



U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

WASHINGTON, DC 20410-8000

ASSISTANT SECRETARY FOR HOUSING-
FEDERAL HOUSING COMMISSIONER

Chandana L. Achanta
OMB Desk Officer
Office of Management and Budget
New Executive Office Building
Washington, DC 20503

Dear Ms. Achanta:

The Department of Housing and Urban Development (HUD) is seeking an emergency review of the Paperwork Reduction Act requirements for the Owner's Certification with HUD's Tenant Eligibility and Rent Procedures (2502-0204), and Application for Housing Assistance Payments and Special Claims Processing (2502-0182). The Notices of Paperwork Submission (copies enclosed), proposed for immediate Federal Register publication, explains the burden of the collection requirements and invites public comment on them. This is a revised information collection request.

In compliance with the requirements of 5 CFR 1320.13, this letter requests emergency processing within 14 days from the date of publication of the Federal Register Notice. This emergency processing is essential to complete requirements of the President's Management Agenda.

This emergency request is necessary at this time because the task order for implementing the President's Management Agenda requirements to reduce overpaid rents subsidies in the Office of Multifamily Housing Rental Assistance Programs expires at the end of fiscal year 2008. This Information Collection ensures standard calculations used to determine the appropriate tenant subsidy will be implemented throughout the Industry to reduce overpaid rents subsidies resulting from calculation errors (rounding problems, etc.) that have plagued Multifamily Housing Rental Assistance Programs for years.

Program Initiative Ten (10) of the President's Management Agenda for Management and Performance requires HUD to reduce overpaid rent subsidies through the correction of long-standing problems including errors in calculating rents and inaccurate reporting of income. The Department's Office of Policy Development and Research conducted a Quality Control for Rental Assistance Subsidy Determination Study in June 2001 to identify the most serious errors, their costs and their apparent causes. The study estimated that due to a variety of income calculations and other errors, over \$600 million in annual tenant rent overpayments were made and that tenant rent underpayments were \$1.7 billion. As part of this information collection, long standing problems involving calculation of rents will be addressed through implementing a standard methodology for calculations relative to Tenant Certifications, Assistance Payments and Special Claims. All Software Vendors supporting HUD Business Partners and HUD's Tenant Rental Assistance Certification System (TRACS) will implement these algorithms in their software rollouts. Implementation of the standard algorithms will eliminate calculation differences between Project

Owners, Management Agents, Traditional Contract Administrators, Performance Based Contract Administrators, and the Office of Multifamily Housing TRACS software that contribute to overpaid rent subsidies.

Thank you for your consideration and assistance.

Sincerely,

Ronald Y. Spraker
Acting General Deputy Assistant Secretary –Deputy
Federal Housing Commissioner

Enclosures