

**Supporting Statement for the
Notice of Proposed Declaration of Dividend
(FR 1583; OMB No. 7100-0339)**

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 Notice of Proposed Declaration of Dividend (FR 1583; OMB No. 7100-0339). The FR 1583 is used to collect information on the proposed declaration of any dividend by a subsidiary savings association of a savings and loan holding company (SLHC).

The estimated total annual burden for the FR 1583 is 85 hours. The form and instructions are available on the Board's public website at <https://www.federalreserve.gov/apps/reportingforms>.

Background and Justification

Section 10(f) of the Home Owners' Loan Act (HOLA) (12 U.S.C. § 1467a(f)) requires a subsidiary savings association of an SLHC to provide 30 days prior notice to the Board before declaring a dividend. Section 238.103 of the Board's Regulation LL - Savings and Loan Holding Companies (12 CFR 238.103) further specifies that every savings association that is a subsidiary of an SLHC is required to file a notice with the appropriate Reserve Bank at least 30 days before the proposed declaration of a dividend by its board of directors. This requirement allows the Board an opportunity to determine whether to disapprove a notice, taking into account whether the proposed dividend raises safety or soundness concerns; would result in the savings association being undercapitalized; or would be inconsistent with any statute, regulation, enforcement action, or regulatory agreement, formal or informal.

This information is not available from other sources. Section 10(f) of HOLA provides that any dividend by a savings association subsidiary of an SLHC that is declared without providing this prior notice to the Board is invalid and confers no rights or benefits upon the holder of any such stock.

Description of Information Collection

A savings association subsidiary of an SLHC must provide prior notice of the proposed declaration of a dividend by filing form FR 1583, whether electronically or by paper form, with the appropriate Reserve Bank. The FR 1583 requires information regarding the date of the filing and the nature and amount of the proposed dividend, as well as the names and signatures of the executive officer and secretary of the savings association that is providing the notice. The FR 1583 notice may include a schedule proposing dividends over a period specified by the notificant, not to exceed 12 months. The Board understands that respondents use information technology to comply with these provisions, including submitting such requests electronically through email.

Respondent Panel

The FR 1583 panel comprises any savings association that is a subsidiary of an SLHC, including an SLHC that is a mutual holding company.

Frequency and Time Schedule

This information collection is event-generated. Any savings association that is a subsidiary of an SLHC must file a notice with the appropriate Reserve Bank at least 30 days before a proposed declaration of a dividend by its board of directors.

Public Availability of Data

The submitted FR 1583 forms are generally available to the public upon request. A savings association may request confidential treatment of any portion of the FR 1583, as detailed in the Legal Status section below.

Legal Status

The FR 1583 is authorized by Section 10(f) of the Home Owners' Loan Act (HOLA).¹ Section 10(f) of HOLA provides that every subsidiary savings association of an SLHC shall give the Board at least 30 days' advance notice of the proposed declaration by its directors of any dividend on its guaranty, permanent, or other nonwithdrawable stock. Additionally, Section 10(b) of HOLA authorizes the Board to require SLHCs to file "such reports as may be required by the Board."²

Individual respondents may request that information submitted on the FR 1583 be kept confidential on a case-by-case basis. If such a request is made, the Board will determine whether the information is entitled to confidential treatment. Requests filed pursuant to the FR 1583 may include information related to the SLHC's business operations, such as terms and sources of the funding for dividends and pro forma balance sheets. To the extent that this information constitutes nonpublic commercial or financial information, which is both customarily and actually treated as private by the respondent, it may be kept confidential under exemption 4 of the Freedom of Information Act.³

Consultation Outside the Agency

There has been no consultation outside the Federal Reserve system.

Public Comments

¹ 12 U.S.C. § 1467a(f).

² 12 U.S.C. § 1467a(b). *See* 12 U.S.C. § 1467a(g).

³ 5 U.S.C. § 552(b)(4).

On February 5, 2025, the Board published an initial notice in the *Federal Register* (90 FR 9031) requesting public comment for 60 days on the extension, without revision, of the FR 1583. The comment period for this notice expires on April 7, 2025.

Estimate of Respondent Burden

As shown in the table below, the estimated total annual burden for the FR 1583 is 85 hours. The estimated number of respondents is based on the number of operating SLHCs as of June 30, 2024 that are subject to the FR 1583 filing requirement. The burden estimate was calculated using the standard Board burden calculation methodology. These reporting requirements represent less than 1 percent of the Board’s total paperwork burden.

FR 1583	<i>Estimated number of respondents⁴</i>	<i>Estimated annual frequency</i>	<i>Estimated average hours per response</i>	<i>Estimated annual burden hours</i>
Reporting	146	2	0.29	<u>85</u>
<i>Total</i>				85

The estimated total annual cost to the public for the FR 1583 is \$5,937.⁵

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 and processing this report is negligible.

⁴ Of these respondents to this information collection, 32 respondents are considered small entities as defined by the Small Business Administration (i.e., entities with less than \$850 million in total assets). Size standards effective March 17, 2023. See <https://www.sba.gov/document/support-table-size-standards>.

⁵ Total cost to the responding public is estimated using the following formula: total burden hours, multiplied by the cost of staffing, where the cost of staffing is calculated as a percent of time for each occupational group multiplied by the group’s hourly rate and then summed (30% Office & Administrative Support at \$23, 45% Financial Managers at \$84, 15% Lawyers at \$85, and 10% Chief Executives at \$124). Hourly rates for each occupational group are the (rounded) mean hourly wages from the Bureau of Labor Statistics (BLS), Occupational Employment and Wages, May 2023, published April 3, 2024, <https://www.bls.gov/news.release/ocwage.t01.htm#>. Occupations are defined using the BLS Standard Occupational Classification System, <https://www.bls.gov/soc/>.