

## SUPPORTING STATEMENT FOR NEW AND REVISED INFORMATION COLLECTIONS

### Core Principles and Other Requirements for Designated Contract Markets

OMB CONTROL NUMBER 3038-0052

#### **Justification**

- 1. Explain the circumstances that make the collection of information necessary. Identify any legal or administrative requirements that necessitate the collection. Attach a copy of the appropriate section of each statute and regulation mandating or authorizing the collection of information.**

The regulations governing designated contract markets (“**DCMs**”) originally were adopted pursuant to the Commodity Futures Modernization Act of 2000, which amended section 5 of the Commodity Exchange Act (“**CEA**”) to impose requirements concerning the registration and operation of DCMs.<sup>1</sup> The DCM statutory framework subsequently was revised as a result of further amendments to the CEA under Title VII of the Dodd-Frank Wall Street Reform and Consumer Protection Act (“**Dodd-Frank Act**”).<sup>2</sup> Part 38 of the U.S. Commodity Futures Trading Commission’s (“**Commission**”) regulations governs the activities of DCMs. The information collected pursuant to part 38 is necessary for the Commission to evaluate whether entities operating as, or applying to become, DCMs comply with the part 38, other Commission requirements, and the CEA’s statutory requirements.

Collection 3038-0052 was created in response to the part 38 regulatory requirements for DCMs. In general, OMB Control Number 3038-0052 covers all information collections in part 38, including Subpart A and the DCM core principles (*i.e.*, Subparts B through X) as well as the related appendices thereto (*i.e.*, Appendix A—Form DCM; Appendix B—Guidance on, and Acceptable Practices in, Compliance with Core Principles; and Appendix C—Demonstration of Compliance That a Contract Is Not Readily Susceptible to Manipulation). Further, this OMB control number, 3038-0052, also includes all information collections related to part 9 (“Rules Relating to Review of Exchange Disciplinary, Access Denial Or Other Adverse Actions”) to the extent part 9 is applicable to DCMs.<sup>3</sup> This collection also includes the recently adopted

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<sup>1</sup> 7 U.S.C. 1 *et seq.*

<sup>2</sup> See Dodd-Frank Wall Street Reform and Consumer Protection Act, Pub. L. 111-203, tit. VII, 124 Stat. 1376 (2010) (codified as amended in various sections of 7 U.S.C.), *available at* <https://www.cftc.gov/sites/default/files/idc/groups/public/@lrfederalregister/documents/file/2013-12242a.pdf>.

<sup>3</sup> Section 38.707 specifically references part 9 of the Commission’s regulations. Accordingly, the Commission’s previous information collection estimates under part 38 have included compliance with part 9 to the extent applicable to DCMs. The Commission is referencing DCMs’ compliance obligations with part 9 for the sake of clarity, but this does not represent a new or modified information collection.

requirements under regulation 38.251(g) in connection with the reporting of specific market disruption events to the Commission.<sup>4</sup>

This OMB control number, 3038-0052, also includes collections under Rule 1.52 regarding the Enhanced Protections Afforded Customer and Customer Funds Held by Futures Clearing Merchants and Derivatives Clearing Organizations. Commission regulation 1.52 imposes information collection burdens on DCMs.<sup>5</sup>

Additionally, this OMB control number, 3038-0052, also includes collections under regulation 38.1051(n) that relate to system safeguards and cybersecurity testing requirements and requires DCMs to provide the Commission with annual trading volume information.

For the majority of collections under OMB control number 3038-0052, the Commission notes that the number of registered, active DCMs has increased from 14 to 16.<sup>6</sup> This increase in the number of registered DCMs will increase the total information collection burdens for OMB control number 3038-0052 as noted in Attachment A.<sup>7</sup>

**2. Indicate how, by whom, and for what purpose the data would be used. Except for a new collection, indicate the actual use the agency has made of the information received from the current collection.**

The initial IC under the collection—regulations governing designated contract markets (DCMs)—found in part 38 of the Commission’s rules— were adopted pursuant to the Commodity Futures Modernization Act of 2000, which amended section 5 of the CEA to impose requirements concerning the registration and operation of DCMs. The DCM statutory framework subsequently was revised as a result of further amendments to the CEA under Title VII of the Dodd-Frank Act. Part 38 of the Commission’s regulations governs the activities of

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<sup>4</sup> The Commission notes that it previously revised OMB Control Number 3038-0052 to account for the revised information collection burdens related to regulation 38.251(g). As such, this does not represent a new or modified information collection.

