



6714-01-P

FEDERAL DEPOSIT INSURANCE CORPORATION

Agency Information Collection Activities: Proposed Collection Renewal; Comment Request (OMB No. 3064-0117; -0145; and -0152)

AGENCY: Federal Deposit Insurance Corporation (FDIC).

ACTION: Notice and request for comment.

SUMMARY: The FDIC, as part of its obligations under the Paperwork Reduction Act of 1995 (PRA), invites the general public and other Federal agencies to take this opportunity to comment on the renewal of the existing information collections described below.

DATES: Comments must be submitted on or before **[INSERT DATE 60 DAYS FROM PUBLICATION IN THE FEDERAL REGISTER]**.

ADDRESSES: Interested parties are invited to submit written comments to the FDIC by any of the following methods:

- *<https://www.FDIC.gov/regulations/laws/federal>.*
- *Email: comments@fdic.gov.* Include the name and number of the collection in the subject line of the message.
- *Mail:* Manny Cabeza (202-898-3767), Counsel, MB-3007, Federal Deposit Insurance Corporation, 550 17th Street NW, Washington, DC 20429.
- *Hand Delivery:* Comments may be hand-delivered to the guard station at the rear of the 17th Street NW building (located on F Street), on business days between 7:00 a.m. and 5:00 p.m.

All comments should refer to the relevant OMB control number. A copy of the comments may also be submitted to the OMB desk officer for the FDIC: Office of Information and Regulatory Affairs, Office of Management and Budget, New Executive Office Building, Washington, DC 20503.

FOR FURTHER INFORMATION CONTACT: Manny Cabeza, Counsel, 202-898-3767, mcabeza@fdic.gov, MB-3007, Federal Deposit Insurance Corporation, 550 17th Street NW, Washington, DC 20429.

SUPPLEMENTARY INFORMATION:

Proposal to renew the following currently approved collections of information:

1. Title: Multi-to-Stock Conversion of State Savings Banks

OMB Number: 3064-0117.

Form Number: None.

Affected Public: Insured state savings associations.

Burden Estimate:

| Summary of Annual Burden | | | | | | | |
|--|----------------|-----------------------|---------------------------------|----------------------------------|-----------------------------|-----------------------|-------------------------------|
| | 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 |
| Multi-to-Stock Conversion of State Savings Bank | Reporting | Mandatory | 5 | 1 | 250 hours | On Occasion | 1,250 |
| TOTAL HOURLY BURDEN | | | | | | | 1,250 hours |

General Description of Collection:

State savings associations must file a notice of intent to convert to stock form, and provide the FDIC with copies of documents filed with state and federal banking and/or securities regulators in connection with any proposed mutual-to-stock conversion.

There is no change in the method or substance of the collection. The overall reduction in burden hours is the result of economic fluctuation. In particular, the number of respondents has decreased while the hours per response and frequency of responses have remained the same.

2. Title: Notice Regarding Unauthorized Access to Customer Information

OMB Number: 3064-0145.

Form Number: None.

Affected Public: Insured state nonmember banks

Burden Estimate:

| Summary of Annual Burden | | | | | |
|---|------------------------|---------------------------------|-----------------------------|-----------------------|-------------------------------------|
| | Type of Burden | Estimated Number of Respondents | Estimated Time per Response | Frequency of Response | Total Estimated Annual Burden Hours |
| Implementation (One Time) | | | | | |
| Develop Policies and Procedures for Response Program | Recordkeeping | 2 | 24 hours | 1 | 48 hours |
| Ongoing | | | | | |
| Notice Regarding Unauthorized Access to Customer Information | Third Party Disclosure | 315 | 36 hours | On Occasion | 11,340 hours |
| Total Estimated Annual Burden | | | | | 11,388 hours |

General Description of Collection:

The Interagency Guidance on Response Programs for Unauthorized Access to Customer Information and Customer Notice describes the federal banking agencies’ expectations regarding a response program, including customer notification procedures, that a financial institution should develop and apply under the circumstances described in the *Guidance* to address unauthorized access to or use of customer information that could result in substantial harm or inconvenience to a customer. The *Guidance* advises financial institutions when and how they might: (1) develop notices to customers; (2) in certain circumstances defined in the *Guidance*, determine which customers should receive the notices and (3) send the notices to customers.

