

2009 SUPPORTING STATEMENT

7 CFR 1944-B– Housing Application Packaging Grants
OMB No. 0575-0157

A. Justification

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

Section 509 of the Housing Act of 1949 as amended authorizes the Rural Housing Service (RHS) to make grants to private and public nonprofit organizations and State and local governments to package housing applications for Section 502, 504, 514/515, and 533 to colonias and designated counties. Eligible organizations aid very low and low-income individuals and families in obtaining benefits from RHS housing programs.

The intent is to make RHS housing assistance programs available to very low and low-income rural residents in colonias and designated counties. The information collection required by this regulation is necessary to assure the organizations participating in this program are eligible entities and have participated in RHS training in application packaging.

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 respondents are nonprofit organizations, States, State agencies, and units of general local government. This information required for approval of housing application-packaging grants is used by RHS field personnel to verify program eligibility requirements and to secure grant assistance. The information is also to insure that the program is administered in a manner consistent with legislative and administrative requirements. Specifically the burden to be cleared is as follows:

Application Package

These documents provide the information from the respondent to make a feasibility and an eligibility determination. The grantee saves the Agency time by prescreening applicants, making preliminary determinations of eligibility, ensuring that the application is complete, and helping the applicant understand the program. Information on the respondent's eligibility is provided in these documents. Section 509 program eligibility criteria requires that applicants be nonprofit organizations authorized to assist low-income families obtain affordable housing. Proof of the applicant's nonprofit status under Section 501 (c)(3) of the Internal Revenue Code of 1986 is necessary to meet this requirement. 100 X 3 = 300 hrs. The estimated man-hours are 300.

A copy of the Certification of Training provides proof that the respondent has attended training for the type of application package submitted. This training and the certificates will be provided by RHS annually. A current certificate must be submitted.

Information is required to certify the respondent has not received compensation from any source other than RHS for packaging the application. This also establishes the fact that the respondent is not associated with or does not represent anyone other than the applicant.

Reporting Requirements Approved under other Office of Management and Budget Numbers.

Assurance Agreement (RD 400-4)

This form is used to confirm that recipients of RD loans and grants assistance have been reminded of their obligations to comply with all the provisions of the Civil Rights Act of 1964 and the regulations of Rural Development.

Equal Opportunity Agreement (RD 400-1)

This form is used when construction work is subject to the provisions of RD Instruction 1901-E.

Request for Advance or Reimbursement (SF 270)

This form must be submitted with each package for the amount authorized for the specific loan type during the Housing Application Packaging Grant Fee Processing. 100 X 1 = 100 hrs. The estimated man-hours are 100.

Financial Status Report (SF 269)

The grantees are required to retain record for 3 years from the date it is submitted. These records are to be accessible to RHS and other Federal officials in accordance with 7 CFR Part 3015. 100 X .5= 50 hrs. The estimated man-hours are 50.

Request for Verification of Employment (RD 1910-5)

This form is the primary method of income verification for loan applicants, existing borrowers applying for or renewing interest assistance, re-amortizations, and moratoriums.

Rural Housing Loan Application Package (RD 1944-12)

This form provides a checklist of the forms and other information required by RHS to obtain a loan. It is not mandatory, however, provides applicants and packagers with a handy checklist of the items necessary to apply for a loan.

Application for Rural Housing Assistance (Non-Farm Tract) (RD 410-4) Uniform Residential Loan Application

This form is the basic application for all single family housing loans and grants. It is an industry standard form, with an attachment requesting minimal additional information specifically needed to apply for RHS program assistance.

Budget and/or Financial Statement (RD 1944-3)

The Agency now relies on the use of ratios for determining repayment ability for Section 502 Direct very low and low-income applicants. For the Section 504 loan/grant program, the Community Development Manager uses the Budget and/or Financial Statement to determine a very low income applicant's repayment ability for a loan or grant.

Recordkeeping for Required Financial Records

In accordance with 7 CFR Part 3015 required annual audits are to be completed if the grantee has received more than \$25,000 of Federal assistance in the year in which Housing Application Packaging Grants funds were received. These audits are due 13 months after the end of the fiscal year in which funds were received. $100 \times .5 = 50$ hrs. The estimated man-hours are 50.

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.

The use of automated, electronic, mechanical or other technological collection techniques is currently being used in a limited capacity. For example, a limited number of forms can be completed while on line by accessing <http://www.sc.egov.usda.gov>, and other forms can be downloaded and completed by accessing <http://www.fedforms.gov>.

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.