<sup>5</sup> The Commission notes that § 38.605 incorporates and references § 1.52.

<sup>6</sup> The Commission notes that previous submissions to OMB have referred to “registered” or “designated” DCMs. The Commission notes that the terms “registered” and “designated” are used interchangeably and mean the same thing. Further, as used in this supporting statement, the Commission’s reference to “registered” or “designated” DCMs refer to active DCMs rather than to “dormant” DCMs. The Commission notes that as a legal matter, an active DCM may become dormant through inactivity – and therefore would not be subject to any substantive compliance or related PRA information collection obligations – although the dormant DCM would still be legally deemed to be a “registered/designated” DCM.

<sup>7</sup> For the collections related to Commission regulation 38.251(g), the Commission notes that the number of registered, active DCMs has decreased from 17 to 16. This decrease is reflected in Attachment A for collections related to Commission regulation 38.251(g). However, the increase in the number of DCMs for the other collections will increase the total information collection burdens for OMB control number 3038-0052.

DCMs. The information collected under part 38 is used by the Commission to evaluate whether entities operating as, or applying to become, DCMs complied with its requirements.

Information generated by the collection's second IC provides the means for the Commission to prevent unauthorized usage of customer funds by FCMs while also providing modifications to existing rules respecting DCMs. The provisions obligated DCMs to comply with additional requirements for self-regulatory organizations, including the requirements to adopt enhanced examination procedures and have examination programs reviewed by an examinations expert and periodically file data with the Commission; information that is used by the Commission to maintain oversight by identifying problematic financial matters in time to avoid market disruptions, and avoid tie-up of customer funds.

Under the collection's third IC, the Commission uses the information to enhance its oversight by adopting the System Safeguards and Cybersecurity Testing Final Rulemaking, which requires DCMs to provide the Commission with annual trading volume information. Specifically, the trading volume information assists the Commission in its application of the enhanced system safeguard and cybersecurity testing requirements for DCMs.

- 3. Describe whether, and to what extent, the collection of information involves the use of automated, electronic, mechanical, or other technological collection techniques or other forms of information technology, e.g. permitting electronic submission of responses, and the basis for the decision for adopting this means of collection. Also describe any consideration of using information technology to reduce burden.**

All required submissions by DCMs to the Commission may be submitted electronically. Records required to be kept may similarly be maintained electronically.

- 4. Describe efforts to identify duplication. Show specifically why any similar information already available cannot be used or modified for use for the purposes described in Item 2 above.**

Information collected under this OMB Control Number is not already collected by the Commission for any other purpose, nor is it collected by any other agency, nor is the information available from any other source.

- 5. If the collection of information involves small business or other small entities (Item 5 of OMB Form 83-I), describe the methods used to minimize burden.**

The required information collected under OMB Control Number 3038-0052 does not involve any small businesses or other small entities. The Commission has established certain definitions of "small entities" to be used by the Commission in evaluating the impact of its rules

on such entities in accordance with the Regulatory Flexibility Act (“RFA”). The Commission previously determined that DCMs are not small entities for the purpose of the RFA.<sup>8</sup>

6. **Describe the consequence to the Federal Program or policy activities if the collection were conducted less frequently as well as any technical or legal obstacles to reducing burden.**

This question is not applicable.

7. **Explain any special circumstances that require the collection to be conducted in a manner:**

- **requiring respondents to report information to the agency more often than quarterly;**

The current rules under part 9 require respondents to report the disciplinary and access denial information to the National Futures Association (“**NFA**”) within 30 days of the adverse action.

