Paperwork Reduction Act Submission

Please read the instruction before completing this form. For additional forms or assistance in completing this forms, contact your agency's Paperwork Reduction Officer. Send two copies of this form, the collection instrument to be reviewed, the Supporting Statement, and any additional documentation to: Office of Information and Regulatory Affairs, Office of Management and Budget, Docket Library, Room 10102, 725 Seventeenth St. NW, Washington, DC 20503.

1. Agency/Subagency Originating Request:
U.S. Department of Housing and Urban Development
Public and Indian Housing/Real Estate Assessment Center/Financial Management Division

2. OMB Control Number:
a. **2577-0186** b. None

3. Type of information collection: (check one)
- a. ☐ New Collection
- b. ☐ Revision of a currently approved collection
- c. ☒ Extension of a currently approved collection
- d. ☐ Reinstatement, **without change**, of previously approved collection for which approval has expired
- e. ☐ Reinstatement, **with change**, of previously approved collection for which approval has expired
- f. ☐ Existing collection in use without an OMB control number

For b-f, note item A2 of Supporting Statement instructions.

4. Type of review requested: (check one)
- a. ☒ Regular
- b. ☐ Emergency - Approval requested by
- c. ☐ Delegated

5. Small entities: Will this information collection have a significant economic impact on a substantial number of small entities?
☐ Yes ☒ No

6. Requested expiration date:
a. ☒ Three years from approval date b. ☐ Other (specify)

7. Title:
Financial Standards for Housing Agency-Owned Insurance Entities

8. Agency form number(s): (if applicable)
None

9. Keywords:
Housing, low-income public housing, development, qualified HA-owned insurance providers

10. Abstract:
Public Housing Agencies (PHAs) can purchase insurance coverage from a nonprofit insurance entity owned and controlled by PHAs which are approved by HUD. PHA-owned insurance entities must submit certain documentation to HUD and also submit audit and actuarial reviews to HUD.

11. Affected public: (mark primary with "P" and all others that apply with "X")
- a. Individuals or households
- b. Business or other for-profit
- c. **X** Not-for-profit institutions
- e. Farms
- f. Federal Government
- g. **P** State, Local or Tribal Government

12. Obligation to respond: (mark primary with "P" and all others that apply with "X")
- a. Voluntary
- b. Required to obtain or retain benefits
- c. **X** Mandatory

13. Annual reporting and recordkeeping hour burden:

a. Number of respondents	29
b. Total annual responses	29
Percentage of these responses collected electronically	0%
c. Total annual hours requested	190
d. Current OMB inventory	190
e. Difference (+,-)	0
f. Explanation of difference:	
1. Program change:	
2. Adjustment:	

14. Annual reporting and recordkeeping cost burden: (in thousands of dollars)
Do not include costs based on the hours in item 13.

a. Total annualized capital/startup costs	$0.00
b. Total annual costs (O&M)	$0.00
c. Total annualized cost requested	$0.00
d. Current OMB inventory	$0.00
e. Difference	$0.00
f. Explanation of difference:	
1. Program change:	0
2. Adjustment:	0

015. Purpose of Information collection: (mark primary with "P" and all others that apply with "X")
- a. Application for benefits
- b. Program evaluation
- c. General purpose statistics
- d. Audit
- e. Program planning or management
- f. Research
- g. **P** Requlatory or compliance

16. Frequency of recordkeeping or reporting: (check all that apply)
- a. ☐ Recordkeeping b. ☐ Third party disclosure
- c. ☒ Reporting:
  - 1. ☐ On occasion 2. ☐ Weekly 3. ☐ Monthly
  - 4. ☐ Quarterly 5. ☐ Semi-annually 6. ☒ Annually
  - 7. ☐ Biennually 8. ☐ Other (describe)

17. Statistical methods:
Does this information collection employ statistical methods?
☐ Yes ☒ No

18. Agency contact: (person who can best answer questions regarding the content of this submission)
Name: Wanda Funk
Phone: 202-475-8736

19. Certification for Paperwork Reduction Act Submissions

On behalf of the U.S. Department of Housing and Urban Development, I certify that the collection of information encompassed by this request complies with 5 CFR 1320.9.

Note: The text of 5 CFR 1320.9, and the related provisions of 5 CFR 1320/8(b)(3). appear at the end of the instructions. The certification is to be made with reference to those regulatory provisions as set forth in the instructions.

