

**Supporting Statement for the  
Supervisory and Regulatory Survey  
(FR 3052; OMB No. 7100-0322)**

**Summary**

The Board of Governors of the Federal Reserve System (Board), under delegated authority from the Office of Management and Budget (OMB), proposes to extend for three years, without revision, the Supervisory and Regulatory Survey (FR 3052; OMB No. 7100-0322). The FR 3052 collects information from financial institutions specifically tailored to the Federal Reserve's supervisory, regulatory, and operational responsibilities. Examples of past surveys include collected information related to regulatory capital, operational risk loss event history, and transactions by securities dealers. The frequency and content of the questions depend on changing economic, regulatory, supervisory, or legislative developments. Respondents may include bank holding companies (BHCs), state member banks (SMBs), savings and loan holding companies (SLHCs), intermediate holding companies (IHCs), U.S. branches and agencies of foreign banking organizations (FBOs), Edge Act and agreement corporations, non-bank financial companies that the Financial Stability Oversight Council (FSOC) has determined should be supervised by the Board, or the combined domestic operations of FBOs. Since the collected data may change from survey to survey, there is no fixed reporting form.

The surveys would be conducted on a voluntary basis. The number of respondents per survey and the number of surveys conducted per year may fluctuate. Based on past use of the FR 3052, the Board estimates that the survey could be conducted up to 24 times per year, with an average of 5,000 respondents per survey. The annual reporting burden for the FR 3052 would be capped at 60,000 hours.

**Background and Justification**

The Board has long conducted surveys to help fulfill its statutory responsibilities of supervising and regulating financial institutions to ensure safe and sound banking practices and compliance with regulations. In some cases, surveys have provided the only available source of information with regard to certain financial conditions and business activities. Surveys are driven by the specific needs of the Board, but aggregated findings have also been used extensively by researchers outside the Federal Reserve System and other financial industry regulators.

The Board occasionally needs to gather time-sensitive data from the banking and financial industries on financial conditions or particular business activities outside of the standard regulatory reporting process. The data may be particularly needed in times of critical economic or regulatory changes or when issues of immediate concern arise from supervisory initiatives, requests from the Board of Governors, or the U.S. Congress.

The Board implemented the FR 3052 in 2009 to facilitate certain supervisory and regulatory surveys. Past surveys have collected information related to regulatory capital, Comprehensive Capital Analysis and Review, operational risk loss event history, transactions by

government securities dealers, small debit card issuers, and the Basel III framework.

## **Description of Information Collection**

The Board utilizes the survey process, as needed, to collect information on specific issues that affect its decision making. The principal value of the FR 3052 is the flexibility it provides the Federal Reserve to respond quickly to the need for data due to unanticipated economic, financial, supervisory, or regulatory developments. The Board cannot predict what specific information will be needed, but such needs are generally very time sensitive. Because the relevant questions may change with each survey, there is no fixed reporting form.

Written qualitative questions or questionnaires may include categorical questions, yes-no questions, ordinal questions, and open-ended questions. Written quantitative surveys may include dollar amounts, percentages, numbers of items, interest rates, and other such information. Institutions may also be required to provide copies of existing documents (for example, pertaining to practices and performances for a particular business activity). Before conducting a survey, the Board reviews any information to be collected to determine if the information is available by other means.

Surveys are generally conducted by the staff at the Board and Reserve Banks as part of ongoing supervisory activities. The decision to conduct a particular survey takes into consideration resource requirements. In most cases, the Federal Reserve uses examination staff to conduct the survey, leveraging existing contacts and work assignments.

The Board welcomes feedback from firms on surveys conducted under the FR 3052, both formally, through frequently asked questions, and informally via outreach sessions, ad-hoc discussions, and e-mails. As a general matter, the Board is unable to guarantee the release of surveys under the FR 3052 for notice and comment because of the quick turnarounds sometimes required. However, when a survey template is available in advance of the planned distribution date, the Board works to distribute the template to respondents early for information purposes, and when time allows, to obtain feedback.

## **Time Schedule for Information Collection and Publication**

The data submission timeline for each survey would be determined before distribution of the survey materials to respondents. In soliciting participation, the Board would explain to respondents the purpose of the survey and how the data would be used.

The Board will choose whether to publish survey data that it obtains from respondents and will inform the respondents beforehand if the data are to be published on an individual-institution basis. Aggregate survey information may be cited in published material such as Board studies or working papers, professional journals, the *Federal Reserve Bulletin*, testimony and reports to the Congress, or other vehicles.

