Justification For Nonsubstantive/Nonmaterial Change
Disclosure of Deposit Status
OMB Control No. 3064-0168

On September 30, 2010 (75 FR 60341), the FDIC published a notice of proposed rulemaking to implement section 343 of the Dodd-Frank Wall Street Reform and Consumer Protection Act (Dodd-Frank Act), Pub. L. 111-203, which provides full deposit insurance coverage (beyond the Standard Maximum Deposit Insurance Amount (SMDIA)), from December 31, 2020, through December 31, 2012, for the net amount held in noninterest-bearing transaction account by any depositor at an insured depository institution (IDI). The proposed rule contained certain disclosure requirements that would amend an existing information collection, OMB No. 3064-0168 and, in accordance with the requirements of the Paperwork Reduction Act, 44 USC 3501 *et seq*., the FDIC submitted an information collection request to OMB. In response, OMB continued the existing information collection and requested that the FDIC resubmit its request at the final rule stage. The final rule was published on November 15, 2010 (75 FR 69577). In accordance with OMB's instructions, the FDIC is hereby resubmitting its request for clearance of the paperwork burden contained in the rule.

In response to the notice of proposed rulemaking, the FDIC received several comments related to the three disclosure requirements set forth in the proposal. In response to the proposed requirement that insured depository institutions prominently post in the lobby of its main office, in each domestic branch, and, if applicable, on its web site a "Notice of Changes in Temporary FDIC Insurance Coverage for Transaction Accounts," several commenters suggested changes to the language of the notice. In response, the final rule includes a revised notice written in more concise and user friendly language.

Regarding the proposed notice to depositors protected under the TAGP, but not under the Dodd-Frank provision, one commenter requested clarification on whether the notice requirement applies to all depositors who hold NOW accounts in insured depository institutions participating in the TAGP, or only to depositors who may be affected by the change in deposit insurance coverage; another commenter requested clarification that one notice per account, rather one notice per account holder would satisfy the notice requirement and, for multiple accounts, that one notice that lists all accounts would suffice; and several commenters requested that the notice requirement be eliminated, limited to NOW account holders with balances over the SMDIA, or postponed until a date after the December 31, 2010, effective date. In response to the first two suggestions, the FDIC clarified in the final rule that the individual notice requirement applies to depositors with NOW accounts currently protected in full under the TAGP and depositors with IOLTAs; that, with respect to joint accounts, an insured depository institution need only mail all the notice to the address designated on the account; and that the notice mailed to affected depositors could be the same as that required to be posted in the lobbies of main offices and branches. In response to suggestions that the notice requirement be eliminated, limited in its

application, or postponed, the FDIC, believing it is critical that depositors have a clear understanding of deposit insurance rules in placing or retaining funds at FDIC-insured institutions, declined to implement the suggestions.

Finally, with respect to the proposed notice to sweep account and other depositors whose coverage on noninterest-bearing transaction accounts is affected by an insured depository institution action, one commenter recommended that the FDIC issue additional implementation guidance for section 343 of Dodd-Frank. The FDIC has agreed to consider publishing such guidance if it seems helpful to do so.

None of the clarifications of the disclosure requirements or modifications to the "Notice of Changes in Temporary FDIC Insurance Coverage for Transaction Accounts" impacted the FDIC's original burden estimates.