



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 Disclosure Requirements of Subpart H of Regulation H (Consumer Protection in Sales of Insurance) (FR H-7; OMB No. 7100-0298).

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

ADDRESSES: You may submit comments, identified by *FR H-7*, 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: Disclosure Requirements of Subpart H of Regulation H (Consumer Protection in Sales of Insurance).

Agency form number: FR H-7.

OMB control number: 7100-0298.

Frequency: On occasion.

Respondents: State member banks or any other person at an office of a bank or on behalf of a bank (collectively, Covered Persons).

Estimated number of respondents: Insurance and extension of credit, 341; advertisements, 341.

Estimated average hours per response: Insurance and extension of credit, 1.5 minutes; advertisements, 25 minutes.

Estimated annual burden hours: Insurance and extension of credit, 5,371; advertisements, 142.

General description of report: The insurance consumer protection rules in Regulation H require depository institutions to prepare and provide certain disclosures to consumers. The disclosure

requirements are codified at 12 CFR 208.81 et seq. and require Covered Persons to make certain disclosures: before the completion of the initial purchase of an insurance product or annuity by a consumer; at the time a consumer applies for an extension of credit in connection with which an insurance product or annuity is solicited, offered, or sold; and in advertisements and promotional materials for insurance products or annuities.

Proposed revisions: The Board proposes to revise the FR H-7 information collection to account for the advertisements and promotional materials disclosure requirement in Regulation H, Subpart H, that has not been previously cleared by the Board under the PRA. The Board is not proposing to create any forms associated with the FR H-7 to address this requirement.

Legal authorization and confidentiality: The Disclosure Requirements of Subpart H of Regulation H are authorized by section 305 of the Gramm-Leach-Bliley Act of 1999 (GLBA), which requires that the Board issue regulations, including disclosure requirements, applicable to retail sales practices, solicitations, advertising, or offers of insurance by depository institutions.¹ The disclosures required under Subpart H of Regulation H are mandatory.

Because the FR H-7 disclosures are provided by state member banks to customers, confidentiality issues should generally not arise. In the event the records are obtained by the Board as part of the examination or supervision of a financial institution, this information may be considered confidential pursuant to exemption 8 of the Freedom of Information Act, which protects information contained in “examination, operating, or condition reports” obtained in the bank supervisory process.²

Consultation outside the agency: The Board consulted with the other federal banking agencies with similar regulations pursuant to section 305 of the GLBA.

Board of Governors of the Federal Reserve System, September 29, 2021.

¹ 12 U.S.C. 1831x. The Board also has the authority to require reports from state member banks. 12 U.S.C. 248(a) and 324.

² 5 U.S.C. 552(b)(8).

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Billing Code 6210-01-P

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