
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: Michael E. Winiarski, Deputy Director, Organizational Policy, Planning and Analysis Division, HROA	Date:
Signature of Senior Officer or Designee: Lillian L. Deitzer, Departmental Reports Management Officer Office of the Chief Information Officer	Date:

Supporting Statement for Paperwork Reduction Act Submissions

A. Justification

1. The regulations governing the Previous Participation Certification (HUD-2530) review and clearance procedures are set forth at 24 CFR 200.210 - 200.245, 24 CFR 200.300, and 24 CFR 200.400 – 200.430. Copies of these authorities are attached. The HUD-2530 form is used to protect HUD's Multifamily Housing programs by comprehensively assessing industry participants. The information on this form needs to be collected by the Department in order to evaluate participants' performance and compliance with contracts, regulations, and directives. The information from this form is used to determine if their participation poses a significant risk to the Department. It is the Department's policy that participants in its housing programs honor their legal, financial, and contractual obligations. Accordingly, uniform standards are established for approvals, disapprovals, or withholding actions on principals in projects based upon their past performances as well as other aspects of their records. Respondents such as owners, managers, consultants, general contractors, and nursing home operators and administrators will be subject to review.
2. HUD multifamily housing projects usually involve millions of federal government dollars that has been obligated in subsidized mortgages, rents, grants, construction contracts, and loans. Accordingly, principals are evaluated through the HUD-2530 process in order to protect the public interest and minimize risk. The HUD-2530 process extends to individuals or entities participating in the ownership and/or management of projects. As a result of their decision making abilities, the individuals and entities have a direct impact on a project's viability. As an insurer, the Department can apply the HUD-2530 process to any management official. Additionally, the Department reviews the information provided by participants to ensure federal monies will be handled by individuals/entities with a history and track record of compliance.

Applicants must file a form HUD-2530 upon initial participation for HUD's multifamily programs or when notifying HUD of a proposed substitution or addition of a principal. The form HUD-2530 must also be filed when or if there are changes in roles or proposed participation in a different capacity from what has been previously approved. If one or more of these actions occur within a quarterly period, semi-annually period, or annually period, the respondent is required to submit the form HUD-2530 for approval. Respondents can include owners, managers, consultants, general contractors, and nursing home operators and administrators.

The HUD-2530 process provides review and clearance for participants in HUD's multifamily insured and non-insured projects. The information collected (participants' previous participation record) is reviewed to determine if they have carried out their past financial, legal, and administrative obligations in a satisfactory and timely manner. The HUD-2530 process requires a principal to certify to their prior participation in multifamily projects, and to disclose other information which could affect the approval for the proposed participation.

3. The collection of this information has been automated through Active Partners Participation System ("APPS"). Participants were notified through publications in the Federal Register and other HUD directives that the Department was phasing out the paper HUD-2530 form. In June 2006, the Department no longer accepted the HUD 2530 paper form and all industry participants were required to use APPS to submit previous participation information. However in July 2007, industry participants lobbied congress and successfully resurrected the paper HUD-2530 form as an alternative to APPS when providing previous participation certification. Based on the data on 2530s, submissions are equally split between electronic and paper submissions.
4. No duplication exists.

5. This collection will not have a significant economic impact on small businesses or entities.
6. The information collected by the Form HUD-2530 is the minimum needed to achieve program objectives. The information collected and the frequency with which it is collected is necessary for the Department to manage the risk to the mortgage insurance fund.
7. The frequency of which information is collected is dictated by program requirements. Participants in HUD's Multifamily Housing Programs are required to disclose certain information for various transactions as indicated in HUD Handbook 4065.1 REV, 1-3, therefore, this information cannot be collected less frequently.

The frequency of this reporting varies. Applicants must file a HUD-2530 upon initial participation for HUD's Multifamily programs, when notifying HUD of a proposed substitution or addition of a principal, and/or if there are changes in roles or proposed participation in a different capacity from that previously approved. If one of these actions occurs within a quarterly period, semi-annual period, or annual period the respondent is required to submit the HUD-2530 for approval.