The following is a summary of the topics, regarding the proposed collections of information that the certification covers:

(a) It is necessary for the proper performance of agency functions;
(b) It avoids unnecessary duplication;
(c) It reduces burden on small entities;
(d) It uses plain, coherent, and unambiguous terminology that is understandable to respondents;
(e) Its implementation will be consistent and compatible with current reporting and recordkeeping practices;
(f) It indicates the retention periods for recordkeeping requirements;
(g) It informs respondents of the information called for under 5 CFR 1320.8(b)(3):
 (i) Why the information is being collected;
 (ii) Use of the information;
 (iii) Burden estimate;
 (iv) Nature of response (voluntary, required for a benefit, or mandatory);
 (v) Nature and extent of confidentiality; and
 (vi) Need to display currently valid OMB control number;
(h) It was developed by an office that has planned and allocated resources for the efficient and effective management and use of the information to collected (see note in item 19 of the instructions);
(i) It uses effective and efficient statistical survey methodology; and
(j) It makes appropriate use of information technology.

If you are unable to certify compliance with any of these provisions, identify the item below and explain the reason in item 18 of the Supporting Statement.

Signature of Program Official: X Elizabeth Hanson, Deputy Assistant Secretary, Real Estate Assessment Center	Date:

Signature of Senior Officer or Designee: X Lillian Deitzer, Departmental Reports Management Officer, Office of the Chief Information Officer	Date:

Supporting Statement for Paperwork Reduction Act Submissions

A. Justification

1. Collection of this information is required by the HUD Appropriations Act for FY 1992, P.L. 102.139, 105 Stat. 736 (approved October 28, l99l). The Act provided that public housing agencies (PHAs) could purchase insurance coverage without regard to competitive selection procedures, if the insurance was purchased from a nonprofit insurance entity owned and controlled by PHAs approved by HUD, in accordance with standards established by regulation. The current regulatory reference for this collection is 24 CFR 965.205 Subpart B.

A PHA-owned insurance entity selected by a PHA to provide coverage must submit a certification to HUD, stating that the entity management and underwriting staff have certain levels of experience. For initial approvals, the entity must also submit proper organizational documentation. The nonprofit entity must submit copies of audits every year, actuarial reviews every year, and management reviews every three years.

2. HUD needs this information to assure that the PHA-owned entity is equivalent to a financially sound responsible insurance company. The information will be used to approve or disapprove the PHAs insuring with these pools rather than a licensed insurance company.

3. Improved information technology would not reduce the burden to PHAs in developing the information required by regulation. The information collected (annual financial audits, actuarial reviews, and management reviews) does not lend itself to automated or electronic submissions. The small number of respondents involved would not support the costs to automate the collection.

4. All existing information was examined and no duplication was found. There is no similar information already available which could be used or modified for the use or purposes described in Item 2 above.

5. The information being collected has no impact on small businesses or other small entities.

6. The Federal statutory mandate would not be met if the collection is not conducted, or is conducted less frequently.

7. There are no special circumstances that would cause the information collection to be conducted inappropriately.

8. HUD published a Notice in the Federal Register, dated 2/14/07, giving the public a 60-day comment on this information collection proposal. The public comment ends 4/16/07. No public comments were received in response to this information collection proposal.

9. No payment or gift is provided to PHAs.

10. Assurance of confidentiality is neither provided nor needed.

11. No sensitive questions are being asked.

12. There are 22 audit respondents annually at eight hours per response. There are approximately 22 insurance claims responses over a three-year period, for an average of seven responses per year at two hours per response. We estimate the information collection requirements will have the following reporting burden:

Number of Respondents	Number of Responses	Total Annual Responses	Hours Per Response	Total Hours
22 (audit)	1	1	8	176
7 (average per year; total of 22 claims every 3 yrs.)	1	1	2	14
				190

13. There will be no additional costs to the PHAs.

14. There will be no additional cost to the Federal Government.

15. There are no program changes reported this period.

16. The information will not be published.

17. HUD is not seeking approval to not display the expiration date of the OMB approval.

18. There are no exceptions to the certification statement in Item 19, “Certification for Paperwork Reduction Act Submissions,” of OMB form 83-i.

B. Collections of Information Employing Statistical Methods

N/A