

MODIFICATIONS TO EXEMPTIONS—Continued

Application No.	Applicant	Reason for delay	Estimated date of completion
10929-M	Consolidated Rail Corporation, Philadelphia, PA	4	06/30/1999
11173-M	Olin Corporation, Norwalk, Ct	4	06/30/1999
11327-M	Phoenix Services Limited Partnership, Pasadena, MD	4	07/31/1999
11379-M	TRW Vehicle Safety Systems, Inc., Washington, MI	4	06/30/1999
11769-M	HCI USA Distribution Co., Inc., Irvine, Ca	4	07/30/1999
11984-M	United Parcel Service Company, Louisville, KY	4	07/31/1999
12013-M	HCI USA Distribution Companies, Incorporated Irvine, CA	4	07/31/1999

[FR Doc. 99-13568 Filed 5-27-99; 8:45 am]
BILLING CODE 4910-60-M

DEPARTMENT OF THE TREASURY

Office of the Comptroller of the Currency; Office of Thrift Supervision; Federal Reserve System; Federal Deposit Insurance Corporation

Submission for OMB Review; Comment Request

AGENCIES: Office of the Comptroller of the Currency (OCC) and Office of Thrift Supervision (OTS), Treasury; Board of Governors of the Federal Reserve System (FRB); and Federal Deposit Insurance Corporation (FDIC).

ACTION: Notice and request for comments.

SUMMARY: As required by the Paperwork Reduction Act of 1995 (PRA), the OCC, OTS, FDIC, and FRB (Agencies) are soliciting comments concerning their extension of the currently approved information collections contained in their respective Community Reinvestment Act (CRA) regulations. **DATES:** Comments should be submitted by July 27, 1999.

ADDRESSES: Comments should be directed as follows:

OCC: Communications Division, Attention: Paperwork Docket No. 1557-0160, Third Floor, Office of the Comptroller of the Currency, 250 E Street, SW, Washington, DC 20219. In addition, comments may be sent by facsimile transmission to (202) 874-5274, or by electronic mail to REGS.COMMENTS@OCC.TREAS.GOV. Comments are available for inspection and photocopying at 250 E Street, SW, Washington, DC.

OTS: Manager, Dissemination Branch, Information Management and Services Division, Office of Thrift Supervision, Attention 1550-0012, 1700 G Street NW, Washington, DC. Hand deliver comments to the Public Reference Room, 1700 G Street NW, lower level, from 9:00 a.m. to 5:00 p.m. on business days. Send facsimile transmissions to

FAX number (202) 906-7755, or to (202) 906-6956 (if comment exceeds 25 pages). Send e-mails to public.info@ots.treas.gov and include your name and telephone number. Interested persons may inspect comments at 1700 G Street NW from 9:00 a.m. to 5:00 p.m. on business days.

FRB: Jennifer J. Johnson, Secretary, Board of Governors of the Federal Reserve System, 20th and C Streets, NW, Washington, DC 20551. Telecommunications Device for the Deaf (TDD) users may contact Diane Jenkins, (202) 452-3544, Board of Governors of the Federal Reserve System, 20th Street and Constitution Avenue, NW, Washington, DC 20551. Additionally, comments may be delivered to the Board's mail room between 8:45 a.m. and 5:15 p.m., and to the security control room outside of those hours. Both the mail room and the security control room are accessible from the courtyard entrance on 20th Street between Constitution Avenue and C Street, NW. Comments received may be inspected in room M-P-500 between 9:00 a.m. and 5:00 p.m., except as provided in the Board's Rules Regarding Availability of Information, 12 CFR 261.14(a).

FDIC: Steven F. Hanft, Assistant Executive Secretary for Regulatory Analysis, Attention: Comments/CRA, Federal Deposit Insurance Corporation, Room 4001B, 550 17th Street, NW, Washington, DC 20429. Comments may be hand-delivered to room F-4001B, 1776 F Street, NW, Washington, DC, on business days between 8:30 a.m. and 5:00 p.m. Comments may be sent through facsimile to (202) 898-3838 or by the Internet to: COMMENTS@FDIC.GOV.

OMB: In addition, copies of comments should be sent to the OMB desk officer for the Agencies: Alexander Hunt, Office of Information and Regulatory Affairs, Office of Management and Budget, New Executive Office Building, Room 3208, Washington, DC 20503.

