



This document is scheduled to be published in the Federal Register on 09/15/2015 and available online at <http://federalregister.gov/a/2015-23103>, and on FDsys.gov

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), to approve of and assign OMB numbers to collection of information requests and requirements conducted or sponsored by the Board. Board-approved collections of information are incorporated into the official OMB inventory of currently approved collections of information. Copies of the PRA 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 number.

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 *Reg II or Reg K*, by any of the following methods:

- Agency Website: <http://www.federalreserve.gov>. Follow the instructions for submitting comments at <http://www.federalreserve.gov/apps/foia/proposedregs.aspx>.
- Federal eRulemaking Portal: <http://www.regulations.gov>. Follow the instructions for submitting comments.
- E-mail: regs.comments@federalreserve.gov. Include OMB number in the subject line of the message.
- FAX: (202) 452-3819 or (202) 452-3102.
- Mail: Robert deV. Frierson, 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

<http://www.federalreserve.gov/apps/foia/proposedregs.aspx> 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 3515, 1801 K Street (between 18th and 19th Streets NW) Washington, DC 20006 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 17th 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/apps/reportforms/review.aspx> or may be requested from the agency clearance officer, whose name appears below.

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. 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 proposals

The following information collections, which are being handled under this delegated authority, have received initial Board approval and are hereby published for comment. At the end of the comment period, the proposed information collections, 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 reports:

1. *Report title:* Recordkeeping and Disclosure Requirements Associated with Regulation II (Debit Card Interchange Fees and Routing).

Agency form number: Reg II.

OMB control number: 7100-0349.

Frequency: On occasion.

Reporters: State member banks, national banks, insured nonmember banks, savings associations, and Federally-chartered credit unions.

Estimated annual reporting hours: Implement policies & procedures, 2,400 hours; Review and update policies and procedures, 5,240 hours; and Annual notification and change in status, 131 hours.

Estimated average hours per response: Implement policies & procedures, 160 hours; Review and update policies and procedures, 40 hours; and Annual notification and change in status, 1 hour.

Number of respondents: Implement policies & procedures, 15 respondents; Review and update policies and procedures, 131 respondents; and Annual notification and change in status, 131 respondents.

General description of report: This information collection is required to obtain or retain a benefit ((15 U.S.C. 1693o-2(a)(5)) and is not given confidential treatment.

Abstract: Regulation II implements, among other things, standards for assessing whether interchange transaction fees for electronic debit transactions are reasonable and proportional to the cost incurred by the issuer with respect to the transaction, as required by section 920 of the Electronic Fund Transfer Act. The regulation sets a cap of 21 cents plus 5 basis points of the transaction's value on interchange transaction fees of covered issuers.

Regulation II allows adjustments to debit card interchange transaction fees to make an allowance for fraud-prevention costs incurred by issuers. The regulation permits an issuer to receive or

charge an amount of no more than 1 cent per transaction in addition to its interchange transaction fee if the issuer develops and implements policies and procedures that are reasonably designed to take effective steps to reduce the occurrence of, and costs to all parties from, fraudulent electronic debit transactions. An issuer must notify its payment card networks annually that it complies with the Board's standards for the fraud-prevention adjustment.

Regulation II requires issuers to retain evidence of compliance with the requirements imposed for a period of not less than five years after the end of the calendar year in which the electronic debit transaction occurred.

2. *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, 160 hours; and maintenance of compliance program, 4,872 hours.

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

Number of respondents: Establish compliance program, 10; and maintenance of compliance program, 1,218.

General description of report: The standards for Bank Secrecy Act (BSA) compliance programs associated with section 208.63 of Regulation H and with sections 211.5(m)(1) and 211.24(j)(1) of Regulation K are generally authorized pursuant to the BSA. In addition, sections 11, 21, 25, and 25A of the Federal Reserve Act authorize the Board to require the information collection and recordkeeping requirements set forth in Regulations H and K. Section 5 of the Bank Holding Company Act and section 13(a) of the International Banking Act 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 (b)(8) of the Freedom of Information Act.

Abstract: Section 208.63 of Regulation H requires state member banks to establish and maintain the same procedures. 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 BSA and related regulations. There are no required reporting forms associated with this information collection.

Board of Governors of the Federal Reserve System, September 10, 2015.

Robert deV. Frierson,

Secretary of the Board.

Billing Code 6210-01-P

[FR Doc. 2015-23103 Filed: 9/14/2015 08:45 am; Publication Date: 9/15/2015]