Commission regulation 38.251(g) requires prompt notification of a market disruption. The frequency of such notifications will depend upon the frequency of market disruptions at a DCM.

- **requiring respondents to prepare a written response to a collection of information in fewer than 30 days after receipt of it;**

In order for the Commission to adequately perform its statutory responsibility to determine whether DCMs, and applicants to become DCMs, are in compliance with the applicable core principles, a request for information may require the collection and presentation of information in fewer than 30 days depending on the exigency of the situation.

- **requiring respondents to submit more than an original and two copies of any document;**

Respondents are not required to submit more than an original and two copies of any documents to the Commission or third parties.

- **requiring respondents to retain records other than health, medical, government contract, grant-in-aid, or tax records, for more than three years;**

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<sup>8</sup> Policy Statement and Establishment of Definitions of “Small Entities” for Purposes of the Regulatory Flexibility Act, 47 FR 18618 (Apr. 30, 1982).

DCMs are required to maintain records of all activities related to their business as a contract market, in a form and manner acceptable to the Commission, for a period of five years from the date thereof and shall be readily accessible during the first two years of the five-year period, pursuant to Commission Regulations 1.31 and DCM Core Principle 18 (Recordkeeping). All such books and records are open to inspection by any representative of the Commission or the U.S. Department of Justice.

- **in connection with a statistical survey, that is not designed to produce valid and reliable results that can be generalized to the universe of study;**

Not applicable.

- **requiring the use of a statistical data classification that has not been reviewed and approved by OMB;**

Not applicable.

- **that includes a pledge of confidentiality that is not supported by authority established in statute or regulation, that is not supported by disclosure and data security policies that are consistent with the pledge, or which unnecessarily impedes sharing of data with other agencies for compatible confidential use; or**

Not applicable.

- **requiring respondents to submit proprietary trade secrets, or other confidential information unless the agency can demonstrate that it has instituted procedures to protect the information's confidentiality to the extent permitted by law.**

The Commission has procedures to protect the confidentiality of an applicant's or registrant's data. These are set forth in the Commission's regulations under parts 145 and 147. In addition, section 8(a)(1) of the CEA strictly prohibits the Commission, unless specifically authorized by the CEA, from making public "data and information that would separately disclose the business transactions or market positions of any person and trade secrets or names of customers." A number of narrow exceptions are set forth in Sections 8(b) and (e) of the CEA permitting the Commission to disclose "Section 8 material" for (i) prior public disclosures; (ii) congressional, administrative, and/or judicial proceedings; (iii) other federal departments and agencies, individual states, and foreign futures authorities; and (iv) registered entity investigations.

8. **If applicable, provide a copy and identify the date and page number of publication in the Federal Register of the agency's notice required by 5 C.F.R. 1320.8(d), soliciting comments on the information collection prior to submission to OMB.**

**Summarize public comments received in response to that notice and describe actions taken by the agency in response to these comments. Specifically address comments received on cost and hour burden.**

**Describe efforts to consult with persons outside the agency to obtain their views on the availability of data, frequency of collection, the clarity of instructions and recordkeeping disclosure, or reporting format (if any, and on the data elements to be recorded, disclosed, or reported.**

**Consultation with representatives of those from whom information is to be obtained or those who must compile records should occur at least once every three years—even if the collection of information activity is the same as in prior periods. There may be circumstances that may preclude consultation in a specific situation. These circumstances should be explained.**

The Commission published a 60-day notice in the Federal Register to solicit public comment (87 Federal Register 25228 (April 28, 2022)). The Commission did not receive any relevant comments.

**9. Explain any decision to provide any payment or gift to respondents, other than remuneration of contractors or grantees.**

Not applicable.