FOR FURTHER INFORMATION CONTACT: Additional information or a copy of the collection may be requested from:

OCC: Jessie Gates or Camille Dickerson, (202)874-5090, Legislative and Regulatory Activities Division (1557-0160), Office of the Comptroller of the Currency, 250 E Street, SW, Washington, DC 20219.

OTS: Mary Rawlings-Milton, (202) 906-6028, Manager, Records Management Branch, Information Management and Services, (1550-0012), Office of Thrift Supervision, 1700 G Street, NW, Washington, DC 20552.

FRB: Mary M. West, Federal Reserve Board Clearance Officer, (202) 452-3829, Division of Research and Statistics, Board of Governors of the Federal Reserve System, Washington, DC 20551. Telecommunications Device for the Deaf (TDD) users may contact Dorothea Thompson, (202) 452-3544, Board of Governors of the Federal Reserve System, Washington, DC 20551.

FDIC: Steven F. Hanft, FDIC Clearance Officer, (202) 898-3907, Office of the Executive Secretary, Federal Deposit Insurance Corporation, 550 17th Street, NW, Washington, DC 20429.

SUPPLEMENTARY INFORMATION:**Background***Introduction*

The PRA (44 U.S.C. 3501 *et seq.*) requires that an agency receive approval from the Office of Management and Budget (OMB) of an information collection that is subject to the PRA before the agency may collect the information. To obtain OMB approval for collections of information contained in rules, an agency must publish initial estimates in the **Federal Register** of the burden that likely will be imposed by a given information collection and invite comments on their accuracy. The agency is then required to prepare revised estimates, if necessary, taking the comments into consideration and publish a second **Federal Register** notice. At the time of the second publication, the agency also submits to OMB a request for approval of the information collection. If OMB determines that the information

collection satisfies the relevant criteria,¹ it will approve the collection. Approval typically lasts for three years, after which an agency must obtain a renewal of the OMB approval by going through the same steps outlined above if it wishes to continue collecting the information.

The Agencies have submitted a joint request to OMB, pursuant to the PRA, to renew approval of the information collections in their regulations implementing the CRA (12 U.S.C. 2901 *et seq.*). The CRA regulations were developed jointly by the Agencies in a rulemaking process that concluded with the issuance of final regulations in 1995. See Community Reinvestment Act Regulations, 60 FR 22156 (May 4, 1995). The Agencies jointly developed the paperwork burden estimates for the final rules, and, similarly, have jointly developed the burden estimates in this notice.

The Agencies have made no substantive revisions to the CRA regulations since the regulations were adopted in 1995. Thus, there is no change to the information collection provisions of the CRA regulations, and the Agencies' request for OMB review involves a reestimate of burden but no change in the underlying information collections.

The final CRA regulations issued in 1995 were not merely revisions of the prior rules, but a new and comprehensive reworking of the Agencies' approach to CRA implementation. Therefore, the 1995 burden estimates were based on assumptions and projections, rather than on experience with the information collection provisions of the revised CRA regulations. The Agencies have reevaluated the burden associated with the CRA regulations based on their experience in administering the regulations, changes in the number and business strategies of reporting institutions, and the comments received as part of the process for obtaining an extension of OMB's approval of the information collections.

- As a result of this analysis, the Agencies have concluded that large banks and thrifts²—generally,

institutions with \$250 million or more in assets and institutions regardless of asset size, that are affiliates of holding companies with bank and thrift assets of \$1 billion or more—spend significantly more time geocoding loans and collecting and reporting optional loan data than estimated in 1995. The term “geocoding” means the identification of the census tracts or block numbering areas and the metropolitan statistical areas (MSAs) where applicable, for small business and small farm loans, outside-MSA home mortgage loans, appropriate affiliate loans, and, in some instances, consumer loans. This geocoding burden accounts for most of the increase over the Agencies' 1995 burden estimates.

- The Agencies' reestimate of geocoding burden has no effect on institutions that have assets of less than \$250 million and that are not affiliates of a holding company with banking and thrift assets of \$1 billion or more. These institutions, referred to in this Notice as “small institutions,” are not required to geocode. The Agencies continue to estimate that the CRA regulations impose a modest information collection burden on small institutions—an average of 10 burden hours per institution per year.

- For large institutions, the Agencies estimate average burden hours, i.e., the total number of burden hours divided by the number of institutions affected, as follows: OCC—612.7 burden hours per large institution per year; FRB—634.6 burden hours per large institution per year; FDIC—624.3 burden hours per large institution per year; and OTS—554.2 burden hours per large institution per year. Differences in burden among Agencies result from differences in the number of loans reported by institutions. Total burden hours for the collection are presented, by agency, in the **Burden Estimates** section of this notice.

