

**Supporting Statement for the  
Recordkeeping and Reporting Requirements Associated with Regulation Y  
(Capital Plans) (Reg Y-13; OMB No. 7100-0342)  
(Docket No. R-1492) (RIN 7100-AE20)**

**Summary**

The Board of Governors of the Federal Reserve System, under delegated authority from the Office of Management and Budget (OMB), proposes to extend, with revision, the Recordkeeping and Reporting Requirements Associated with Regulation Y (Capital Plans) (Reg Y-13; OMB No. 7100-0342). Regulation Y (12 CFR part 225) requires large bank holding companies (BHCs) to submit capital plans to the Federal Reserve on an annual basis and to require such BHCs to request prior approval from the Federal Reserve under certain circumstances before making a capital distribution.<sup>1</sup> Although there are additional data reporting requirements, there are no required reporting forms associated with this information collection. The Paperwork Reduction Act (PRA) classifies these requirements as an information collection and the PRA mandates, subsequent to implementation, the Federal Reserve to renew these requirements once every three years.

On July 1, 2014, a notice of proposed rulemaking was published in the *Federal Register* (79 FR 37420) requesting comment on the proposed amendments to the capital plan and stress test rules. The proposed amendments to the capital plan and stress test rules would modify, following a transition period, the start date of the capital plan and stress test cycles from October 1 of a calendar year to January 1 of the following calendar year. The proposed rule would make other changes to the rules, including amending the capital plan rule to limit a bank holding company's ability to make capital distributions to the extent that the bank holding company's actual capital issuances are less than the amount indicated in its capital plan under baseline conditions, measured on a quarterly basis. The proposed rule would clarify application of the capital plan rule to a bank holding company that is a subsidiary of a U.S. intermediate holding company of a foreign banking organization and the characteristics of a stressed scenario to be included in company run stress tests. The proposed rule also would revise the Board's Policy Statement on the Scenario Design Framework for Stress Testing and the Board's Regulation YY to reflect the revisions to the start date of the stress test cycle. The comment period expired on August 11, 2014. The Federal Reserve received 18 comments on the proposed amendments. On October 27, 2014, a notice of final rulemaking was published in the *Federal Register* (79 FR 64026) implementing the revisions largely as proposed.

Under the PRA, the Federal Reserve accounts for the paperwork burden associated with Regulation Y for the BHCs supervised by the Federal Reserve that engage in the distribution of capital covered by Regulation Y and, therefore, are "respondents" under the PRA. The final rule applies to every top-tier BHC domiciled in the United States that has \$50 billion or more in total consolidated assets (large BHCs) and U.S. intermediate holding companies with total consolidated assets of \$50 billion or more. As of March 31, 2014, there were approximately 52 large BHCs. The asset threshold of \$50 billion is consistent with the threshold established by

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<sup>1</sup> Pub. L. No. 111-203, 124 Stat. 1376 (2010).

section 165 of the Dodd- Frank Act relating to enhanced supervision and prudential standards for certain BHCs.<sup>2</sup>

The current annual PRA burden for the 52 BHCs is estimated to be 687,464 hours and with the final amendments would decrease to 685,156 hours.

## **Background and Justification**

During the years leading up to the recent financial crisis, many BHCs made significant distributions of capital, in the form of stock repurchases and dividends, without due consideration of the effects that a prolonged economic downturn could have on their capital adequacy and ability to continue to operate and remain credit intermediaries during times of economic and financial stress. The final rule addresses such practices, building upon the Federal Reserve's existing supervisory expectation that large BHCs have robust systems and processes that incorporate forward-looking projections of revenue and losses to monitor and maintain their internal capital adequacy.<sup>3</sup>

The Federal Reserve has long held the view that BHCs generally should operate with capital positions well above the minimum regulatory capital ratios, with the amount of capital held commensurate with the BHC's risk profile.<sup>4</sup> The BHCs should have internal processes for assessing their capital adequacy that reflect a full understanding of their risks and ensure that they hold capital corresponding to those risks to maintain overall capital adequacy.<sup>5</sup> The BHCs that are subject to the Board's advanced approaches risk-based capital requirements must satisfy specific requirements relating to their internal capital adequacy processes in order to use the advanced approaches to calculate their minimum risk-based capital requirements.<sup>6</sup>

