

**PAPERWORK REDUCTION ACT
CHANGE WORKSHEET**

Agency/Subagency U.S. Department of Housing and Urban Development Office of Housing, Office of Single-Family Asset Management		OMB Control Number 2502-0429
<i>Enter only items that change</i>		
	Current record	New record
Agency form number(s)		
Annual reporting and recordkeeping hour burden		
Number of respondents		
Total annual responses		
Percent of these responses collected electronically		
Total annual hours	337,441	338,641
Difference		1,200
Explanation of difference		
Program change		1,200
Adjustment		
Annual reporting and recordkeeping cost burden (in thousands of dollars)		
Total annualized Capital/Startup costs		
Total annual costs (O&M)		
Total annualized cost requested		
Difference		
Explanation of difference		
Program change		
Adjustment		
<p>Other changes** The State of Louisiana has now finalized an action plan for use of Federal Community Development Block Grant (CDBG) disaster funds to assist homeowners who suffered flood and/or wind damage to their residences from Hurricanes Katrina and/or Rita. Under the state plan, eligible homeowners may receive a one-time grant payment, up to a maximum of \$150,000, for home damages not covered by property insurance, FEMA grants or other Federal, state or local government programs. In exchange for the grant payment, a qualifying homeowner must agree to covenants running with and encumbering the damaged property and all existing lienholders must subordinate their liens to those covenants. HUD may hold a junior lien on an eligible property as security for a partial claim payment or Section 235 subsidy mortgage and have to subordinate the lien to the state required covenants in order for the homeowner to receive CDBG disaster funds. We estimate that 12,000 active FHA-insured loans in Louisiana have Hurricane Katrina and/or Rita related home damage that would be eligible for state CDBG grants. However, based on partial claim usage on FHA-insured Louisiana loans, only 2,400 of those properties may have a HUD-held junior lien on them that would need to be subordinated to the state required covenants. HUD will execute needed subordination documents upon request. This temporary addition of 1,200 hours of burden is requested in an effort to assist Louisiana homeowners.</p>		
Signature of Senior Official or designee:	Date:	For OIRA Use _____ _____

**This form cannot be used to extend an expiration date.
OMB FORM 83-C