

## **Supporting Statement for Paperwork Reduction Act Submissions**

**OMB Control Number: 1660 - 0082**

**Title:** Application for Community Disaster Loan Cancellation

**Form Number(s):** FF 90-5

### **General Instructions**

A Supporting Statement, including the text of the notice to the public required by 5 CFR 1320.5(a)(i)(iv) and its actual or estimated date of publication in the Federal Register, must accompany each request for approval of a collection of information. The Supporting Statement must be prepared in the format described below, and must contain the information specified in Section A below. If an item is not applicable, provide a brief explanation. When Item 17 or the OMB Form 83-I is checked "Yes", Section B of the Supporting Statement must be completed. OMB reserves the right to require the submission of additional information with respect to any request for approval.

### **Specific Instructions**

#### **A. Justification**

**1. Explain the circumstances that make the collection of information necessary. Identify any legal or administrative requirements that necessitate the collection. Attach a copy of the appropriate section of each statute and regulation mandating or authorizing the collection of information. Provide a detailed description of the nature and source of the information to be collected.**

The Community Disaster Loan (CDL) Program is authorized by section 417 of the Disaster Relief Act of 1974 (Pub. L. 93-288), as amended by the Robert T. Stafford Disaster Relief and Emergency Act of 1988 (Pub. L. 100-707), and implemented by FEMA regulation 44 CFR, subpart K. Community Disaster Loans, Section 206.366. The CDL Program offers loans to local governments that have suffered a substantial loss of tax or other revenues as a result of a major disaster or emergency and demonstrates a need for Federal financial assistance in order to perform their governmental functions. The loan must be justified on the basis of need and be based on the actual and projected expenses, as a result of the disaster, for the fiscal year in which the disaster occurred and the three succeeding fiscal years.

Local governments may submit an Application for Loan Cancellation through the Governor's Authorized Representative to the FEMA Regional Administrator prior to the expiration date of the loan. FEMA has the authority to cancel repayment of all or part of a Community Disaster Loan to the extent that a determination is made that revenues of the local government during the three fiscal years following the disaster are insufficient to meet the operating budget of that local government because of disaster-related revenue losses and additional unreimbursed disaster-related municipal operating expenses. Operating budget means actual revenues and expenditures of the local government as published in the official financial statements of the local government.

**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. Provide a detailed description of: how the information will be shared, if applicable, and for what programmatic purpose.**

Local governments submit FEMA Form 90-5, Application for Community Disaster Loan Cancellation, through the Governor's Authorized Representative (GAR). The Stafford Act contains a provision for cancellation of all or part of the loan depending upon the extent of financial non-recovery of the local government during the full three fiscal years after the fiscal year of the disaster. FEMA Form 90-5 is used, in conjunction with the official financial statements of the local government, to determine the extent of statutorily entitled loan forgiveness.

**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. Also describe any consideration of using information technology to reduce burden.**

The information is submitted via mail so that an original signature is received and this cannot be sent electronically.

**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.**

This information collection covers the traditional Community Disaster Loan Program, this information is not collected anywhere else.

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

This information collection does not have an impact on small businesses or other small entities.

**6. Describe the consequence to Federal/FEMA program or policy activities if the collection of information is not conducted, or is conducted less frequently as well as any technical or legal obstacles to reducing burden.**

Failure to conduct this information collection will result in the inability of local applicants to apply for the cancellation of a Community Disaster Loan.

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

This information collection is conducted in a manner consistent with the guidelines in 5CFR 1320.5(d) (2).

**(a) Requiring respondents to report information to the agency more often than quarterly.**

**(b) Requiring respondents to prepare a written response to a collection of information in fewer than 30 days after receipt of it.**

**(b) Requiring respondents to submit more than an original and two copies of any document.**

**(c) Requiring respondents to retain records, other than health, medical, government contract, grant-in-aid, or tax records for more than three years.**

**(d) In connection with a statistical survey, that is not designed to produce valid and reliable results that can be generalized to the universe of study.**

**(f) Requiring the use of a statistical data classification that has not been reviewed and approved by OMB.**

**(g) That includes a pledge of confidentiality that is not supported by authority established in statute or regulation, that is not supported by disclosure and data security policies that are consistent with the pledge, or which unnecessarily impedes sharing of data with other agencies for compatible confidential use.**

**(h) Requiring respondents to submit proprietary trade secret, or other confidential information unless the agency can demonstrate that it has instituted procedures to protect the information's confidentiality to the extent permitted by law.**

**8. Federal Register Notice:**

**a. Provide a copy and identify the date and page number of publication in the Federal Register of the agency's notice soliciting comments on the information collection prior to submission to OMB. Summarize public comments received in response to that notice and describe actions taken by the agency in response to these comments. Specifically address comments received on cost and hour burden.**

The interim final rule, RIN 1660-AA44, Special Community Disaster Loans, has served as the 60 day Federal register Notice for this collection and was published on April 3, 2009, Volume 74, Number 63, pp. 15228. No comments regarding the Community Disaster Loan Cancellation collection were received.

