

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.

b, c, e, and i.

Signature of Program Official:	Date:
X Michael Winiarski, Deputy Director Organizational Policy Planning and Analysis Division, HROA	
Signature of Senior Officer or Designee:	Date:
X Lillian Deitzer, Departmental Reports Management Officer Office of the Chief Information Officer	

Signature of Senior Official or Designee:	Date:
X Lillian Deitzer, Departmental Reports Management Officer	

Supporting Statement for Paperwork Reduction Act Submissions

HUD Loan Sale Bidder Qualification Statement OMB Number – 2502-New

A. Justification

1. Explain the circumstances that make the collection of information necessary. Identify any legal or administrative requirements that necessitate the collection. Attach a copy of the appropriate section of each statute and regulation mandating or authorizing the collection of information.

The collection of Information is necessary to ensure that bidders are qualified to bid on the assets available for sale. There are questions in the Qualification Statement that reference HUD policy restricting certain bidders based on past performance with HUD loans and past servicing history. There are also restrictions governing who can bid on the assets based on whether the borrower is current on payments. Regulations mandating the Qualification Statements come from 24CFR290.18 and 24CFR24. Authority to sell Multifamily and Healthcare Loans come from Section 203(k) of the Housing and Community Development Amendments of 1978.

2. Indicate how, by whom, and for what purpose the information is to be used. Except for a new collection, indicate the actual use the agency has made of the information received from the current collection.

The Information in the Qualification Statement is collected by Transaction Specialists, contractors to HUD that are responsible for the marketing and sale of the assets HUD is proposing to sell. The respondents are parties interested in bidding on the assets being sold; the purpose of the collection is to determine whether the interested bidders are qualified to bid pursuant to HUD statute and regulation and otherwise qualified to bid based on other eligibility criteria as identified in the Qualification Statement. Asking that potential bidders execute the Qualification Statement will protect the program and HUD from the participation of restricted bidders. Restricted bidders include FHA insured mortgagors who are delinquent or in violation of any HUD regulations, servicers of the mortgage loans offered in the loan sale, HUD employees or HUD contractors, and entities without the necessary net worth to purchase a loan. By not allowing these bidders HUD can prevent collusion or insider trading. The information is collected by Bidders downloading the form and then manually completing the form and then faxing it to HUD's designated contractor for the sale in question.

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, e.g., permitting electronic submission of responses, and the basis for the decision for adopting this means of collection. Also describe any consideration of using information technology to reduce burden.

Currently, HUD has required physical signatures on the Qualification Statement. Electronic submission of signatures has not been widely adopted but may be considered in the future. Automating the collection of information is limited by the fact that each sale involves a unique collection of assets. Each potential bidder must evaluate per sale whether they are qualified to bid and assert that conviction to HUD.

4. Describe efforts to identify duplication. Show specifically why any similar information already available cannot be used or modified for use for the purposes described in Item 2 above.

The qualification statement is part of a set of legal documents which is executed by bidders. It is not duplicative because each asset sale differs in the loan and unpaid principal balance being offered for sale.

5. If the collection of information impacts small businesses or other small entities (Item 5 of OMB Form 83-I), describe any methods used to minimize burden.

The capital requirements to qualify as a potential bidder will restrict small businesses or entities from participating.

6. Describe the consequence to Federal program or policy activities if the collection is not conducted or is conducted less frequently, as well as any technical or legal obstacles to reducing burden.

An executed Qualification Statement will protect the program, and its constituents, from fraudulent entities participating in loan sales and gives HUD legal precedence to pursue and remedy any unlawful representations.

7. Explain any special circumstances that would cause an information collection to be conducted in a manner:
- requiring respondents to report information to the agency more often than quarterly; **None**
 - requiring respondents to prepare a written response to a collection of information in fewer than 30 days after receipt of it; **Respondents are not permitted to continue through to the bid process unless they have qualified and completed the confidentiality agreement.**
 - requiring respondents to submit more than an original and two copies of any document; * requiring respondents to retain records, other than health, medical, government contract, grant-in-aid, or tax records, for more than three years; **None**
 - in connection with a statistical survey, that is not designed to produce valid and reliable results that can be generalized to the universe of study; **None**
 - requiring the use of a statistical data classification that has not been reviewed and approved by OMB; **None**
 - that includes a pledge of confidentiality that is not supported by authority established in statute or regulation, that is not supported by disclosure and data security policies that are consistent with the pledge, or which unnecessarily impedes sharing of data with other agencies for compatible confidential use; or Respondents must complete a confidentiality agreement to qualify to bid.
 - Requiring respondents to submit proprietary trade secrets, or other confidential information unless the agency can demonstrate that it has instituted procedures to protect the information's confidentiality to the extent permitted by law. **None**
8. If applicable, provide a copy and identify the date and page number of publication in the Federal Register of the agency's notice, required by 5 CFR 1320.8(d), soliciting comments on the information collection prior to submission to OMB. Summarize public comments received in response to that notice and describe actions taken by the agency in response to these comments. Specifically address comments received on cost and hour burden. Describe 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. Consultation with representatives of those from whom information is to be obtained or those who must compile records should occur at least once every 3 years - even if the collection of information activity is the same as in prior periods. There may be circumstances that may preclude consultation in a specific situation. These circumstances should be explained.

