

**Supporting Statement for the
Notice of Branch Closure
(FR 4031; OMB No. 7100-0264)**

Summary

The Board of Governors of the Federal Reserve System (Board), under authority delegated by the Office of Management and Budget (OMB), has extended for three years, without revision, the Notice of Branch Closure (FR 4031; OMB No. 7100-0264). The reporting, recordkeeping, and disclosure requirements regarding the closing of any branch of an insured depository institution (IDI) are contained in section 42 of the Federal Deposit Insurance Act (FDI Act), as supplemented by an interagency policy statement on branch closings. The FR 4031 information collection accounts for these requirements with respect to insured state member banks (SMBs), the IDIs for which the Board is the appropriate Federal banking agency under the FDI Act. The Board uses the information in the FR 4031 to fulfill its statutory obligation to supervise SMBs.

The estimated total annual burden for the FR 4031 is 267 hours. There is no formal reporting form for this information collection; insured state member banks notify their appropriate Reserve Bank by letter prior to closing a branch.

Background and Justification

Section 42 of the FDI Act imposes reporting, recordkeeping, and disclosure requirements on any IDI that proposes to close any branch.¹ Section 42 of the FDI Act requires an IDI which proposes to close any branch to submit a notice to the appropriate Federal banking agency; the Board is the appropriate Federal banking agency with respect to insured SMBs. Additionally, in 1999, the Board, Office of the Comptroller of the Currency (OCC), and Federal Deposit Insurance Corporation (FDIC) (collectively, the Federal banking agencies or FBAs) issued a joint policy statement (Policy Statement) regarding branch closings by IDIs.² The Policy Statement incorporates notice procedures and provides for IDIs to inform customers in affected areas of their ability to comment on a particular branch closing. The FBAs also clarified in the Policy Statement that main offices, remote service facilities, loan production offices, and insured branches of foreign banks are not branches for purposes of section 42 of the FDI Act. This information collected by the FR 4031 is not available from other sources.

Description of Information Collection

There are several requirements associated with this information collection. Each IDI must adopt a policy regarding the closing of its branches.³ When a branch is scheduled for closing, the IDI must notify both its appropriate regulator and its customers of the proposed closure.⁴ The

¹ 12 U.S.C. § 1831r-1.

² See 64 FR 34844 (June 29, 1999).

³ 12 U.S.C. § 1831r-1(c).

⁴ 12 U.S.C. §§ 1831r-1(a) and (b).

Board examines insured SMBs for compliance with these requirements and may make adverse examination findings or take enforcement actions for failure to comply.

Insured SMBs must report any proposed branch closing to the appropriate Federal Reserve Bank no later than 90 calendar days prior to the date of the proposed branch closing. The report must include the following information:

- Identification of the branch to be closed,
- Proposed date of closing,
- Detailed statement of the reasons for the decision to close the branch, and
- Statistical or other information in support of such reasons.⁵

The insured SMB also must notify branch customers of the proposed closing no later than 90 calendar days prior to the date of the proposed branch closing by including a notice in at least one of any regular account statement or in a separate mailing, and by posting a notice in a conspicuous manner in the branch to be closed at least 30 calendar days before the closing date.⁶ The customer notice should state the location of the branch to be closed and the proposed date of closing, and either identify alternative sites where customers may obtain service following the closing date or provide a telephone number for customers to call to determine such alternative sites.⁷ If the insured SMB is an interstate bank and the branch is located in a low- or moderate-income area, the customer notice must also contain the mailing address of the appropriate Federal Reserve Bank and a statement that comments on the proposed branch closing may be mailed to that Federal Reserve Bank.⁸

Respondent Panel

The FR 4031 panel comprises insured SMBs.

Frequency and Time Schedule

The FR 4031 is event-generated. An insured SMB has reporting and disclosure obligations each time it closes a branch. The recordkeeping burden for adopting a branch closing policy is a one-time burden incurred by an IDI when it opens its first branch. At least 90 calendar days prior to the proposed date of the branch closure, an insured SMB must advise its Federal Reserve Bank of the closing and send a notice to the branch's customers. At least 30 calendar days before the closing date, the insured SMB must post a notice in the branch to be closed. Customer notices and the institution's branch closing policy are generally not submitted to the Board.

⁵ The Policy Statement provides that this information should be consistent with the IDI's written policy for branch closings.

