National Credit Union Administration

**SUPPORTING STATEMENT**

**Records Preservation, 12 CFR Part 749**

**OMB Control Number 3133-0032**

**A. JUSTIFICATION**

1. **Circumstances that make the collection of information necessary.**

Part 749 of the NCUA Rules and Regulations requires all federally insured credit unions to maintain a records preservation program. The program must be in writing and include a schedule for the storage and destruction of records and emergency contact information for employees, officials, regulatory offices, and vendors used to support vital records. The collection of information is authorized by sections 120, 203, and 209 of the Federal Credit Union (FCU) Act, 12 U.S.C. §§1766, 1783, and 1789, and Part 749 of the NCUA Regulations.

**2. Purpose and use of the information collection.**

A board of directors of a credit union is responsible for establishing a vital records preservation program within 6 months after its insurance certification is issued. The program must be in writing and contain procedures for maintaining duplicate vital records at a vital records center. The procedures must include the information prescribed in §749.2. Appendix A to this part provides guidance concerning the appropriate length of time credit unions should retain various types of operation records and Appendix B provides catastrophic act preparedness guidelines.

The records preservation program requirement enables federally-insured credit unions (FICUs) to reconstruct their vital records in the event records are destroyed by a catastrophe and facilitates restoration of vital member services.

**3.** **Use of information technology.**

The FCU Act does not prescribe any particular form in which the collected information must be kept. Therefore, to the degree that credit unions have available to them technology that would simplify maintaining the necessary information, they may use it to reduce the burden imposed by the regulation.

**4.** **Duplication of information.**

This collection of information is unique to each FICU and is not duplicated anywhere.

**5.** **Efforts to reduce burden on small entities.**

This collection does not have a significant impact on a substantial number of small credit unions.

**6.** **Consequences of not conducting the collection.**

Less frequent collection would substantially impair a credit union’s ability to reconstruct its records accurately and quickly. Consequently, service to members after a catastrophe would be delayed.

**7.** **Inconsistencies with guidelines in 5 CFR 1320.5(d)(2).**

There are no special circumstances. This collection is consistent with the guidelines in 5 CFR 1320.5(d)(2).

**8.** **Efforts to consult with persons outside the agency.**

A 60-day day notice for this information collection was published in the Federal Register on September 3, 2019, at 84 FR 46051, soliciting comments from the public. NCUA received comments in response to the 60- day notice. Concerns from commenters were consistent in that the time per response to comply with the requirements of Part 749 was too low. The burden associated with this information collection requirement, as defined under the Paperwork Reduction Act (PRA), is a requirement imposed by or for an agency on persons to maintain specific records, including a requirement to retain such record. The activities associated with complying with the part is a regulatory requirement and is not covered under the PRA.

**9.** **Payment or gifts to respondents.**

There is no intent by NCUA to provide payments or gifts for information collected.

**10.** **Assurance of confidentiality.**

This is a recordkeeping requirement; therefore, the collection does not require any assurances of confidentiality.

**11.** **Questions of a sensitive nature.**

No personally identifiable information (PII) is collected.

**12.** **Burden of information collection.**

As of June 2019, there were 5,309 FICUs. Each Credit Union is subject to the records preservation program requirements prescribed by Part 749. The record preservation program is a usual and customary business practice. NCUA estimates a monthly maintenance burden of two hours as an appropriate recordkeeping burden.

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| --- | --- | --- | --- | --- | --- |
| Recordkeeping | # Respondents | # Responses per Respondent | #  Annual Response | Hours Per Response | Total Annual Burden |
| Retain and maintain a written vital records preservation program. | 5,308 | 12 | 63,696 | 2 | 127,392 |

**13.** **Capital start-up or on-going operation and maintenance costs.**

A records preservation plan and related contracting of off-site storage is a usual and customary business practices for financial institutions; therefore, associated costs do not apply.

**14.** **Annualized costs to Federal government.**

There are no costs to the Government with this collection.

**15.** **Changes in burden.**

The number of respondents have been updated to reflect the current number of FICUs, as of the June 2019 call report to 5,308. The number of responses per respondent (frequency) have been revised to include the monthly maintenance of the FICU’s recordkeeping requirements under this part.

**16.** **Information collection planned for statistical purposes.**

No data will be published for statistical purposes.

**17.** **Request non-display the expiration date of the OMB control number.**

The OMB control number and expiration date associated with this PRA submission will be displayed on the Federal government’s electronic PRA docket at [www.reginfo.gov](http://www.reginfo.gov/).

**18.** **Exceptions to Certification for Paperwork Reduction Act Submissions**

There are no exceptions to the certification statement.

**B. COLLECTIONS OF INFORMATION EMPLOYING STATISTICAL METHODS**

This collection does not employ statistical methods.