**10. Describe any assurance of confidentiality provided to respondents and the basis for the assurance in statute, regulations, or agency policy.**

The Commission does not provide respondents with an assurance of confidentiality beyond that provided by applicable law. Section 8(a)(1) of the CEA strictly prohibits the Commission, unless specifically authorized by the CEA, from making public “data and information that would separately disclose the business transactions or market positions of any person and trade secrets or names of customers.” The Commission has procedures to protect the confidentiality of an applicant’s or registrant’s data. These are set forth in the Commission’s regulations at parts 145 and 147 of title 17 of the Code of Federal Regulations.

**11. Provide additional justification for any questions of a sensitive nature, such as sexual behavior and attitudes, religious beliefs, and other matters that are commonly considered private. This justification should include the reasons why the agency considers the questions necessary, the specific uses to be made of the information, the explanation to be given to persons from whom the information is requested, and any steps to be taken to obtain their consent.**

The regulations covered by this collection do not require the giving of sensitive information, as that term is used in Question 11.

12. **Provide estimates of the hour burden of the collection of information. The Statement should:**

- **Indicate the number of respondents, frequency of response, annual hour burden and an explanation of how the burden was estimated. Unless directed to do so, agencies should not conduct special surveys to obtain information on which to base hour burden estimates. Consultation with a sample (fewer than ten) of potential respondents is desirable. If the hour burden on respondents is expected to vary widely because of differences in activity, size or complexity, show the range of estimated hour burden, and explain the reasons for the variance. Generally, estimates should not include burden hours for customary and usual business practices.**
- **If the request for approval covers more than one form, provide separate hour burden estimates for each form and aggregate the hour burdens in Item 13 of OMB Form 83-I.**
- **Provide estimates of annualized cost to respondents for the hours burdens for collections of information, identifying and using appropriate wage rate categories. The cost of contracting out or paying outside parties for information collection activities should not be included here. Instead, this cost should be included in Item 13.**

See Attachment A.

13. **Provide an estimate of the total annual cost burden to respondents or recordkeepers resulting from the collection of information. (Do not include the cost of any hour burden shown in Items 12 and 14).**

- **The cost estimate should be split into two components; (a) a total capital and start-up cost component (annualized over its expected useful life) and (b) a total operation and maintenance and purchase of services component. The estimates should take into account costs associated with generating, maintaining, and disclosing or providing the information. Include descriptions of methods used to estimate major costs factors including system and technology acquisition, expected useful life of capital equipment, the discount rate(s), and the time period over which costs will be incurred. Capital and start-up costs include, among other items, preparations for collecting information such as purchasing computers and software, monitoring, sampling, drilling and testing equipment, and record storage facilities.**

- **If cost estimates are expected to vary widely, agencies should present ranges of cost burdens and explain the reasons for the variance. The cost of purchasing or contracting out information collection services should be a part of this cost burden estimate, agencies may consult with a sample of respondents (fewer than ten), utilize the 60-day pre-OMB submission public comment process and use existing economic or regulatory impact analysis associated with the rulemaking containing the information collection, as appropriate.**
- **Generally, estimates should not include purchases of equipment or services, or portions thereof, made: (1) prior to October 1, 1995, (2) to achieve regulatory compliance with requirements not associated with the information collection, (3) for reasons other than to provide information or keep records for the government or (4) as part of customary and usual business or private practices.**

Please see attachment A for the estimated hour burden for the collections of information discussed in this supporting statement.

It is expected that DCMs will utilize existing software, information technology, and systems. Thus, the Commission believes that there will not be additional capital/startup costs or operational/maintenance costs incurred by DCMs.

14. **Provide estimates of the annualized costs to the Federal Government. Also provide a description of the method used to estimate cost, which should include quantification of hours, operational expenses (such as equipment, overhead, printing and support staff), and any other expense that would not have been incurred without this collection of information. Agencies may also aggregate cost estimates from Items 12, 13, and 14 in a single table.**

It is not anticipated that the final rule will impose any additional costs to the Federal Government.