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<sup>2</sup> The Federal Reserve received a comment suggesting that the \$50 billion asset threshold be measured over a four quarter period in order to minimize the likelihood that temporary asset fluctuations will trigger the rule's application. In response to this comment, the Federal Reserve amended the proposal to measure "total consolidated assets" as the average of a BHC's total consolidated assets over the previous four calendar quarters, as reflected on the BHC's Consolidated Financial Statements for Bank Holding Companies (FR Y-9C; OMB No. 7100-0128). This calculation will be effective as of the due date of the BHC's most recent FR Y-9C. The final rule also applies to any institution that the Board determines, by order, shall be subject in whole or in part to the rule's requirements based on the institution's size, level of complexity, risk profile, scope of operations, or financial condition. The final rule provides that a BHC that becomes subject to the final rule by operation of the asset threshold after the 5th of January of a calendar year will not be subject until January 1 of the next calendar year to the final rule's requirement to file a capital plan with the Federal Reserve, resubmit a capital plan under certain circumstances, or to obtain prior approval of capital distributions in excess of those described in the firm's capital plan.

<sup>3</sup> See SR letter 09-4 (Revised March 27, 2009), available at [www.federalreserve.gov/boarddocs/srletters/2009/SR0904.htm](http://www.federalreserve.gov/boarddocs/srletters/2009/SR0904.htm); see also Revised Temporary Addendum to SR letter 09-4 (November 17, 2010) (SR 09-04), available at [www.federalreserve.gov/newsevents/press/bcreg/bcreg20101117b1.pdf](http://www.federalreserve.gov/newsevents/press/bcreg/bcreg20101117b1.pdf)

<sup>4</sup> See 12 CFR part 225, Appendix A; see also SR letter 99-18 (July 1, 1999), available at: [www.federalreserve.gov/boarddocs/srletters/1999/SR9918.htm](http://www.federalreserve.gov/boarddocs/srletters/1999/SR9918.htm)

<sup>5</sup> See SR letter 09-4 (Revised March 27, 2009), available at: [www.federalreserve.gov/boarddocs/srletters/2009/SR0904.htm](http://www.federalreserve.gov/boarddocs/srletters/2009/SR0904.htm)

<sup>6</sup> See 12 CFR part 225, Appendix G, section 22(a); see also, Supervisory Guidance: Supervisory Review Process of Capital Adequacy (Pillar 2) Related to the Implementation of the Basel II Advanced Capital Framework, 73 FR 44620 (July 31, 2008).

The final rule is also consistent with the Federal Reserve's recent supervisory practice of requiring capital plans from large, complex BHCs. In 2009, the Federal Reserve conducted the Supervisory Capital Assessment Program (SCAP), a "stress test" of large, domestic BHCs. The SCAP was focused on identifying whether large BHCs had capital sufficient to weather a more-adverse-than-anticipated economic environment while maintaining their capacity to lend. The Federal Reserve required BHCs identified as having capital shortfalls to raise specific dollar amounts of capital within six months of the release of the SCAP results. The Department of the Treasury established a government backstop available to BHCs unable to raise the required capital from private markets.<sup>7</sup>

In 2011, the Federal Reserve continued its supervisory evaluation of the resiliency and capital adequacy processes of the same BHCs (that participated in the SCAP) through the Comprehensive Capital Analysis and Review (CCAR). The CCAR involved the Federal Reserve's forward-looking evaluation of the internal capital planning processes of the BHCs and their anticipated capital actions in 2011, such as increasing dividend payments or repurchasing or redeeming stock.<sup>8</sup> In the CCAR, the Federal Reserve evaluated whether these BHCs had satisfactory processes for identifying capital needs and held adequate capital to maintain ready access to funding, continue operations and meet their obligations to creditors and counterparties, and continue to serve as credit intermediaries, even under stressful conditions.