A 30-day Federal Register Notice inviting public comments was published on December 1, 2009, Volume 74 pp 62800. No comments were received. See attached copy of the published notice included in this package.

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

No consultations were conducted as information required for this program is already publicly available.

**c. Describe consultations with representatives of those from whom information is to be obtained or those who must compile records. Consultation should occur at least once every three years, even if the collection of information activities is the same as in prior periods. There may be circumstances that may preclude consultation in a specific situation. These circumstances should be explained.**

Respondents can provide feedback regarding the form or process and the program office will consider all information received.

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

FEMA does not provide payments or gifts to respondents in exchange for a benefit sought.

**10. Describe any assurance of confidentiality provided to respondents. Present the basis for the assurance in statute, regulation, or agency policy.**

There are no assurances of confidentiality provided to the respondents for this information collection.

**11. Provide additional justification for any question of a sensitive nature (such as sexual behavior and attitudes, religious beliefs and other matters that are commonly considered private). This justification should include the reasons why the agency considers the questions necessary, the specific uses to be made of the information, the explanation to be given to persons from whom the information is requested, and any steps to be taken to obtain their consent.**

There are no questions of a sensitive nature.

**12. Provide estimates of the hour burden of the collection of information. The statement should:**

**a. Indicate the number of respondents, frequency of response, annual hour burden, and an explanation of how the burden was estimated. Unless directed to do so, agencies should not conduct special surveys to obtain information on which to base hour burden estimates. Consultation with a sample (fewer than 10) of potential respondents is desired. If the hour burden on respondents is expected to vary widely because of differences in activity, size, or complexity, show the range of estimated hour burden, and explain the reasons for the variance. Generally, estimates should not include burden hours for customary and usual business practices.**

FEMA Form 90-5 has an estimated hour burden per response of one hour, and this is based upon the program’s experience in approving and maintaining loans that have been provided and the information that is requested on the form.

**b. If this request for approval covers more than one form, provide separate hour burden estimates for each form and aggregate the hour burdens in Item 13 of OMB Form 83-I.**

This collection only covers one FEMA Form 90-5.

**c. Provide an estimate of annualized cost to respondents for the hour burdens for collections of information, identifying and using appropriate wage rate categories. The cost to the respondents of contracting out or paying outside parties for information collection activities should not be included here. Instead this cost should be included in Item 13.**

Table A.12: Estimated Annualized Burden Hours and Costs							
Type of Respondent	Form Name / Form Number	No. of Respondents	No. of Responses per Respondent	Avg. Burden per Response (in hours)	Total Annual Burden (in hours)	Avg. Hourly Wage Rate	Total Annual Respondent Cost
State, local and Tribal Government	Application for Loan Cancellation / FEMA	1	1	1	1	\$ 31.91	\$31.91

	Form 90-5 (under 44 CFR 206.366 as currently approved by OMB)						
<b>Total</b>		<b>1</b>			<b>1</b>		<b>\$31.91</b>

According to the U.S. Department of Labor, Bureau of Labor Statistics website ([www.bls.gov](http://www.bls.gov)) the wage rate category for Emergency Management Specialists in Business and Financial Operations (Local Government) is estimated to be \$31.91 (fully loaded with 1.4 multiplier) per hour, therefore, the estimated burden hour cost to respondents Emergency Management Specialists in Business and Financial Operations (State Government) is estimated to \$31.91 annually.

