

Paperwork Reduction Act Submission

Please read the instruction before completing this form. For additional forms or assistance in completing this forms, contact your agency's Paperwork Reduction Officer. Send two copies of this form, the collection instrument to be reviewed, the Supporting Statement, and any additional documentation to: Office of Information and Regulatory Affairs, Office of Management and Budget, Docket Library, Room 10102, 725 Seventeenth St. NW, Washington, DC 20503.

1. Agency/Sub Agency Originating Request: U.S. Department of Housing and Urban Development Office of Rural Housing and Economic Development	2. OMB Control Number: a. 2506-0159 b. None
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3. Type of information collection: (check one) a. <input type="checkbox"/> New Collection b. <input type="checkbox"/> Revision of a currently approved collection c. <input checked="" type="checkbox"/> Extension of a currently approved collection d. <input type="checkbox"/> Reinstatement, without change , of previously approved collection for which approval has expired e. <input type="checkbox"/> Reinstatement, with change , of previously approved collection for which approval has expired f. <input type="checkbox"/> Existing collection in use without an OMB control number For b-f, note item A2 of Supporting Statement instructions.	4. Type of review requested: (check one) a. <input checked="" type="checkbox"/> Regular b. <input type="checkbox"/> Emergency - Approval requested by c. <input type="checkbox"/> Delegated 5. Small entities: Will this information collection have a significant economic impact on a substantial number of small entities? <input type="checkbox"/> Yes x No 6. Requested expiration date: a. <input checked="" type="checkbox"/> Three years from approval date b. <input type="checkbox"/> Other (specify)
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7. Title:
Loan Guarantee Recovery Fund established pursuant to the Church Arson Prevention Act of 1996.

8. Agency form number(s): (if applicable)
 HUD-40076-LGA , SF-424,

9. Keywords:
 Housing, Loan Programs

10. Abstract:
 Section 4 of the Church Arson Prevention Act of 1996 authorizes the Secretary to guarantee loans made to certain nonprofit organizations whose properties have been damaged by an act or acts of arson or terrorism.

11. Affected public: (mark primary with "P" and all others that apply with "X") a. Individuals or households e. Farms b. <input checked="" type="checkbox"/> Business or other for-profit f. Federal Government c. <input checked="" type="checkbox"/> Not-for-profit institutions g. State, Local or Tribal Government	12. Obligation to respond: (mark primary with "P" and all others that apply with "X") a. Voluntary b. <input checked="" type="checkbox"/> Required to obtain or retain benefits c. Mandatory
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13. Annual reporting and recordkeeping hour burden: <table style="width: 100%; border-collapse: collapse;"> <tr><td>a. Number of respondents</td><td style="text-align: right;">79</td></tr> <tr><td>b. Total annual responses</td><td style="text-align: right;">475</td></tr> <tr><td> Percentage of these responses collected electronically</td><td style="text-align: right;">90%</td></tr> <tr><td>c. Total annual hours requested</td><td style="text-align: right;">1,680</td></tr> <tr><td>d. Current OMB inventory</td><td style="text-align: right;">1,400</td></tr> <tr><td>e. Difference (+,-)</td><td style="text-align: right;">-280</td></tr> <tr><td>f. Explanation of difference:</td><td></td></tr> <tr><td> 1. Program change:</td><td></td></tr> <tr><td> 2. Adjustment:</td><td style="text-align: right;">-280</td></tr> </table>	a. Number of respondents	79	b. Total annual responses	475	Percentage of these responses collected electronically	90%	c. Total annual hours requested	1,680	d. Current OMB inventory	1,400	e. Difference (+,-)	-280	f. Explanation of difference:		1. Program change:		2. Adjustment:	-280	14. Annual reporting and recordkeeping cost burden: (in thousands of dollars) Do not include costs based on the hours in item 13. <table style="width: 100%; border-collapse: collapse;"> <tr><td>a. Total annualized capital/startup costs</td><td style="text-align: right;">0.00</td></tr> <tr><td>b. Total annual costs (O&M)</td><td style="text-align: right;">0.00</td></tr> <tr><td>c. Total annualized cost requested</td><td style="text-align: right;">0.00</td></tr> <tr><td>d. Current OMB inventory</td><td style="text-align: right;">0.00</td></tr> <tr><td>e. Difference</td><td style="text-align: right;">0.00</td></tr> <tr><td>f. Explanation of difference:</td><td></td></tr> <tr><td> 1. Program change:</td><td style="text-align: right;">0.00</td></tr> <tr><td> 2. Adjustment:</td><td style="text-align: right;">0.00</td></tr> </table>	a. Total annualized capital/startup costs	0.00	b. Total annual costs (O&M)	0.00	c. Total annualized cost requested	0.00	d. Current OMB inventory	0.00	e. Difference	0.00	f. Explanation of difference:		1. Program change:	0.00	2. Adjustment:	0.00
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16. Frequency of recordkeeping or reporting: (check all that apply) a. <input checked="" type="checkbox"/> Recordkeeping b. <input type="checkbox"/> Third party disclosure c. <input checked="" type="checkbox"/> Reporting: 1. <input checked="" type="checkbox"/> On occasion 2. <input type="checkbox"/> Weekly 3. <input checked="" type="checkbox"/> Monthly 4. <input type="checkbox"/> Quarterly 5. <input type="checkbox"/> Semi-annually 6. <input type="checkbox"/> Annually 7. <input type="checkbox"/> Bi-annually 8. <input type="checkbox"/> Other (describe)