As part of their fiduciary responsibilities to a BHC, the board of directors and senior management bear the primary responsibility for developing, implementing, and monitoring a BHC's capital planning strategies and internal capital adequacy processes. The final rule does not diminish that responsibility. Rather, it is intended to (i) establish minimum supervisory standards for such strategies and processes for certain large BHCs; (ii) describe how boards of directors and senior management of these BHCs should communicate the strategies and processes, including any material changes thereto, to the Federal Reserve; and (iii) provide the Federal Reserve with an opportunity to review BHCs' capital distributions under certain circumstances. The final rule is designed to be flexible enough to accommodate BHCs of varying degrees of complexity and to adjust to changing conditions over time.

In the Board's view, the analytical techniques and other requirements set forth in the final rule are necessary to identify, measure, and monitor risks to the financial stability of the United States. An elevated capital planning standard for large BHCs is appropriate because of the heightened risk they pose to the financial system and the importance of capital in mitigating these risks. Under section 165 of the Dodd-Frank Act, the Board is required to impose enhanced prudential standards on large BHCs, including stress testing requirements; enhanced capital, leverage, liquidity, and risk management requirements; and a requirement to establish a risk committee. The Board expects that large BHCs will reflect these enhanced prudential standards,

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<sup>7</sup> See Board of Governors of the Federal Reserve System, The Supervisory Capital Assessment Program: Overview of Results (May 7, 2009), available at: [www.federalreserve.gov/bankinforeg/bcreg20090507a1.pdf](http://www.federalreserve.gov/bankinforeg/bcreg20090507a1.pdf).

<sup>8</sup> See Board of Governors of the Federal Reserve System, Comprehensive Capital Analysis and Review: Objectives and Overview (March 18, 2010), available at: [www.federalreserve.gov/newsevents/press/bcreg/bcreg20110318a1.pdf](http://www.federalreserve.gov/newsevents/press/bcreg/bcreg20110318a1.pdf).

including the results of any required stress tests, in their capital planning strategies and internal capital adequacy processes.

The Dodd-Frank Act also requires the Board to implement early remediation requirements on large BHCs under which a large BHC experiencing financial distress must take specific remedial actions in order to minimize the probability that the BHC will become insolvent and minimize the potential harm of such insolvency to the United States. These early remediation requirements must impose limitations on capital distributions in the initial stages of financial decline and increase in stringency as the financial condition of the company declines. Depending on a large BHC's financial condition, early remediation requirements imposed under the Dodd-Frank Act may result in limitations on a BHC's capital distributions in addition to the requirements that are imposed by the final rule.

On December 1, 2011, the Federal Reserve published the Capital Plans notice of final rulemaking (final rule) in the *Federal Register* (76 FR 74631) revising the Board's Regulation Y. Under section 165 of the Dodd-Frank Wall Street Reform and Consumer Protection Act of 2010 (Dodd-Frank Act or the Act), the Board is required to impose enhanced prudential standards on large BHCs, including stress testing requirements; enhanced capital, liquidity, and risk management requirements; and a requirement to establish a risk committee.<sup>9</sup> While the final rule is not mandated by the Dodd-Frank Act, the Board believes that it is appropriate to hold large BHCs to an elevated capital planning standard because of the elevated risk posed to the financial system by large BHCs and the importance of capital in mitigating these risks.

## **Description of Information Collection**

The recordkeeping and reporting requirements are found in §§225.8(e), (f), and (g). The Federal Reserve believes that the requirements will help ensure that large BHCs have appropriate capital plans in place to address their capital adequacy and their ability to continue operating and to remain credit intermediaries during times of economic and financial stress. Compliance with the information collections is mandatory. No other federal law mandates these recordkeeping and reporting requirements.

### **General Requirements**

**Section 225.8(e)(1)(i)** - This section requires a BHC to develop and maintain an initial capital plan. The level of detail and analysis expected in a capital plan will vary based on the BHC's size, complexity, risk profile, scope of operations, and the effectiveness of its processes for assessing capital adequacy.

The final rule defines a capital plan as a written presentation of a large BHC's capital planning strategies and capital adequacy process that includes certain mandatory elements. These mandatory elements are organized into four main components:

- An assessment of the expected uses and sources of capital over the planning horizon (at least nine quarters, beginning with the quarter preceding the quarter in which the BHC

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<sup>9</sup> See generally section 165 of Pub. L. No. 111-203, 124 Stat. 1376 (2010) (Dodd-Frank Act); 12 U.S.C. 5365.

submits its capital plan) that reflects the BHC's size, complexity, risk profile, and scope of operations, assuming both expected and stressful conditions;

- A detailed description of the BHC's process for assessing capital adequacy;
- The BHC's capital policy; and
- A discussion of any expected changes to the BHC's business plan that are likely to have a material impact on the firm's capital adequacy or liquidity.