## **Legal Status**

The FR 3052 is authorized pursuant to section 9 of the Federal Reserve Act (FRA) (12 U.S.C. 324) for SMBs; section 5 of the Bank Holding Company Act (12 U.S.C. 1844(c)(1)(A)) for BHCs and their subsidiaries; section 10 of the Home Owners' Loan Act (12 U.S.C. 1467a(b)(1)) for SLHCs and their subsidiaries; section 7(c)(2) of International Banking Act (IBA) (12 U.S.C. 3105(c)(2)) for the U.S. branches and agencies of foreign banks; section 8 of the IBA (12 U.S.C. 3106) for FBOs; sections 25 and 25A of the FRA (12 U.S.C. 602 and 625) for Edge Act and agreement corporations; and section 161 of the Dodd-Frank Wall Street Reform and Consumer Protection Act (12 U.S.C. 5361) for nonbank financial companies designated by FSOC for supervision by the Board. The surveys would be conducted on a voluntary basis.

The questions asked on each survey would vary, so the ability of the Board to maintain the confidentiality of information collected would be determined on a case by case basis. It is possible that the information collected would constitute confidential commercial or financial information, which may be kept confidential under exemption 4 to the Freedom of Information Act (FOIA) (5 U.S.C. 552(b)(4)). In circumstances where the Board collects information related to individuals, exemption 6 to FOIA would protect information “the disclosure of which would constitute a clearly unwarranted invasion of personal privacy” (5 U.S.C. 552(b)(6)). To the extent the information collected relates to examination, operating, or condition reports prepared for the use of an agency supervising financial institutions, such information may be kept confidential under exemption 8 to FOIA (5 U.S.C. 552(b)(8)).

## **Consultation outside the Agency**

At this time, there has been no consultation outside the Federal Reserve System; however, surveys can be conducted jointly with other agencies. If this were to occur, the Federal Reserve would consult with other agencies, to the extent practicable, to create a consistent set of questions or a substantively similar information collection.

On August 28, 2018, the Board published an initial notice in the *Federal Register* (83 FR 43870) requesting public comment for 60 days on the extension, without revision, of the FR 3052. The comment period for this notice expired on October 29, 2018. The Board did not receive any comments. On January 31, 2019, the Board published a final notice in the *Federal Register* (84 FR 720).

## **Estimate of Respondent Burden**

The annual burden for the proposed FR 3052 survey would be capped at 60,000 hours as shown in the table below. Because the number of surveys and respondents will fluctuate depending on the number and types of topics being considered, it is not possible to predict exactly how many will be conducted in a given year. For the purposes of this estimate, it is assumed that the survey will be conducted up to 24 times per year and average 5,000 respondents per survey. Respondents may include BHCs, SMBs, SLHCs, IHCs, U.S. branches and agencies of FBOs, Edge Act and agreement corporations, nonbank financial companies that the FSOC has

determined should be supervised by the Board, and the combined domestic operations of FBOs. Based on previous data collections, the Board estimates that the average time per response will be approximately 30 minutes. These reporting requirements represent less than 1 percent of total Federal Reserve System paperwork burden.

	<i>Number of respondents<sup>1</sup></i>	<i>Annual frequency</i>	<i>Estimated average hours per response</i>	<i>Estimated annual burden hours</i>
FR 3052	5,000	24	0.5	60,000

The current annual cost to the public of these reports is estimated to be \$3,363,000.<sup>2</sup>

### **Sensitive Questions**

This information collection would contain no questions of a sensitive nature, as defined by OMB guidelines.

### **Estimate of Cost to the Federal Reserve System**

The cost of the surveys depends on the size of the sample, the number of questions asked, the type and complexity of the questions asked, and the frequency of the surveys. The cost to the Federal Reserve System for the FR 3052 is estimated to be \$201,500.

<sup>1</sup> Of these respondents, 4,150 respondents are considered small entities as defined by the Small Business Administration (i.e., entities with less than \$550 million in total assets) [www.sba.gov/document/support--table-size-standards](http://www.sba.gov/document/support--table-size-standards).

<sup>2</sup> Total cost to the public was estimated using the following formula: percent of staff time, multiplied by annual burden hours, multiplied by hourly rates (30% Office & Administrative Support at \$18, 45% Financial Managers at \$69, 15% Lawyers at \$68, and 10% Chief Executives at \$94). Hourly rates for each occupational group are the (rounded) mean hourly wages from the Bureau of Labor and Statistics (BLS), *Occupational Employment and Wages May 2017*, published March 30, 2018, [www.bls.gov/news.release/ocwage.t01.htm](http://www.bls.gov/news.release/ocwage.t01.htm). Occupations are defined using the BLS Occupational Classification System, [www.bls.gov/soc/](http://www.bls.gov/soc/).