15. Purpose of Information collection: (mark primary with "P" and all others that apply with "X")

- a. **P** Application for benefits
- b. Program evaluation
- c. General purpose statistics
- d. Audit
- e. Program planning or management
- f. Research
- g. **X** Regulatory or compliance

17. Statistical methods:
Does this information collection employ statistical methods?
 Yes No

18. Agency contact: (person who can best answer questions regarding the content of this submission)

Name: **Thann Young**
Phone: **(202) 708-2290, ext. 4464**

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 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

G. Williams
GW

7/1/11

Currently, 95% of the \$10 million has been obligated since the inception of the program in 1996. There have been discussions regarding securing additional funding for the program.

13. Provide an estimate of the total annual cost burden to respondents or record keepers resulting from the collection of information (do not include the cost of any hour burden shown in Items 12 and 14).

No capital or start-up costs are anticipated.

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 expenses that would not have been incurred without this collection of information. Agencies also may aggregate cost estimates from Items 12, 13, and 14 in a single table.

Estimated Annualized Cost to the Federal Government

Stages	Application Review	Monthly Reports	Total Cost
# of Cases	12	18 x 12	
Hours	40	1	
Cost Per Hour	\$30	\$30	
Cost	\$14,400	6,480	\$21,096

15. Explain the reasons for any programs changes or adjustments reported in Items 13 and 14 of the OMB Form 83-I.

This is an extension of a currently approved collection. The adjustment to Item 13 on the OMB Form 83-I reflects a more realistic perspective of the paperwork reduction submission requirements.

16. For collection 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.

Information will not be published.

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

The expiration date will be displayed.

18. Explain each exception to the certification statement identified in Item 19. No exceptions to the Certification are sought.

Supporting Statement for Paperwork Reduction Act Submissions

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.

This request for OMB approval seeks clearance for information collections related to HUD's "Loan Guarantee Recovery Fund," a rule that implements Section 4 of the "Church Arson Prevention Act of 1996" (Pub. L. 104-155, approved July 3, 1996) (the Act) at 24 CFR part 573. Section 4 of the Act authorizes the Secretary of HUD to guarantee loans made by financial institutions to assist certain nonprofit organizations (organizations described in Section 501 c (3) of the Internal Revenue Code of 1996) that have had property damaged as a result of acts of arson, or terrorism. Part 573 describes the procedures, terms and conditions by which HUD will guarantee loans to assist eligible nonprofit organizations. (Attachment #1 is a copy of 24 CFR Part 573 and a technical change thereto.)

The Circumstances That Make the Information Collection Necessary.

To appropriately determine which Section 4 Loan Guarantee assistance requests should be approved, certain information is required. Among other necessary criteria, HUD must determine whether: (1) the borrower is an eligible section 501c(3) nonprofit organization; (2) the financial institution is eligible under the regulations and utilizes sufficient underwriting standards; (3) the use of guaranteed loan funds is limited to assisting property damaged or destroyed by acts of arson or terrorism; (4) the activities which will be assisted by the loan are eligible under 24 CFR Section 573.3; (5) the required certifications are made; and (6) the assisted activities will comply with all applicable environmental laws and requirements.

