

Department of the Treasury, Departmental Offices
Supporting Statement and Request for Clearance
Troubled Asset Relief Program – Conflicts of Interest Final Rule

1. Circumstances necessitating the collection of information

Authorized under the Emergency Economic Stabilization Act (EESA) of 2008 (Public Law 110-343), the Department of the Treasury (Treasury) is implementing several aspects of the Troubled Asset Relief Program (TARP). The statute provides the Secretary broad authority to purchase and insure mortgage assets, and to purchase any other financial instrument that the Secretary, in consultation with the Federal Reserve Chairman, determines necessary to stabilize our financial markets.

The final rule sets forth the process for reviewing and addressing actual or potential conflicts of interest among any individuals or entities seeking or having a contract or financial agency agreement with the Treasury for services under EESA. Section 108 of the EESA requires Treasury to develop guidelines for addressing conflicts of interest as soon as practicable after enactment of the law. The procedures set forth in this final rule are effective immediately.

- For organizational conflicts of interest, a retained entity is required to certify and provide Treasury with sufficient information to evaluate any conflicts of interest. The information includes:
 - the organization's relationship to any related entities,
 - the categories of troubled assets it and its related entities own or control,
 - information concerning any other business or financial interest of the organization, its proposed subcontractors, or related entities,
 - a description of any actual or potential organizational conflicts of interest,
 - a detailed plan to mitigate such conflicts of interest, and other information that Treasury may request to evaluate the potential for conflicts.
- For personal conflicts of interest, a retained entity shall obtain in writing from each of its key individuals information about the personal, business, and financial relationships of an individual, his or her spouse, minor child, or other family member with whom the individual has a close personal relationship that would cause a reasonable person with knowledge of the relevant facts to question the individual's ability to perform, his or her objectivity or judgment in such performance, or his or her ability to represent the interest of the Treasury. Further, the rule requires an annual certification that all key individuals are in full compliance with confidentiality obligations.
- Other information. The final rule also provides for waiver requests, compliance certification, and modification reporting. In addition, organizations must report fraud to a special inspector general.

2. Use of the data

The information will be used to evaluate and minimize real or apparent conflicts of interest related to contractual or financial agency agreement services performed under the TARP.

3. Use of information technology

In most cases, conflicts related information collections will be transmitted electronically.

4. Efforts to identify duplication

The information will be collected once and then on a periodic basis. The information is not collected or reported in any other information collection.

5. Impact on small entities

Some small entities will provide services under the TARP pursuant to a contract or financial agency agreement and will be subject to the conflicts of interest regulations. The burden on small and large entities is minimal to meet the statutory requirements under EESA to minimize conflicts of interest.

6. Consequences of less frequent collection and obstacles to burden reduction

If the information is not collected, Treasury will not be able to determine whether conflicts of interest exist.

7. Circumstances requiring special information collection

Not applicable.

8. Solicitation of comments on information collection

A notice soliciting public comments was published in the *Federal Register* on May 16, 2017, at 82 FR 22607, and no comments were received.

9. Provision of Payments to Recordkeepers

Not applicable.

10. Assurance of confidentiality

Any confidential information provided voluntarily by TARP retained entities will be maintained as confidential consistent with applicable provisions of the Trade Secrets Act and Freedom of Information Act.

11. Justification of sensitive questions

No PII is collection; not applicable.

12. Estimated burden of information collection

	Estimated number of respondents	No. of Responses Per Respondent	Total estimated responses	Estimated burden hours per respondent	Burden hours (annual)
Personal conflicts of interest. (§ 31.212)	4	1	4	6	24
Organizational conflicts of interest (§ 31.211)	4	1	4	8	32
Quarterly conflict of interest certifications	4	4	16	20	320
Annual conflict of interest certifications	20	1	20	8	160
Certification of communications with Treasury employees - (§31.216)	4	1	4	5	20
Limitations on concurrent activities - Waivers (§31.215)	2	1	2	10	16
Totals	20	2.50	50	11.44	572

** Estimated total number of entities subject to the information collections contained in 31 CFR Part 31. All respondent totals in this chart reflect either that total number, or a subgroup of the total.*

13. Estimated total annual cost burden to respondents

The Department estimates that there will be no annualized capital/start-up costs for the respondents to collect and submit this information.

14. Estimated cost to the federal government.

There will be no annualized capital/start-up costs for the government to receive this information.

15. Reasons for change in burden

The number of conflicts of interest inquiries and issues has decreased due to the reduction in the number of new and existing financial agents and contractors providing assistance under EESA as the EESA program winds down. Based on the most recent estimates and experience with the program mandates, we expect there to be 18 fewer respondents, resulting in a reduction of approximately 720 burden hours.

Note: The individual information collections (IC) have been aggregated into a single IC and the break-out of this element is shown in a table under Question 12.

16. Plans for tabulation, statistical analysis and publication

There is a database that is used internally to report and collect data. The data collected is not disseminated externally or outside the Office of the Chief Compliance.

17. Reasons why displaying the OMB expiration date is inappropriate

We believe that display of the OMB expiration date is inappropriate because it could cause confusion by leading the respondent to believe that their COI requirements conclude as of the expiration date.

18. Exceptions to certification requirement of OMB Form 83-I

Regarding this request for OMB approval, there are no exceptions to the certification statement.