

Supporting Statement
OMB Control Number 1557-0204
Bank Activities and Operations – 12 CFR Part 7

A. Justification.

1. Circumstances that make the collection necessary:

National banks need these collections of information to ensure that they conduct their operations in a safe and sound manner and in accordance with applicable Federal banking law and regulations. The collections of information in 12 CFR Part 7 provide needed information for examiners and offer protections for national banks. The collections are necessary for regulatory and examination purposes and for national banks to ensure their compliance with Federal law and regulations.

2. Use of the information:

National banks use the information to ensure compliance with applicable Federal banking law and regulations. Further, the collections of information evidence bank compliance with various regulatory requirements. The information assists bank management in the safe and sound operation of a bank. The OCC uses the information in the conduct of bank examinations and as an audit tool to verify bank compliance with law and regulations.

3. Consideration of the use of information technology:

The information requirements are recordkeeping requirements. Banks may use any information technology that permits retrieval for review by OCC examiners.

4. Efforts to identify duplication:

This information collection is unique to the bank. It is not duplicated anywhere else.

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

This information 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 information is collected infrequently, as covered situations arise. Less frequent collection could impair OCC's bank supervisory activities and would limit the utility of the information to bank management. Less frequent collection could result in unsafe and unsound bank operations.

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

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

8. Efforts to consult with persons outside the agency:

The OCC solicited public comments for 60 days in a *Federal Register* notice on February 5, 2015 (80 FR 6569) regarding the extension, without change, of the information collection. The OCC did not receive any comments.

9. Payment to respondents:

None.

10. Any assurance of confidentiality:

None.

11. Justification for questions of a sensitive nature:

Not applicable. No personally identifiable information is collected.

12. Burden estimate:

The burden is estimated as follows:

Cite and Burden Type	Information Collection Requirements in 12 CFR Part 7	Number of Respondents/Recordkeepers	Average Hours Per Response	Estimated Burden Hours
12 CFR 7.1000(d)(1) Recordkeeping	National bank ownership of property – Other real property – Lease financing of public facilities – A national bank may purchase or construct a municipal building, school building, or other similar public facility and, as holder of legal title, lease the facility to a municipality or other public authority having resources sufficient to make all rental payments are they become due. The lease agreement must provide that the lessee will become the owner of the building or facility upon the expiration of the lease.	50	1 hr.	50 hours
12 CFR 7.1014 Recordkeeping	Sale of money orders at nonbanking outlets – A national bank may designate bonded agents to sell the bank’s money orders at nonbanking outlets. The responsibility of both the bank and its agent	15	1 hr.	15 hours

Cite and Burden Type	Information Collection Requirements in 12 CFR Part 7	Number of Respondents/Recordkeepers	Average Hours Per Response	Estimated Burden Hours
	should be defined in a written agreement setting forth the duties of both parties and providing for remuneration of the agent.			
12 CFR 7.2000(b) Recordkeeping	Corporate governance procedures – Other sources of guidance – A national bank shall designate in its bylaws the body of law selected for its corporate governance procedures.	35	0.25 hr.	9 hours
12 CFR 7.2004 Recordkeeping	Honorary directors or advisory boards – Any listing of a national bank’s honorary or advisory directors must distinguish between them and the bank’s board of directors or indicate their advisory status.	1,300	0.25 hr.	325 hours
12 CFR 7.2014(b) Recordkeeping	Indemnification of institution-affiliated parties – Administrative proceeding or civil actions not initiated by a Federal banking agency – General – A national bank shall designate in its bylaws the body of law selected for making indemnification payments under this paragraph.	35	0.25 hr.	9 hours
12 CFR 7.2024(a) Reporting	Staggered terms for national bank directors – Any national bank may adopt bylaws that provide for staggering the terms of its directors. National banks shall provide the OCC with copies of any bylaws so amended.	10	0.5 hr.	5 hours
12 CFR 7.2024(c) Reporting	Size of bank board – A national bank seeking to increase the number of its directors must notify the OCC any time the proposed size would exceed 25 directors.	10	0.5 hr.	5 hours
Totals		1,300		418 hours

Cost of Hour Burden to Respondents:

418 x 92 = \$ 38,456

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 inflation 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. We use an inflation estimate of 3 percent.

13. *Estimates of annualized costs to respondents:*

Not applicable.

14. *Estimates of annualized cost to the Federal Government:*

Not applicable.

15. *Changes in burden:*

There is no change in burden.

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

Not applicable.

17. *Display of expiration date:*

Not applicable.

18. *Exceptions to certification statement:*

Not applicable.

B. *Collections of Information Employing Statistical Methods.*

Not applicable.