

SUPPORTING STATEMENT
Branch Offices
OMB Control Number: 1550-0006

A. JUSTIFICATION

1. Circumstances and Need

Pursuant to 12 C.F.R. § 545.93 a Federal savings association must file an application or notice and receive OTS approval or non-objection under §545.95 before you change the permanent location of, or establish a new, home or branch office, except as provided in this section.

Pursuant to 12 C.F.R. § 545.95 applications and notices under §545.93 are subject to expedited or standard treatment under the application processing procedures at part 516 of this chapter.

Third Party Requirements

The applicant is required to publish notice of the filing of a branch application or notice in a newspaper printed in the English language. If, however, it is determined that the primary language of a significant number of adult residents of the community is other than English, the institution may be required to publish the notice simultaneously in the appropriate language(s). 12 C.F.R. § 516.80. The publication must occur no earlier than seven days before and no later than the date of filing of the application or notice. 12 C.F.R. § 516.60. If the transaction is a change of location or redesignation of the home office, the applicant shall post a notice of the application for 30 days from the date of the first publication in a prominent location in the office to be relocated. 12 C.F.R. § 545.95.

The applicant publishes a notice(s) in accordance with requirements set forth in 12 C.F.R. Subpart B, Publication Requirements, §§ 516.50, 516.55, 516.60, 516.70, and 516.80.

Branch relocations made within a short distance per 12 C.F.R. § 545.93(b)(2) do not require OTS approval.

Branch Closings

Section 228 of the Federal Deposit Insurance Corporation Improvement Act of 1991 (FDICIA) requires each insured depository institution to give 90 days prior written notice of any branch closing to its primary federal regulator and to branch customers. The notice to the regulator must include a detailed statement of the reasons for the decision to close the branch and information in support of those reasons.

OTS, along with all other banking regulatory agencies, has adopted a joint policy statement regarding branch closings by insured depository institutions. The policy statement provides guidance concerning the branch closing provisions of section 42 of the Federal Deposit Insurance Act, specifically, the requirements that insured depository institutions adopt policies for branch closings and provide notices before closing any branch, and provides that insured depository institutions must post notice to branch customers in a conspicuous manner on the branch premises at least 30 days prior to the closing. The institutions are required to maintain the policy statement, which places a recordkeeping burden on the respondent.

2. Use of Information Collected

OTS analyzes each branch application or notice to ensure that there are no supervisory objections and that it meets all regulatory requirements. The application forms are also reviewed for adequacy of answers to items and completeness in all material aspects.

3. Use of Technology to Reduce Burden

This information collection is not amenable to reduction through improved technology.

4. Efforts to Identify Duplication

OTS does not currently have any other collections of information that duplicate the information collected through this regulation.

5. Minimizing the Burden on Small Firms

The information collection does not differentiate information requirements on the basis of an institution's size.

6. Consequences of Less Frequent Collection

The information is required only when a federally chartered institution requests permission to establish, relocate, or close a branch office. It would be impossible for OTS to evaluate the proposed activity if the required information were not submitted.

7. Special Circumstances

The information collection is conducted in a manner consistent with the guidelines set out in 5 CFR § 1320.6.

The adoption of a branch closing policy is a recordkeeping requirement that was established by section 42 of the Federal Deposit Insurance Act for all insured

depository institutions. If the policy has been superseded, a copy is to be maintained a minimum of three years unless otherwise specified by the respondent's legal and/or accounting advisors.

8. Consultation with Persons Outside the OTS

Notice of intent to renew this information collection was published in the Federal Register on January 28, 2008 (Vol. 73, Number 18). OTS has not received any comments.

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9. Payment of Respondents

OTS provides no payment or gift to respondents.

10. Confidentiality

Generally, all branch application and notice information is available to the public. Exceptions include: (1) information exempt from disclosure by statute or executive order; (2) information contained or related to examinations, operating, or condition reports prepared for agency use; and (3) privileged information related to the business, personal, or financial affairs of any person that has been furnished in confidence.

11. Information of a Sensitive Nature

No questions of a sensitive nature are included in the collections.

12. Estimate of Annual Hour Burden

The annual hour burden estimates:

	<u>Hours</u>
Number of Applications (292 x 1.48)	432
Recordkeeping of Branch Office Closing	
Newspaper Filings (157 applications x 1 hour)	157
Notice of Branch Changes (135 applications x .166 hours)	<u>22.40</u>
Total Annual Hour Burden Estimate	611.40

13. Estimate of Annual Cost

a) Annual Hourly Cost Estimate:

<u>Application/ Notice Type</u>	<u>Number of Submissions</u>	<u>Hours./ Response</u>	<u>Cost/ Hour</u>	<u>Hours</u>	<u>Total Cost</u>
Applications Filed	292	1.48	\$50	432	\$21,600.00
Branch Closing (Notices filed 3 rd Party Disclosure)	157	1.	\$50	157	\$ 7,850.00
Notices of Branch Changes	<u>135</u>	<u>.166</u>	<u>\$50</u>	<u>22.40</u>	<u>\$ 1,120.50</u>
Totals	584			611.40	\$30,570.50

14. Estimates of Annualized Cost to Government

The costs to the government for the establishment of a branch application or notice, notice of branch closing, or change of location of a branch office are estimated to be minimal because: (1) this information is already being collected and evaluated; (2) there will not be any type of developmental or computer costs; and (3) no new employees will be hired to evaluate the information.

It is also estimated that the total annualized cost to the government will be minimal for the branch closing policy requirement because: (1) this recordkeeping requirement will be reviewed as part of the examination process (no special review will be conducted); and (2) no new employees will be hired to evaluate the information.

15. Reason for Change in Burden

The increase in estimated burden hours of 127 is due to the fact OTS inadvertently under stated the number of respondents and the response time in the previous submission.

16. Publication

Not applicable.

17. Expiration Date

The OTS has received permission to not display the expiration date on the forms. The expiration date will not assist the public in determining if this is the correct form to be used when filing with the OTS.

18. Exceptions

Not applicable.

B. COLLECTION OF INFORMATION EMPLOYING STATISTICAL METHODS

Not applicable.