

**Supporting Statement for
Interagency Guidance on Asset Securitization Activities
3064-0137**

Introduction. The FDIC requests a three-year renewal without change for a collection of information associated with interagency guidance on asset securitization. The collection applies to institutions engaged in asset securitization and consists in the development or upgrading of a written asset securitization policy, the documentation of fair value of retained interests, and a management information system to monitor securitization activities. This collection is scheduled to expire on November 30, 2020.

A. Justification

1. Circumstances and Need

The Interagency Guidance on Asset Securitization Activities informs bankers and examiners of safe and sound practices regarding asset securitization. The information collections contained in the Interagency Guidance are needed by institutions to manage their asset securitization activities in a safe and sound manner.

2. Use of Information Collected

Bank managements use this information as the basis for the safe and sound operation of their asset securitization activities and to ensure that they minimize operational risk in these activities. The FDIC uses the information to evaluate the quality of an institution's risk management practices, and to assist institutions without proper internal supervision of their asset securitization activities to implement corrective action to conduct these activities in a safe and sound manner.

3. Use of Technology to Reduce Burden

These are recordkeeping requirements. An institution may use any information technology as long as the information is available to bank staff and management and the information can be provided to FDIC examiners on request.

4. Efforts to Identify Duplication

These collections are unique to the individual bank and the instant situation.

5. Minimizing the Burden on Small Banks

These collections of information do not have a significant economic impact on a substantial number of small entities.

6. Consequences of Less Frequent Collections

The information will be collected infrequently, only as the situation arises. Less frequent collection would be inconsistent with safe and sound bank operation.

7. Special Circumstances

There are no special circumstances.

8. Consultation with Persons Outside the FDIC

The Interagency Guidance had been developed based on consultations with financial institutions during regularly scheduled examinations by personnel of the FDIC, Office of the Comptroller of the Currency, Federal Reserve Board, and the Office of Thrift Supervision. The agencies relied on the experience of their personnel in these examinations and those communications as the basis for drafting this Interagency Guidance. A first *Federal Register* notice inviting public comment on the collection was published on September 23, 2020 (85 FR 59797). No comments were received.

9. Payment or Gift to Respondents

None.

10. Confidentiality

No assurances of confidentiality are made.

11. Questions of a Sensitive Nature

There are no sensitive questions.

12. Estimate of Annual Burden

2020 Summary of Annual Burden and Internal Cost (3064-0137)						
	Type of Burden	Estimated Number of Respondents	Estimated Number of Responses	Estimated Time per Response	Frequency of Response	Total Annual Estimated Burden
Documentation of Fair Value	Recordkeeping	22	1	4	On Occasion	88
Asset Securitization Policies - New Entrant	Recordkeeping	3	1	32	On Occasion	96
Asset Securitization Policies - Upgrades of Policies	Recordkeeping	2	1	3	On Occasion	6
MIS Improvements - New Entrant	Recordkeeping	3	1	21	On Occasion	63
MIS Improvements - Systems Upgrades	Recordkeeping	2	1	5	On Occasion	10
TOTAL HOURLY BURDEN						263 hours

Information Collection (IC) Description	Type of Burden	Estimated Annual Burden	Total Weighted Hourly Compensation Rate	Total Estimated Cost
Documentation of Fair Value	Recordkeeping	88	\$87.04	\$7,659.52
Asset Securitization Policies - New Entrant	Recordkeeping	96	\$118.82	\$11,406.72
Asset Securitization Policies - Upgrades of Policies	Recordkeeping	6	\$118.82	\$712.92
MIS Improvements - New Entrant	Recordkeeping	63	\$96.11	\$6,054.93
MIS Improvements - Systems Upgrades	Recordkeeping	10	\$96.11	\$961.10
Total		263 hours		\$26,795.19

Source: Bureau of Labor Statistics: "National Industry-Specific Occupational Employment and Wage Estimates: Industry: Credit Intermediation and Related Activities (5221 And 5223 only)" (May 2019), Employer Cost of Employee Compensation (June 2020), Consumer Price Index (June 2020).

Note: The 75th percentile wage information reported by the BLS in the Specific Occupational Employment and Wage Estimates does not include health benefits and other non-monetary benefits. According to the March 2020 Employer Cost of Employee Compensation data compensation rates for health and other benefits are 33.9 percent of total compensation. Additionally, the wage has been adjusted for inflation according BLS data on the Consumer Price Index for Urban Consumers (CPI-U) so that it is contemporaneous with the non-wage compensation statistic. The inflation rate was 0.67 percent between May 2019 and June 2020.

13. Capital/Start-up and Operation/Maintenance Costs

No capital outlay is required.

14. Annualized cost to the Federal Government

None.

15. Reason for Change in Burden

There is no change in the method or substance of this information collection. The 106 increase in burden hours is a result of economic fluctuation. In particular, the number of respondents has increased while the hours per response and frequency of responses have remained the same.

16. Publication

None.

17. Display of Expiration Dates

The FDIC requests that it not be required to publish the expiration date on the Interagency Guidance.

18. Exceptions to Certification

Not applicable.

B. STATISTICAL METHODS

Not applicable.