2. Indicate how, by whom, and for what purpose the information is to be used. With the exception of a new collection, indicate the actual use for the information received from the current collection.

HUD has responsibility under the Act and implementing regulations to assist eligible nonprofit organizations in rebuilding their properties, which were damaged by acts of arson or terrorism by guaranteeing loans that these organizations receive from financial institutions. With financial assistance, eligible nonprofit organizations may use guaranteed loan funds for a wide range of activities, including (1) the acquisition of real or personal property; (2) the rehabilitation of real property; (3) the construction, reconstruction or replacement of real property improvement; (4) site preparation; (5) architectural, engineering, and security expenses; and (6) refinancing existing indebtedness. With the information provided, HUD must ensure it performs properly with respect to determinations regarding the eligibility of financial institutions and nonprofit organizations, the eligibility of the activities to be carried out, the certifications required by the law and the implementing regulations. The Department must also ensure from the information provided that entities applying for and receiving loan guarantee assistance understand the requirements and the responsibilities with respect to the Act and the regulations.

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 Church Arson Loan Guarantee Website was brought online during the 2004 fiscal year. All program forms and documents have been updated. The website includes an electronic Application Kit, which allow applicants to complete forms on line. The applicant has the option of sending the completed forms to the Office of Rural Housing and Economic Development electronically. The Financial Institutions submit their monthly reports via email.

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.

Section 4 loan guarantee regulations provides the authority provided by the Congress for HUD to guarantee loans made by financial institutions to certain nonprofit organizations that suffer damage to their property as a result of acts of arson or terrorism. Due to the uniqueness of the Loan Guarantee Recovery Fund Program, the information that HUD requires to appropriately identify loans eligible for Section 4 Loan Guarantee assistance is not currently available to HUD through information already on file with HUD.

5. If the collection of information impacts small businesses or other small entities (Item 5 of OMB Form 83-1) describe any methods used to minimize burden.

Information collected does not negatively impact small businesses.

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

Without the proper information, HUD will be unable to continue to implement Section 4 of the Act. The information collection requirements are necessary to identify loans appropriate for Section 4 Loan Guarantee assistance.

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

Respondents are required to submit monthly reports per program requirements outlined in the regulations and guidelines. These reports are used as a monitoring tool for the program. Monthly financial reports are generated from these reports.

Records pertaining to loans made by the financial institution must be held for the life of the loan plus any other requirement of 24CFR Part 84. Such records are necessary to make a determination of whether the parties have fulfilled their rights and responsibilities under the loan guarantee agreement.

8. If applicable, provide a copy and identify the date and page number of publication in the Federal Register of the agency's notice, required by 5 CFR 1320.8(d), soliciting comments on the information collection prior to submission to OMB.

The Notice was published in the Federal Register on March 5, 2008. As of this time of this document, no comments have been received.

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

No payment or gifts will be given to respondents.

10. Describe any assurances of confidentiality provided to respondents and the basis for such assurances in statutes, regulations or agency policies.

The final rule does not provide an assurance of confidentiality, but information provided by financial institutions will be confidential to the extent permitted under the rules of the Freedom of Information Act.

11. Provide additional justification for any questions of a sensitive nature, such as behavior and attitudes, religious beliefs, and other matters that are commonly considered private.

No questions of a sensitive nature are included in the application kit.

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

- Indicate the number of respondents, frequency of response, annual hour burden, and an explanation of how the burden was estimated.

	Number of Respondents	Response Frequency	Total Responses	Hours per Response	Annual Burden	Hourly Rate	Annual Costs
Non-Profit Applications	16	1	16	40	400	\$25	\$10,000
SF 424	12	1	12	.75	8		
Financial Institutions (FI) Applications	15	1	15	32	480	\$25	\$12,000
FI Reports	18	12	216	2	408	\$25	\$10,800
FI Recordkeeping	18	12	216	2	408	\$25	\$10,800
Totals	79	27	475		1,752		\$43,600

There are currently 17 accounts and approximately 6 applications per year. The Webpage has been updated includes the Application Kit as well as other related program information. The collection data above also includes the loan guarantee agreement. The application kit form number is HUD-40076-LGA. The grant agreement does not have a form number.