and because these systems vary from institution to institution, the use of improved technology to reduce the burden is not applicable.

4. Efforts to identify duplication.

This information collection is not duplicative within the meaning of the PRA and OMB regulations. Information that is similar to or that corresponds to information that could serve OTS's purpose and need in this information collection is not being collected by any other means or for any other purpose; nor is this information otherwise available in the detail necessary to satisfy the purpose and need for which this collection of information is undertaken.

5. Minimizing the burden on small entities.

The statutory provisions do not provide for OTS to distinguish a respondent by the size of its business. Collection of the information required is essential to OTS's supervisory mission, regardless of the size of the entity involved.

6. Consequences of less frequent collection.

OTS would not be able to effectively oversee the fiduciary activities of savings associations if the collection were conducted less frequently.

7. Special circumstances necessitating collection inconsistent with 5 C.F.R. Part 1320.

These information collections are conducted in a manner consistent with the requirements of 5 C.F.R. Part 1320.

8. Consultation with persons outside the agency.

Notice of the intent to revise this information collection was published in the Federal Register, on April 28, 2006 (71 FR 25281). No comments were received.

9. Payment to respondents.

There is no payment to respondents.

10. Confidentiality.

OTS treats all data reported or maintained by an operating federal savings association with the highest degree of confidentiality. Any deviance from this policy could result in irreparable damage to a federal savings association, the integrity of the examination process, and the Deposit Insurance Fund.

11. Justification for questions of a sensitive nature.

There are no questions of a sensitive nature.

12. Burden estimate.

OTS estimates that it will receive 12 applications and 10 notices annually and that it will take a savings association approximately 27 hours to compile the application and 3 hours to compile the notice, for a total of 354 burden hours.

13. Estimate of annual cost.

Using the same criteria as in the current paperwork submission, roughly two-thirds of the 354 hours, or 236 hours, would be professional in nature at \$50.00 per hour, with the remaining 118 hours attributable to support services at \$25.00 per hour. The result is \$14,750.00.

14. Estimates of annualized cost to government.

The total annualized cost to the government will be minimal.

15. Changes in burden.

The increase in burden hours from 30 hours to 354 reflects inclusion of the time it takes to complete Form 1240.

16. Publication for statistical use.

OTS does not plan to use any of the information for statistical purposes.

17. Display of expiration date.

OTS will display the expiration date on OTS Form 1240 – Application For Fiduciary Powers.

18. Exceptions to the certification statement.

Not applicable.

B. Collection of information employing statistical methods.

Not applicable.