⁶ 12 U.S.C. § 1831r-1(b).

⁷ 12 U.S.C. § 1831r-1(a)(2).

⁸ 12 U.S.C. § 1831r-1(d). For purposes of this requirement, an "interstate bank" is "a bank which maintains branches in more than 1 state." 12 U.S.C. § 1831r-1(d)(4).

Public Availability of Data

No data collected by this information collection are published.

Legal Status

The FR 4031 is authorized pursuant to section 42(a)(1) of the FDI Act, which requires “[a]n insured depository institution which proposes to close any branch [to] submit a notice of the proposed closing to the appropriate Federal banking agency not later than the first day of the 90-day period ending on the date proposed for the closing” (12 U.S.C. § 1831r-1(a)(1)). The FR 4031 is further authorized pursuant to sections 42(b) and (c) of the FDI Act, which requires an insured depository institution to “provide notice of the proposed closing to its customers” and to “adopt policies for closings of branches of the institution” (12 U.S.C. §§ 1831r-1(b) and (c)). Section 11 of the Federal Reserve Act additionally authorizes the Board to require state member banks to submit information as the Board deems necessary (12 U.S.C. § 248(a)(1)). The requirements associated with FR 4031 are mandatory.

Generally, information collected pursuant to the FR 4031 is not considered to be confidential. To the extent a respondent submits nonpublic commercial or financial information, which is both customarily and actually treated as private by the respondent, the respondent may request confidential treatment pursuant to exemption 4 of the Freedom of Information Act (5 U.S.C. § 552(b)(4)).

Consultation Outside the Agency

The Board consulted with the FDIC to confirm that there are no revisions to these requirements.

Public Comments

On November 17, 2025, the Board published an initial notice in the *Federal Register* (90 FR 51328) requesting public comment for 60 days on the extension, without revision, of the FR 4031. The comment period for this notice expired on January 16, 2026. The Board did not receive any comments. The Board adopted the extension, without revision, of the FR 4031 as originally proposed. On March 17, 2026, the Board published a final notice in the *Federal Register* (91 FR 12801).

Estimate of Respondent Burden

As shown in the table below, the estimated total annual burden for the FR 4031 is 267 hours. Based on the number of notifications received from 2022 through 2024, the Board estimates that each year, on average, 79 insured SMBs are affected by the reporting and third-party disclosure requirements and very few, if any, additional insured SMBs are affected by the recordkeeping requirements. The burden estimate was adjusted up using the standard Board burden calculation methodology. These reporting, recordkeeping, and disclosure requirements represent less than 1 percent of the Board’s total paperwork burden.

FR 4031	<i>Estimated number of respondents⁹</i>	<i>Estimated annual frequency</i>	<i>Estimated average hours per response</i>	<i>Estimated annual burden hours</i>
Reporting				
Regulatory notice	79	1	2	158
Recordkeeping				
Adoption of policy	1	1	10	10
Disclosure				
Customer mailing	79	1	1	79
Posted notice	79	1	0.25	<u>20</u>
<i>Total</i>				267

The estimated total annual cost to the public for the FR 4031 is \$19,851.¹⁰

Sensitive Questions

This information collection contains no questions of a sensitive nature, as defined by OMB guidelines.

Estimate of Cost to the Federal Reserve System

The estimated cost to the Federal Reserve System for collecting and processing this information collection is \$114,700.

⁹ Of these respondents, 16 respondents are considered small entities as defined by the Small Business Administration (i.e., entities with less than \$850 million in total assets). Size standards effective March 17, 2023. See <https://www.sba.gov/document/support-table-size-standards>. There are no special accommodations given to mitigate the burden on small institutions.

¹⁰ Total cost to the responding public is estimated using the following formula: total burden hours, multiplied by the cost of staffing, where the cost of staffing is calculated as a percent of time for each occupational group multiplied by the group's hourly rate and then summed (30% Office & Administrative Support at \$25, 45% Financial Managers at \$90, 15% Lawyers at \$89, and 10% Chief Executives at \$130). Hourly rates for each occupational group are the (rounded) mean hourly wages from the Bureau of Labor Statistics (BLS), *Occupational Employment and Wages, May 2025*, published May 15, 2026, <https://www.bls.gov/news.release/ocwage.t01.htm>. Occupations are defined using the BLS Standard Occupational Classification System, <https://www.bls.gov/soc/>.