
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) appears 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
Michael Winiarski, Deputy Director, Organizational Policy, Planning and Analysis Division, HROA

Signature of Senior Officer or Designee:

Date:

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

Supporting Statement for Paperwork Reduction Act Submissions

Mortgagee's Certification and Application for Assistance or Interest Reduction Payments Due Under Sections 235(b), 235(i), 235(j), or 236 OMB Control Number 2502-0081 (Forms HUD-300 & HUD-93102)

A. Justification

1. Section 101(a) of the Housing and Urban Development Act of 1968 (P.L. 90-448; 82 Stat. 476, 477) added Section 235 Homeownership for Lower Income Families to the National Housing Act. Also, the Appropriations Act of 1984 reactivated the Section 235 Program as revised by the Housing and Urban Rural Recovery Act of 1983 (HURRA). Under Section 235, the Secretary is authorized to make periodic assistance payments to mortgagees on behalf of homeowners. Mortgagees collect information from mortgagors to determine their eligibility to participate in the program and compute the amount of subsidy the mortgagors are eligible to receive (OMB control number 2502-0082). Mortgagees then use this information to bill HUD for assistance payments. Information collected to establish eligibility includes occupancy, employment, family composition, and income, as well as information on the mortgage and required payments. Borrowers must re-certify eligibility annually.
2. Both HUD and the mortgagee use these forms. The form HUD-300 must be submitted with the form HUD-93102. Lenders submit the HUD-300 form, which provides detailed loan level information, and the HUD-93102 form, uses the detailed information for the purpose of monthly billing to HUD. Each mortgage receiving assistance is listed by FHA-case number on the HUD-300 and justifies the funds requested on the HUD-93102. The information collection is an application for funds on loans in the lenders' portfolios. The amount of funds is determined by a formula applied to each loan by the lender. Therefore, there is no occasion that the information would not be available. Periodic on site monitoring reviews are performed with some lenders having these loans. These loans are a part of that review and any problems with the collection of this information may be discussed at that time.
3. This information is not collected electronically. The HUD-300 and 93102 forms can be obtained easily from HUD's website. There are no plans to automate because the information is collected manually because the last Section 235 loan was made in 1986, and the number of existing program participants (mortgagors) is diminishing rapidly. This is a loan program that will eventually phase out, and the cost to automate cannot be justified.
4. The data is compiled from records on qualified families and maintained in the mortgagee's files. The data entries are unique to these forms and cannot be obtained from other sources.
5. This collection does not affect small businesses or other small entities.
6. Section 24 CFR 235.340 requires that the assistance payments shall be due on the first day of each month and shall be paid to the mortgagee upon receipt of form HUD-93102 with the supporting data form HUD-300. If this collection is not accomplished it would be a violation of the regulations and mortgagors would not benefit from the assistance payments to which they are entitled.
7. This collection complies with all of the guidelines stated in the OMB 83-I, except the requirement to submit information more than quarterly. Section 24 CFR 235.340 requires that the assistance payments shall be due on the first day of each month and shall be paid to the mortgagee upon receipt of form HUD-93102 with the

supporting data form HUD-300. The monthly reporting is needed to safeguard the taxpayers' interest and for program monitoring purposes.

8. In accordance with 5 CFR 1320.8(d), the agency's notice soliciting public comments was announced in the *Federal Register* on November 26, 2008 (Vol. 73, No. 229, pages 72021). No comments were received.

The ability to provide the information required by these forms and use of the information is discussed with the mortgage industry on a continuing basis during HUD's onsite audits. The use of these forms has not been discontinued at any time since HUD began to require their use beginning with the startup of the Section 235 program. HUD's Tulsa office monitors and has identified the number of mortgagees who still remain in the Section 235 program.

9. The collection of this information does not provide any payment or gift to the respondents, other than the loan subsidy payments for which they are intended.
10. The information submitted by mortgagors is confidential as indicated on the form HUD-93101, Recertification of Family Income and Composition, approved under OMB Control Number 2502-0082. Mortgagees use that confidential information to bill HUD for assistance payments.
11. These forms are submitted by the mortgagee and provide financial information associated with each mortgagor. The Privacy Act of 1974 protects the submission of this information.
12. Estimated Burden and Costs to Respondents:

Information Collection	Number of Respondents	Frequency of Response	Responses Per Annum	Burden Hour Per Response	Annual Burden Hours	Hourly Cost Per Response	Annual Cost
HUD-300	40	12	480	1	480	\$26.00	\$12,480
HUD-93102	40	1	2,500	.25	625	\$26.00	\$16,250
Totals			2,980		1,105		\$28,730

The hourly rate is based on an estimate of lender/servicer personnel salary of \$54,000 annually. HUD-93102 is an annual recertification form used once a year per loan. HUD-300 is a monthly reconciliation form.

13. There are no additional costs to the respondents.
14. Estimated Burden and Annual Cost to the Federal Government.

Information Collection	Number of Respondents	Frequency of Response	Responses Per Annum	Burden Hour Per Response	Annual Burden Hours	Hourly Cost Per Response	Annual Cost
HUD-300	40	12	480	.25	120	\$26.00	\$3,120
HUD-93102	40	1	2,500	.25	625	\$26.00	\$16,250
Totals			2,980		745		\$19,370

The hourly rate is based on the salary of a GS-9, Step 5, for review and approval of the forms.

15. This is an extension of a currently approved information collection. There is a decrease in the number of respondents from 50 to 40 and an increase in the estimate of burden hours from 750 hours to 1,105 hours from the last submission. The reason for the increase is that the figures previously stated were estimates, whereas the figures on the renewal submission are authoritative figures from HUD's, CFO office. These figures are based on the number of subsidies HUD is paying on Section 235 loans. The number of respondents has decreased from 50 to 40 as a result of companies consolidating through mergers.
16. No information obtained from these forms will be published.
17. HUD is not seeking approval to avoid displaying the OMB expiration date.
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

This information collection does not employ statistical methods.