SUPPORTING STATEMENT
LARGE-BANK DEPOSIT INSURANCE PROGRAMS
OMB No. 3064-0162

INTRODUCTION

The Federal Deposit Insurance Corporation requests OMB approval to extend, for three years, with revisions, the above-captioned collection of information. The clearance for the collection expires on 01/31/2028. This revision is associated with a proposed rulemaking titled Large-Bank Deposit Insurance Determination Modernization.[1]

Upon the failure of an FDIC-insured depository institution, the FDIC is required to pay insured deposits as soon as possible[2]. To do so, the FDIC must be able to quickly determine the total insured amount for each depositor. To make this determination, the FDIC must ascertain the balances of all deposit accounts owned by the same depositor in the same ownership capacity at a failed institution as of the day of failure. The FDIC established a rule (12 CFR 360.9) to modernize the process of determining the insurance status of each depositor in the event of such a failure.

The rule requires the largest insured depository institutions to adopt mechanisms that would, in the event of the institution's failure (1) provide the FDIC with standard deposit account and other customer information, and (2) allow the placement and release of holds on liability accounts, including deposits. The rule applies only to insured depository institutions having at least $2 billion in domestic deposits and either: more than 250,000 deposit accounts; or total assets over $20 billion, regardless of the number of deposit accounts.

A. JUSTIFICATION

1. Circumstances that make the collection necessary:

Section 360.9 requires the largest insured depository institutions to adopt mechanisms that, in the event of the institution's failure: (1) provide the FDIC with standard deposit account and customer information; and (2) allow the FDIC to place and release holds on liability accounts, including deposits. Section 360.9 applies only to insured depository institutions having at least $2 billion in domestic deposits and either: (1) more than 250,000 deposit accounts; or (2) total assets over $20 billion, regardless of the number of deposit accounts (referred to hereinafter as "Covered Institutions").

When handling a depository institution failure, the FDIC is required to structure the least costly of all possible resolution transactions, except in the event of systemic risk. In addition, the FDIC is required to pay insured deposits "as soon

1 91 FR 69642 (November 4, 2026).
2 The FDIC can meet its obligation to pay insured deposits either by payment in cash or by making available to each depositor a transferred deposit in a another insured depository institution. 12 U.S.C §1821(f)(1).

as possible" after an institution fails. The FDIC places a high priority on providing access to insured deposits promptly and, in the past, has usually been able to allow most depositors access to their deposits on the business day following closing. Doing so enables the FDIC to: (1) maintain public confidence in the banking industry and the FDIC; (2) provide the best possible service to insured depositors by minimizing uncertainty about their status and avoiding costly disruptions that may limit their ability to meet financial obligations; (3) mitigate the spillover effects of a failure, such as risks to the payments system, problems stemming from depositor illiquidity and a substantial reduction in credit availability; and (4) retain, where feasible, the franchise value of the failed institution.

The largest insured depository institutions are growing increasingly complex. Section 360.9 is intended to allow the deposit operations of a failed institution to be continued on the day following failure. It helps facilitate an insurance determination and dramatically improve upon access to depositor funds when one of these institutions fails. It also permits the FDIC to meet its legal mandates regarding the resolution of failed insured institutions, provide liquidity to depositors promptly, enhance market discipline, ensure equitable treatment of depositors at different institutions and reduce the FDIC's costs by preserving the franchise value of a failed institution.

Making deposit insurance determinations is inherently complex because a single depositor may have more than one account and may hold accounts in different ownership capacities, each of which may be separately insured. To make insurance determinations, the FDIC must aggregate all accounts owned by a depositor in a single ownership capacity. This process often requires reviewing detailed account agreements and other documents. The larger the number of deposit accounts at an institution, the more complex and difficult the insurance determination becomes. Complexity also depends upon the volume of transactions, the amount of uninsured funds, the number of separate computer systems or "platforms" on which deposit accounts are maintained and the speed at which the institution's deposit operations must be resumed following failure. In most instances, larger institutions are considerably more complex, have more deposit accounts, are more geographically dispersed and have more diverse systems and data-integration issues than small institutions.

