



February 10, 2023

Memorandum to: William E. Bestani, FDIC Desk Officer
Office of Information and Regulatory Affairs
Office of Management and Budget

From: Manuel E. Cabeza, Counsel
Legislation Unit
Federal Deposit Insurance Corporation

RE: Survey to Gather Feedback on Proposed New Data Collection Items used to Support the Shared National Credit (SNC) Examination Process

The FDIC is requesting approval of a generic qualitative survey under the FDIC's currently approved "Information Collection for Qualitative Research" (OMB Control Number 3064-0198) in connection with the Shared National Credit (SNC) Examination Process conducted by the FDIC, the Board of Governors of the Federal Reserve System (FRS) and the Office of the Comptroller of the Currency (OCC).

The interagency SNC Program is used to assign regulatory risk ratings to large (\$100MM+) commercial credits held by at least three entities regulated by either the FRS, the FDIC, or the OCC. Targeted reviews are conducted at select agent banks twice per year and ratings are distributed to all applicable regulated participants for use in examinations throughout the year. The program provides for uniform treatment and increased efficiency in shared-credit risk analysis and classification. The SNC Program is governed by an interagency agreement among the three agencies.

Supervised institutions that agent qualifying credits submit SNC data on a quarterly basis to support this examination program. Required and optional data fields are identified in instructions provided to reporting institutions. The agencies are currently modernizing the electronic line card used by examiners to document and support ratings assigned during the review. Data collected quarterly from agent banks is preloaded into the line card tool to facilitate the risk rating process. The agencies believe new data elements could be available and incorporated into this examination tool to further improve the process.

The purpose of this survey is to:

- 1) Assess the availability of possible new data elements in the supervised institutions' data warehouses or systems;
- 2) Solicit estimates on the time necessary to collect and submit these additional data elements as part of the quarterly submission; and
- 3) Solicit suggestions for other available formats for possible electronic submission.

Current data providers will be sent a notification requesting their participation in a voluntary survey with the attached proposed questions. Banks participating in the survey will be sent an email asking their opinion and general feedback on the availability of certain data elements. The email will contain a link to the Federal Reserve Bank of Kansas City website where the survey will be housed. Feedback from the survey will be used to conduct follow-up meetings with respondents as needed to discuss perceived obstacles to providing the additional data and possible solutions to reduce burden created by the request.

The SNC Interagency working group plans to send the survey to approximately 125 institutions that currently provide quarterly SNC data. The anticipated burden is estimated as follows. The agencies assume that 50 percent of the contacted institutions will respond to the survey, and it will take approximately 30 minutes to navigate to the website and complete the survey. The agencies anticipate conducting approximately 15 follow-up interviews lasting 1 hour each.

Estimated Annual Burden

- 62 surveys X 30 minutes = 31 hours
- 15 Follow-up Interviews X 1 hour = 15 hours
- Total Estimated Annual Burden= 46 hours

If you have any questions, please let me know. Thank you for your consideration.