

Office of the Comptroller of the Currency
Supporting Statement
Reporting and Recordkeeping Requirements Associated with
Liquidity Risk Measurement, Standards, and Monitoring
OMB Control No. 1557-NEW

A. Justification.

1. Circumstances that make the collection necessary:

The OCC, FRB, and FDIC have issued a notice of proposed rulemaking to implement a quantitative liquidity requirement consistent with the liquidity coverage ratio standard established by the Basel Committee on Banking Supervision. The requirement is designed promote improvements in the measurement and management of liquidity risk.

The proposed rule would apply to all internationally active banking organizations, that is, banking organizations with more than \$250 billion in total assets or more than \$10 billion in on-balance sheet foreign exposure, and to consolidated subsidiary depository institutions of internationally active banking organizations with \$10 billion or more in total consolidated assets.

The proposed rule would also apply to companies designated for supervision by the Board by the Financial Stability Oversight Council under section 113 of the Dodd-Frank Wall Street Reform and Consumer Protection Act (12 U.S.C. 5323) that do not have significant insurance operations (covered nonbank companies).

2. Use of the information:

Section __.40 would require that an institution must notify its primary Federal supervisor on any day when its liquidity coverage ratio is calculated to be less than the minimum requirement in § __.10. If an institution's liquidity coverage ratio is below the minimum requirement in § __.10 for three consecutive days, or if its primary Federal supervisor has determined that the institution is otherwise materially noncompliant, the institution must promptly provide a plan for achieving compliance with the minimum liquidity requirement in § __.10 and all other requirements of this part to its primary Federal supervisor.

The liquidity plan must include, as applicable, (1) an assessment of the institution's liquidity position; (2) the actions the institution has taken and will take to achieve full compliance including a plan for adjusting the institution's risk profile, risk management, and funding sources in order to achieve full compliance and a plan for remediating any operational or management issues that contributed to noncompliance; (3) an estimated timeframe for achieving full compliance; and (4) a commitment to provide a progress report to its primary Federal supervisor at least weekly until full compliance is achieved.

3. Consideration of the use of improved information technology:

The use of improved technology is permitted to meet the requirements of the information collection.

4. Efforts to identify duplication:

The information collected is not duplicated elsewhere.

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

Not applicable.

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

Less frequent collection would present safety and soundness concerns.

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

The information collection is conducted in accordance with OMB guidelines in 5 CFR part 1320.

8. Efforts to consult with persons outside the agency:

The information collection requirements were issued for comment with the notice of proposed rulemaking. 78 FR 71818 (November 29, 2013).

9. Payment to respondents:

None.

10. Any assurance of confidentiality:

There is no assurance of confidentiality.

11. Justification for questions of a sensitive nature:

There are no questions of a sensitive nature.

12. Burden estimate:

Estimated Number of Respondents: 3

Estimated Burden Per Response

Reporting: 0.25 hours.

Recordkeeping: 100 hours.

Annual Frequency

Reporting: 5.

Recordkeeping: 1.

Total Estimated Annual Burden

Reporting: 4 hours.

Recordkeeping: 300 hours.

Total: 304 hours.

13. Estimate of annualized costs to respondents:

There are no capital or start-up costs associated with this collection. In addition, there are no system and technology acquisition or operation and maintenance costs.

14. Estimate of annualized costs to the government:

None.

15. Changes in burden:

The change in burden is an increase of 304 hours, as this is a new collection.

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

No publication for statistical use is contemplated.

17. Display of expiration date:

Not applicable.

18. Exceptions to certification statement:

Not applicable.

B. Collections of Information Employing Statistical Methods.

Not applicable.