Under the rule, on a case-by-case basis and in consultation with the Covered Institution's primary federal regulator, the FDIC can accelerate the implementation timeframe for Covered Institutions that are "troubled". That is, a Covered Institution that either: (1) has a composite rating of 3, 4 or 5 under the Uniform Financial Institutions Rating System (commonly referred to as CAMELS) or (2) is undercapitalized as defined for purposes of the prompt corrective action rules. In determining the accelerated implementation timeframe for such institutions, the FDIC would be required to consider such factors as the: (1) complexity of the institution's deposit systems and operations; (2) extent of

asset quality difficulties; (3) volatility of funding sources; (4) expected near-term changes in capital levels; and (5) other relevant factors appropriate for the FDIC to consider in its roles as insurer and possible receiver of the institution.

2. Use of information collected:

Provisional holds: Covered Institutions are required to have in place an automated process for implementing provisional holds concurrent with or immediately following the daily deposit account processing on the day of failure. After completion of the failed institution's final daily processing, the Successor Institution places provisional holds on selected deposit accounts. Provisional holds, once posted, allow depositors access to the remaining balance in their accounts the day following failure, yet guard against the possibility of an uninsured depositor or unsecured general creditor receiving more than allowed under deposit insurance rules or the depositor preference statute. The FDIC uses a standard set of depositor and customer data to make deposit insurance determinations. These determinations are provided to the Successor Institution shortly after failure.

The generation of deposit account and customer data in a standard structure: A Covered Institution is required to have in place practices and procedures to provide the FDIC with required depositor and customer data in a standard format following the close of any day's business. Covered Institutions are not required to collect or generate new depositor or customer information. Instead, the standard data files are created through a mapping of pre-existing data elements and internal institution codes into standard data formats. The standard data files would be used in the period immediately before and after a Covered Institution's failure to calculate the amount of deposit insurance coverage and to identify the least costly of all possible resolution transactions. The FDIC conduct infrequently at institutions that do not make major changes to their deposit systems—perhaps only once every three-to-five year.

3. Consideration of the use of improved information technology:

Insured depository institutions provide deposit account information via electronic file.

4. Efforts to identify duplication:

The information sought in this collection is not duplicated elsewhere.

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

The rule applies to the largest banks only. It does not impose any burden on small entities.

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

Section 360.9 requires the largest insured depository institutions to adopt mechanisms that would, in the event of the institution's failure, provide the FDIC with standard deposit account and customer information and allow the FDIC to place and release holds on liability accounts, including deposits. Thus, Covered Institutions are required to have the mechanisms in place and are subject to periodic testing, but the collection would be accessed only when a large bank is close to failing.

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

None. The information is collected in a manner consistent with 5 CFR Part 1320.5(d)(2).

8. Efforts to consult with persons outside the agency:

A 60-day notice seeking public comment on the FDIC's renewal of the information collection was published on September 9, 2024 (89 FR 73090). No comments have been received.

9. Payment or gift to respondents:

No payments or gifts will be given to respondents.

10. Any assurance of confidentiality:

No individual bank or customer information will be made available outside the FDIC. In addition, to protect financial privacy, the FDIC's testing process would not require that Covered Institutions transmit ***any*** sensitive customer data outside of the institution's premises. Therefore, all testing involving any sensitive customer data would be conducted on the institution's premises.

11. Justification for questions of a sensitive nature:

None.

12. Estimate of Annual Burden

The FDIC has reviewed this proposed rule and preliminarily determined that rescinding part 370 would eliminate all recordkeeping and reporting requirements approved under OMB Control No. 3064-0202. Because this rule proposes to remove part 370 in its entirety, the FDIC expects that the

information collection associated with part 370 would no longer be necessary. If the rule is finalized as proposed, the FDIC would submit a discontinuance request to OMB to retire OMB Control No. 3064-0202.

The FDIC estimates that rescinding part 370 and discontinuing OMB Control No.3064-0202 would eliminate an annual paperwork burden of approximately 10,169 hours, as reported in the most recent ICR inventory.

