

SUPPORTING STATEMENT  
ACTIVITIES AND INVESTMENTS OF SAVINGS ASSOCIATIONS  
(OMB NO. 3064-0104)

INTRODUCTION

The FDIC is requesting OMB approval to renew for three years without revision the currently approved information collection captioned above. The current clearance for the collection expires on September 30, 2016. Section 28 of the FDI Act (12 U.S.C. 1831e) imposes restrictions on the powers of savings associations which reduce the risk of loss to the deposit insurance funds and eliminate some differences between the powers of state associations and those of federal associations. Some of the restrictions apply to all insured savings associations and some to state chartered associations only. The statute exempts some federal savings banks and associations from the restrictions, and provides for the FDIC to grant exemptions to other associations under certain circumstances. In addition, Section 18(m) of the FDI Act (12 U.S.C. 1828(m)) requires that notice be given to the FDIC prior to an insured savings association (state or federal) acquiring, establishing, or conducting new activities through a subsidiary. The FDIC's Part 362 (12 CFR) implements the requirements of Sections 28 and 18(m) of the FDI Act.

A. JUSTIFICATION

1. Circumstances and Need

Section 28 of the FDI Act limits the powers of state savings associations to acquire or retain equity investments of a type or amount not permitted for a federal savings association. Section 28 also prohibits insured state savings associations and their subsidiaries from engaging as principal in any activity of a type or in an amount that is not permitted for a federal savings association or its subsidiaries. Section 28 charges the FDIC with the responsibility of enforcing the restrictions and filing requirements, and permits the FDIC to grant exceptions under certain circumstances.

Part 362 details the activities that state savings associations and / or their subsidiaries may engage in, under certain criteria and conditions, and identifies the information that banks must furnish to the FDIC in order to obtain the FDIC's approval or non-objection.

2. Use of Information Collected

The information in the applications is used by the FDIC as part of the process of granting exceptions to the restrictions. The FDIC uses the information to determine whether requested exceptions present a significant risk to the deposit insurance funds.

3. Use of Technology to Reduce Burden

Applicants are free to use whatever methods are least burdensome for them to supply the required information.

4. Efforts to Identify Duplication

The information required by this collection is not available elsewhere.

5. Minimizing Burden

All insured state chartered associations (and federal savings associations, where applicable), regardless of size, must submit the same applications and/or notices. The applications and notices were designed to impose the minimum burden consistent with the FDIC's statutory mandates.

6. Consequence of Less Frequent Collection

Frequency is consistent with the statutory mandate and less frequent collection would result in non-compliance with the law.

7. Special Circumstances

There are no special circumstances.

8. Consultation with Persons Outside the FDIC

An initial PRA notice seeking comment on this collection was published on June 29, 2016 (81 FR 42353). No comments were received.

9. Payment or Gifts to Respondents

There are no payments or gifts to respondents.

10. Confidentiality

The required information is generally available to the public; however, any information deemed to be of a confidential nature will be kept private to the extent allowed by law.

11. Information of a Sensitive Nature

No questions of a sensitive nature are included in the collection.

12. Estimate of Annual Burden

Number of applications: 19  
Hours to prepare an application: 12  
Total annual burden: 228 hours.

13. Capital Start-up and Operation/Maintenance Costs

None.

14. Annual Cost to the Federal Government

None.

15. Reason for Change in Burden

The change in burden is due to a reduction in the estimated number of respondents based on a review of application history over the past three years and a revision in the agency's estimate of the time required for a respondent to complete an application. The substantial reduction in the number of respondents more than compensated for the increase in the agency's estimate of the time required per response. The estimated total annual burden decreased by 172 hours to 228.

16. Publication

The information collected is not published. The information is retained in files in the Washington, D.C. Office of the Division of Supervision, FDIC or in the division's applicable Regional Offices.

17. Display of Expiration Dates

No exceptions are requested for the display or expiration dates.

18. Exceptions to Certification

There are no exceptions to the certifications.