



FEDERAL RESERVE SYSTEM

Proposed Agency Information Collection Activities; Comment Request

AGENCY: Board of Governors of the Federal Reserve System.

ACTION: Notice, request for comment.

SUMMARY: The Board of Governors of the Federal Reserve System (Board) invites comment on a proposal to extend for three years, with revision, the Recordkeeping and Disclosure Provisions Associated with Real Estate Appraisal Standards (FR Y-30; OMB No. 7100-0250).

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

ADDRESSES: You may submit comments, identified by FR Y-30, by any of the following methods:

- Agency Website: <https://www.federalreserve.gov/>. Follow the instructions for submitting comments at <https://www.federalreserve.gov/apps/foia/proposedregs.aspx>.
- E-mail: regs.comments@federalreserve.gov. Include the OMB number in the subject line of the message.
- FAX: (202) 452-3819 or (202) 452-3102.
- Mail: Ann E. Misback, Secretary, Board of Governors of the Federal Reserve System, 20th Street and Constitution Avenue, NW, Washington, DC 20551.

All public comments are available from the Board's website at <https://www.federalreserve.gov/apps/foia/proposedregs.aspx> as submitted, unless modified for technical reasons or to remove personally identifiable information at the commenter's request. Accordingly, comments will not be edited to remove any identifying or contact information. Public comments may also be viewed electronically or in paper in Room 146, 1709 New York

Avenue, NW, Washington, DC 20006, between 9:00 a.m. and 5:00 p.m. on weekdays. For security reasons, the Board requires that visitors make an appointment to inspect comments.

You may do so by calling (202) 452-3684. Upon arrival, visitors will be required to present valid government-issued photo identification and to submit to security screening in order to inspect and photocopy comments.

Additionally, commenters may send a copy of their comments to the Office of Management and Budget (OMB) Desk Officer – Shagufta Ahmed – Office of Information and Regulatory Affairs, Office of Management and Budget, New Executive Office Building, Room 10235, 725 17th Street, NW, Washington, DC 20503, or by fax to (202) 395-6974.

FOR FURTHER INFORMATION CONTACT:

Federal Reserve Board Clearance Officer – Nuha Elmaghrabi – Office of the Chief Data Officer, Board of Governors of the Federal Reserve System, Washington, DC 20551, (202) 452-3829.

SUPPLEMENTARY INFORMATION: On June 15, 1984, OMB delegated to the Board authority under the PRA to approve and assign OMB control numbers to collections of information conducted or sponsored by the Board. In exercising this delegated authority, the Board is directed to take every reasonable step to solicit comment. In determining whether to approve a collection of information, the Board will consider all comments received from the public and other agencies.

A copy of the Paperwork Reduction Act (PRA) OMB submission, including the reporting form and instructions, supporting statement, and other documentation will be available at <https://www.reginfo.gov/public/do/PRAMain>, if approved. These documents will also be made available on the Board’s public website at

<https://www.federalreserve.gov/apps/reportforms/review.aspx> or may be requested from the agency clearance officer, whose name appears above.

Request for Comment on Information Collection Proposal

The Board invites public comment on the following information collection, which is being reviewed under authority delegated by the OMB under the PRA. Comments are invited on the following:

- a. Whether the proposed collection of information is necessary for the proper performance of the Board's functions, including whether the information has practical utility;
- b. The accuracy of the Board's estimate of the burden of the proposed 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;
- d. Ways to minimize the burden of information collection on respondents, including through the use of automated collection techniques or other forms of information technology; and
- e. Estimates of capital or startup costs and costs of operation, maintenance, and purchase of services to provide information.

At the end of the comment period, the comments and recommendations received will be analyzed to determine the extent to which the Board should modify the proposal.

Proposal under OMB Delegated Authority to Extend for Three Years, With Revision, the Following Information Collection:

Report title: Recordkeeping and Disclosure Provisions Associated with Real Estate Appraisal Standards.¹

Agency form number: FR Y-30.

OMB control number: 7100-0250.

Frequency: Event-generated.

Respondents: State member banks (SMBs) and nonbank subsidiaries of bank holding companies (BHCs).

Estimated number of respondents: SMBs, 740; nonbank subsidiaries of BHCs, 1,126.

Estimated average hours per response: SMBs, 5 minutes; nonbank subsidiaries of BHCs, 5 minutes.