15. **Explain the reasons for any program changes or adjustments reported in Items 13 or 14 of the OMB Form 83-I.**

For the majority of collections under OMB control number 3038-0052, the Commission notes that the number of registered, active DCMs has increased from 14 to 16.<sup>9</sup> This increase in

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<sup>9</sup> See *supra* note 6.



the number of registered DCMs will increase the total information collection burdens for OMB control number 3038-0052 as noted in Attachment A.<sup>10</sup>

In 2018, the Commission proposed a new made available to trade (“MAT”) process that would create a new reporting information collection under this OMB control number 3038-0052. This proposed collection was estimated to impose an additional 5 annual burden hours per DCM and was reflected under a “Part 36 (MAT Process)” line item in a prior Attachment A. However, the Commission withdrew that proposed changes to the MAT process. As such, the Part 36 (MAT Process) line item and the associated 5 annual burden hours per DCM have been removed from Attachment A.

16. For collection of information whose results are planned to be published for statistical use, outline plans for tabulation, statistical analysis, and publication. Provide the time schedule for the entire project, including beginning and ending dates of the collection of information, completion of report, publication dates, and other actions.

This question does not apply.

17. If seeking approval to not display the expiration date for OMB approval of the information collection, explain the reasons that display would be inappropriate.

This question does not apply.

18. Explain each exception to the certification statement identified in Item 19, "Certification for Paperwork Reduction Act Submissions," of OMB Form 83-I.

No exceptions exist.

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<sup>10</sup> As noted above, for the collections related to Commission regulation 38.251(g), the Commission notes that the number of registered, active DCMs has decreased from 17 to 16. This decrease is reflected in Attachment A for collections related to Commission regulation 38.251(g). However, the increase in the number of DCMs for the other collections will increase the total information collection burdens for OMB control number 3038-0052.

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Attachment A includes tables listing the individual information collection estimates and related burdens for both respondent DCMs and applicants for DCM registration.

**Burdens: Registered DCMs**  
**Recordkeeping Burden Hours and Costs**

1. Regulation(s)	2. Estimated Number of Respondents	3. Estimated Number of Responses by Each Respondent	4. Estimated Average Number of Burden Hours per Response	5. Annual Number of Burden Hours per Respondent (3 x 4)	6. Estimated Average Burden Hour Cost	7. Total Average Hour Burden Cost Per Respondent (5 x 6)	8. Total Annual Responses (2 x 3)	9. Total Annual Number of Burden Hours (2 x 5)	10. Total Annual Burden Hour Cost of All Responses (2 x 7)
Regulatory & Core Principle Compliance Part 38 (Subparts A-	16 <sup>11</sup>	251 (per trade day) <sup>12</sup>	1.315 <sup>13</sup>	330	\$83 <sup>14</sup>	\$27,390	4,016	5,280	\$438,240

<sup>11</sup> As noted above, for the majority of collections listed under this control number 3038-0052 the number of registered DCMs has increased from 14 to 16. However, for certain of the collections, the estimate reflects that the number of registered DCMs has decreased from 17 to 16, which the Commission notes where applicable.

<sup>12</sup> The Commission reached an estimate of approximately 251 trading days by assuming a year of [365.25 days] x [5 weekdays] ÷ [7 days in a week] = 260.89 weekdays. The Commission then subtracted 10 public holidays (based on the Office of Personnel Management's calendar of public holidays): 260.89 days – 10 public holidays = 250.89 trading days, which the Commission rounds to 251. The Commission notes that not all DCMs may take all public holidays (e.g., Veteran's Day), but a DCM may also offer a non-Federal holiday (e.g., Good Friday). See, e.g., CME Group, CME Group Holiday Calendar, available at <https://www.cmegroup.com/tools-information/holiday-calendar.html> and ICE Futures U.S., 2022 Trading Holiday Calendar, available at [https://www.theice.com/publicdocs/futures\\_us/exchange\\_notices/ICE\\_Futures\\_US\\_2022\\_TRADING\\_HOLIDAY\\_CALENDAR\\_2021118.pdf](https://www.theice.com/publicdocs/futures_us/exchange_notices/ICE_Futures_US_2022_TRADING_HOLIDAY_CALENDAR_2021118.pdf).