HUD-2530 requires respondents to list previous participation in HUD programs for all projects for the last 10 years. In order to comply with HUD-2530 instructions, the respondent may need to retain these records for more than three years.

8. Information collected is conducted in a manner consistent with the guidelines of 5 CFR 1320.6. The Notice announcing this collection of information appeared in the Federal Register ...
9. There will be no gifts or payments given to respondents.
10. Assurance of confidentiality is provided by respondents under the Privacy Act of 1974. In addition, a Privacy Act Statement is included on the HUD-2530.
11. No questions of a sensitive nature are part of the HUD-2530 application procedures.
12. Annual Burden Estimate:

Information Collection	Number of Respondents	Frequency of Response	Total Annual Responses	Burden Hours per Response	Total Annual Burden Hrs	Hourly Cost	Total Annual Cost
Previous Participation Certification							
1. HUD-2530 (Paper)	14,758	1	6,198	1	6,198	\$16	\$99,168
2. HUD-2530 (Electronic)	14,758	1	6,198	0.5	3,099	\$16	\$49,584
3. Evidence of authority to bind corporation	14,758	1	310	0.5	155	\$16	\$2,480
4. Description of Ownership structure of multi-tiered organization	14,758	1	310	0.5	155	\$16	\$2,480
5. Reports from other agencies	14,758	1	310	0.5	155	\$16	\$2,480
6. Requests for	14758	1	310	0.5	155	\$16	\$2,480

reconsideration, including documentation to support reconsideration							
TOTAL	14,758		12,396	3.5	9,917		\$158,672

All Items:

- Number of estimated respondents based on information in HUD systems.
- Hourly cost is based on data obtained from www.payscale.com for a property owner. The cost per hour could vary, based on the locality of the project.

Item 1

- Number of estimated total annual responses based on owner/agent submissions using the paper form HUD-2530 tracked through HUD systems.

Item 2

- Number of estimated total annual responses based on owner/agent electronic submissions of HUD-2530 tracked through APPS.

Item 3

- Number of estimated total annual responses based on 5% of the number of responses (6198) that may be required to provide evidence of authority to bind the corporation.

Item 4

- Number of estimated total annual responses based on 5% of the number of responses (6198) that may be required to provide a description of ownership structure of multi-tiered organization.

Item 5

- Number of estimated total annual responses based on 5% of the number of responses (6198) that may be required to provide a reports from other agencies

Item 6

- Number of estimated total annual responses based on 5% of the number of responses (6198) that may be required to provide a request for reconsideration, including documentation to support the reconsideration.

13. The estimate of the total annual cost burden to respondents does not vary from the numbers presented in item #12.

14. Annual Cost to the Federal Government:

Information Collection	Number of Responses	Hours per Response	Total Annual Hours	Hourly Cost	Total Annual Cost
HUD-2530	6,198	1	6,198	\$28	\$173,544
Review of other documentation	6,198	1	6,198	\$28	\$173,544
Totals	6,198	1	12,396	\$28	\$347,088

*Estimated annual cost to the Federal Government assuming that a GS-12 Project Manager to review the information.

15. There have been adjustments from the last submission since this form has been put into use again by the Department. As previously mentioned, the collection of this information has been automated through Active Partners Participation System (“APPS”). Participants were notified through publications in the Federal Register and other HUD directives that the Department was phasing out the paper HUD-2530 form. In June 2006, the Department no longer accepted the HUD 2530 paper form and all industry participants were required to use APPS to submit previous participation information. However in July 2007, industry participants lobbied congress and successfully resurrected the paper HUD-2530 form as an alternative to APPS when providing previous participation certification. The adjustment in burden hours is based on the data for the HUD 2530s.

16. The results of this reporting will not be published.

17. HUD is not seeking approval not to display the expiration date for OMB approval of the information collection.

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

PART B. Collections of Information Employing Statistical Methods

There are no statistical methods used in this collection.