
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:

Date:

X
Elizabeth A. Hanson, Deputy Assistant Secretary
Office of Public and Indian Housing Real Estate Assessment Center

Signature of Senior Officer or Designee:

Date:

X
Lillian Deitzer, Departmental Reports Management Officer,
Office of the Chief Information Officer

Supporting Statement for Paperwork Reduction Act Submissions

A. Justification

1. Section 502 of the National Affordable Housing Act of 1990, as amended by the Quality Housing and Work Responsibility Act of 1998 (QHWRA), implements section 6(j) of the United States Housing Act of 1937 (the Act). Section 6(j) establishes specific assessment indicators and directs the Secretary to develop additional indicators to assess the management performance of public housing agencies (PHAs) in all major areas of management operations. The four Public Housing Assessment System (PHAS) indicators under the new proposed PHAS rule are: physical condition; financial condition; management operations; and Capital Fund Program. A PHA is designated as troubled if it fails to perform under the assessment indicators, or if it is unable to administer the program for assistance from the Capital Fund Program.

Pursuant to § 6(j)(2)(A)(iii) of the Act, HUD is required to establish procedures for a PHA to appeal its troubled designation. The proposed PHAS regulation at § 902.69 provides the opportunity for a PHA to appeal its troubled designation, petition for the removal of troubled designation, or appeal its score.

The proposed PHAS regulation at § 902.68 affords PHAs the opportunity to request a technical review of its physical condition inspection or, at § 902.24, a database adjustment if certain conditions are present. A technical review of the physical condition inspection may be requested if a PHA believes that an objectively verifiable and material error(s) occurred in the inspection of an individual property. A database adjustment may be requested by a PHA due to facts and circumstances affecting a project which are not reflected in the physical condition inspection or which are reflected inappropriately in the physical condition inspection.

2. HUD uses the data it collects from program participants (PHAs) to evaluate the four individual PHAS indicators and to determine an overall PHAS score for each PHA, and to determine the physical condition scores for individual projects. The overall PHAS score determines if a PHA's performance is high, standard, substandard or troubled, including Capital Fund Program troubled. PHAs may request an appeal of its overall PHAS score, or a technical review or database adjustment of their physical condition score. These requests are submitted by letter from the PHA to HUD, and the letter includes documentation to justify the request. HUD reviews the request and accompanying documentation, and makes a determination as to whether to grant or deny the request based on what the PHA has submitted. These information collections are described in the proposed PHAS rule, with thorough definitions of each request. The granting of an appeal, technical review or database adjustment may change a PHA's designation, usually to a higher level.
3. This collection of information currently does not involve the use of automated, electronic, mechanical or other technological collection techniques or other forms of information technology. The requests for appeals, technical reviews and database adjustments are voluntary and are submitted by letter. If HUD determines it is possible, HUD will request PHAs to submit any required documentation electronically.
4. REAC is not aware of any duplication of efforts to collect this data. Any data already submitted to HUD will not be requested again.
5. The information being collected has no significant impact on small businesses or other small entities.
6. HUD assesses the physical condition, financial condition, management operations and Capital Fund Program obligations and expenditures of PHAs. HUD also assesses the physical condition, financial condition, and management operations of projects. The provision for appeals is statutory and HUD would be in noncompliance with the intent of Congress if PHAs were not afforded the opportunity to appeal a PHAS score or a troubled designation. The provisions for technical reviews and database adjustments are regulatory and they ensure that PHAs are not penalized for conditions beyond their control. These three venues ensure that HUD is assessing and scoring PHAs and projects as accurately as possible.

7. There are no special circumstances that require the collection of information to be inconsistent with the guidelines in 5 CFR § 1320.6.
8. A notice of the PHAS proposed rule has been published in the Federal Register on August, 21, 2008, page 49543.
9. No payments or gifts are provided to respondents.
10. Assurance of confidentiality is neither provided nor needed because PHAs normally pass Board resolutions authorizing the submissions of appeals, technical reviews and database adjustments to HUD at public Board of Commissioner meetings.
11. No sensitive questions are being asked.
12. Estimates of the number of respondents were made by requesting information and estimates from field office staff. The annual burden hours for appeals, technical reviews and database adjustments are estimated to be the same as the average time it takes a PHA to submit its financial information (OMB 2535-0107, 9 annual burden hours), management operations information (OMB 2535-0106, 1.15 annual burden hours) and resident survey information (OMB 2507-0001, 5.45 annual burden hours) under the current PHAS, for an annual average of 5.2 burden hours.

| 13. Total Burden Hour Estimates for PHAs | | | | | | | | |
|--|-----------------------|---|-----------------------|-----------------|---|-----------------|---|---------------------------|
| Type | Number of Respondents | X | Frequency of Response | Total Responses | X | Estimated Hours | = | Total Annual Burden Hours |
| PHA Appeal | 53 | | 1 | 53 | | 5.2 | | 276 |
| PHA Technical Review Physical | 167 | | 1 | 167 | | 5.2 | | 868 |
| PHA Database Adjustment | 125 | | 1 | 125 | | 5.2 | | 650 |
| Totals | 345 | | | 345 | | | | 1,794 |

The estimated annual cost to respondents are provided in the table, below, and assume an analyst's salary of \$55,706 per year at a GS-11/1 level rate (Salary Table 2007-GS) or an hourly rate of \$26.69.

| Estimated Annual Costs to Respondents | | | | | |
|---------------------------------------|--------------------|---|-------------|---|-----------------|
| Number of Respondents | Total Burden Hours | X | Hourly Rate | = | Annualized Cost |
| 345 | 1,794 | | \$26.69 | | \$47,882 |

13. No other costs are associated with the collection of this information.
14. The estimated annualized costs to the federal government, based on the GS-11/1 level rate are provided in the table, below. The GS-11/1 level rate is the average salary for a Real Estate Analyst that reviews submissions and makes a recommendation for determination, assuming an annual salary of \$55,706 (Salary Table 2007-GS) or an hourly rate of \$26.69. It is estimated that it takes an average of approximately 4 hours for federal government staff to conduct a review of the information submitted and recommend a determination.

| Total Estimated Annual Costs to the Federal Government | | | | | | |
|--|----------|-----------|--------------|---|--------|----------------|
| Number of | Freq. of | Estimated | Total Annual | X | Hourly | = Total Annual |
| | | | | | | |

| Respondents | Responses | Hours | Burden Hrs. | | Rate | | Cost |
|--------------------|------------------|--------------|--------------------|--|-------------|--|-------------|
| 345 | 1 | 4 | 1,380 | | \$26.69 | | \$36,832 |

15. This is a new collection.

16. This information will not be published.

17. HUD is not seeking approval to not display the expiration date of the OMB approval. A Federal Register notice will be published to announce the new OMB approval number and expiration date once OMB reviews and approves the collection. The attached **Exhibit** is the OMB Disclosure Statement.

18. There are no exceptions to the certification statement identified in item 19 of the OMB 83-I.

B. Collections of Information Employing Statistical Methods

N/A