<sup>13</sup> For the sake of consistency, the Commission reached this estimate by first starting with its total annual estimate of 330 burden hours. Based on the Commission's estimate of 330 total annual burden hours per DCM, the Commission then divides 330 burden hours by 251 trade days to reach 1.315 burden hours per trade day per DCM.

<sup>14</sup> The Commission is providing a blended rate using estimated industry specific wages for consists of ¼ Financial Specialist's wage, ¼ Lawyer's wage, ¼ Paralegal's wage, and ¼ Accountant's wage multiplied by 1.3 to account for overhead and other benefits. Per the U.S. Bureau of Labor Statistics, national industry-specific occupational employment and wage estimates with data collected from employers in the securities, commodity contracts, and other financial investments and related activities provides that the mean hourly wage for an Accountant is \$51.74, Paralegal is \$41.25, Financial Specialist is \$60.25, and Lawyer is \$102.14. The average of those wages is \$63.845. See, May 2021 National Industry-Specific Occupational Employment and Wage Estimates, NAICS 523000 - Securities, Commodity Contracts, and Other Financial Investments and Related Activities, available at: [https://www.bls.gov/oes/current/naics4\\_523000.htm](https://www.bls.gov/oes/current/naics4_523000.htm).

W) and related Appendices									
§ 1.52 (Examination Program and Audit of Program) <sup>15</sup>	16	1	49	49	\$83 <sup>16</sup>	\$4,067	16	784	\$65,072
38.950 and 38.951 Recordkeeping related to compliance with 38.251(g) <sup>17</sup>	16 <sup>18</sup>	12.5 <sup>19</sup>	2	25	\$84.97 <sup>20</sup>	\$2,124.25	200	400	\$33,988

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<sup>15</sup> See *supra* note 5.

<sup>16</sup> See *supra* note 14.

<sup>17</sup> This category was previously labeled as “38.950 and 38.951” in the table of previously estimated hourly burdens below. The Commission is changing the name for the sake of clarity as this recordkeeping burden is only applicable to compliance with Commission regulation 38.251(g) and not the 38.950 and 38.951 recordkeeping for DCM regulatory and core principle compliance, which have been included in the Commission’s previous information collection estimates under the line item “Regulatory & Core Principle Compliance Part 38 (Subparts A-W) and related Appendices.”

<sup>18</sup> Note for this collection, the number of registered DCMs has decreased from 17 to 16.

<sup>19</sup> For the sake of consistency, the Commission reached this estimate by first starting with its total annual estimate of 25 burden hours per DCMs and 2 total responses on average per DCMs. Based on the Commission’s estimate of 25 total annual burden hours per DCM and 2 total annual responses per DCM, the Commission then divides 25 burden hours by 2 responses per DCM to reach 12.5 burden hours per response per DCM.

<sup>20</sup> The Commission is providing a rate using estimated industry specific wages for Database and Network Administrators and Architects multiplied by 1.3 to account for overhead and other benefits. Per the U.S. Bureau of Labor Statistics, national industry-specific occupational employment and wage estimates with data collected from employers in the securities, commodity contracts, and other financial investments and related activities provides that the mean hourly wage for a Database and Network Administrator and Architect is \$65.36. See, May 2021 National Industry-Specific Occupational Employment and Wage Estimates, NAICS 523000 - Securities, Commodity Contracts, and Other Financial Investments and Related Activities, available at [https://www.bls.gov/oes/current/naics4\\_523000.htm](https://www.bls.gov/oes/current/naics4_523000.htm).