Estimated annual burden hours: Recordkeeping, SMBs, 25,837 hours; nonbank subsidiaries of BHCs, 2,346 hours. Disclosure, SMBs, 62 hours; nonbank subsidiaries of BHCs, 94 hours.

General description of report: Title XI of the Financial Institutions Reform, Recovery, and Enforcement Act of 1989 (FIRREA) (12 U.S.C. 3331 et seq.) requires that, for federally related transactions,² regulated institutions obtain real estate appraisals performed by certified or

¹ This information collection was previously titled *Recordkeeping Requirements Associated with Real Estate Appraisal Standards for Federally Related Transactions Pursuant to Regulations H and Y (FR H-4; OMB No. 7100-0250)*. Under the proposal, this information collection would no longer include references to section 208.51 of the Board's Regulation H (12 CFR 208.51), which is cleared by the Board as part of the FR H-5 clearance (OMB No. 7100 0261). This change would not affect the burden estimate for this collection of information, as prior burden calculations for the FR H-4 have not included any burden associated with section 208.51 of Regulation H. Additionally, as described in this Supporting Statement, the proposal would replace references to section 208.50 of Regulation H with references to subpart G of Regulation Y as the source for certain appraisal standards for state member banks. Therefore, the Board has modified the title and agency tracking number of the FR H-4 information collection to reflect that it will no longer account for provisions of Regulation H.

² A "federally related transaction" means any real estate-related financial transaction which (A) a federal financial institutions regulatory agency or the Resolution Trust Corporation engages in, contracts for, or regulates; and (B) requires the services of an appraiser. 12 U.S.C. 3350(4). The term "real estate-related financial transaction" means any transaction involving (A) the sale, lease, purchase, investment in or exchange of real property, including interests in property, or the financing thereof; (B) the refinancing of real property or interests in real property; and

licensed appraisers in conformance with uniform appraisal standards.³ The Board’s regulations implementing Title XI of FIRREA, contained in the Board’s Regulation Y, include certain recordkeeping requirements that apply to SMBs, BHCs, and nonbank subsidiaries of BHCs that extend mortgage credit (together, institutions). The Board and other supervisory agencies also have issued Interagency Appraisal and Evaluation Guidelines (the Guidelines) that convey supervisory expectations relating to real estate appraisals and evaluations used to support real estate-related financial transactions.⁴ These Guidelines recommend that institutions adopt certain policies and procedures to ensure compliance with Title XI of FIRREA and Regulation Y.

Proposed revisions: The Board proposes to revise the FR Y-30 to account for the collections of information contained in the Guidelines. Although previous OMB Supporting Statements for the FR H-4, the former agency tracking number for this clearance, referred to the Guidelines, the Board did not formally clear these collections of information or account for their corresponding burden.

Legal authorization and confidentiality: The FR Y-30 is authorized pursuant to Title XI of FIRREA.³ The obligation to respond is mandatory. The recordkeeping provisions contained in the Guidelines, which is nonbinding, are voluntary.⁴

Because FR Y-30 records would be maintained at each banking organization, the Freedom of Information Act (“FOIA”) would only be implicated if the Board obtained such records as part of the examination or supervision of a banking organization. In the event the records are obtained by the Board as part of an examination or supervision of a financial

(C) the use of real property or interests in property as security for a loan or investment, including mortgage-backed securities. 12 U.S.C. 3350(5).

³ 12 U.S.C. 3339. The Board also has the authority to require reports from bank holding companies (12 U.S.C. 1844(c)) and state member banks (12 U.S.C. 248(a) and 324).

⁴ See SR 18-5 / CA 18-7: Interagency Statement Clarifying the Role of Supervisory Guidance (Sept. 11, 2018).

institution, this information may be considered confidential pursuant to exemption 8 of the FOIA, which protects information contained in “examination, operating, or condition reports” obtained in the bank supervisory process.⁵ In addition, the information may also be kept confidential under exemption 4 for the FOIA, which protects commercial or financial information obtained from a person that is privileged or confidential.⁶

Board of Governors of the Federal Reserve System, October 8, 2020.

Michele Taylor Fennell,

Assistant Secretary of the Board.

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⁵ 5 U.S.C. 552(b)(8).

⁶ 5 U.S.C. 552(b)(4).