

Supporting Statement for Paperwork Reduction Act Submission
OMB Control Number 3245-0084
SBA Form 700, Home and Business Loan Inquiry Record

A. Justification

1. Circumstances that make the collection of information necessary. The Small Business Administration (SBA) is authorized by the Small Business Act, as amended, section 7(b), attached, to make loans to disaster victims. The requirement for the use of this form is contained in the Standard Operating Procedure (SOP) for Disaster Assistance, SOP 50 30, paragraph 61, attached. SBA's Office of Disaster Assistance (hereinafter identified only as ODA) uses the Form 700 as a record of interviews with those victims seeking assistance for disaster damage as a result of a disaster declaration by the SBA Administrator, or a designation by the Secretary of Agriculture, and for some applicants in Presidential declarations. ODA personnel gather the information and actually fill out the form via interview with the disaster victim.
2. How, by whom, and for what purpose information will be used. Interviews between the disaster victim and ODA personnel are conducted individually, in person or by telephone at the preference of the disaster victim. The interview generally takes place in the immediate aftermath of a disaster event and usually consists of ODA personnel giving out information about the Agency's loan program as much as it does asking basic questions about the victim. The information gained from the interview allows ODA to judge whether the victim is likely to be eligible for an SBA loan. Without this preliminary interview, many disaster victims would fill out applications unnecessarily, increasing the burden of work for both the public and ODA. The interview record is also used as a historical record in the aftermath of the disaster event for various informational purposes, including requests for information from Members of Congress, etc and for use as a follow up tool for contacting victims to see if they need assistance in filling out a loan application.
3. Technological collection techniques. SBA Form 700 is not completed by applicants. Rather, it is filled out by ODA personnel. The availability of an electronic form would not benefit the applicant because this form is used as an internal SBA document. The form is currently in an electronic format and is used in that manner by ODA whenever possible.
4. Efforts to identify duplication. ODA staff work closely with Federal, state, local, or private organizations that provide relief for disaster-related purposes in an effort to try to constantly streamline the

interview process during disasters so that there is no duplication in the collection of information.

5. Impact on small businesses or other small entities. Because only limited information is recorded at the interview (i.e., name, address, phone number, income, debts, etc.), the impact is minimal.
6. Consequence if collection is not conducted. Information is only collected once, at the time of a request for assistance from a victim. If the information was not collected, ODA would not be able to advise a disaster victim whether to apply for assistance.
7. Existence of special circumstances. There are no special circumstances unless a victim waits until late in the filing period to contact SBA. Even then, no written response is necessary unless the victim wishes to be interviewed by mail. Victims have 60 days from the date of the declaration to apply for a physical damage loan. If they wait until late in the filing period to inquire, they may need to respond in less than 30 days.
8. Solicitation of public comment. A copy of the Federal Register notice soliciting comments is attached (Volume 71, Number 69, dated April 11, 2006, page 18403). The comment period closed June 12, 2006 and no comments were received.

ODA participates with other Federal and private organizations that provide disaster assistance in seeking ways to more efficiently deliver our services.

9. Payments or gifts to respondents. No payments or gifts are provided to respondents.
10. Assurance of confidentiality. The information collected on Form 700 is protected to the extent permissible by law, including where applicable the Privacy Act and the Freedom of Information Act. Privacy Act information becomes a part of SBA's System of Records (SBA 20, copy attached).
11. Questions of a sensitive nature. Questions of a sensitive nature are asked on this form. This sensitive information is collected from the disaster victim in order to obtain the information necessary to determine eligibility for a disaster loan.

This collection also requests Social Security Numbers. Providing Social Security Numbers is purely voluntary. Social Security Numbers will be used to distinguish between people with the same or similar name and

to conduct investigations, as necessary, to determine whether a recipient of SBA assistance is engaged in or about to engage in any practices which violate the Small Business Act. (15 U.S.C. 634(b)).

12. Estimates of the hourly burden. The number of respondents is based on the average number of interviews conducted using the Form 700 for the last 3 Fiscal Years (FY 2003 - FY 2005).

<u>FY</u>	<u>Interviews Conducted</u>
03	5,147
04	4,110
05	<u>527</u>
TOTAL	9,784

Divided by 3 = **3,261** Average number of interviews conducted per year (**number of respondents**)

Personal experience by ODA personnel in interviewing victims provides SBA with knowledge of the length of time an interview requires, which is 15 minutes per respondent.

3,261 respondents x .25 (15 minutes per interview) = **815 burden hours**

Cost to the public is determined on the same basis as that for the Government, which is at a GS-9, Step 1 (\$20.58 per hour). The annualized cost to the respondents for the information collection burden is calculated as follows:

15 minutes per interview (.25) @ \$20.58 per hour = \$5.15 per interview
815 interviews (respondents) x \$5.15 per interview = **\$4,197 respondent cost**

13. Estimate of total annual cost burden. There is no additional annual cost burden.

14. Estimated annualized cost to the Federal Government. Annualized cost to Federal Government:

0.25 hours (15 minutes) per response @ \$20.58 per hour labor cost for interviewer and recording time multiplied by 815 responses =
\$4,194

30 percent for overhead, printing, etc. = \$1,258

Total estimated cost to Federal Government = \$5,452

The estimate of the time necessary to conduct an interview and record the appropriate information (15 minutes) is based on observations of the actual time it takes to do so. The typical grade for an interviewer is GS-9, Step 1.

15. Explanation of program changes or adjustments in Items 13 and 14 on OMB Form 83-I. The total annual hour burden for the SBA Form 700 is decreased by 9,734 hours. The annual cost burden also decreased substantially, by 190,749. These decreases are as a result of more accurate statistics available for the number of interviews given with the Form 700. There are no program changes. .
 16. Collection of information whose results will be published. No results will be published.
 17. Expiration date for collection of information. Display of the expiration date is inappropriate for this form. Large quantities of the form are printed in order to get the best possible printing prices. If the expiration date were displayed, it is possible that large quantities of unusable forms would have to be destroyed as a result of the expiration, and new, probably more expensive, printing costs would be incurred in order to print forms with the new expiration date.
 18. Exceptions to certification statement in Block 19 on OMB Form 83-I. There are no exceptions.
- B. Collections of Information Employing Statistical Methods.
N/A