

Supporting Statement
National Credit Union Administration

**Records Preservation, 12 CFR Part 749
OMB Control Number 3133-0032**

A. Justification

1. Circumstances that make the collection necessary:

Part 749 of the NCUA Rules and Regulations requires all federally insured credit unions to maintain a records preservation program. The program must be in writing and include a schedule for the storage and destruction of records and emergency contact information for employees, officials, regulatory offices, and vendors used to support vital records. The collection of information is authorized by sections 120, 203, and 209 of the Federal Credit Union (FCU) Act, 12 U.S.C. §§1766, 1783, and 1789, and Part 749 of the NCUA Regulations.

2. Use of the information:

A board of directors of a credit union is responsible for establishing a vital records preservation program within 6 months after its insurance certification is issued. The program must be in writing and contain procedures for maintaining duplicate vital records at a vital records center. The procedures must include the information prescribed in §749.2. Appendix A to this part provides guidance concerning the appropriate length of time credit unions should retain various types of operation records and Appendix B provides catastrophic act preparedness guidelines.

The records preservation program requirement enables federally-insured credit unions (FICUs) to reconstruct their vital records in the event records are destroyed by a catastrophe and facilitates restoration of vital member services.

3. Consideration of the use of improved information technology:

The FCU Act does not prescribe any particular form in which the collected information must be kept. Therefore, to the degree that credit unions have available to them technology that would simplify maintaining the necessary information, they may use it to reduce the burden imposed by the regulation.

4. Efforts to identify duplication:

This collection of information is unique to each FICU and is not duplicated anywhere.

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

This collection does not have a significant impact on a substantial number of small credit unions.

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

Less frequent collection would substantially impair a credit union's ability to reconstruct its records accurately and quickly. Consequently, service to members after a catastrophe would be delayed.

7. Special circumstances necessitating collection inconsistent with 5 CFR Part 1320.5(d)(2):

These information collections are conducted in a manner consistent with the requirements of 5 CFR Part 1320.5(d)(2).

8. Efforts to consult with persons outside the agency:

A 60-day notice was published in the Federal Register on June 23, 2016, at 81 FR 40928, soliciting comments from the public. NCUA did not receive any comments regarding the collection.

9. Payment to respondents:

NCUA will make no payments to credit unions for this collection of information.

10. Any assurance of confidentiality:

This is a recordkeeping requirement; therefore, the collection does not require any assurances of confidentiality.

11. Justification for questions of a sensitive nature:

No personally identifiable information (PII) is collected.

12. Burden estimate:

As of December 31, 2015, there were 6,021 FICUs. NCUA estimates 4 new FICUs will be chartered in 2016 based upon 2015 new charters. Each FICU is subject to the records preservation program requirements prescribed by Part 749. NCUA believes that the required record preservation program is a simple, usual, and customary business practice and estimates that an annual burden of two hours is an appropriate recordkeeping burden. For new FICUs, this estimate is eight hours to develop a new program.

| Recordkeeping | # Respondents | # Responses per Respondent | Hours Per Response | Total Annual Burden | Cost to Respondents (Based on hourly wage rate of \$35.00) |
|---------------------------|---------------|----------------------------|--------------------|---------------------|--|
| On-going maintenance | 6,021 | 1 | 2 | 12,042 | \$421,470 |
| Establish written program | 4 | 1 | 8 | 32 | 1,120 |
| TOTALS | 6,025 | | | 12,074 | \$422,590 |

13. Estimates of capital start-up and maintenance costs

A records preservation plan and related contracting of off-site storage is a usual and customary business practices for financial institutions; therefore, associated costs do not apply.

14. Estimates of annualized cost to the Federal Government:

There are no costs to the Government with this collection.

15. Changes in burden:

The total annual burden has decreased due to a decline in the number of FICUs from 6,753 to 6,021 and estimated newly chartered FICUs from 5 to 4. The decrease of 1,472 burden hours constitutes a reportable adjustment.

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

No data will be published for statistical purposes.

17. Display of expiration date:

The OMB control number and expiration date associated with this PRA submission will be displayed on the Federal government's electronic PRA docket at www.reginfo.gov.

18. Exceptions to certification statement:

There are no exceptions to the certification statement.

B. Collections of Information Employing Statistical Methods.

This collection does not employ statistical methods.