- As OMB requires, the Agencies' burden estimates include not only burden hours associated with mandatory data collections, but also burden hours attributable to certain data collection, maintenance, and reporting activities that are optional under the CRA regulations. Recordkeeping for consumer loans pursuant to § _____.42(c)(1) is an example of an optional data collection and maintenance activity. If an institution

elects to collect and maintain these data, however, certain requirements do apply.

Discussion of Comments Received

Three of the Agencies—the OCC, the OTS, and the FDIC—published requests for comment on the information collections contained in the CRA regulations.³ In light of the comments received by the three Agencies, and since the FRB has delegated authority⁴ from OMB to review and approve collections of information subject to the PRA, the FRB opted to delay publication of its initial **Federal Register** notice. The FRB has had full benefit of the initial public comments received by the other Agencies, has reviewed these comments, and has participated fully in the development of the burden estimates described in this notice.

Two commenters responded to the OCC's and the FDIC's **Federal Register** notices of intent to request that OMB renew its approval of the CRA information collections. One commenter, a bank trade association, raised various questions regarding the CRA regulations, including the information collection requirements. The second commenter, a bank holding company, raised issues involving the factors used by the Agencies in determining compliance.

Authority To Collect Information

The bank trade association commenter asserted that the CRA does not authorize any data collection and that the information collection requirements contained in the Agencies' CRA rules are unauthorized. The Agencies carefully considered these same assertions in connection with their analysis of the public comments received during the CRA rulemaking process and continue to disagree with the commenter. First, the CRA specifically requires the Agencies to issue regulations to carry out its purposes. See 12 U.S.C. 2905. The information collection and reporting requirements contained in the CRA regulations are necessary to permit the Agencies to carry out the statutory directives regarding assessment, evaluation, assigning ratings, reporting, and consideration of performance in connection with corporate applications. See 12 U.S.C. 2903, 2906. Second, the CRA regulations are also authorized by each Agency's general authority to examine, supervise, and issue regulations governing banks and thrifts.

¹ To be approved, an information collection must: be the least burdensome necessary for the proper performance of the agency's functions to comply with legal requirements and achieve program objectives; not unnecessarily duplicate information otherwise available to the agency; have practical utility; and seek to minimize the cost of the collection to the agency without shifting disproportionate costs or burdens to the public. See 5 CFR Part 1320.

² The CRA regulations do not contain a definition of a large bank or thrift. They define a small institution as one that “as of December 31 of either

of the prior two calendar years, had total assets of less than \$250 million and was independent or an affiliate of a holding company that, as of December 31 of either of the prior two calendar years, had total banking and thrift assets of less than \$1 billion.” § _____.12(t) or § 563e.12(s).

³ The publication dates and **Federal Register** citations for these notices are as follows: OCC: 63 FR 4692 (Jan. 30, 1998); OTS: 62 FR 64,908 (Dec. 9, 1997); and FDIC: 63 FR 3324 (Jan. 22, 1998).

⁴ See 5 CFR Part 1320 App. A.

See 12 U.S.C. 93a (OCC); 1462a, 1463, and 1464 (OTS); 1819 (FDIC); 248 (FRB). See also 60 FR at 22173-74 (preamble to 1995 final regulations discussing need and basis for information collection).

Location of Small Business Loans

The bank holding company commenter questioned the need for information about the location of small business loans. The commenter asserted that, under the CRA regulations, small business lending is evaluated primarily by the size of the loan and the size of the business. The Agencies evaluate small business lending using these factors, but they also consider where the borrower is located. This requirement helps the Agencies evaluate how an institution helps to meet the needs of its entire community, including low- and moderate-income neighborhoods. As part of this evaluation, examiners consider the proportion of loans made in the institution's assessment area, the dispersion of loans throughout the institution's assessment area, and the number and amount of loans made in areas of different income categories. The Agencies have reduced the burden associated with this requirement, however, by permitting an institution to report the location of a small business loan by *either* the location of the business headquarters or the location where the greatest proportion of the proceeds are to be applied. See "Interagency Questions and Answers Regarding Community Reinvestment," 62 FR 23645 (May 3, 1997) (Q&A 1 addressing § __.42(a)(3)).