The mandatory elements under each component are described in section 225.8(e)(2).

**Sections 225.8(e)(1)(ii)** - This section requires a BHC to submit its complete capital plan to the appropriate Reserve Bank and the Board each year by the 5th of January, or such later date as directed by the appropriate Reserve Bank after consultation with the Board.<sup>10</sup>

**Section 225.8(e)(1)(iii)** - This section requires the BHC's board of directors or a designated committee to review and approve the BHC's capital plan prior to its submission to the appropriate Federal Reserve Bank.

**Section 225.8(e)(3)** - In connection with submissions of capital plans to the Federal Reserve, BHCs are required to provide certain data to the Federal Reserve, including:

- i. The BHC's financial condition, including its capital;
- ii. The BHC's structure;
- iii. Amount and risk characteristics of the BHC's on- and off-balance sheet exposures, including exposures within the BHC's trading account, other trading-related exposures (such as counterparty-credit risk exposures) or other items sensitive to changes in market factors, including, as appropriate, information about the sensitivity of positions to changes in market rates and prices;
- iv. The BHC's relevant policies and procedures, including risk management policies and procedures;
- v. The BHC's liquidity profile and management;
- vi. **The loss, revenue, and expense estimation models used by the bank holding company for stress scenario analysis, including supporting documentation regarding each model's development and validation;** and
- vii. Any other relevant qualitative or quantitative information requested by the Board or the appropriate Reserve Bank to facilitate review of the BHC's capital plan under this section.

**Section 225.8(e)(4)** - This section requires the BHC to update and resubmit its capital plan within 30 calendar days of the occurrence of certain events.

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<sup>10</sup> For the capital plan cycle beginning October 1, 2014, the capital plan must be submitted by January 5, 2015, or such later date as directed by the Board or by the appropriate Reserve Bank with concurrence of the Board. For each capital plan cycle beginning thereafter, the capital plan must be submitted by April 5, or such later date as directed by the Board or by the appropriate Reserve Bank with concurrence of the Board.

## **Review of Capital Plans by the Federal Reserve**

**Sections 225.8(f)(3)(i)** - Within 10 calendar days of receipt of a notice of objection by the Board of the BHC's capital plan, pursuant to section 225.8(f)(3), the BHC may submit a written request for reconsideration, including an explanation of why reconsideration should be granted.

### **Prior Approval Request Requirements for certain capital actions**

**Sections 225.8(g)(1), (2), and (3)** - In certain circumstances, large BHCs will be required, pursuant to section 225.8(g)(1), to obtain prior approval from the Federal Reserve before making capital distributions. The final rule provides an exception to the prior approval requirements section 225.8(g)(2) for an institution that is well capitalized and meets certain other requirements. As listed in section 225.8(g)(3), such an approval request will be required to contain the following information: the BHC's current capital plan or an attestation that there have been no changes to its current capital plan; the purpose of the transaction; a description of the capital action, including for redemptions or repurchases of securities, the gross consideration to be paid and the terms and sources of funding for the transaction, and for dividends, the amount of the dividend(s); and any additional information requested by the appropriate Reserve Bank or Board, which may include, among other information, an assessment of the BHC's capital adequacy under a revised stress scenario provided by the Federal Reserve, a revised capital plan, and supporting data.

**Section 225.8(g)(6)** - If the Federal Reserve disapproves of a BHC's capital distribution, under section 225.8(g)(6), the BHC within 10 calendar days of receipt of a notice of disapproval by the Board may submit a written request for a hearing.