Efforts to identify duplication involve Agency consultation and contacts with other funding sources such as State and local governments. Information requested by other Federal agencies, local regulating bodies, and/or planning and zoning commissions which

is similar or the same as required by RHS is acceptable. The information collected is specific for each grantee.

The information is collected on a case-by-case basis. There is no similar information available to the Agency that could be used or modified for these purposes. However, sometimes there is similar information prepared by the applicant for submittal to other Federal agencies. In those cases RHS does accept and use that material applicable and will coordinate reviews with the other agencies involved.

5. If the collection of information impacts small businesses or other small entities (item 5 of OMB Form 83-1), describe any methods used to minimize burden.

Methods used to minimize burden to small organizations include all of the items previously discussed in question 4.

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

The collection of information is only for each grantee approved. Without this one time collection of information, RHS would be unable to assure the application packaging groups are authorized by law to participate in this program, and are conducting the program according to the regulation.

7. Explain any special circumstances that would cause an information collection to be conducted in a manner:

a. Requiring respondents to report information more than quarterly.

There are no information collection requirements that require specific reporting on more than a quarterly basis.

b. Requiring written responses in less than 30 days.

There are no specific information collection requirements that require less than 30 days response.

c. Requiring more than an original and two copies.

There are no specific information collection requirements for more than an original and two copies.

d. Requiring respondents to retain records for more than 3 years.

There are no such requirements.

e. Not utilizing statistical sampling.

There are no such requirements.

f. Requiring use of statistical sampling which has not been reviewed and approved by OMB.

No such requirements exist.

g. Requiring a pledge of confidentiality.

There are no such requirements.

h. Requiring submission of proprietary secrets.

There are no such requirements.

8. 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, reporting format (if any), and on data elements to be recorded, disclosed, or reported.

A Federal Register Notice was published on March 12, 2009, Vol. 74, No. 47, page 10714. No comments or revisions were recommended.

The persons selected for consultation provided a cross section of participation in the program that would be representative nationally. They were recommended by the Agency because of their thorough knowledge of Rural Development programs and their experience with the Agency. The following persons were contacted.

Russ Thomason
Suite 200
771 Corporate Drive
Lexington, Kentucky 40503

Debra Redfearn
3727 Government Street
Alexandria, Louisiana 71302

Packaging application is a major advantage to the Agency due to the nonprofits packaging the applications. Packagers save the Agency time by prescreening applicants, making preliminary determinations of eligibility, ensuring that the application is complete, and helping the applicant under the program.

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

There are no payments or gifts given to respondents.

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

There have been no assurances of confidentiality provided to the respondents by the Agency.

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

There is no information collection of a sensitive nature.

12. Provide estimates of the hour burden of the collection of information.

RHS estimates that 150 respondents will respond to a notice of program availability. Out of the 150, it is anticipated that 90 nonprofit organizations, and 10 States, agencies and units of general local government will be awarded grants. These estimates are based on past experiences. See attached spreadsheet.

The respondent hourly rate is estimated at \$28 per hour times 500 hours for an annual cost to respondents of \$14,000.

13. Provide an estimate of the total annual cost burden to respondents or recordkeepers resulting from the collection of information.

There are no capital/start-up or operations/maintenance costs involved in this information collection.

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

The annual cost to the Federal Government is based on the average salaries and personnel benefits, equipment and office supplies per specific administrative unit(s). The cost factor was derived by dividing the cumulative salaries of each staff by number of staff persons constituting the unit. The estimated annual cost to the Federal Government is \$14,800. The salary and benefits figure is based on a GS-9 step 10 hourly wage multiplied by the total number of estimated man hours.

The annual cost to Respondent is as follows:

Salary and benefits	\$14,000
Supplies	800
Total cost to Federal Government	\$14,800

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

There is a decrease of 1,000 hours from the last submission due to less respondents.

16. For collection of information whose results will be published, outline plans for tabulation and publication.

The collection of information will not be published for statistical purposes.

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.

No forms under this collection of information.

18. Explain each exception to the certification statement in items 19 on OMB 83.1.

The change in burden is due to the decrease in number of formal applications being submitted by grantees packaging housing applications for the Agency. Grantees handle the tasks of prescreening applicants, making preliminary determinations of eligibility, ensuring the application is complete, and helping the applicant better understand the programs. The total burden cost decreased from 27,000 to 14,000.

19. How is this information collection related to the Service Center Initiative (SCI)? Will the information collection be a part of the one stop shopping concept?

It is estimated that most questions may be collected through a computer database and therefore will be part of the one-stop shopping concept.