

Supporting Statement for Paperwork Reduction Act Submissions

Contractor's Requisition - Project Mortgages OMB Control Number 2502-0028 (HUD-92448)

A. Justification

1. Section 207(b) of the National Housing Act (Public Law 479, 48 Stat. 1246, 12 U.S.C. 1701 et seq.) authorizes the Secretary of the Department of Housing and Urban Development (HUD) to insure mortgages (including advances on such mortgages during construction) for construction of rental housing projects. Section 212 of the National Housing Act prevents the Secretary of HUD from insuring a project unless the principal contractor files a prevailing wage certificate. The requirements are set forth in 24 CFR 200.33, Labor Standards, for the insurance of advances and certification of compliance with labor standards and prevailing wage requirements.
2. Form HUD-92448 is used by Contractors to obtain program benefits, consisting of distribution of insured mortgage proceeds when construction costs are involved. The information regarding completed work items is used by the Multifamily Hub Centers to ensure that payments from mortgage proceeds are made for work actually completed in a satisfactory manner. The work must be inspected and approved by a HUD Field Office inspector and an architect not employed by HUD. To ensure compliance with prevailing wage rates, the Field Office uses the certification on form HUD-92448 regarding prevailing wages. If the collection of information was not conducted, disbursement of mortgage proceeds and compliance with prevailing wage rates could not be monitored.
3. 29CFR3.3 requires the contractor to submit an executed document certifying adherence to requirements of the Davis Bacon and Related Acts (DBRA) and the Copeland "Anti-Kickback" Act with regard to wages paid to employees. The form is completed by the contractor and approved by the project architect and a HUD Field Office inspector and must be signed. We will require signed "ink" copies until an electronic signature capability is possible. The contractor submits the completed form to HUD for review and determination of acceptability/unacceptability.

Due to limited funds and resources electronic signatures are not feasible at this time. However, the form is provided in pdf fillable format which allows the respondent to download the form from HUDclips, complete it on line, send and print for signature. A scanned copy of the signed form can be sent by e-mail to: Joe.A.Sealey@hud.gov for processing. The program office still requires that the form be mailed for original signature.

Reengineering efforts are being made to replace the DAP system, which would improve the functionality and replacement of technology, and the online implementation of automated underwriting processing from the beginning to end of completion, including the e-signature. The target date of 9/30/2013 was given for implementation. The information was based on the 2009 FHA Multifamily IT Strategy Plan, modernization of IT. This information was submitted to Congress. Procurements are involved so the projected date is 9/2013 for implementation assuming all goes well with procurements."

4. There is no duplication of information. There are no other Federal agencies involved in the construction and rehabilitation of multifamily housing projects except the Department of Agriculture's Farmers Home Administration. The Farmer's Home Administration has no information collection that is readily adaptable to HUD's mortgage proceeds distribution procedures.
5. The collection of information does not impact small businesses or other small entities.

6. This collection of information occurs as successive work items are completed at a construction site. If the information was collected less frequently, the general contractor might have to borrow funds to meet expenses, thus increasing project development costs, and increasing the possibility of default and risk to the mortgage insurance fund.
7. The special circumstance that requires the collection to be submitted monthly is needed in order for the information collection to be submitted and monitored in a timely manner. It is also needed to prevent waste, fraud, and mismanagement of the mortgage insurance funds. HUD 92448 is submitted to the mortgagee in duplicate; one original is for HUD, and one is for the mortgagee so he/she knows what amount to disburse. HUD requires original signatures due to the very large dollar amounts of multifamily loans and the risk they present to the mortgage insurance fund.
8. In accordance with 5 CFR 1320.8(d), the agency's notice for public comments was announced in the *Federal Register* on October 8, 2010 (Vol. 75, No. 195, page 62409). No comments were received.

Comments from contractors, mortgagees, other program participants, and Departmental personnel confirm that the frequency of collection, clarity of instructions, and reporting format is fully acceptable in its present form.

9. No payments or gifts are provided to respondents.
10. There are no assurances of confidentiality provided to respondents.
11. The information collection does not contain information of a sensitive nature about sexual behavior or attitudes, religious beliefs, or private matters.
12. The burden estimate is based on the time required to gather the data, analyze information, read instructions, report the information, and maintain applicable records. The architect is not a HUD employee. Generally, the architect visits the site together with a HUD Field Office inspector, and then they both sign the form HUD-92448. The site visit and certification total about 4 hours of the 6 burden hours associated with form HUD-92448.

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-92448	1,300	12	15,600	6	93,600	\$50.00	\$2,340,000

The hourly rate is based on an average of the estimated annual salaries of project owners and architects (\$104,000 annually).

13. There are no additional costs to respondents.
14. Cost to the Federal Government is based on a burden of 2 hours per response and an hourly cost of \$33.00, which includes overhead for an annual cost as follows:

Information Collection	Number of Responses	Frequency of Response	Responses Per Annum	Burden Hour Per Response	Annual Burden Hours	Hourly Cost Per Response	Annual Cost
HUD-92448	1,300	12	15,600	6	93,600	\$33.00	\$3,088,800

The hourly rate is based on the annual salary of a GS-12. 4 hours is allowed for the site visit, and 2 hours to review and analyze the form.

15. This is an extension of a currently approved collection. There have been no program changes, but efforts have been made for electronic submission.
16. The collection of information is not scheduled for publication.

17. HUD is not seeking approval to avoid displaying the expiration date.

18. There are no exceptions to the certification statement identified in Item 19 of the OMB 83-I.

B. Collection of Information Employing Statistical Methods.

The collection of information employing statistical methods does not apply.