SUPPORTING STATEMENT
Application for Consent to Reduce or Retire Capital
(OMB Control No. 3064-0079)

INTRODUCTION

The Federal Deposit Insurance Corporation (FDIC) is requesting a three-year extension without revision of the information collection entitled "Application for Consent to Reduce or Retire Capital" (OMB Control Number 3064-0079). This collection requires insured state nonmember banks that propose to change their capital structure to submit an application containing information about the proposed change in order to obtain FDIC's consent to reduce or retire capital. The FDIC evaluates the information contained in the letter application in relation to statutory considerations and makes a decision to grant or to withhold consent. The current clearance expires on March 31, 2026.

A. JUSTIFICATION

1. Circumstances that make the collection necessary:

Section 18(i) of the Federal Deposit Insurance Act (12 U.S.C. 1828(i)) states that no insured, state nonmember bank shall, without the prior consent of the FDIC, reduce the amount or retire any part of its common or preferred capital stock, or retire any part of its capital notes or debentures. In granting or withholding consent under section 18(i) of the FDI Act, the FDIC is required to consider the following:

(a) the financial history and condition of the bank;
(b) the adequacy of its capital structure;
(c) its future earnings prospects;
(d) the general character and fitness of its management;
(e) the convenience and needs of the community to be served; and,
(f) whether or not its corporate powers are consistent with the purpose of the Act.

2. Use of the information:

The FDIC evaluates the information contained in an application and makes a decision to grant or withhold consent based on the statutory considerations listed in paragraph 1 above.

3. Consideration of the use of improved information technology:

Applicants are free to use whatever methods are least burdensome for them to supply the required information.

4. Efforts to identify duplication:

This collection does not duplicate information provided elsewhere. The information is unique to the occasion to which the application relates.

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

   This information collection does not have a significant impact on a substantial number of small entities. The information required is the minimum necessary for the FDIC, consistent with the Section 18(i) of the Federal Deposit Insurance Act, to ensure that no insured, state nonmember bank shall, without the prior consent of the FDIC, reduces the amount or retire any part of its common or preferred capital stock, or retire any part of its capital notes or debentures without FDIC consent.

6. Consequences to the Federal program if the collection were conducted less frequently:

   The information is collected only when a bank is seeking FDIC consent to reduce or retire capital. Less frequent collection would violate the law.

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

   None. This information collection is conducted in accordance with the guidelines in 5 CFR 1320.5(d)(2).

8. Efforts to consult with persons outside the agency:

   On December 15, 2025, the FDIC published a Federal Register notice proposing to renew the Application for Consent to Reduce or Retire Capital's existing information collection (90 FR 58013). The FDIC did not receive any comments addressing this collection of information.

9. Payments or gifts to respondents:

   None.

10. Any assurance of confidentiality:

    Information will be kept private to the extent allowed by law.

11. Justification for questions of a sensitive nature:

    No information of a sensitive nature is requested.

12. Estimate of hour burden including annualized hourly costs:

    Estimated Annual Burden

Summary of Annual Burden							
Information Collection (IC) Description	Type of Burden	Obligation to Respond	Estimated Number of Respondents	Estimated Frequency of Responses	Estimated Time per Response (hours)	Frequency of Response	Total Annual Estimated Burden (hours)
Application for consent to reduce or retire capital	Reporting	Mandatory	49	1.37	11	On Occasion	737
TOTAL HOURLY BURDEN							737

The estimated labor cost is calculated as follow:

Summary of Hourly Burden Cost Estimate (OMB No. 3064-0079)								
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. ($159.03)	Lawyer ($179.36)	Compl. Ofc. ($80.68)	IT ($116.37)	Fin. Anlst. ($101.18)	Clerical ($42.51)	
1. Application for Consent to Retire or Reduce Capital (Mandatory)	100.00	50	40	0	0	0	10	$155.51
							Weighted Average Hourly Compensation Rate:	***$155.51***

Source: Bureau of Labor Statistics: 'National Industry-Specific Occupational Employment and Wage Estimates: Industry: Credit Intermediation and Related Activities (5221 And 5223 only)' (May 2024), Employer Cost of Employee Compensation (March 2024), and Employment Cost Index (March 2024 and March 2025). Standard Occupational Classification (SOC) Codes: Exec. And Mgr = 11-0000 Management Occupations; Lawyer = 23-0000 Legal Occupations; Compl. Ofc. = 13-1040 Compliance Officers; IT = 15-0000 Computer and Mathematical Occupations; Fin. Anlst. = 13-2051 Financial and Investment Analysts; Clerical = 43-0000 Office and Administrative Support Occupations.
Note: The estimated hourly compensation rate for a given IC is the average of the hourly compensation rates for the occupations used to comply with that IC, weighted by the estimated share of hours spent by each occupation. The weighted average hourly compensation rate for the entire ICR is the average of the estimated hourly compensation rates for all ICs, weighted by the share of hourly burden for IC. These hourly weights, as shown in the “Hourly Weight” column of this table, are the quotients of the estimated number of annual burden hours for each IC and the total estimated number of annual burden hours across all ICs.

Total Estimated Cost Burden (OMB No. 3064-0079)			
Information Collection Request	Annual Burden (Hours)	Weighted Average Hourly Compensation Rate	Annual Respondent Cost
Applications to Retire or Reduce Capital	737	$155.51	$114,611
		Total Annual Respondent Cost:	***$114,611***
Source: FDIC.			

13. Estimate of start-up costs to respondents:

None.

14. Estimate of annualized costs to the government:

None

15. Analysis of change in burden:

There is no change in the method or substance of the collection. The hour burden has decreased by 374 hours from the estimate in the previous renewal. This change is entirely due to the decrease in estimated number of respondents.

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

The results of this collection will not be published for statistical use.

17. Display of expiration date:

Not applicable.

18. Exceptions to Certification

None.

B. Collection of Information Employing Statistical Methods

Not Applicable.