### *Amendments<sup>11</sup>*

**Section 225.8(e)(3)(vi) - General requirements; Annual capital planning; Data collection.** Upon the request of the Board or appropriate Reserve Bank, the bank holding company shall provide the Federal Reserve with information regarding: loss, revenue, and expense estimation models used by the bank holding company for stress scenario analysis, including supporting documentation regarding each model's development and validation. This information is needed by supervisors in order to properly assess a bank holding company's capital adequacy and capital planning processes. In this regard, the information helps facilitate cross-firm comparisons of bank holding companies' loss, revenue, and expense estimation models and their approaches to model validation.

**Section 225.8(g)(1) - Approval requirements for certain capital actions; Circumstances requiring approval.** The final rule removes prior approval and prior notice requirements for

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<sup>11</sup> The following Sections were renumbered: Old - Section 225.8(d)(1)(i) New - Section 225.8(e)(1)(i); Old - Section 225.8(d)(1)(ii) New - Section 225.8(e)(1)(ii); Old - Section 225.8(d)(1)(iii) New - Section 225.8(e)(1)(iii); Old - Section 225.8(d)(3) New - Section 225.8(e)(3); Old - Section 225.8(d)(3)(i)-(vi) New - Section 225.8(e)(3)(i)-(vii); Old - Section 225.8(d)(4) New - Section 225.8(e)(4); Old - Sections 225.8(e)(3)(i); New - Section 225.8(f)(3)(i); Old - Sections 225.8(f)(1), (2), and (3) New Sections - 225.8(g)(1), (2), and (3); Old - Section 225.8(f)(5) New Section - 225.8(g)(6).

distributions involving incremental issuances of instruments that would qualify for inclusion in the numerator of regulatory capital ratios (i.e., common equity tier 1, additional tier 1, and tier 2 capital). As mentioned in the preamble, the Board believes that removing the requirement would reduce unnecessary efforts by a bank holding company to submit requests for distributions outside of the capital plan that are associated with issuances of regulatory capital.

**Section 225.8(g)(3)(iii)(A) Net distribution limitation exceptions.** To the extent that the Board or the appropriate Reserve Bank indicates in writing its non-objection pursuant to section 225.8(g)(5), following a request for non-objection from the bank holding company that includes all of the information required to be submitted under section 225.8(g)(4).

### **Time Schedule for Information Collection**

Information collection pursuant to the recordkeeping requirements is event-generated and must be maintained on sight. The reporting of an initial or resubmission of a revised capital plan, the submission of data pursuant to section 225.8(e)(3), and the submission of prior approval requests must be provided to the Federal Reserve within the time periods established by the regulation:

- **Sections 225.8(e)(1)(ii)** - This section requires a BHC to submit its complete capital plan to the appropriate Reserve Bank and the Board each year by the 5th of January, or such later date as directed by the appropriate Reserve Bank after consultation with the Board.
- **Section 225.8(e)(1)(iii)** - This section requires the BHC's board of directors or a designated committee to review and approve the BHC's capital plan prior to its submission to the appropriate Federal Reserve Bank.
- **Section 225.8(e)(3)** – This section requires BHCs to provide certain data to the Federal Reserve, upon the request of the Board or appropriate Reserve Bank.
- **Section 225.8(e)(4)** - This section requires the BHC to update and resubmit its capital plan within 30 calendar days of the occurrence of certain events.
- **Sections 225.8(f)(3)** - The BHC may submit a written request for reconsideration within 10 calendar days of receipt of a notice of objection by the Board of the BHC's capital plan.
- **Sections 225.8(g)(1)** - In certain circumstances, large BHCs will be required to obtain prior approval from the Federal Reserve before making capital distributions.
- **Section 225.8(g)(6)** – The BHC may submit a written request for a hearing within 10 calendar days of receipt of a notice of disapproval (of a capital plan) by the Board,.

### **Consultation Outside of the Agency**

On July 1, 2014, a notice of proposed rulemaking was published in the *Federal Register* (79 FR 37420) requesting comment on the proposed amendments to the capital plan and stress test rules. The comment period expired on August 11, 2014. The Federal Reserve received 18 comments on the proposed amendments, however, none specifically addressed the PRA analysis. One commenter, however, did express general concerns regarding their ability to provide supporting documentation, due to third party legal and physical impediments, required by section 225.8(e)(3)(vi). In response to this comment, the Federal Reserve adjusted its PRA burden

estimate associated with this requirement. Details addressing the comments are included in the final rule published October 27, 2014 (79 FR 64026), implementing the revisions largely as proposed.

