

DRAFT

Department of the Treasury, Departmental Offices
Supporting Statement and Request for Clearance
Troubled Asset Relief Program – CPP Application

1. Circumstances necessitating the collection of information

Authorized under the Emergency Economic Stabilization Act (EESA) of 2008 (Public Law 110-343), the Department of the Treasury is implementing several aspects of the Troubled Asset Relief Program. The statute provides the Secretary broad authority to purchase and insure mortgage assets, and to purchase any other financial instrument that the Secretary, in consultation with the Federal Reserve Chairman, determines necessary to stabilize our financial markets -- including equity securities. The TARP includes several components including a voluntary Capital Purchase Program (CPP) under which the Department may purchase qualifying capital in U.S. banking organizations. The Treasury, through federal banking agencies, is seeking applicant information for financial institutions that seek participation in the CPP.

Eligible institutions include bank holding companies, financial holding companies, insured depository institutions and savings and loan holding companies that engage solely or predominately in activities that are permissible for financial holding companies under relevant law. To qualify, the applicant must be established and operating in the United States and may not be controlled by a foreign bank or company.

2. Use of the data

The application information will be used to determine eligibility and participation in the CPP.

3. Use of information technology

Applications may be submitted through e-mail.

4. Efforts to identify duplication

The information that will be collected in the CPP application is a one-time request. To limit duplication, financial institutions may rely on data collected on its latest quarterly supervisory report filed by the applicant with its appropriate federal banking agency.

5. Impact on small entities

Most of the participating financial institutions do not meet the definition of small entities. Further, the information collection imposes only minimal burdens because the information is readily available to the financial institutions.

6. Consequences of less frequent collection and obstacles to burden reduction

If the information is not collected, Treasury will not be able to determine which financial institutions seek to participate in the program, the amount of capital to be purchased, and whether the institutions are eligible for the CPP. The application for CPP participation is a one-time submission during a limited period of statutory authority.

7. Circumstances requiring special information collection

Applicants may be required to submit amended applications to provide the banking agencies with adequate and timely information.

8. Solicitation of comments on information collection

Treasury officials have consulted with the federal banking agencies about the information collection, but with the current market challenges, there is not sufficient time to seek public comment on the TARP-related information collections. If Treasury determines that there is a need to seek renewal of this collection after the 6-month emergency clearance, we will seek public comment in the Federal Register per the statutory requirements.

9. Provision of payments to recordkeepers

Not applicable.

10. Assurance of confidentiality

The information collection provides that applicants may request confidential treatment of specific portions of applications. Any confidential information provided voluntarily by financial institutions will be maintained as confidential consistent with applicable provisions of the Trade Secrets Act and Freedom of Information Act. See application instructions.

11. Justification of sensitive questions

Not applicable.

12. Estimated burden of information collection

Hourly burden estimations are very rough at this time due to the fact that it is difficult to gauge the level of need for and interest in this program. However, treasury estimates that the application will take approximately two hours to complete, and that roughly 4,000 companies will apply to participate in the program. The total estimated one-time burden for the collection is 8,000 hours (4,000 x 2 hrs).

13. Estimated total annual cost burden to respondents

The Department estimates that there will be no annualized capital/start-up costs for the respondents to collect and submit this information.

14. Estimated cost to the federal government.

There will be no annualized capital/start-up costs for the government to receive this information.

15. Reasons for change in burden

This is a new collection.

16. Plans for tabulation, statistical analysis and publication

Not applicable.

17. Reasons why displaying the OMB expiration date is inappropriate

Display of the OMB expiration date will create confusion because, under EESA, this program has a limited duration.

18. Exceptions to certification requirement of OMB Form 83-I

Regarding this request for OMB approval, there are no exceptions to the certification statement in item 19 of Form 83-I.