

**Supporting Statement for
Lending Limits -- 12 CFR 32
OMB Number 1557-0221**

A. Justification.

1. Circumstances that make the collection necessary:

12 CFR 32.7(b) established a pilot program providing exceptions to the lending limits for 1-4 family residential real estate loans and loans to small businesses. The exceptions benefit national banks, purchasers of real estate, and small businesses. This information collection requires national banks that want to take advantage of the exceptions to apply to OCC and receive approval before using the exceptions. The OCC needs the information to evaluate whether a bank is eligible to use the exceptions and to insure that the banks safety and soundness will not be jeopardized.

2. Use of the information:

The OCC uses the information to confirm that the proposed activity is permissible for the national bank and that it does not endanger the safety and soundness of the bank. Specifically, the OCC reviews the information contained in the application to determine that the national bank is an eligible bank, that the majority of the banks board of directors has approved the use of the exceptions, and to review how the board intends to exercise its continuing responsibility to oversee the use of this lending authority.

3. Consideration of the use of improved information technology:

The OCC would consider a bank's proposal to use any existing technology relevant to producing or delivering the information.

4. Efforts to identify duplication:

This information collection is unique to the bank and the particular filing. It is not duplicated anywhere.

5. Methods used to minimize burden if the collection has a significant impact on substantial number of small entities:

This information collection does not have a significant impact on a substantial number of small entities.

6. Consequences to the Federal program if the collection were conducted less frequently:

The information is collected infrequently, as covered situations arise. Less frequent collection could impair OCC's bank supervisory activities.

7. Special circumstances necessitating collection inconsistent with 5 CFR Part 1320:

Not applicable. This information collection is conducted in accordance with OMB's guidelines in 12 CFR Part 1320.

8. Efforts to consult with persons outside the agency:

The information collection was published for 60 days of comment. 72 FR 5800 (February 7, 2007). No comments were received.

9. Payment to respondents:

There is no payment to respondents.

10. Any assurance of confidentiality:

No assurance of confidentiality is given.

11. Justification for questions of a sensitive nature:

There are no questions of a sensitive nature.

12. Burden estimate:

The OCC estimates that, on an annual basis, 100 national banks will make a request of the OCC for a determination under 12 CFR 32.7(b).

100 respondents x 1 response = 100 responses
100 responses x 26 burden hours = 2600 burden hours

The OCC estimates the cost of the hour burden to respondents as follows:

Clerical:	10% x 2,600 =	260 @ \$20 =	\$ 5,200
Managerial/technical:	35% x 2,600 =	9,100 @ \$40 =	\$ 36,400
Senior mgmt/professional:	38% x 2,600 =	988 @ \$80 =	\$ 79,040
Legal:	17% x 2,600 =	442 @ \$100 =	<u>\$ 44,200</u>
Total:		=	\$ 164,840

13. Estimate of annualized costs to respondents:

Not applicable.

14. Estimate of annualized costs to the government:

Not applicable.

15. Changes in burden:

Former Burden:

2,140 respondents @ 1 response = 2,140 responses

2,140 responses @ 26 hours per response = 55,640 burden hours

New burden:

100 respondents @ 1 response = 100 responses

100 responses @ 26 hours per response = 2,600 burden hours

Difference:

- 2,040 respondents; - 2,040 responses; - 53,040 burden hours

The original estimate used the total number of national banks as a baseline because the OCC had no experience with the program. The revised estimate uses the average number of banks applying to participate since the pilot program was implemented.

16. Information regarding collections whose results are planned to be published for statistical use:

The results of these collections will not be published for statistical use.

17. Display of expiration date:

Not applicable.

18. Exceptions to certification statement:

None.

B. Collections of Information Employing Statistical Methods.

Not applicable.