

**Supporting Statement
Municipal Securities Dealers and
Government Securities Brokers and Dealers –
Registration and Withdrawal
OMB Control No. 1557-0184**

A. Justification.

1. *Circumstances that make the collection necessary:*

Section 15B¹ and section 15C² of the Securities Exchange Act of 1934 (the “Exchange Act”) require, in part, that all national banks and federal savings associations (“FSAs”) that act as a municipal securities dealer or a government securities broker/dealer, respectively, file the relevant form with the appropriate regulatory agency to inform such agency of their broker/dealer activities. This information collection is required to satisfy the requirements of the Exchange Act. National banks and FSAs planning to engage in broker/dealer activities must file the required forms before beginning these activities.

This submission covers the following forms: MSD, MSDW,³ MSD-4, MSD-5, G-FIN, G-FINW, GFIN-4 and GFIN-5.⁴

The OCC proposes to revise Form MSD-4 and Form MSD-5 to (1) remove the date of birth and place of birth items from the ‘Personal History of the Applicant’ section from the Form MSD-4 report form and instructions and (2) include the OCC’s Privacy Act notice on the respective Form MSD-4 and Form MSD-5. The proposed revisions would be effective June 1, 2019. The date of birth and place of birth data fields are considered personally identifiable information (PII). The OCC generally does not need the information in these fields in order to perform its supervisory responsibilities regarding the review of applications to become municipal securities principals or representatives but could obtain this information on a case-by-case basis, when needed. The OCC is making an effort to remove PII from its supervisory reports if that PII is not critical to fulfilling its supervisory responsibilities.

Non-substantive changes are being made to the G-FIN and G-FINW forms to clarify where to file, the number of copies to file, and to generally update the forms and instructions.

2. *Use of the information:*

The forms are completed by all national banks, FSAs, and certain national bank and FSA

¹ 15 U.S.C. 78o-4.

² 15 U.S.C. 78o-5.

³ The Securities and Exchange Commission (SEC) maintains collections for the MSD and MSDW under OMB Control Nos. 3235-0083 and 3235-0087; however, there is a requirement that these be filed with the OCC, which is covered by OMB Control No. 1557-0184.

⁴ The Department of the Treasury maintains collections for the G-FIN-4 and G-FIN-5 under OMB Control No. 1535-0089, however, there is a requirement that they be filed with the OCC, which is covered by OMB Control No. 1557-0184.

employees that act in a broker/dealer capacity, and the forms are submitted to the OCC. The OCC reviews and files the forms and maintains a detailed record of the information. The information must be collected to meet the registration requirements of the Exchange Act.

The OCC uses this information to determine which national banks and FSAs are government securities broker/dealers and municipal securities dealers and to monitor entry into and exit from these activities by institutions and registered persons. Further, the OCC uses the information in planning the required national bank and FSA examinations. The information contributes to the OCC's understanding of the national bank or FSA and the scope of its activities and facilitates OCC supervision of and, in case of serious violations of the Exchange Act, termination of broker/dealer activities.

3. *Consideration of the use of improved information technology:*

The forms are simple to prepare and submit and impose only minimal burden. The OCC offers the documents on its website to reduce burden and, whenever possible, the OCC responds by electronic mail to document requests from registrants.

4. *Efforts to identify duplication:*

The information obtained in the forms is unique. The forms generally identify the national bank or FSA as a government securities broker/dealer and/or municipal securities dealer, associated and supervisory personnel, and the types of securities activities. In cases where individuals are registered under both the government and municipal securities laws, the OCC will permit those individuals to submit combined information on the MSD-4 or the MSD-5.

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

Not applicable.

6. *Consequences to the Federal Program if the collection were conducted less frequently:*

Reports are required only when the national bank or FSA initially registers with the OCC, withdraws its registration, or when material changes are noted in personnel or the locations of securities activities. The information is collected as changes occur. The information cannot be collected less frequently due to statutory requirements.

7. *Special circumstances necessitating collection inconsistent with 5 CFR part 1320:*

Not applicable. This information is collected in a manner consistent with the guidelines in 5 CFR part 1320.

8. Efforts to consult with persons outside the agency:

The OCC published a *Federal Register* notice on April 1, 2019, 83 FR 12324, regarding this information collection. No comments were received.

9. Payment to respondents:

Not applicable. There is no payment to respondents.

10. Any assurance of confidentiality:

No assurance of confidentiality is provided.

11. Justification for questions of a sensitive nature:

Not applicable.

12. Burden estimate:

There are 17 bank dealers (6 government securities dealers and 11 municipal and government securities dealers) registered with the OCC. The OCC expects to receive 672 various filings per year.

17 respondents @ 39.53 responses per year = 672 responses
672 responses @ 0.8735 hours per response = 587 burden hours

<u>Form</u>	<u>Responses</u>	<u>Burden per Response</u>	<u>Total Burden</u>
MSD	25	1.5 hours	37.5 hours
MSDW	1	.25 hours	0.25 hours
MSD-4	400	1.0 hours	400 hours
MSD-5	125	.25 hours	31.25 hours
G-FIN	5	1.0 hours	5 hours
G-FINW	1	.25 hours	0.25 hours
G-FIN-4	100	1.0 hours	100 hours
G-FIN-5	50	.25 hours	12.5 hours
Total:	672		587 hours

Cost of Hour Burden:

587 x \$114 = \$69,918

To estimate wages we reviewed May 2018 data for wages (by industry and occupation) from the U.S. Bureau of Labor Statistics (BLS) for credit intermediation and related activities excluding

nondepository credit intermediaries (NAICS 5220A1). To estimate compensation costs associated with the rule, we use \$114 per hour, which is based on the average of the 90th percentile for nine occupations adjusted for inflation (2.8 percent as of Q1 2019 according to the BLS), plus an additional 33.2 percent for benefits (based on the percent of total compensation allocated to benefits as of Q4 2018 for NAICS 522: credit intermediation and related activities).

13. *Estimates of annualized costs to respondents:*

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Not applicable.

14. *Estimate of annualized cost to the Federal Government:*

Not applicable.

15. *Change in burden:*

Former Burden: 736 hours.

Current Burden: 587 hours.

Difference: - 149 hours.

The burden decrease is due to the fact that the OCC regulates fewer dealers.

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

Not applicable. This information will not be published for statistical use.

17. *Display of expiration date:*

Not applicable.

18. *Exceptions to certification statement:*

None.

B. Collections of Information Employing Statistical Methods.

Not applicable.