## Reporting Burden Hours and Costs

1. Regulation(s)	2. Estimated Number of Respondents	3. Estimated Number of Responses by Each Respondent	4. Estimated Average Number of Burden Hours per Response	5. Annual Number of Burden Hours per Respondent (3 x 4)	6. Estimated Average Burden Hour Cost	7. Total Average Hour Burden Cost Per Respondent (5 x 6)	8. Total Annual Responses (2 x 3)	9. Total Annual Number of Burden Hours (2 x 5)	10. Total Annual Burden Hour Cost of All Responses (2 x 7)
Core Principle 16 "Conflicts of Interest" and Related Acceptable Practices (Annual assessment report)	16	1	70	70	\$83 <sup>21</sup>	\$5,810	16	1,120	\$92,960
§38.1101 et al (Quarterly Financial Reports)	16	4	10	40	\$83 <sup>22</sup>	\$3,320	64	640	\$53,120
§38.1051(n) (Required Production of Annual Trading Volume)	16	1	.5	.5	\$83 <sup>23</sup>	\$41.5	16	8	\$664

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<sup>21</sup> See *supra* note 14.

<sup>22</sup> See *supra* note 14.

<sup>23</sup> See *supra* note 14.

38.251(g) (Required Market Disruptions Notifications)	16 <sup>24</sup>	13.28 <sup>25</sup>	5	66.4	\$89.72 <sup>26</sup>	\$5,957.41	212. 5 <sup>27</sup>	1,062.4 <sup>28</sup>	\$95,319
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**Burdens: DCM Registration  
Reporting Burden Hours and Costs<sup>29</sup>**

1. Regulation(s)	2. Estimated Number of Respondents	3. Estimated Number of Responses by Each Respondent	4. Estimated Average Number of Burden Hours per Response	5. Annual Number of Burden Hours per Respondent (3 x 4)	6. Estimated Average Burden Hour Cost	7. Total Average Hour Burden Cost Per Respondent (5 x 6)	8. Total Annual Responses (2 x 3)	9. Total Annual Number of Burden Hours (2 x 5)	10. Total Annual Burden Hour Cost of All Responses (2 x 7)
§ 38.3 and Form DCM (DCM Registration)	4	1 <sup>30</sup>	300	300	\$83 <sup>31</sup>	\$24,900	4	1,200	\$99,600

<sup>24</sup> Note for this requirement, the number of registered DCMs has decreased from 17 to 16.

<sup>25</sup> For the sake of consistency, the Commission reached this estimate by first starting with its total annual estimate of 1,062.50 burden hours for all DCMs. See note 28 below for additional discussion.

<sup>26</sup> The Commission is providing a blended rate using estimated industry specific wages for Computer Programmer, Compliance Officer and Lawyers multiplied by 1.3 to account for overhead and other benefits. Per the U.S. Bureau of Labor Statistics, national industry-specific occupational employment and wage estimates with data collected from employers in the securities, commodity contracts, and other financial investments and related activities provides that the mean hourly wage for a Computer Programmer is \$60.32, Compliance Officer is \$44.59, and Lawyer is \$102.14. The average of those wages is \$69.017. See, May 2021 National Industry-Specific Occupational Employment and Wage Estimates, NAICS 523000 - Securities, Commodity Contracts, and Other Financial Investments and Related Activities, available at: [https://www.bls.gov/oes/current/naics4\\_523000.htm](https://www.bls.gov/oes/current/naics4_523000.htm).

<sup>27</sup> Based on the annual aggregate range of potential notifications under final §38.251(g) from 0 to 400 for all DCMs, the Commission estimates that the average annual aggregate notifications for all DCMs is 212.50 with the annual average number of notifications per DCM to be 13.28.

<sup>28</sup> The Commission estimates that the total aggregate annual burden hours for DCMs under final §38.251(g) would be a range between 0 and 2,000 hours based on each DCM incurring between 0 hours (0 x 16 = 0 burden hours) and 2,000 hours (125 x 16 = 2,000 burden hours). Based on these estimates, the Commission has determined that the annual average aggregate burden hours for all DCMs to be 1,062.50 burden hours with an annual average burden hour for each DCM to be 66.406 burden hours, which the Commission rounds to 66.4 hours.

<sup>29</sup> The Commission has not identified any recordkeeping or third-party disclosure information collections related to DCM registration.

<sup>30</sup>

For this purpose, the Commission considers the entire DCM application process to constitute a single information collection.

<sup>31</sup> See *supra* note 14.