Other Issues

The bank holding company commenter also raised two general concerns with the CRA regulations. First, noting that institutions must classify income levels of various geographies according to the 1990 census, the commenter urged the Agencies to take into account subsequent events that have a material adverse impact on a geography's income level for purposes of this classification. Although the Agencies rely on official census information, they also consider subsequent events in an institution's performance evaluations in many ways—for example, in the context of an institution's performance and through annual updating of the income levels of the institution's individual borrowers, including the borrowers residing in such a geography.

This commenter also remarked that when the Agencies evaluate CRA performance, loans categorized as made outside an institution's assessment area,

which may include credit card loans, are not evaluated favorably. The Agencies note that many out-of-area loans, including credit card loans, to low- and moderate-income individuals can be considered favorably in a performance evaluation so long as the institution has addressed adequately the needs of borrowers within its assessment area. See *id.* at 23632 (Q&A 4 addressing § __.22(b)(2) and (3)).

Burden Estimates

The bank trade association commenter asserted that the Agencies' burden estimates were too low, and provided anecdotal information intended to demonstrate this point. The Agencies note that the final CRA regulations issued in 1995 were not merely revisions of the prior rules, but were a new and comprehensive reworking of the Agencies' approach to the CRA. These regulations measure institutions' CRA performance using criteria that vary with the size, business strategy, and other characteristics of the institution. As a result, the 1995 burden estimates were necessarily based on assumptions and projections, rather than on actual experience with the information collections required by the CRA regulations. In addition, since that time, the number and business strategies of covered institutions has changed.

To test the continuing validity of those assumptions, the Agencies each consulted informally with a number of institutions of varying sizes about the information collection burden they experience as a result of the CRA regulations. These institutions provided information useful to the Agencies in understanding the burden of specific aspects of the CRA information collections. However, the number of institutions consulted was too small to enable the Agencies to make useful projections regarding CRA burden industry wide. Further, because of differences in the institutions' size and geographic locations, the range of estimated burden reported by the institutions was extremely broad. Thus, the burden estimates described in this notice are not extrapolated from the information provided by those institutions.

The burden estimates contained in this notice were developed by staff from the Agencies. They reviewed the provisions in the regulations that impose paperwork burden and arrived at estimates based on the Agencies' experience in administering the CRA regulations over the past three years. In reaching the updated estimates, the Agencies' staff considered both the information provided by the trade

association commenter and the information provided by the institutions that were informally consulted.

In particular, the Agencies have concluded that large institutions are spending substantially more time geocoding loans and collecting and reporting optional loan data than was originally estimated. The Agencies' initial estimates of burden for the CRA regulations included two assumptions: First, that geocoding software would significantly reduce the burden of the geocoding requirements for large institutions; and second, that large institutions would fully employ then-existing geocoding software and upgrade their systems as improvements to that software were developed. Neither of these assumptions has proven to be accurate. As a result, the Agencies significantly increased their burden estimates from those done in 1995.

Although institutions do typically use a software program to geocode, portions of the geocoding task must still be done manually for some loans. For example, an employee may need to consult census tract maps or street index books or place a call to the Census Bureau if the information needed to geocode is not included in their software program. Moreover, it has taken longer than anticipated for burden-reducing improvements in the software to become available. For example, the Federal Financial Institutions Examination Council's (FFIEC) improved data-entry software and its geocoding website did not become fully available to the industry until after the March 1, 1997, due date for reporting calendar year 1996 data. Finally, it appears that institutions sometimes rely on manual processing to geocode even though there is software available that can perform much of the work.

The Agencies and financial institutions now have three years of experience with the geocoding requirements and the level of use of available tools for complying with these requirements. As a result, the Agencies are better able to review and estimate the geocoding burden. The Agencies have increased the information collection burden estimate for large institutions significantly. The reestimation of geocoding burden does not affect small institutions because they are not subject to the geocoding requirements unless they choose to be evaluated under the lending, investment, and service tests.

In order to have a better understanding of the overall burden imposed by the CRA regulations, the Agencies averaged recordkeeping and reporting burden over the total number

of reporting institutions. The Agencies did not distinguish between the lending characteristics of different charters when averaging the burden. As a result, although the Agencies were careful in their attempt to estimate the burden imposed by CRA on the industry overall, the averages presented do not necessarily reflect the burden experienced by the institutions of any specific agency. For instance, thrift institutions generally report many fewer small business and small farm loans than banks. On the other hand, the number of home mortgage loans reported by the average thrift is higher than that of a bank. These differences in the credit offered by various charters may result in differences between the estimated burden associated with the charters and actual burden experienced. As a whole, however, the Agencies believe that this methodology best expresses the overall aggregate burden imposed on institutions.