The agency notice soliciting comments on the information collection was published in the Federal Register on December 7, 2007, (Volume 72 Number 235, Page 69220). No comments were received.

9. Explain any decision to provide any payment or gift to respondents, other than remuneration of contractors or grantees.

No payments are made to respondents

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

The Qualifications Statement is only used to determine if a potential bidder has the proper credentials, and capabilities necessary to submit a bid. The information only assists HUD in corroborating the facts. This information would never be released and HUD would cite Exemptions from the Freedom of Information Act {5 USC 552(b)(4) & 5 USC 552(b)(6)} to prevent this

information from being released. HUD will keep all names of all respondents and their responses to the Qualification Statement confidential. The intent of this process is to initiate a competitive bidding process amongst some of the respondents in order to help maximize the return to the Federal Government.

11. Provide additional justification for any questions of a sensitive nature, such as sexual behavior and attitudes, religious beliefs, and other matters that are commonly considered private. This justification should include the reasons why the agency considers the questions necessary, the specific uses to be made of the information, the explanation to be given to persons from whom the information is requested, and any steps to be taken to obtain their consent.

Nothing pertaining to above referenced is requested.

12. Provide estimates of the hour burden of the collection of information. The statement should:
- Indicate the number of respondents, frequency of response, annual hour burden, and an explanation of how the burden was estimated. Unless directed to do so, agencies should not conduct special surveys to obtain information on which to base hour burden estimates. Consultation with a sample (fewer than 10) of potential respondents is desirable. If the hour burden on respondents is expected to vary widely because of differences in activity, size, or complexity, show the range of estimated hour burden, and explain the reasons for the variance. Generally, estimates should not include burden hours for customary and usual business practices.
 - If this request for approval covers more than one form, provide separate hour burden estimates for each form and aggregate the hour burdens in Item 13 of OMB Form 83-1.
 - Provide estimates of annualized cost to respondents for the hour burdens for collections of information, identifying and using appropriate wage rate categories. The cost of contracting out or paying outside parties for information collection activities should not be included here. Instead, this cost should be included in Item 13.

Information Collected	Number of Respondents	Frequency of Response	Total Annual Responses	Hours per Response	Total Hours	Cost per Hour	Total Cost
MHLS Bidder information	250	Bi-Annually	500	.25 Hours	125	20.00	\$2,500.00
Whether MHLS bidder is qualified	250	Bi-Annually	500	.25 Hours	125	20.00	\$2,500.00
Single Family Bidder information	20	Annually	20	.25 Hours	5	20.00	\$100.00
Whether Single Family bidder is qualified	20	Annually	20	.25 Hours	5	20.00	\$100.00
Totals			1040		260		\$5200.00

The Qualification Form for the Multifamily and Healthcare Loan Sales (MHLS) and Single Family Loan Sale have been broken down into two parts; the first part asking for the bidder’s information and the second part asking if the bidder is qualified to bid. Annually HUD conducts two MHLS and one Single Family Loan Sale. For each MHLS, HUD distributes Qualification Statements to a list of 10,700 (21,400 annually) potential bidders and for Single Family Loan Sales HUD distributes Qualification Statements to a list of 1,500 potential bidders. HUD has not received more than 250 (500 annually) executed Qualification Statements for a MHLS and 20 for Single Family Loan Sales. Based on conversations the Transaction Specialists have had with potential bidders the total hours to fill out each part of the Qualification Statement is 15 minutes, or 0.25 Hours and 30 minutes, or 0.5 Hours, for the entire form. The cost per hour is based on the GS-8 hourly pay scale.