**13. Provide an estimate of the total annual cost burden to respondents or recordkeepers resulting from the collection of information. The cost of purchasing or contracting out information collection services should be a part of this cost burden estimate. (Do not include the cost of any hour burden shown in Items 12 and 14.)**

There is no start-up, operational, or maintenance cost to respondents in this collection. The cost estimates should be split into two components:

- a. **Operation and Maintenance and purchase of services component. These estimates should take into account cost associated with generating, maintaining, and disclosing or providing information. Include descriptions of methods used to estimate major cost factors including system and technology acquisition, expected useful life of capital equipment, the discount rate(s), and the time period over which costs will be incurred.**
- b. **Capital and Start-up-Cost should include, among other items, preparations for collecting information such as purchasing computers and software, monitoring sampling, drilling and testing equipment, and record storage facilities.**

**Annual Cost Burden to Respondents or Record-keepers**

<b>Data Collection Activity/Instrument</b>	<b>*Annual Capital Start-Up Cost</b> (investments in overhead, equipment and other one-time expenditures)	<b>*Annual Operations and Maintenance Cost</b> (such as recordkeeping, technical/professional services, ect.)	<b>Annual Non-Labor Cost</b> (expenditures on training, travel and other resources)	<b>Total Annual Cost to Respondents</b>
	0	0	0	0
<b>Total</b>				

14. Provide estimates of annualized cost to the federal government. Also, provide a description of the method used to estimate cost, which should include quantification of hours, operational expenses (such as equipment, overhead, printing and support staff), and any other expense that would have been incurred without this collection of information. You may also aggregate cost estimates for Items 12, 13, and 14 in a single table.

**Annual Cost to the Federal Government**

Item	Cost (\$)
Contract Costs Contractor reviewing all forms received, providing analysis of information for determinations.	\$318.00
Staff Salaries [ 1 of GS 13 employee reviewing this data collection]	\$41.00
Facilities [cost for renting, overhead, etc. for data collection activity]	0
Computer Hardware and Software [cost of equipment annual lifecycle]	0
Equipment Maintenance [cost of annual maintenance/service agreements for equipment]	0
Travel	0
Printing [number of data collection instruments annually]	0
Postage [annual number of data collection instruments x postage]	0
Other	0
<b>Total</b>	<b>\$359.00</b>

15. Explain the reasons for any program changes or adjustments reported in Items 13 or 14 of the OMB Form 83-I in a narrative form. Present the itemized changes in hour burden and cost burden according to program changes or adjustments in Table 5. Denote a program increase as a positive number, and a program decrease as a negative number.

*"Program increase" is an additional burden resulting from an federal government regulatory action or directive. (e.g., an increase in sample size or coverage, amount of information, reporting frequency, or expanded use of an existing form). This also includes previously in-use and unapproved information collections discovered during the ICB process, or during the fiscal year, which will be in use during the next fiscal year.*

*A "Program decrease", is a reduction in burden because of: (1) the discontinuation of an information collection; or (2) a change in an existing information collection by a Federal agency (e.g., the use of sampling (or smaller samples), a decrease in the amount of information requested (fewer questions), or a decrease in reporting frequency).*

*"Adjustment" denotes a change in burden hours due to factors over which the government has no control, such as population growth, or in factors which do not affect what information the government collects or changes in the methods used to estimate burden or correction of errors in burden estimates.*

There currently is no change to the Annual Hours Burden in this collection.

<b>Itemized Changes in Annual Cost Burden</b>
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<b>Data collection Activity/Instrument</b>	<b>Program Change (cost currently on OMB Inventory)</b>	<b>Program Change (New)</b>	<b>Difference</b>	<b>Adjustment (cost currently on OMB Inventory)</b>	<b>Adjustment (New)</b>	<b>Difference</b>
Application for Loan Cancellation / FEMA Form 90-5 SCDL				\$15.00	\$31.91	+16.91
<b>Total(s)</b>				<b>\$15.00</b>	<b>\$31.91</b>	<b>+\$16.91</b>

**Explain:** There is an adjustment in this collection to the Annual Cost Burden due to the increase in wage rate based on new BLS table values and the 1.4 wage rate multiplier being applied.

**16. For collections of information whose results will be published, outline plans for tabulation and publication. Address any complex analytical techniques that will be used. Provide the time schedule for the entire project, including beginning and ending dates of the collection of information, completion of report, publication dates, and other actions.**

There are no outline plans for tabulation and publication of data for this information collection.

**17. If seeking approval not to display the expiration date for OMB approval of the information collection, explain reasons that display would be inappropriate.**

This collection does not seek approval to not display the expiration date for OMB approval.

**18. Explain each exception to the certification statement identified in Item 19 “Certification for Paperwork Reduction Act Submissions,” of OMB Form 83-I.**

This collection does not seek exception to “Certification for Paperwork Reduction Act Submissions”.

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

When Item 17 on the Form OMB 83-I is checked “Yes”, the following documentation should be included in the Supporting Statement to the extent it applies to the methods proposed:

**THERE IS NO STATISTICAL METHODOLOGY INVOLVED IN THIS COLLECTION**