There is no change in the method or substance of the information collection. With respect to the third party disclosure requirements associated with providing notices regarding unauthorized access to customer information, the FDIC revised its estimate of the response time from 29 hours per response to 36 hours per response. The agency also revised its estimate of the number of annual respondents from 80 to 315 to reflect current industry trend data.

3. Title: Identity Theft Red Flags

OMB Number: 3064-0152.

Form Number: None.

Affected Public: Insured state nonmember banks.

Burden Estimate:

| Summary of Annual Burden | | | | | | | |
|--------------------------|----------------|-----------------------|---------------------------------|----------------------------------|-----------------------------|-----------------------|-------------------------------|
| | 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 |
| | | | | | | | |

| | | | | | | | |
|---|------------------------|-----------|-------|---|----------|-------------|--------------|
| FACT Act Sections 114 and 315 – Establish policies and Procedures | Recordkeeping | Mandatory | 3,575 | 1 | 16 hours | On Occasion | 57,200 hours |
| FACT Act Section 315 – Establish policies and Procedures | Third-Party Disclosure | Mandatory | 3,575 | 1 | 4 hours | On Occasion | 14,300 hours |
| TOTAL HOURLY BURDEN | | | | | | | 71,500 hours |

General Description of Collection:

The regulation containing this information collection requirement is 12 CFR part 334, which implements sections 114 and 315 of the Fair and Accurate Credit Transactions Act of 2003 (FACT Act), Public Law 108–159 (2003).

FACT Act Section 114: Section 114 requires the Board of Governors of the Federal Reserve System, the Office of the Comptroller of the Currency and the FDIC (the Agencies) to jointly propose guidelines for financial institutions and creditors identifying patterns, practices, and specific forms of activity that indicate the possible existence of identity theft. In addition, each financial institution and creditor is required to establish reasonable policies and procedures to address the risk of identity theft that incorporate the guidelines. Credit card and debit card issuers must develop policies and procedures to assess the validity of a request for a change of address under certain circumstances.

The information collections pursuant to section 114 require each financial institution and creditor to create an Identity Theft Prevention Program and report to the board of directors, a committee thereof, or senior management at least annually on compliance with the proposed regulations. In addition, staff must be trained to carry out the program. Each credit and debit card issuer is required to establish policies and procedures to assess the validity of a change of address request. The card issuer must notify the cardholder or use another means to assess the validity of the change of address.

FACT Act Section 315: Section 315 requires the Agencies to issue regulations providing guidance regarding reasonable policies and procedures that a user of consumer reports must employ when such a user receives a notice of address discrepancy from a consumer reporting agency. Part 334 provides such guidance. Each user of consumer reports must develop reasonable policies and procedures that it will follow when it receives a notice of address discrepancy from a consumer reporting agency. A user of consumer reports must furnish an address that the user has reasonably confirmed to be accurate to the consumer reporting agency from which it receives a notice of address discrepancy.

There is no change in the method or substance of the information collection. The total estimated annual burden hours have increased because of the inclusion of the agency's estimate of third-party disclosure burden associated with the notices required by Section 315 of the FACT Act which were previously not included because the agencies had taken the position that the entities covered by the regulation were already furnishing addresses that they had reasonably confirmed to be accurate to consumer reporting agencies from which they receive a notice of address discrepancy as a usual and customary business practice. The above burden estimate now includes burden for the third-party disclosure requirements associated with Section 315 which resulted in an increase in estimated annual burden of 14,300 hours. This increase was offset, in part, by a reduction in the estimated number of respondents from 4,017 to 3,575 which resulted in a decrease in the estimated annual burden for the recordkeeping requirement associated with Sections 114 and 315 from 64,272 hour to 57,200 hours. The net effect of the revision is an increase in estimated annual burden from 64,272 hours to 71,500 hours.

Request for Comment

Comments are invited on: (a) Whether the collection of information is necessary for the proper performance of the FDIC's functions, including whether the information has practical utility; (b) the accuracy of the estimates of the burden of the information collection, including the validity of the methodology and assumptions used; (c) ways to enhance the quality, utility, and clarity of the information to be collected; and (d) ways to minimize the burden of the collection of information on respondents, including through the use of automated collection techniques or other forms of information technology. All comments will become a matter of public record.

Dated at Washington, DC, on November 16, 2018.

Federal Deposit Insurance Corporation.

Robert E. Feldman,

Executive Secretary.

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