

maintain certain records each year for preparing the annual report or to be supplied to the plan sponsor to prepare the annual report. In addition, banks are highly regulated by state and federal law, and their books and records are subject to periodic examination by state and federal agencies. Because of the ERISA annual reporting requirements and the heavy state and federal regulation, the Department has assumed that the records required by this class exemption are the same records kept in the normal course of business by banks. Therefore, the burden of this exemption is minimal, and the Department has assigned one hour to it.

Total Burden Cost (capital/start-up): \$0.00

Total Burden Cost (operating/maintenance): \$0.00

Comments submitted in response to this notice will be summarized and/or included in the request for Office of Management and Budget approval of the information collection request; they will also become a matter of public record.

Dated: November 26, 1996.

Gerald B. Lindrew,
Director, Pension and Welfare Benefits Administration, Office of Policy and Legislative Analysis.

[FR Doc. 96-30605 Filed 11-29-96; 8:45 am]

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Proposed Information Collection Request Submitted for Public Comment and Recommendations; Prohibited Transaction Class Exemption 90-1

ACTION: Notice.

SUMMARY: The Department of Labor, as part of its continuing effort to reduce paperwork and respondent burden, provides the general public and Federal agencies with an opportunity to comment on proposed and/or continuing collections of information in accordance with the Paperwork Reduction Act of 1995 (PRA 95) (44 U.S.C. 3506(c)(2)(A)). This program helps to ensure that requested data can be provided in the desired format, reporting burden (time and financial resources) is minimized, collection instruments are clearly understood, and the impact of collection requirements on respondents can be properly assessed. Currently, the Pension and Welfare Benefits Administration is soliciting comments concerning the proposed extension of a currently approved collection of information, Prohibited Transaction Class Exemption 90-1. A copy of the proposed information collection request can be obtained by

contacting the employee listed below in the contact section of this notice.

DATES: Written comments must be submitted on or before January 31, 1997. The Department of Labor is particularly interested in comments which:

- * evaluate whether the proposed collection of information is necessary for the proper performance of the functions of the agency, including whether the information will have practical utility;

- * evaluate the accuracy of the agency's estimate of the burden of the proposed collection of information, including the validity of the methodology and assumptions used;

- * enhance the quality, utility, and clarify the information to be collected; and

- * minimize the burden of the collection of information on those who are to respond, including through the use of appropriate automated, electronic, mechanical, or other technological collection techniques or other forms of information technology, e.g., permitting electronic submissions of responses.

ADDRESSES: Gerald B. Lindrew, Department of Labor, Pension and Welfare Benefits Administration, 200 Constitution Avenue, NW, Washington, D.C. 20210, (202) 219-7933, FAX (202) 219-4745.

FOR FURTHER INFORMATION CONTACT:

I. Background

Prohibited Transaction Class Exemption 90-1 provides an exemption from certain of ERISA's prohibited transaction provisions for transactions involving insurance company pooled separate accounts in which employee benefit plans participate. The general exemption allows persons who are parties in interest of a plan that invests in a pooled separate account to engage in transactions with the separate account if the plan's participation in the separate account does not exceed specified limits. In order to ensure that the exemption is not abused, that the rights of participants and beneficiaries are protected, and that compliance with the exemptions conditions are taking place, DOL has required that records regarding the exempted transactions be maintained for six years.

II. Current Actions

This existing collection of information should be continued because without the exemption, individuals or entities which are parties in interest of a plan that invests in an insurance company pooled separate account would not be able to engage in transactions with the

separate account creating a potential hardship to those affected. For the Department to grant an exemption, however, it needs to assure that the plan's participants and beneficiaries are protected. It, therefore, included certain conditions in the exemption, and required that records be kept for six years from the date of the transaction so that it can be determined whether these conditions have been followed. Without such records the Department and other interested parties, such as participants, would be unable to effectively enforce the terms of the exemption and insure user compliance.

Type of Review: Extension

Agency: Pension and Welfare Benefits Administration

Title: Prohibited Transaction Class

Exemption: 90-1

OMB Number: 1210-0083

Affected Public: Business or other for-profit, Not-for-profit institutions, Individuals

Frequency: On occasion

Estimated Total Burden House: 1

Respondents, proposed frequency of response, and annual hour burden: Under ERISA regulation section 2520.103-9, insurance companies administering pooled separate accounts are required to maintain certain records each year for preparing the annual report or to be supplied to the plan sponsor to prepare the annual report. In addition, insurance companies are highly regulated by State law, and their books and records are subject to periodic examination by State agencies. Because of the ERISA annual reporting requirements and the heavy State regulation, the Department has assumed that the records required by this class exemption are the same records kept in the normal course of business by insurance companies. Therefore, the burden of this exemption is minimal, and the Department has assigned one hour to it.

Total Burden Cost (capital/start-up): \$0.00

Total Burden Cost (operating/maintenance): \$0.00

Comments submitted in response to this notice will be summarized and/or included in the request for Office of Management and Budget approval of the information collection request; they will also become a matter of public record.

Dated: November 26, 1996.

Gerald B. Lindres,

Director, Pension and Welfare Benefits Administration, Office of Policy and Legislative Analysis.

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