Burden Estimates

Title

OCC: Community Reinvestment Act Regulation (12 CFR 25).
OTS: Community Reinvestment Group I.
FRB: Recordkeeping, Reporting, and Disclosure Requirements in Connection with Regulation BB (Community Reinvestment Act).
FDIC: Community Reinvestment Act.

OMB Control Number

OCC: 1557-0160.
OTS: 1550-0012.
FRB: 7100-0197.
FDIC: 3064-0092.

Type of Review: Extension of a currently approved collection without revision.

Form Number: None.

Abstract: This submission covers an extension of the Agencies' currently approved information collections in their CRA regulations. The Agencies need the information collected to fulfill their obligations under the CRA (12 U.S.C. 2901 *et seq.*) to evaluate and assign ratings to the performance of institutions in connection with helping to meet the credit needs of their entire communities, including low- and moderate-income neighborhoods, consistent with safe and sound banking practices. The Agencies use the information in the examination process and in evaluating applications for mergers, branches, and certain other corporate activities. Financial institutions maintain and provide the information to the Agencies.

Affected Public: Businesses or other for-profit; This information collection

will not have a significant economic impact on a substantial number of small entities.

Number of Respondents

OCC:

Small national banks: 1,907.
 Large national banks: 612.
 Total: 2,519.

OTS:

Small thrifts: 849.
 Large thrifts: 305.
 Total: 1,154.

FRB:

Small institutions: 762.
 Large institutions: 227.
 Total: 989.

FDIC:

Small institutions: 5,415.
 Large institutions: 754.
 Total: 6,169.

Total Annual Responses

OCC:

Small national banks: 1,907.
 Large national banks: 612.
 Total: 2,519.

OTS:

Small thrifts: 849.
 Large thrifts: 305.
 Total: 1,154.
FRB: Small institutions: 762.
 Large institutions: 227.
 Total: 989.

FDIC:

Small institutions: 5,415.
 Large institutions: 754.
 Total: 6,169.

Frequency of Response: Annually.

Total Annual Burden Hours

OCC:

Small national banks: 19,070 hours.
 Large national banks: 374,955 hours.
 Total burden: 394,025 hours.

OTS:

Small thrifts: 8,490 hours.
 Large thrifts: 169,035 hours.
 Total: 177,525 hours.

FRB:

Small institutions: 7,620 hours.
 Large institutions: 144,060 hours.
 Total: 151,680 hours.

FDIC:

Small institutions: 54,150 hours.
 Large institutions: 470,711 hours.
 Total: 524,861 hours.

Comments

All comments will become a matter of public record. Comments are invited on:

- (a) Whether the collection of information is necessary for the proper performance of the functions of the agency, including whether the information shall have practical utility;
- (b) The accuracy of the agency's estimate of the burden of the collection of information;

(c) Ways to enhance the quality, utility, and clarity of the information to be collected;

(d) Ways to minimize the burden of the 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.

Dated: May 21, 1999.

Karen Solomon,

Director, Legislative & Regulatory Activities Division, Office of the Comptroller of the Currency.

Dated: May 21, 1999.

By the Office of Thrift Supervision.

Frank R. DiGalleonardo,

Chief Information Officer and Director, Office of Information Systems.

Board of Governors of the Federal Reserve System, May 20, 1999.

Jennifer J. Johnson,

Secretary of the Board.

Dated: May 21, 1999.

Federal Deposit Insurance Corporation.

Robert E. Feldman,

Executive Secretary.

[FR Doc. 99-13567 Filed 5-27-99; 8:45 am]

BILLING CODE OCC: 4810-33-P, OTS: 6720-01-P, FRB: 6210-01-P, FDIC: 6714-01-P

UNITED STATES INFORMATION AGENCY

Culturally Significant Objects Imported for Exhibition Determination

AGENCY: United States Information Agency.

SUBJECT: Culturally significant objects imported for exhibition determinations.

This is an amendment to Notice Regarding Culturally significant Objects Imported for Exhibition in the exhibit entitled "Saints and Sinners: Caravaggio and the Baroque Image." This is to amend **Federal Register** Doc. 98-17529, 63 FR 36037 (July 1, 1998) by adding the following language after the words "through May 24, 1999": "and at the National Gallery of Art, Washington, D.C., from on or about May 30, 1999 to on or about July 18, 1999."

Dated: May 25, 1999.

Les Jin,

General Counsel.

[FR Doc. 99-13689 Filed 5-27-99; 8:45 am]

BILLING CODE 8230-01-M