

SUPPORTING STATEMENT
U.S. Department of Commerce
Economic Development Administration
APPLICATION FOR INVESTMENT ASSISTANCE
OMB CONTROL NO. 0610-0094

A. JUSTIFICATION

1. Explain the circumstances that make the collection of information necessary.

The mission of the Economic Development Administration (“EDA”) is to lead the federal economic development agenda by promoting innovation and competitiveness, preparing American regions for growth and success in the worldwide economy. EDA provides investments that will help our partners across the nation (states, regions and communities) create wealth and minimize poverty by promoting a favorable business environment to attract private capital investment and higher skill, higher wage jobs through capacity building, infrastructure, research and technical assistance.

This proposed information collection request revision will consolidate Forms ED-900P and ED-900A, eliminating redundant questions and shortening the application processing time.

It also allows for greater ease of use when filing electronic applications. The new form number will be ED-900, Application for Investment Assistance. The www.grants.gov website has no mechanism for handling the two-step application procedure EDA currently has in place.

The information contained in the Application for Investment Assistance (Form ED-900) is necessary for EDA to evaluate whether investment proposals satisfy eligibility and programmatic requirements contained in EDA’s authorizing legislation; the Public Works and Economic Development Act of 1965, as amended (42 U.S.C. 3121 *et seq.*); the accompanying regulations in 13 C.F.R. chapter III (currently published as an Interim Final Rule (IFR)); and the applicable Announcement of Federal Funding Opportunity for the proposed project. The information is also used by EDA to make final determinations regarding investment funding and to finalize the terms and conditions of the investment, including but not limited to the scope of work and non-federal share and other funding commitments for the project.

This revised supporting statement documents two changes from the previous information collection request. The following changes were made:

(1) On November 18, 2007, a public comment in response to the 30-day Federal Register Notice suggested that the addition of NAICS codes at the 5-digit level would be an appropriate way to collect industry beneficiary classifications for recording and analytical purposes. EDA agreed with the public comment and had, in fact, intended to request the NAICS code. However, the words “5-Digit NAICS Code” were left off of the first column

on a chart titled “Project Beneficiaries” on page 11 of the application. The first column on page 11 is corrected to request the “5-Digit NAICS Code.” This does not affect any other part of the submission.

(2) EDA unintentionally omitted the last two pages of the application form. These pages are assurances signed by the applicant. No other part of the submission is changed by the inclusion in the revised application the following two assurances titled: “EDA Capacity Building Investments Additional Assurances,” and “EDA Construction Investments Additional Assurances.”

2. Indicate how, by whom, and for what purpose the information is to be used. If the information collected will be disseminated to the public or used to support information that will be disseminated to the public, then explain how the collection complies with all applicable Information Quality Guidelines.

The information collected will be used by EDA personnel to evaluate and competitively select proposed projects for investment assistance. Most of EDA’s projects are selected on a competitive basis.

3. Describe whether, and to what extent, the collection of information involves the use of automated, electronic, mechanical, or other technological collection techniques or other forms of information technology.

EDA is fully compliant with the government-wide mandate to post all grant opportunities on www.grants.gov. All of EDA’s grant opportunities are posted on both the ‘Find’ and the ‘Apply’ Sections of www.grants.gov. The ED-900 will also be posted on the agency’s website at www.eda.gov and will be available in a screen-fillable format to expedite applicants’ completion of the form. The applications are via email and hardcopy.

4. Describe efforts to identify duplication.

EDA is unaware of any duplication with respect to this information collection. EDA periodically reviews its information collections to ensure that there is no duplication.

5. If the collection of information involves small businesses or other small entities, describe the methods used to minimize burden.

Pursuant to the authorizing legislation and the IFR, eligible applicants and eligible recipients of EDA investment assistance include “small businesses” or “small entities” as defined by the Regulatory Flexibility Act (5 U.S.C. 601(6)). See 5 C.F.R. 1320.9(c) and the instructions to Item 5 of OMB Form 83-I. Accordingly, this information collection

potentially involves small businesses or other small entities. As part of this PRA process, EDA has conducted a thorough review of its forms and other information collections to minimize respondent burden. EDA collects only the minimum amount of information to effectively administer its programs and to monitor compliance with PWEDA and the IFR.

6. Describe the consequences to the Federal program or policy activities if the collection is not conducted or is conducted less frequently.

EDA would not be able to fulfill its statutory mandate if the information collection is not conducted. This information is only collected once, at the time of application.

