SUPPORTING STATEMENT Lending and Investment OMB Control No. 1550-0078

A. <u>JUSTIFICATION</u>

1. Circumstances and Need

Current OTS regulations for the documentation of loans and investments for safety and soundness purposes are found at 12 CFR 560 and 562.1, 563.41, 563.170, and 590.4. OTS also requires certain loan disclosures to borrowers with respect to adjustable rate mortgage loans (12 CFR 560.210(b)(2)) in accordance with regulations issued by the Federal Reserve Board (FRB) (12 CFR 226.19(b) and 226.20(c)). There has been no change in the safety and soundness needs for these information collections.

2. Use of Information Collected

OTS uses the information during the examination process to ensure that savings associations are complying with applicable rules and regulations as well as engaging in safe and sound lending practices.

3. <u>Use of Technology to Reduce Burden</u>

Savings associations are permitted and encouraged to use advanced technology in the preparation and dissemination of the required information. The use of automated systems by savings associations may be helpful in satisfying the recordkeeping and reporting requirements of the regulations. In this regard, the use of improved technology has been accounted for in the total burden imposed on savings associations and is neither significant nor measurable. 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. This information is unique to the savings association and to the particular loan program being evaluated. 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. <u>Minimizing the Burden on Small Businesses</u>

While some of the savings associations may be considered small businesses or other small entities, the information collected is not differentiated on the basis of the size of the entity. All savings associations are subject to the same requirements. Providing the information would not, however, be more burdensome for smaller savings associations than larger ones.

6. Consequences of Less Frequent Collection

With respect to adjustable rate mortgage loans, savings associations are statutorily required to provide the data to borrowers when they obtain an ARM. (15 USC 1638(a)(14)) With respect to documentation requirements for lending and investments, the information is required based on its lending and investment activities. It cannot be provided less frequently.

7. Special Circumstances Requiring Data Collection Inconsistent with 5 CFR Part 1320

The information collection is conducted in accordance with OMB's guidelines in 5 C.F.R. Part 1320.

8. <u>Consultation with Persons Outside OTS</u>

Notice of intent to renew this information collection was published in the <u>Federal</u> Register on March 20, 2008 (73 FR 55). OTS has not received any comments.

9. Payments of Gifts

No payments or gifts will be made in connection with this information collection.

10. <u>Confidentiality</u>

Certain information is unavailable to the public, including: (1) information exempt from disclosure by statute or executive order; (2) information contained or related to examination, operating, or condition reports prepared for OTS use; and (3) privileged information related to the business, personal, or financial affairs of any person furnished in confidence.

11. Information of a Sensitive Nature

No questions of a personally sensitive nature are required by this information collection.

12. <u>Estimate of Annual Hour Burden</u>

Regulatory Provision	Number of Respondents	Number Of Annual Responses	Total Number Of Annual Responses	Number Of Hours Per Response	Total Number Of Hours Annually	Average Cost per Hour	Total Annual Cost
§560.101 & App. A	830	1	830	40.00	33,200	44.00	1,460,800
§§562.1(b) & 563.170	830	1	830	44.40	36,852	22.00	810,744
§563.41(e)	830	1	830	4.60	3,818	22.00	83,996
§560.172 & part 564	830	126	104,580	0.33	34,511	11.00	379,625
§560.93(f)(2)	830	9	7,470	1.00	7,470	22.00	164,340
§560.210 (Initial Notice)	830	402	333,660	0.11	36,703	11.00	403,729
§560.210 (Adjustment Notice)	830	402	333,660	0.40	133,464	11.00	1,468,104
§590.4(h)	196	2	392	1.00	392	22.00	8,624
§560.32	830	1	830	8.00	6,640	55.00	365,200
§560.35	133	1	133	20.00	2,660	33.00	87,780
§§560.93(f) & 32.7	15	1	15	26.00	390	33.00	12,870
TOTALS	830		783,230		296,100		5,245,812

13. Estimate of Annual Cost Burden

There are no start-up costs associated with this information collection. There is no additional cost for ongoing maintenance of the information since savings associations maintain the information for their own business purposes.

14. <u>Estimates of Annualized Cost to Government</u>

There are no costs to the federal government involved in this collection.

15. Reason for Change in Burden

OTS is citing a burden reduction of 25,387 as an adjustment due to a reduction in the number of respondents.

16. Publication

The information will not be published.

17. <u>Expiration Date</u>

We are seeking approval to not display the expiration date for OMB approval of the information collection. OTS cannot ensure the format through which institutions display the required information. Institutions are considered in compliance if their disclosures contain the required information. How they choose to display the information is not within the control of OTS.

18. <u>Exceptions</u>

There are no exceptions to the certification statement.

B. <u>COLLECTIONS OF INFORMATION EMPLOYING STATISTICAL METHODS</u>

Not applicable.