

**Annual Stress Test Rule and  
Company-Run Annual Stress Test Reporting Template and Documentation for Covered  
Institutions with Total Consolidated Assets of \$250 Billion or More under the Dodd-Frank  
Wall Street Reform and Consumer Protection Act**

Supporting Statement A  
OMB CONTROL NO. 1557-0319

**A. Justification**

1. Circumstances Making the Collection of Information Necessary

Section 165(i)(2) of the Dodd-Frank Wall Street Reform and Consumer Protection Act<sup>1</sup> (Dodd-Frank Act) requires certain financial companies, including national banks and federal savings associations, to conduct annual stress tests<sup>2</sup> and requires the primary financial regulatory agency<sup>3</sup> of those financial companies to issue regulations implementing the stress test requirements.<sup>4</sup> Under section 165(i)(2), a covered institution is required to submit to the Board of Governors of the Federal Reserve System (Board) and to its primary financial regulatory agency a report at such time, in such form, and containing such information as the primary financial regulatory agency may require.<sup>5</sup>

On October 9, 2012, the OCC published in the *Federal Register* a final rule implementing the section 165(i)(2) annual stress test requirement.<sup>6</sup> This rule describes the reports and information collections required to meet the reporting requirements under section 165(i)(2). These information collections will be given confidential treatment (5 U.S.C. 552(b)(4)) to the extent permitted by law.

In 2012, the OCC first implemented the reporting templates referenced in the final rule.<sup>7</sup> The OCC published proposed revisions to these templates on January 28, 2021.<sup>8</sup> The OCC is now finalizing these proposed revisions as described below.

2. Purpose and Use of the Information Collection

The OCC intends uses the data collected through the current templates to assess the reasonableness of the stress test results of covered institutions and to provide forward-looking information to the OCC regarding a covered institution's capital adequacy. The OCC also uses the results of the stress tests to determine whether additional analytical techniques and exercises could be appropriate to identify, measure, and monitor risks at the covered institution. The stress test results support ongoing improvement in a covered

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<sup>1</sup> Pub. L. 111-203, 124 Stat. 1376, July 2010.

<sup>2</sup> 12 U.S.C. 5365(i)(2)(A).

<sup>3</sup> 12 U.S.C. 5301(12).

<sup>4</sup> 12 U.S.C. 5365(i)(2)(C).

<sup>5</sup> 12 U.S.C. 5365(i)(2)(B).

<sup>6</sup> 77 FR 61238 (October 9, 2012) (codified at 12 CFR part 46).

<sup>7</sup> See 77 FR 49485 (August 16, 2012) and 77 FR 66663 (November 6, 2012).

<sup>8</sup> 86 FR 7456 (Jan. 28, 2021).

institution's stress testing practices with respect to its internal assessments of capital adequacy and overall capital planning.

The OCC's changes include updates to various schedules to reflect the adoption of the tailoring framework used to determine the applicability of regulatory capital requirements to large U.S. banking organizations. Other changes include removing the worksheet for reporting advanced approaches risk-weighted assets and the worksheet for reporting pre-provision net revenue (PPNR) metrics, as well as technical changes to various individual data items. The changes to the OCC's reporting templates do not include data items in the FR Y-14A associated with several capital buffers related ratios, such as the Board's stress capital buffer requirement adopted in 2020. The changes remove certain items that are collected from Board-regulated institutions but that will not be required from national banks and Federal savings associations. The changes remove the OCC Supplemental Schedule, which collects information not collected by the FR Y-14A. While the proposed changes included the deletion of some instructions related to the counterparty default scenario, the final instructions do not include this change. The retention of these instructions is meant to clarify that the requirement to include a counterparty default scenario is not being changed.

3. Use of Improved Information Technology and Burden Reduction

Respondents may use any method of improved technology that meets the requirements of the collection.

4. Efforts to Identify Duplication and Use of Similar Information

The required information is unique and is not duplicative of any other information already collected.

5. Methods used to Minimize burden if the collection has a significant impact on Small Businesses or Other Small Entities

The information collection does not have a significant impact on a substantial number of small businesses or other small entities.

6. Consequences of Collecting the Information Less Frequently

The collection of information is required by federal statute. The consequences of collecting the information less frequently would prevent OCC from implementing Section 165(i)(2) of the Dodd-Frank Wall Street Reform and Consumer Protection Act.<sup>9</sup>

7. Special Circumstances Relating to the Guidelines of 5 CFR 1320.5

The information collection would be conducted in a manner consistent with 5 CFR Part 1320.5.

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<sup>9</sup> Public Law 111-203, 124 Stat. 1376, July 2010.

8. Comments in Response to the Federal Register Notice and Efforts to Consult Outside the Agency

The OCC published the collection for 60 days of comment ( (Jan. 28, 2021). 86 FR 7456The OCC received no comments on the proposed revisions.

9. Explanation of Any Payment or Gift to Respondents

OCC has not provided and has no intention to provide any payment or gift to respondents under this information collection.

10. Assurance of Confidentiality Provided to Respondents

The information collection request will be kept confidential to the extent permissible by law.

11. Justification for Sensitive Questions

There are no questions of a sensitive nature.

12. Estimates of Annualized Burden Hours and Costs

Reporting Templates	No. of Respondents	No. of Responses	Estimated average hours per Response	Total Hours
OCC DFAST-14A	8	1	464.5	3716
<b>250B or More Template Total</b>				<b>3716</b>

13. Estimates of Annual Cost Burden to Respondents and Record Keepers

Total annual cost burden:

(a) Total annualized capital and start-up costs associated with the Templates are estimated to be \$0 (zero dollars). In general, reporting on the Templates requires neither specialized capital equipment, nor fixed or variable costs that are not already associated with the customary and usual business practices of respondents.

(b) Total annualized operations, maintenance, and purchases of services costs are estimated to be \$0 (zero dollars). Reporting on the forms does not in general impose operations, maintenance, or specialized services costs that are not already associated with the customary and usual practices of respondents.

The above cost estimates are not expected to vary widely among respondents.

14. Annualized Cost to the Federal Government

OCC estimates no annualized cost to the Federal government.

15. Explanation for Program Changes or Adjustments

Prior Burden: 4,212 hours.

Proposed Burden: 3,716 hours.

Difference: -496 hours.

The reduction in burden stems from the removal of the OCC supplemental schedule as well as conforming changes to make the OCC reporting forms more closely conform to the Board's forms.

16. Plans for Tabulation and Publication and Project Time Schedule

There are no publications.

17. Reason(s) Display of OMB Expiration Date is Inappropriate

The agency is not seeking to display the expiration date of OMB approval of the information collection.

18. Exceptions to Certification for Paperwork Reduction Act Submissions

There are no exceptions to the certification.

B. COLLECTIONS OF INFORMATION EMPLOYING STATISTICAL METHODS

The collection of this information does not employ statistical methods. Statistical methods are not appropriate for the type of information collected and would not reduce burden or improve accuracy of results.