7. Explain any special circumstances that require the collection to be conducted in a manner inconsistent with OMB guidelines.

This information collection is consistent with OMB guidelines, except that a respondent may be required or may voluntarily submit business information of a confidential or proprietary nature to EDA. While information submitted by a respondent to EDA is generally subject to public disclosure, EDA does not publicly release confidential business information, including trade secrets and confidential commercial or financial information, to the extent that such information is exempt from public disclosure under the Freedom of Information Act (“FOIA”). See 5 U.S.C. 552(b)(4).

8. Provide the information of the PRA Federal Register notice that solicited public comments on the information collection prior to this submission. Summarize the public comments received in response to the notice and describe the actions taken by the agency in response to those comments. Describe the efforts to consult with persons outside the agency to obtain their views on the availability of data, frequency of collection, the clarity of instructions and recordkeeping, disclosure, or reporting format (if any), and on the data elements to be recorded, disclosed, or reported.

On April 25, 2007 (Vol. 72, pg 20503), EDA published a Federal Register Notice soliciting public comments on this information collection. Only one comment was received; it was not about the application itself, but rather questioned why EDA existed at all (attached in ROCIS).

EDA formed working groups with members for six regional offices and headquarters to evaluate current procedures and information collections to ensure that they are consistent with the law, efficient, and meet agency needs in a manner that minimizes the burden on EDA clients. Regional offices provided not only their perspective, but also that of applicants and grantees; nearly all of the regional office staff that participated in this exercise has assisted applicants with completing the precursors to the ED-900.

9. Explain any decisions to provide payments or gifts to respondents, other than remuneration of contractors or grantees.

Not applicable.

10. Describe any assurance of confidentiality provided to respondents and the basis for assurance in statute, regulation, or agency policy.

There is no assurance of confidentiality provided to respondents of this information collection. To the extent that information provided by respondents is not exempt from disclosure under FOIA, such information is generally available to the public. See response to question 7 above.

11. Provide additional justification for any question of a sensitive nature, such as sexual behavior and attitudes, religious beliefs, and other matters that are commonly considered private.

This information collection does not include any information of a sensitive nature.

12. Provide an estimate in hours of the burden of the collection of information.

EDA estimates that the average applicant will spend 21.66 hours completing the application package.

This estimate was calculated using the following methodology:

First, staff from the Denver and Atlanta Regional Offices provided estimates of the amount of time it would take to fill out each section of the ED-900. The estimates were as follows:

Application section	Time estimated to complete (hours)
A	12.65
B	1.10
C	0.47
D	2.00
E	1.33
F	1.83
G	2.17

H	2.00
I	2.00
J	3.00
K	1.00
L	2.00
M	2.80
N	1.00

Second, EDA used these estimates to prepare estimates for each type of applicant:

Time to complete application, by program/applicant type			Time to provide additional materials if EDA determines that the project merits further consideration ¹		Total time for applicants making it to second round of consideration'	
			Hours (for entity other than non-profit)	Hours (for non-profit applicant) ²	Hours (for entity other than non-profit)	Hours (for non-profit applicant) ³
Public Works (sections A, B, M)	16.55	18.55	20	23	36.55	41.55
Economic Adjustment/construction (A, B, E, K, M)	18.88	20.88	20	23	38.88	43.88
Economic Adjustment/capacity (A, B, E, K)	16.08	18.08	2	4	18.08	22.08
Economic Adjustment/RLF (A, B, E, K, and L)	18.08	20.08	8	11	26.08	31.08
Partnership Planning (A, C, E, F)	16.28	18.28	2	5	18.28	23.28
Short-term Planning (A, C, E, G)	16.62	18.62	2	5	18.62	23.62

¹ To the limit the burden on the applicant, EDA will only request certain items of documentation if EDA determines that the applicant's project merits further consideration. A list of these additional items is included on page 3 of the ED-900 form.

² Non-profit applicants must complete Section D.

³ Non-profit applicants must submit additional documentation, as specified on page 3 of ED-900.

University Center (A, C, E, J)	17.45	19.45	2	5	19.45	24.45
Local Technical Assistance (A, C, E, I)	16.45	18.45	2	5	18.45	23.45
National Technical Assistance (A, C, E, I)	16.45	18.45	2	5	18.45	23.45

Third, EDA used data from its Operations, Planning, and Control System (OPCS) to estimate the number of applicants in each category and the percentage of applicants that would be required to provide additional documentation. By multiplying the expected number of applicants in each category by the average number to complete an application for that category of applicant, EDA was able to estimate the total applicant burden and average applicant burden.

