

Supporting Statement for Paperwork Reduction Act Submissions  
Community Development Financial Institutions (CDFI) Fund  
CDE Certification Application, OMB 1559-0014  
CDFI Form 0019

**A. Justification**

1. Circumstances necessitating collection of information

Title I, subtitle C, section 121 of the Community Renewal Tax Relief Act of 2000 (the Act), as enacted by section 1(a)(7) of the Consolidated Appropriations Act, 2001 (Public Law No. 106-554, December 21, 2000), amended the Internal Revenue Code (IRC) by adding IRC Section 45D, New Markets Tax Credit. Pursuant to IRC section 45D, the Community Development Financial Institutions (CDFI) Fund implements the New Markets Tax Credit (NMTC) Program which will provide an incentive to investors in the form of a tax credit over seven years, which is expected to stimulate the provision of private investment capital that, in turn, will facilitate economic and community development in low-income communities. In order to qualify for a NMTC Program allocation award from the CDFI Fund an applicant must be certified by the CDFI Fund as a CDE. As an integral part of the CDE certification procedure, the CDFI Fund has developed a certification application, which is used to determine whether an entity seeking CDE certification meets the CDFI Fund's requirements for such certification.

2. Method of collection and use of data

The certification application will be collected from entities seeking CDE certification. The data collected via the certification application will be used by the CDFI Fund to evaluate whether an entity may be certified as a CDE.

3. Use of Information Technology

At present, the CDE certification application is collected in paper format.

4. Efforts to identify duplication

Similar information is not available from other sources and it does not duplicate any other CDFI Fund or Federal program information-gathering tool.

5. Impact on small entities

This collection of information is not expected to have significant impact on small entities.

6. Consequences of less frequent collection and obstacles to burden reduction

Since CDE certification is a prerequisite for receiving NMTC Program allocation awards from the CDFI Fund, the certification application is a critical part of the NMTC Program. Moreover, once certified, an entity's certification lasts indefinitely or until it ceases to meet the requirements for CDE certification.

7. Circumstances requiring special information collection

Any confidential business information submitted by applicants is safeguarded through the CDFI Fund's records management procedures and information technology security protocols.

8. Solicitation of comments on information collection

Community Development Financial Institutions Fund, Department of the Treasury

Comments on the certification application were solicited via notice in the Federal Register on May 5, 2009, (74 FR 20780). One comment was received and is attached. The CDFI Fund will consider the comment in any future modifications to the application form or format.

9. Provision of payment to respondents

No payments or gifts will be made to respondents.

10. Assurance of confidentiality

The CDFI Fund is subject to all Federal regulations with respect to confidentiality of the information provided in this collection of information. The CDFI Fund has provided no other assurances of confidentiality to respondents.

11. Justification of sensitive questions.

No questions of a sensitive nature are asked in this collection of information.

12. Estimate of the hour burden of information collection.

The total hour burden of this information collection is estimated at: 300 respondents annually x 1 response annually x 4 hours per respondent = 1,200 hours. As noted above, once certified as a CDE, an entity's certification lasts indefinitely provided the entity continues to meet the certification requirements.

13. Estimate of total annual cost burden to respondents

It is not expected that this information collection will have a cost burden to respondents. No purchases of equipment or services are necessary for this information collection.

14. Estimate of annualized cost to the Government

The cost to the Government is the CDFI Fund staff time required to review the submitted certification applications.

15. Any program changes or adjustments

The CDFI Fund has created a CDE Certification "Express Option", which will reduce the amount of information and documentation needed for the application if the Applicant can attest that the information for multiple subsidiaries is identical.

16. Plans for information tabulation and publication

Confidential or proprietary information collected through this information collection will not be published.

17. Reasons for not displaying expiration date of OMB approval

The CDFI Fund intends to display the expiration date of the OMB approval on the collections of information.

18. Explanation of exceptions to certification statement

Not applicable.

**B. Collections of Information Employing Statistical Methods**

Not applicable.