13. Provide an estimate for the total annual cost burden to respondents or record keepers resulting from the collection of information. (Do not include the cost of any hour burden shown in Items 12 and 14).
- The cost estimate should be split into two components: (a) a total capital and start-up cost component (annualized over its expected useful life) and (b) a total operation and maintenance and purchase of services component. The estimates should take into account costs associated with generating, maintaining, and disclosing or providing the information. Include descriptions of methods used to estimate major cost factors including system and technology acquisition, expected useful life of capital equipment, the discount rate(s), and the time period over which costs will be incurred. Capital and start-up costs

include, among other items, preparations for collecting information such as purchasing computers and software; monitoring, sampling, drilling and testing equipment; and record storage facilities.

- If cost estimates are expected to vary widely, agencies should present ranges of cost burdens and explain the reasons for the variance. The cost of purchasing or contracting out information collections services should be a part of this cost burden estimate. In developing cost burden estimates, agencies may consult with a sample of respondents (fewer than 10), utilize the 60-day pre-OMB submission public comment process, and use existing economic or regulatory impact analysis associated with the rulemaking containing the information collection, as appropriate.
- Generally, estimates should not include purchases of equipment or services, or portions thereof, made: (1) prior to October 1, 1995, (2) to achieve regulatory compliance with requirements not associated with the information collection, (3) for reasons other than to provide information or keep records for the government or (4) as part of customary and usual business or private practices.

No additional cost will be incurred by our respondents beyond the cost to fill out the Bidder Qualification Statement indicated in item 12 of the supporting statement.

14. Provide estimates of annualized costs to the Federal government. Also, provide a description of the method used to estimate cost, which should include quantification of hours, operational expenses (such as equipment, overhead, printing, and support staff), and any other expense that would not have been incurred without this collection of information. Agencies may also aggregate cost estimates from Items 12, 13, and 14 in a single table.

There is no cost to the Federal Government for these efforts. There are no operational costs or significant staff hours. HUD receives these forms as hard copies and archives.

15. Explain the reasons for any program changes or adjustments reported in Items 13 or 14 of the OMB Form 83-I. A program change is something HUD did that resulted in an increase or decrease in the number of respondents, responses, or burden hours. An adjustment is the result of other factors, including changing economic conditions or re-calculating burden hours.

This is a new collection.

16. For collections of information whose results will be published, outline plans for tabulation and publication. Address any complex analytical techniques that will be used. Provide the time schedule for the entire project, including beginning and ending dates of the collection of information, completion of report, publication dates, and other actions.

Information that is collected will not be published.

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

This information Collection Request does not seek to NOT display the expiration date for OMB approval.

18. Explain each exception to the certification statement identified in Item 19, "Certification for Paperwork Reduction Act Submissions," of OMB Form 83-I.

This is a new collection and parts b, c, and e of the "Certification" do not apply. The collection of this information is not for a statistical survey and part i of the "Certification" will not apply.

B. Collections of Information Employing Statistical Methods

The agency should be prepared to justify its decision not to use statistical methods in any case where such methods might reduce burden or improve accuracy of results. When Item 17 on the Form OMB 83-I is checked, "Yes," the following documentation should be included in the Supporting Statement to the extent that it applies to the methods proposed:

1. Describe (including a numerical estimate) the potential respondent universe and any sampling or other respondent selection methods to be used. Data on the number of entities (e.g., establishments, State and local government units, households, or persons) in the universe covered by the collection and in the corresponding sample are to be provided in tabular form for the universe as a whole and for each of the strata in the proposed sample. Indicate expected response rates for the collection as a whole. If the collection had been conducted previously, include the actual response rate achieved during the last collection.
2. Describe the procedures for the collection of information including:
 - Statistical methodology for stratification and sample selection,
 - Estimation procedure,
 - Degree of accuracy needed for the purpose described in the justification,
 - Unusual problems requiring specialized sampling procedures, and
 - Any use of periodic (less frequent than annual) data collection cycles to reduce burden.
3. Describe methods to maximize response rates and to deal with issues of non-response. The accuracy and reliability of information collected must be shown to be adequate for intended uses. For collections based on sampling, a special justification must be provided for any collection that will not yield "reliable" data that can be generalized to the universe studied.
4. Describe any tests of procedures or methods to be undertaken. Testing is encouraged as an effective means of refining collections of information to minimize burden and improve utility. Tests must be approved if they call for answers to identical questions from 10 or more respondents. A proposed test or set of test may be submitted for approval separately or in combination with the main collection of information.
5. Provide the name and telephone number of individuals consulted on statistical aspects of the design and the name of the agency unit, contractor(s), grantee(s), or other person(s) who will actually collect and/or analyze the information for the agency.