

SUPPORTING STATEMENT
INTERAGENCY BIOGRAPHICAL AND FINANCIAL REPORT
(OMB No. 3064-0006)

INTRODUCTION

The Federal Deposit Insurance Corporation (FDIC) is requesting OMB approval of a revision to its currently-approved information collection entitled “Interagency Biographical and Financial Report” (OMB Control No. 3064-0006). The FDIC proposes to implement a number of revisions to the form used in this information collection based on the recommendations of an interagency working group comprised of representatives from the FDIC, the Board of Governors of the Federal Reserve System, and the Office of the Comptroller of the Currency, who collaborated to recommend the proposed changes.

The proposed changes are being made to: (a) improve the clarity of the information request; (b) reflect new laws, regulations, capital requirements and accounting rules; (c) delete information requests that have been determined to be unnecessary for the analysis of the filing; and (d) add transparency for filers regarding the information that is required to consider a filing. In determining which changes to propose, the FDIC surveyed its regional offices to solicit recommendations for changes to the forms and considered the effects of the changes on community bank organizations, which represent the majority of filers. The revisions add items to these forms to clarify the information being requested to avoid the need for follow-up requests. Requesting the information up-front should increase transparency for filers as well as improve the efficiency of the submission and review process.

The Interagency Biographical and Financial Report is submitted to the FDIC by: (1) each individual director, officer or individual or group of shareholders acting in concert that will own or control 10% or more, of a proposed or operating depository institution applying for FDIC deposit insurance; (2) a person proposing to acquire control of an insured state nonmember bank or state savings association (FDIC-supervised institution); (3) each proposed new director or proposed new chief executive officer of an FDIC-supervised institution which has undergone a change in control within the preceding twelve months; and (4) by each proposed new director or senior executive officer of an FDIC-supervised institution that is not in compliance with the applicable capital requirements or is otherwise in a troubled condition. The information is used by the FDIC to make an evaluation of the general character and financial condition of individuals who will be involved in the management or control of financial institutions, as required by statute. In order to lessen the burden on applicants, the FDIC cooperates with the other federal banking agencies to the maximum extent possible in processing the various applications.

A. JUSTIFICATION

1. Circumstances and Need

Before approving the application of a depository institution for Federal deposit insurance, section 5 of the Federal Deposit Insurance (FDI) Act (12 U.S.C. 1815(a)) requires the Board of Directors of the FDIC to give consideration to the factors enumerated in section 6 of the Act, including the general character of the bank's management. Also, section 7(j)(6) of the FDI Act (12 U.S.C. 1817(j)) requires that any person proposing to acquire control of an FDIC-supervised institution must file with the FDIC information pertaining to that person's personal history, business background, assets, liabilities, etc. The form is designed to collect financial information concerning the assets, liabilities and net worth of the subject individual, and biographical information pertaining to the individual's education, the nature of civil and criminal proceedings that the individual may have been involved with, and the individual's present and past employment.

Section 32 of the FDI Act (12 U.S.C. 183li), provides that the FDIC may disapprove an individual's service as a director or a senior executive officer of certain FDIC-supervised institutions if upon assessing the individual's competence, experience, character, and integrity it is determined that the individual's service would not be in the best interest of the depositors of the bank or the public. The Interagency Biographical and Financial Report is used as a supplement to the Interagency Notice of Change in Director or Senior Executive Officer form to collect information relevant to assessment of the individual's competence, experience, character and integrity.

2. Use of Information Collected

The information is used by the FDIC for analyzing the financial condition and assessing the general character of individuals wishing to serve as directors of proposed or operating depository institutions applying for deposit insurance; persons proposing to acquire control of an FDIC-supervised institution; or individuals proposed to serve as directors or senior executive officers of certain FDIC-supervised institutions. The FDIC's evaluation of these individuals is required by statute.

3. Use of Technology to Reduce Burden

No technology is involved in the preparation of the report. The report is the personal financial and biographical statement of the submitter.

4. Efforts to Identify Duplication

There is no duplication of reporting. Each report is a unique personal financial and biographical statement of the individual submitter.