Applicant burden (hours)					
Category	Estimated number of applicants ⁴	Estimated time to complete application ⁵	Percentage of applicants receiving further consideration ⁶	Estimated time to provide additional materials if receiving further consideration ⁷	Total time to complete ⁸
Public Works	210	16.85	65.31%	20.45	6,343.31
Economic Adjustment/construction	37	19.18	84.51%	20.45	1,349.21
Economic Adjustment/nonconstruction-	90	16.38	84.57%	2.30	1,649.56

⁴ EDA estimated the number of applicants in each category by querying its OPCS database to determine the number of pre-applications (ED-900P) submitted for each category of applicant between 08/01/2006 and 07/31/2007.

⁵ These figures were calculated by taking a weighted average of the time for a non-profit applicant to apply and an applicant other than a non-profit. The regional office indicated that approximately 15 percent of applicants were non-profits. The Partnership Planning category is not a weighted average, since all recipients are Economic Development Districts and these entities are not required to fill out Section D.

⁶ These figures were calculated by looking at the percentage of pre-applications in OPCS for which full applications were subsequently requested and received.

⁷ These figures were calculated by taking a weighted average of the time for a non-profit applicant to submit additional requested materials and an applicant other than a non-profit to do so. The regional office indicated that approximately 15 percent of applicants were non-profits.

⁸ The formula for these calculations is as follows: (estimated number of applicants * estimated time to complete the ED-900) + (estimated number of applicants * percentage receiving additional consideration * estimated time to provide additional requested materials).

non RLF					
Economic Adjustment/RLF	5	18.38	100.00%	8.45	134.17
Partnership Planning	386	16.28	97.47%	1	6,661.60
Short-term Planning	37	16.92	80.17%	2.45	698.59
University Center	83	17.75	67.70%	2.45	1,610.92
Local Technical Assistance	21	16.75	81.82%	2.45	393.85
National Technical Assistance and Research/Evaluation	6	16.75	100.00%	2.45	115.20
Total	875				18,956.40
				Avg. time to complete	21.66

13. Provide an estimate of the total annual cost burden to the respondents or record keepers resulting from the collection of information (excluding the value of the burden hours in #12 above).

Not applicable.

14. Provide estimates of annualized cost to the Federal government.

The estimated annual cost to the Federal government with respect to this information collection is \$1,496,250 based on 875 responses. This estimate is based on 38 hours of professional and support time at \$45 per hour.

$$875 \text{ responses @ } \$1,710 = \$1,496,250 \text{ per year.}$$

15. Explain the reasons for any program changes or adjustments reported in Items 13 or 14 of the OMB 83-1.

The program change decrease of 18,597.5 burden hours (approximately 50 percent) for the information collection (37,550 current OMB inventory) is due largely to the reduction in total preparation time for the Pre-Application and Application combined. The 46 hours previously estimated is decreased to 21.66 hours estimated for the streamlined one-step application. The reduction in preparation time is attributable to the elimination of redundant questions on the ED-900P and ED-900A (e.g. eliminating the submission of two separate budgets, eliminating the requirement to submit an updated project narrative with the ED-900A).

Further reduction is due to the (a) clear delineation of which sections should be completed by each type of applicant; (b) addition of website links to expedite the applicant’s research and information gathering process; and (c) creation of a form in a screen-fillable format with expandable text boxes, thus obviating the need for cumbersome attachments.

There are no known special equipment or maintenance costs that are directly associated with the burden related to these collections of information.

The consolidation of the two forms was conducted by numerous Regional Directors and their staff. A breakdown of the changes completed and copies of the previously approved forms are included in ROCIS.

16. For collections whose collections will be published, outline the plans for tabulation and publication.

Specific details of information collected from respondents will generally not be published. However, some of the information collected may be published in aggregate form as part of EDA's annual report, GPRA reporting, EDA's Balanced Scorecard or other summary report.

17. If seeking approval to not display the expiration date for OMB approval of the information collection, explain the reasons that the display would be inappropriate.

Not applicable.

18. Explain each exception to the certification statement identified in Item 19 of OMB 83-I.

No exceptions are requested.

B. COLLECTIONS OF INFORMATION EMPLOYING STATISTICAL METHODS

This information collection does not employ statistical methods. EDA is not aware of any statistical sampling methods that might reduce burden or improve the accuracy of results.