The proposal would expand § 360.9 to require IDIs having at least $2 billion in deposits and two million or more deposit accounts to maintain and provide to the FDIC certain depositor and customer data needed for the FDIC to calculate deposit insurance in the event of the IDI's failure. Accordingly, the FDIC would add additional information collections to account for the new PRA requirements imposed on larger covered institutions, and revise the existing information collections to better align with the proposal as follows:

Summary of Estimated Recordkeeping, Reporting, and Disclosure Annual Burden
OMB Control No. 3064-0162

Information Collection	Type of Burden	Obligation to Respond	Estimated Number of Respondents	Estimated Frequency of Responses	Estimated Time per Response	Frequency of Response	Total Annual Estimated Burden (Hours)
Initial Implementation							
Posting and removing provisional holds - 360.9(c)(1), (2) - Implementation	Recordkeeping	Mandatory	18	1	150	One time	2700
Providing standard data format for deposit account and customer information - 360.9(d)(1)(i) - Covered Institutions (that are not Larger Covered Institutions)	Recordkeeping	Mandatory	8	1	110	One time	880
Providing standard data format for deposit account and customer information - 360.9(d)(1)(i) and (ii) - Larger Covered Institutions	Recordkeeping	Mandatory	10	1	200	One time	2000
Request for extension of compliance deadline - 360.9(e)(7)	Reporting	Required to Obtain Benefit	4	1	20	On occasion	80
Total Implementation Burden							5660
Ongoing							
Notification of identity of person responsible for producing standard data downloads - 360.9(c)(3)	Reporting	Mandatory	146	1	8	On occasion	1168
Requests for exemptions - 360.9(c)(9), 360.9(d)(6). 360.9(f)	Reporting	Required to Obtain Benefit	1	1	20	On occasion	20

Ongoing recordkeeping - 360.9 - Covered Institutions (that are not Larger Covered Institutions)	Recordkeeping	Mandatory	117	1	50	Annual	5850
Ongoing recordkeeping - 360.9 - Larger Covered Institutions	Recordkeeping	Mandatory	29	1	80	Annual	2320
Providing deposit account and customer information in required standard format - 360.9(d)(3)	Reporting	Mandatory	8	1	40	On occasion	320
Disclosures and arrangements with the account holder specifying format requirements, and obligating them to deliver information needed for deposit insurance calculations - 360.9(d)(5)	Third-party disclosure	Mandatory	29	1	8	Annual	232
Test compliance with 360.9 (c)-(d) - 360.9(h)	Reporting	Mandatory	30	1	80	On occasion	2400
Total Ongoing Burden							12,310
Total Estimated Annual Burden							17,970

Based on the expansion of § 360.9 to include institutions currently covered by part 370, and the PRA burden of implementing the appropriate technology systems to comply with § 360.9, FDIC estimates an increased PRA burden of 12,022 hours under the most recent OMB submission for § 360.9. Rescission of part 370 would eliminate the PRA burden of 10,169 hours reported under OMB Control No. 3064-0202. Based on these estimates, the net increase across both collections would be 1,853 annual burden hours. The increased overall burden is caused in part by the implementation costs of institutions adjusting their information technology systems to § 360.9 requirements. However, after larger covered institutions complete a one-time implementation of the requirements of this proposal, the estimated ongoing burden of this information collection request will be reduced on a long-term basis relative to the ongoing burden of the previous information collection requests under § 360.9 and part 370.

13. Estimate of start-up cost to respondents:

14. Estimates of annualized cost to the federal government:

None.

15. Analysis of change in burden:

Based on the expansion of § 360.9 to include institutions currently covered by part 370, and the PRA burden of implementing the appropriate technology systems to comply with § 360.9, FDIC estimates an increased PRA burden of 12,022 hours under the most recent OMB submission for § 360.9. Rescission of part 370 would eliminate the PRA burden of 10,169 hours reported under OMB Control No. 3064-0202. Based on these estimates, the net increase across both collections would be 1,853 annual burden hours. The increased overall burden is caused in part by the implementation costs of institutions adjusting their information technology systems to § 360.9 requirements. However, after larger covered institutions complete a one-time implementation of the requirements of this proposal, the estimated ongoing burden of this information collection request will be reduced on a long-term basis relative to the ongoing burden of the previous information collection requests under § 360.9 and part 370.

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

No publication will be made of this information.

17. Exceptions to expiration date display

Not applicable.

18. Exceptions to certification:

There are no exceptions to certification.