### **Sensitive Questions**

This information collection contains no questions of a sensitive nature, as defined by OMB guidelines.

### **Legal Status**

The Board's Legal Division has determined that Section 616(a) of the Dodd-Frank Act amended section 5(b) of the Bank Holding Company Act (BHC Act) (12 U.S.C. § 1844(b)) to specifically authorize the Board to issue regulations and orders relating to capital requirements for BHCs. The Board is also authorized to collect and require reports from BHCs pursuant to section 5(c) of the BHC Act (12 U.S.C. § 1844(c)). Additionally, the Board's rulemaking authority for the information collection and disclosure requirements associated with the Reg Y-13 is found in sections 908 and 910 of the International Lending Supervision Act, as amended (12 U.S.C. §§ 3907 and 3909). Additional support for Reg Y-13 is found in sections 165 and 166 of the Dodd-Frank Act (12 U.S.C. §§ 5365 and 5366).<sup>12</sup>

The capital plan information submitted by the covered BHC will consist of confidential and proprietary modeling information and highly sensitive business plans, such as acquisition plans submitted to the Federal Reserve for approval. Therefore, it appears the information will be subject to withholding under exemption 4 of the Freedom of Information Act (5 U.S.C. §552(b)(4)).

### **Estimate of Respondent Burden**

The current total annual burden for the recordkeeping and reporting requirements of this information collection is estimated to be 687,464 hours, as shown in the table below. The Federal Reserve estimates that with the final amendments the total annual burden would decrease by 2,308 hours to 685,156 hours.

The final rule contains requirements subject to the PRA. The collection of information revised by this final rule is found in section 225.8 of Regulation Y (12 CFR part 225). Section 225.8(e)(3)(vi) requires a bank holding company to be capable of providing to the Board its loss, revenue, and expense estimation models used by the bank holding company for stress scenario analysis, including supporting documentation regarding each model's development and validation status. This information is needed by supervisors in order to properly assess a bank holding company's capital adequacy and capital planning processes. In this regard, the

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<sup>12</sup> Section 165 requires the Board to impose enhanced prudential standards on large BHCs, including stress testing requirements; enhanced capital, liquidity, and risk management requirements; and a requirement to establish a risk committee. Section 166 requires the Board to impose early remediation requirements on large BHCs under which a large BHC experiencing financial distress must take specific remedial actions in order to minimize the probability that the company will become insolvent and to minimize the potential harm of such insolvency to the United States.



information helps facilitate cross-firm comparisons of bank holding companies' loss, revenue, and expense estimation models and their approaches to model validation. The Federal Reserve estimates that, on average, respondents would take an additional 5 hours to comply with the requirements in section 225.8(e)(3)(vi).

Section 225.8(g)(1) removes prior approval and prior notice requirements for distributions involving incremental issuances of instruments that would qualify for inclusion in the numerator of regulatory capital ratios (i.e., common equity tier 1, additional tier 1, and tier 2 capital). As mentioned in the final rule, the Federal Reserve believes that removing the requirement would reduce unnecessary efforts by a bank holding company to submit requests for distributions outside of the capital plan that are associated with issuances of regulatory capital. The Federal Reserve estimates that respondent burden associated with section 225.8(g)(1) would be reduced by approximately 50 percent.

Section 225.8(g)(3)(iii)(A)—*Net distribution limitation* exceptions—To the extent that the Board or the appropriate Reserve Bank indicates in writing its non-objection pursuant to section 225.8(g)(5), following a request for non-objection from the bank holding company that includes all of the information required to be submitted under section 225.8(g)(4). The Board estimates that, on average, respondents would take 16 hours to comply with the requirement in section 225.8(g)(3)(iii)(A).

