

**SUPPORTING STATEMENT
DISCLOSURE REQUIREMENTS
ASSOCIATED WITH SUPPLEMENTARY
LEVERAGE RATIO
OMB CONTROL NO. 1557-NEW**

A. Justification.

1. Circumstances that make the collection necessary:

The banking agencies have issued a notice of proposed rulemaking (NPR) to revise the denominator of the supplementary leverage ratio (total leverage exposure) that the agencies adopted as part of comprehensive revisions to the agencies' regulatory capital rules (2013 revised capital rule).¹ The NPR would: (i) revise the treatment of on- and off-balance sheet exposures for purposes of determining total leverage exposure, and more closely align the agencies' rules on the calculation of total leverage exposure with international leverage ratio standards; (ii) incorporate the effective notional principal amount of credit derivatives and other similar instruments through which a banking organization provides sold credit protection in total leverage exposure; (iii) modify the calculation of total leverage exposure for derivatives and repo-style transactions; (iv) revise the credit conversion factors applied to certain off-balance sheet exposures; and (v) make changes to the methodology for calculating the supplementary leverage ratio and to the public disclosure requirements for the supplementary leverage ratio.

2. Use of the information:

All banking organizations that are subject to the agencies' advanced approaches risk-based capital rules, as defined in the 2013 revised capital rule, are required to disclose their supplementary leverage ratios beginning January 1, 2015. Advanced approaches banking organizations must report their supplementary leverage ratios on the applicable regulatory reports. Under the NPR, advanced approaches banking organizations would disclose two parts of a supplementary leverage ratio table beginning January 1, 2015. The proposed disclosure requirements are consistent with the proposed calculation of the supplementary leverage ratio in the proposed rule and with revisions to the international leverage ratio standards published by the Basel Committee on Banking Supervision in January 2014. The agencies believe that the proposed disclosures would enhance the transparency and consistency of reporting requirements for the supplementary leverage ratio by all internationally active organizations.

3. Consideration of the use of improved information technology:

National banks and Federal savings associations may use any information technology that permits review by OCC examiners.

¹ 78 FR 62018 (October 11, 2013).

4. Efforts to identify duplication:

The required information is unique and is not duplicative of any other information already collected.

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

Not applicable. The collection does not have a significant impact on a substantial number of small entities.

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

The OCC will not be able to adequately monitor capital levels and ensure safety and soundness if the collection were conducted less frequently.

7. Special circumstances that would cause an information collection to be conducted in a manner inconsistent with 5 CFR Part 1320:

The information collection will be conducted in a manner consistent with 5 CFR Part 1320.

8. Efforts to consult with persons outside the agency:

On May 1, 2014, the Federal banking agencies jointly issued an NPR for comment in the Federal Register.

9. Payment or gift to respondents:

None.

10. Any assurance of confidentiality:

The information will be kept private to the extent permitted by law.

11. Justification for questions of a sensitive nature:

There are no questions of a sensitive nature in the information collection.

12. Burden estimate:

Number of respondents: 14.

Estimated burden per respondent: 5 hours.

Estimated frequency of response: Quarterly.

Total estimated annual burden: 280 hours.

Cost to Respondents:

280 hours x \$92 = **\$25,760**

To estimate compensation costs associated with the collection, we used \$92 per hour, which is based on May 2012 Bureau of Labor Statistics wage data for the average of the 90th percentile for seven occupations (i.e., accountants and auditors, compliance officers, financial analysts, lawyers, management occupations, software developers, and statisticians) plus an additional 33 percent to cover adjustments and private sector benefits. According to Bureau of Labor Statistics employer costs of employee benefits data, thirty percent represents the average private sector costs of employee benefits.

13. Estimate of total annual costs to respondents (excluding cost of hour burden in Item #12):

The agencies do not anticipate an additional initial setup burden for complying with the proposed disclosure requirements because advanced approaches banking organizations are already subject to reporting the supplementary leverage ratio on the applicable regulatory reports.

14. Estimate of annualized costs to the Federal government:

Not applicable.

15. Change in burden:

The increase in burden of 280 hours is due to the fact that this is a new collection.

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

The OCC has no plans to publish the information for statistical purposes.

17. Reasons for not displaying OMB approval expiration date:

The OCC is not requesting permission to not display the OMB approval expiration date.

18. Exceptions to the certification statement in Item 19 of OMB Form 83-I:

None.

B. Collections of Information Employing Statistical Methods.

Not applicable.