

SUPPORTING STATEMENT
MANAGEMENT OFFICIAL INTERLOCKS
(OMB No. 3064-0118)

INTRODUCTION

The FDIC is requesting a three-year renewal of the currently approved collection of information captioned above. The clearance for the collection expires on October 31, 2007. There is no change in the method or substance of the collection.

A. JUSTIFICATION

1. Circumstances and Need

This collection is associated with the FDIC's Management Official Interlocks regulation, 12 CFR 348, which implements the Depository Institutions Management Interlocks Act (DIMIA), 12 U.S.C. 3201-3208. DIMIA generally prohibits bank management officials from serving simultaneously with two unaffiliated depository institutions or their holding companies but allows the FDIC to grant exemptions in appropriate circumstances. Consistent with DIMIA, the FDIC's Management Official Interlocks regulation has an application requirement at section 348.6 requiring information specified in the FDIC's procedural regulation, 12 CFR 303.250. The rule also contains a notification requirement at section 348.4(i).

2. Use of the Information Collected

The information is used to provide state and federal examiners of depository institutions with documentation which will allow them to ascertain whether depository organizations are eligible for a management interlock exemption.

3. Use of Technology to Reduce Burden

Currently, the low number of respondents for this collection does not make conversion to electronic submission cost beneficial.

4. Effort to Identify Duplication

There is no duplication. Each situation is unique.

5. Minimizing the Burden on Small Entities

There is a small market share exemption under which qualified banks need not submit information that would otherwise be required. Note: The FDIC recently implemented an increase in the small bank exemption, from \$20 million to \$50 million, pursuant to a statutory mandate (the Financial Services Regulatory Relief Act of 2006). Because more banks will be covered by this exemption as a result of the change, the effect is to reduce burden overall. However, because banks must submit an application to be considered exempt, there is likely to be an increase in the number of respondents for this collection, with a concomitant upward adjustment in burden, as more small banks take advantage of the increased threshold for the exemption.

6. Consequence of Less Frequent Collections

This occasional collection is the minimum required to implement the statute.

7. Special Circumstances

None.

8. Summary of Public Comments

A “first” *Federal Register* notice seeking comment was published on August 29, 2007 (72 FR 49720). No comments were received.

9. Payment or Gift to Respondents

None.

10. Confidentiality

The Freedom of Information Act will govern the confidentiality accorded to the information in the collection.

11. Information of a Sensitive Nature

This requirement contains no sensitive information.

12. Estimates of Annualized Burden

Number of respondents: 6
Number of responses per respondent: 1
Total number of responses: 6
Hours per response: 4

Total hours: 24

13. Total Annual Cost Burden

None.

14. Annualized Cost to the Federal Government

\$1,440 (6 applications x 8 hours per review x \$30 per hour).

15. Reason for Program Changes or Adjustments

The change in burden of +16 hours (from 8 hours to 24 hours) is an adjustment, the effect of an increase in the number of reporting institutions from 2 to 8.

16. Publication

No publication is made of the information.

17. Display of Expiration Date

Not applicable.

18. Exceptions to Certification

None.

B. STATISTICAL METHODS

Not applicable.

Attachments

1. Statutory mandate, 12 U.S.C. 3201-3208
2. Regulatory mandate, 12 CFR 348
3. "First" Federal Register notice; draft "second" Federal Register notice