The current total cost to the public for these recordkeeping and reporting requirements is estimated to be \$34,991,918 and with the amendments would decrease to \$34,874,440. These recordkeeping and reporting requirements represent 4.29 percent of total Federal Reserve System paperwork burden.<sup>13</sup>

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<sup>13</sup> Total cost to the public was estimated using the following formula: percent of staff time, multiplied by annual burden hours, multiplied by hourly rates (30% Office & Administrative Support at \$18, 45% Financial Managers at \$61, 15% Lawyers at \$63, and 10% Chief Executives at \$86). Hourly rate for each occupational group are the (rounded) mean hourly wages from the Bureau of Labor and Statistics (BLS), Occupational Employment and Wages 2013, [www.bls.gov/news.release/ocwage.nr0.htm](http://www.bls.gov/news.release/ocwage.nr0.htm) Occupations are defined using the BLS Occupational Classification System, [www.bls.gov/soc/](http://www.bls.gov/soc/)

<b>Current</b>	<i>Number of respondents<sup>14</sup></i>	<i>Estimated annual frequency</i>	<i>Estimated average hours per response</i>	<i>Estimated annual burden hours</i>
<b>§225.8(d)(1)</b>				
<b>Annual capital planning</b>				
§225.8(d)(1)(i) <i>Recordkeeping</i>	52	1	11,920	619,840
§225.8(d)(1)(ii) <i>Reporting</i>	52	1	80	4,160
§225.8(d)(1)(iii) <i>Recordkeeping</i>	52	1	100	5,200
<b>§225.8(d)(3), Data collections</b>				
§225.8(d)(3)(i)-(vi) <i>Reporting</i>	52	1	1,000	52,000
§225.8(d)(4) <i>Reporting</i>	10	1	100	1,000
<b>§225.8(e), Review of capital plans by the Federal Reserve</b>				
§225.8(e)(3)(i) <i>Reporting</i>	2	1	16	32
<b>§225.8(f), Prior approval request requirements</b>				
§225.8(f)(1), (2), & (3) <i>Reporting</i>	52	1	100	5,200
§225.8(f)(5) <i>Reporting</i>	2	1	16	32
<b><i>Total</i></b>				<b>687,464</b>

<sup>14</sup> None of the respondents required to comply with the rule are small entities as defined by the Small Business Administration (i.e., entities with less than \$550 million in total assets) [www.sba.gov/contractingopportunities/officials/size/table/index.html](http://www.sba.gov/contractingopportunities/officials/size/table/index.html).

<b>Proposed</b>	<i>Number of respondents<sup>15</sup></i>	<i>Estimated annual frequency</i>	<i>Estimated average hours per response</i>	<i>Estimated annual burden hours</i>
<b>§225.8(e)(1)</b>				
<b>Annual capital planning</b>				
§225.8(e)(1)(i) <i>Recordkeeping</i>	52	1	11,920	619,840
§225.8(e)(1)(ii) <i>Reporting</i>	52	1	80	4,160
§225.8(e)(1)(iii) <i>Recordkeeping</i>	52	1	100	5,200
<b>§225.8(e)(3), Data collections</b>				
§225.8(e)(3)(i)-(vii) <i>Reporting</i>	52	1	1,005	52,260
§225.8(e)(4) <i>Reporting</i>	10	1	100	1,000
<b>§225.8(f), Review of capital plans by the Federal Reserve</b>				
§225.8(f)(3)(i) <i>Reporting</i>	2	1	16	32
<b>§225.8(g), Prior approval request requirements</b>				
§225.8(g)(1), (3), & (4) <i>Reporting</i>	26	1	100	2,600
§225.8(g)(3)(iii)(A) <i>Exceptions</i>	2	1	16	32
§225.8(g)(6) <i>Reporting</i>	2	1	16	32
<b><i>Total</i></b>				<b><u>685,156</u></b>
<b><i>Change</i></b>				<b>-2,308</b>

<sup>15</sup> None of the respondents required to comply with the rule are small entities as defined by the Small Business Administration (i.e., entities with less than \$550 million in total assets) [www.sba.gov/contractingopportunities/officials/size/table/index.html](http://www.sba.gov/contractingopportunities/officials/size/table/index.html).

## **Estimate of Cost to the Federal Reserve System**

The cost to the Federal Reserve System for the reporting requirements associated with the Reg Y-13 information collection is estimated to be \$106,400. This is equivalent to one full time employee on an annual basis. The other capital plan requirements, associated with the Reg Y-13, have been integrated into the Federal Reserve's existing supervisory process.