

SUPPORTING STATEMENT
ACTIVITIES AND INVESTMENTS OF INSURED STATE BANKS
(OMB Control No. 3064-0111)

INTRODUCTION

The Federal Deposit Insurance Corporation (FDIC) is requesting a three-year renewal of the information collection for its collection (3064-0111) associated with activities and investments of insured state banks. The current clearance for the collection expires on April 30, 2025. There is no change in the method or substance of the collection.

A. JUSTIFICATION

1. Circumstances that make the collection necessary:

Section 24 of the Federal Deposit Insurance (FDI Act), 12 U.S.C. 1831a, limits investments and other activities in which state banks may engage, as principal, to those permissible for national banks and those approved by the FDIC under procedures set forth in part 362 of the FDIC's Rules and Regulations, 12 CFR part 362. With certain exceptions, section 24 of the FDI Act limits the activities and investments of state banks to those activities and investments that are permissible for national banks. In addition, the statute prohibits a state bank from directly engaging, as a principal, in any activity or investment that is not permissible for a national bank, or indirectly through a subsidiary in an activity or investment that is not permissible for a subsidiary of a national bank, unless such bank meets its minimum capital requirements and the FDIC determines that the activity or investment does not pose a significant risk to the Deposit Insurance Fund (DIF). The FDIC can make such a determination for exception by regulation or by order. Section 28(a), 12 USC 1831e, similarly limits the investments and activities of state savings associations and their service corporations to those permitted by federal savings associations and their service corporations, absent FDIC approval. Part 362 details the activities that state banks or their subsidiaries may engage in, under certain criteria and conditions and identifies the information that state banks must furnish to the FDIC in order to obtain the FDIC's approval or non-objection. Part 362 also applies to the activities and investments of state savings associations and their subsidiaries.

2. Use of Information:

The information in an application or notice is used by the FDIC as part of the process of determining the risk to the DIF. For example, the FDIC uses the information to determine whether current or contemplated activities pose a level of risk that is not appropriate for a particular state bank or state savings association or its subsidiaries

3. Consideration of the use of improved information technology:

Applicants may use technology to the extent appropriate and feasible to prepare applications or notices.

4. Efforts to Identify Duplication:

The information required by this collection is not available elsewhere.

5. Methods used to minimize burden if the collection has a significant impact on a substantial number of small entities:

All state banks and state savings associations, regardless of size, must submit the same data, if applicable, relative to an application or notice. The application and notice requirements have been designed to impose the minimum burden consistent with the FDIC's statutory mandates.

6. Consequences to Less Frequent Collections:

The frequency is consistent with the statutory mandate and less frequent collection would result in non-compliance with the law. There is no collection absent the filing of an application or a notice.

7. Special circumstances necessitating collection inconsistent with 5 CFR Part 1320.5(d)(2):

None.

8. Consultation with Persons Outside the FDIC:

A 60-day notice seeking public comment on the FDIC's renewal of the information collection was published on January 23, 2025 (90 FR 8027). No comments were received.

9. Payment or Gift to Respondents:

Not applicable.

10. Any assurance of confidentiality:

Any information deemed to be of a confidential nature would be exempt from public disclosure in accordance with the provisions of the Freedom of Information Act (5 U.S.C. 552).

11. Justification for questions of a sensitive nature:

No questions of a sensitive nature are included in the collection.

12. Estimate of Hour Burden Including Annualized Hourly Costs:

Summary of Estimated Annual Burden (OMB No. 3064-0111)					
Information Collection (IC) (Obligation to Respond)	Type of Burden (Frequency of Response)	Number of Respondents	Number of Responses per Respondent	Time per Response (HH:MM)	Annual Burden (Hours)
1. Application or Notice to engage in certain activities - 12 CFR 362. (Mandatory)	Recordkeeping (Annual)	32	1.1	08:00	280
Total Annual Burden (Hours):					280
Source: FDIC.					

Summary of Hourly Burden Cost Estimate (OMB No. 3064-0111)								
Information Collection (IC) (Obligation to Respond)	Hourly Weight (%)	Percentage Shares of Hours Spent by and Hourly Compensation Rates for each Occupation Group (by Collection)						Estimated Hourly Compensation Rate
		Exec. & Mgr. (\$146.13)	Lawyer (\$182.07)	Compl. Ofc. (\$77.07)	IT (\$110.91)	Fin. Anlst. (\$100.28)	Clerical (\$39.39)	
1. Application or Notice to engage in certain activities (Mandatory)	100.00	20	80	0	0	0	0	\$174.88
Weighted Average Hourly Compensation Rate:								\$174.88
Source: Bureau of Labor Statistics.								

Total Estimated Cost Burden (OMB No. 3064-0111)			
Information Collection Request	Annual Burden (Hours)	Weighted Average Hourly Compensation Rate	Annual Respondent Cost
1. Application or Notice to engage in certain activities	280	\$174.88	\$48,966
Total Annual Respondent Cost:			\$48,966
Source: FDIC.			

13. Capital, Start-up, Operating, and Maintenance Estimate of Start-up Costs to Respondents:

There are no anticipated capital, start-up, or operating costs.

14. Estimates of annualized cost to the federal government:

None.

15. Reason for Change in Burden:

There is no change in the method or substance of the collection. The overall increase in burden hours (from 232 hours to 280 hours) is the result of economic fluctuation. In particular, the increase in the estimated number of annual respondents from 29 in 2022 to 32 while the hours per response and frequency of responses have remained the same.

16. Information regarding collections whose results are planned to be published for statistical use:

The information contained in this collection is not published.

17. Display of Expiration Date:

This information collection is contained in a regulation.

18. Exceptions to Certification Statement:

None.

B. STATISTICAL METHODS

Not applicable.