

## **FEDERAL RESERVE SYSTEM**

### **Proposed Agency Information Collection Activities; Comment Request**

**AGENCY:** Board of Governors of the Federal Reserve System

**SUMMARY:** On June 15, 1984, the Office of Management and Budget (OMB) delegated to the Board of Governors of the Federal Reserve System (Board) its approval authority under the Paperwork Reduction Act (PRA), pursuant to 5 CFR 1320.16, to approve of and assign OMB control numbers to collection of information requests and requirements conducted or sponsored by the Board under conditions set forth in 5 CFR 1320

Appendix A.1. Board-approved collections of information are incorporated into the official OMB inventory of currently approved collections of information. Copies of the Paperwork Reduction Act Submission, supporting statements and approved collection of information instruments are placed into OMB's public docket files. The Federal Reserve may not conduct or sponsor, and the respondent is not required to respond to, an information collection that has been extended, revised, or implemented on or after October 1, 1995, unless it displays a currently valid OMB control number.

**DATES:** Comments must be submitted on or before March 6, 2012.

**ADDRESSES:** You may submit comments, identified by **7100-0310**, by any of the following methods:

- Agency Web Site: <http://www.federalreserve.gov>. Follow the instructions for submitting comments at <http://www.federalreserve.gov/generalinfo/foia/ProposedRegs.cfm>.
- Federal eRulemaking Portal: <http://www.regulations.gov>. Follow the instructions for submitting comments.
- E-mail: [regs.comments@federalreserve.gov](mailto:regs.comments@federalreserve.gov). Include OMB number in the subject line of the message.
- FAX: 202/452-3819 or 202/452-3102.
- Mail: Jennifer J. Johnson, Secretary, Board of Governors of the Federal Reserve System, 20<sup>th</sup> Street and Constitution Avenue, N.W., Washington, DC 20551.

All public comments are available from the Board's web site at [www.federalreserve.gov/generalinfo/foia/ProposedRegs.cfm](http://www.federalreserve.gov/generalinfo/foia/ProposedRegs.cfm) as submitted, unless modified for technical reasons. Accordingly, your comments will not be edited to remove any identifying or contact information. Public comments may also be viewed electronically or in paper form in Room MP-500 of the Board's Martin Building (20th and C Streets, N.W.) between 9:00 a.m. and 5:00 p.m. on weekdays.

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

**FOR FURTHER INFORMATION CONTACT:** A copy of the PRA OMB submission, including the proposed reporting form and instructions, supporting statement, and other documentation will be placed into OMB's public docket files, once approved. These documents will also be made available on the Federal Reserve Board's public website at: <http://www.federalreserve.gov/boarddocs/reportforms/review.cfm> or may be requested from the agency clearance officer, whose name appears below.

Federal Reserve Board Clearance Officer -- Cynthia Ayouch -- Division of Research and Statistics, Board of Governors of the Federal Reserve System, Washington, DC 20551 (202-452-3829). Telecommunications Device for the Deaf (TDD) users may contact (202-263-4869), Board of Governors of the Federal Reserve System, Washington, DC 20551.

**SUPPLEMENTARY INFORMATION:****Request for comment on information collection proposal**

The following information collection, which is being handled under this delegated authority, has received initial Board approval and is hereby published for comment. At the end of the comment period, the proposed information collection, along with an analysis of comments and recommendations received, will be submitted to the Board for final approval under OMB delegated authority. Comments are invited on the following:

- a. Whether the proposed collection of information is necessary for the proper performance of the Federal Reserve's functions; including whether the information has practical utility;
- b. The accuracy of the Federal Reserve'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 start up costs and costs of operation, maintenance, and purchase of services to provide information.

**Proposal to approve under OMB delegated authority the extension for three years, without revision, of the following report:**

1. *Report title:* Recordkeeping Requirements of Regulation H and Regulation K Associated with Bank Secrecy Act Compliance Programs.

*Agency form number:* Reg K.

*OMB control number:* 7100-0310.

*Frequency:* Annually.

*Reporters:* State member banks; Edge and agreement corporations; and U.S. branches, agencies, and other offices of foreign banks supervised by the Federal Reserve.

*Estimated annual reporting hours:* Establish compliance program, 128 hours; and maintenance of compliance program, 4,476 hours.

*Estimated average hours per response:* Establish compliance program, 16 hours; and maintenance of compliance program, 4 hours.

*Number of respondents:* Establish compliance program, 8; and maintenance of compliance program, 1,119.

*General description of report:* This information collection is mandatory pursuant to the Bank Secrecy Act (BSA)(31 U.S.C. 513(h)). In addition,

sections 11, 21, 25, and 25A of the Federal Reserve Act (12 U.S.C. 248(a), 483, 602, and 611(a)) authorize the Federal Reserve to require the information collection and recordkeeping requirements set forth in Regulations K and H. Section 5 of the Bank Holding Company Act (12 U.S.C. 1844) and section 13(a) of the International Banking Act (12 U.S.C. 3108(a)) provide further authority for sections 211.5(m) and 211.24(j)(1) of Regulation K. Since the Federal Reserve does not collect any information, no issue of confidentiality normally arises. However, if a BSA compliance program becomes a Federal Reserve record during an examination, the information may be protected from disclosure under exemptions (b)(4) and (8) of the Freedom of Information Act (5 U.S.C. 552(b)(4) and (b)(8)).

*Abstract:* Sections 211.5(m)(1) and 211.24(j)(1) of Regulation K require Edge and agreement corporations and U.S. branches, agencies, and other offices of foreign banks supervised by the Federal Reserve to establish and maintain procedures reasonably designed to ensure and monitor compliance with the Bank Secrecy Act (BSA) and related regulations. Section 208.63 of Regulation H requires state member banks to establish and maintain the

same procedures. There are no required reporting forms associated with this information collection.

Board of Governors of the Federal Reserve System, January 3, 2012.

**(signed)**

**Jennifer J. Johnson,**  
Secretary of the Board.