5. Minimizing the Burden on Small Banks

All prospective directors or officers associated with applications for Federal deposit insurance, and all persons associated with a change in control of an FDIC-supervised institution are subject to the same reporting requirements. Also, all individuals filing notice to serve as a director or senior executive officer of certain insured FDIC-supervised institution are subject to the same reporting requirements. The information is the minimum needed by the FDIC to determine the general character and financial condition of the submitter.

6. Consequence of Less Frequent Collections

The information is reported only once by the individual, the minimum consistent with the statute.

7. Special Circumstances

None.

8. Consultation with Persons Outside the FDIC

A *Federal Register* notice seeking public comment for a 60-day period was published on March 1, 2018 (83 FR 8867). No comments were received.

9. Payment or Gift to Respondents

None.

10. Confidentiality

The “Privacy Act Statement” on the form advises the respondent of possible uses of portions of the information. Disclosure to other parties is generally exempted under Section 552(b) of the Freedom of Information Act.

11. Information of a Sensitive Nature

The report requires an individual who will be involved in the management or control of financial institutions to provide sensitive information to the FDIC. This information includes Personally Identifiable Information¹, including name, address, telephone number, date of birth and social security number. This information is necessary to assist the FDIC in its evaluation of the general character and financial condition of the individual.

¹ The term “Personally Identifiable Information” refers to information which can be used to distinguish or trace an individual’s identity, such as their name, social security number, biometric records, etc. alone, or when combined with other personal or identifying information which is linked or linkable to a specific individual, such as date and place of birth, mother’s maiden name, etc.

The Systems of Records Notice associated with this collection may be viewed at the following link: <https://www.fdic.gov/regulations/laws/rules/2000-4000.html#fdic200030--64--0002>. The applicable Privacy Impact Assessment is available at <https://www.fdic.gov/about/privacy/assessments.html>.

12. Estimate of Annual Burden

Number of reports processed 574
 Hours to process a report x 4.5
 Total estimated annual burden hours 2,583

Cost: 2,583 hours X \$132.75 per hour² = \$342,893.25

Summary of Annual Burden and Internal Cost (3064-0006)						
	Type of Burden	Estimated Number of Respondents	Estimated Number of Responses	Estimated Time per Response	Frequency of Response	Total Annual Estimated Burden
Interagency Biographical and Financial Report	Reporting	574	1	4.5	On Occasion	2,583
TOTAL HOURLY BURDEN						2,583
TOTAL INTERNAL COST	\$132.75	/HR				\$342,893.25

13. Capital, Start-up, Operating and Maintenance Costs

None.

14. Estimates of Annualized Cost to the Federal Government

None. The reports are processed by existing FDIC staff.

15. Reason for Change in Burden

The proposed changes for the Interagency Biographical and Financial Report include additional requested items relating to information that generally was previously requested as supplemental information subsequent to the filing of the initial application; clarification of exact requirements of certain requests; deletion of certain requested items that the FDIC no longer believes are helpful in evaluating the notice; and other minor changes for improved grammar, comprehension, and accurate citations and mailing addresses. Because a filer may require some additional time to incorporate supplemental documentation, particularly in connection with the requested description of pending legal and related matters, the FDIC estimates that the proposed revisions will result in an

²Total annual burden cost estimate is based on the hourly compensation estimate for Top Executives (\$132.75). The estimate includes the May 2015 75th percentile hourly wage rate reported by the BLS, National Industry-Specific Occupational Employment and Wage Estimates. The reported hourly wage rate is adjusted for changes in the CPI-U between May 2015 and December 2016 (2.5 percent) and grossed up by 154.3 percent to account for non-monetary compensation as reported by the December 2016 Employer Costs for Employee Compensation Data.

additional half an hour of reporting burden for each filer. Accordingly, the estimated time per response is being increased from 4 hours to 4.5 hours.

16. Publication

The information is not published.

17. Display of Expiration Date

Not applicable.

18. Exceptions to Certification

None.

B. STATISTICAL METHODS

Not applicable.