

**Supporting Statement for the
Reporting Provisions Associated with Regulation TT
(FR TT; OMB No. 7100-0369)**

Summary

The Board of Governors of the Federal Reserve System (Board), under authority delegated by the Office of Management and Budget (OMB), proposes to extend for three years, without revision, the Reporting Provisions Associated with Regulation TT (FR TT; OMB No. 7100-0369).¹ The Board's Regulation TT - Supervision and Regulation Assessments of Fees (12 CFR Part 246) implements the second section 11(s) of the Federal Reserve Act (FRA),² which directs the Board to collect assessments, fees, or other charges (collectively, assessments) from bank holding companies (BHCs) and savings and loan holding companies (SLHCs) that meet a size threshold and from all nonbank financial companies designated for Board supervision by the Financial Stability Oversight Council (FSOC) (collectively, assessed companies) in an amount equal to the total expenses the Board estimates are necessary or appropriate to carry out its supervisory and regulatory responsibilities with respect to such companies. Pursuant to Regulation TT, the Board issues an annual notice of assessment to each assessed company. As described below, assessed companies may file a written appeal with the Board regarding the assessment.³

The estimated total annual burden for the FR TT is 120 hours.

Background and Justification

The second section 11(s) of the FRA directs the Board to collect assessments from assessed companies equal to the expenses the Board estimates are necessary or appropriate to carry out its supervision and regulation of those companies. Each calendar year is an assessment period. A BHC or SLHC is an assessed company for an assessment period if it has total consolidated assets of \$100 billion or more, and all nonbank financial companies designated for Board supervision by the FSOC are assessed companies. Regulation TT provides that the Board must notify assessed companies of the amount of their assessment no later than June 30 of the year following each assessment period, and assessed companies may file a written appeal with the Board regarding the assessment.

This information submitted as part of an appeal is not available from other sources. This information collection is necessary in order for the Board to provide BHCs, SLHCs, and Board-supervised nonbank financial companies an opportunity to appeal their assessment as provided in Regulation TT.

¹ There is no formal reporting form for this collection of information (the FR TT designation is for internal purposes only). This collection of information was formerly titled "Supporting Statement for the Reporting Requirements Associated with Regulation TT."

² 12 U.S.C. § 248(s). The second section 11(s) of the Federal Reserve Act was added by section 318 of the Dodd-Frank Wall Street Reform and Consumer Protection Act. There are two subsections of section 11 of the Federal Reserve Act designated as (s). The provision relating to assessments is described as the "second" subsection (s) as it was enacted later in time.

³ 12 CFR 246.5(b).

Description of Information Collection

Section 246.5(b), Notice of Assessment and Appeal. Each assessed company has 30 calendar days from June 30 to submit a written statement to appeal the Board's determination that the company is an assessed company or its determination of the company's total assessable assets.

Respondent Panel

The FR TT panel comprises BHCs and SLHCs that meet a size threshold (\$100 billion or more in total consolidated assets) and all nonbank financial companies designated for Board supervision by the FSOC. Pursuant to Regulation TT, the total consolidated assets of a BHC and SLHC are determined based on the average of the bank holding company's total consolidated assets reported for the assessment period, and a nonbank financial company is considered to be an assessed company if it is a Board-supervised nonbank financial company on December 31 of the assessment period.

Time Schedule for Information Collection

This information collection is event-generated. An assessed company electing to appeal the Board's assessment determination has 30 calendar days from June 30 to submit a written appeal.

Public Availability of Data

There is no data related to this information collection available to the public.

Legal Status

The FR TT is authorized pursuant to the second section 11(s) of the FRA, which requires the Board to collect the assessments, as described above, and section 11(i) of the FRA,⁴ which provides that the Board shall make all rules and regulations necessary to enable the Board to effectively perform the duties, functions, or services specified in the FRA. The FR TT reporting provisions are required to obtain a benefit.

An assessed company may request confidential treatment of information contained in its appeal pursuant to exemption 4 of the Freedom of Information Act ("FOIA"), which protects nonpublic commercial or financial information, which is both customarily and actually treated as private by the respondent.⁵ Determinations of confidentiality based on FOIA exemption 4 would be made on a case-by-case basis.

⁴ 12 U.S.C. § 248(i).

⁵ 5 U.S.C. § 552(b)(4).

Consultation Outside the Agency

There has been no consultation outside the Federal Reserve System.

Public Comments

On December 10, 2021, the Board published an initial notice in the *Federal Register* (86 FR 70498) requesting public comment for 60 days on the extension, without revision, of the FR TT. The comment period for this notice expires on February 8, 2022.

Estimate of Respondent Burden

As shown in the table below, the estimated total annual burden for the FR TT is 120 hours. The estimated average hours per request is 40 hours. These reporting requirements represent less than 1 percent of the Board's total paperwork burden.

FR TT	<i>Estimated number of respondents⁶</i>	<i>Annual frequency</i>	<i>Estimated average hours per response</i>	<i>Estimated annual burden hours</i>
Section 246.5(b)	3	1	40	120

The estimated total annual cost to the public for this information collection is \$7,098.⁷

Sensitive Questions

This collection of information contains no questions of a sensitive nature, as defined by OMB guidelines.

Estimate of Cost to the Federal Reserve System

The estimated cost to the Federal Reserve System for collecting this information is negligible.

⁶ Of these respondents, none are considered small entities as defined by the Small Business Administration (i.e., entities with less than \$600 million in total assets), <https://www.sba.gov/document/support-table-size-standards>.

⁷ Total cost to the public was estimated using the following formula: percent of staff time, multiplied by annual burden hours, multiplied by hourly rates (30% Office & Administrative Support at \$20, 45% Financial Managers at \$73, 15% Lawyers at \$72, and 10% Chief Executives at \$95). Hourly rates for each occupational group are the (rounded) mean hourly wages from the Bureau of Labor and Statistics (BLS), *Occupational Employment and Wages May 2020*, published March 31, 2021, <https://www.bls.gov/news.release/ocwage.t01.htm>. Occupations are defined using the BLS Occupational Classification System, <https://www.bls.gov/soc/>.