

**Supporting Statement for Information Collection Approval of the  
Extension of the Low Income Home Energy Assistance Program  
(LIHEAP) Leveraging Report Form  
February, 2012**

**A. Justification**

**1. Circumstances Making the Collection of Information Necessary**

Section 2607A of the Low Income Home Energy Assistance Act of 1981(title XXVI of Public Law 97-35, as amended) establishes a LIHEAP leveraging incentive program, and section 2602(d) of the LIHEAP statute authorizes funds for this program. These statutory provisions are found at 42 U.S.C.8626(a) and 42 U.S.C. 8621(d), respectively.) Under the leveraging incentive program, beginning in FY 1992, the Department of Health and Human Services (HHS) has allocated supplementary LIHEAP funds, averaging \$25-30 million annually, to grantees that have acquired non-federal leveraged home energy resources for low income households. Leveraging incentive funds represent a reward for grantees that use their own or other nonfederal resources to expand the effect of the Federal LIHEAP dollars.

Section 2607A of the LIHEAP statute provides that LIHEAP grantees desiring leveraging incentive funds must submit a report to HHS that quantifies their leveraged resources for the base period (the fiscal year immediately preceding the award period for which the grantee request leveraging incentive funds). That means, for example, that leveraging activities undertaken in FY 2012 will be the basis for FY 2013 incentive awards. The statute requires that leveraging reports be submitted by November 30 of the award period, covering leveraged resources/benefits provided to low income households during the preceding base period.

The LIHEAP statute also requires that HHS issue regulations “for the calculation” of grantees’ leveraged resources and “for the submission of supporting documentation”. HHS has published the implementing regulations for the leveraging incentive program at 45 CFR 96.87.

LIHEAP grantees are not required to apply for leveraging funds. However, consistent with the LIHEAP statute and regulations, grantees must submit an application for each fiscal year for which they wish to receive these funds. The LIHEAP leveraging report form requests only the information that is needed for HHS to determine the countability and value of grantees’ leveraged resources. Because grantees apply “competitively” for shares of a limited amount of leveraging incentive funds, leveraging reports – the applications for these funds – must be in a consistent format established by HHS.

## **2. Purpose and Use of the Information Collection**

We use the information in the leveraging report form to carry out our statutory obligation to evaluate claimed resources and their valuation and to determine the correct allocation of leveraging incentive funds among applicant grantees. All grantees that submit leveraging reports claiming countable leveraged resources, consistent with the LIHEAP statute and the implementing regulations, receive a share of leveraging incentive funds. Individual grantees' share of incentive funds vary according to the number of grantees submitting reports, the value of their countable resources, and the size of their regular LIHEAP block grant allotments. We would have no way of making allocation decisions without this information included in the leveraging report.

## **3. Use of Information Technology and Burden Reduction**

We mail a copy of the form and instructions annually to each LIHEAP grantee. In addition, we make the form and instructions available to grantees on the LIHEAP website. Grantees may use their own versions of Part 1 of the form, as long as the same wording is used and the information is provided in the same order. The Summary Page (Part 2) must be submitted on our form, since it contains the certifying signature. Except for statutorily required signatures, grantees may submit the forms electronically.

## **4. Efforts to Identify Duplication and Use of Similar Information**

There is no other source in HHS or elsewhere for the information we need to evaluate leveraging activities and determine allocations of leveraging incentive funds. No similar information is currently collected.

## **5. Impact on Small Businesses or Other Small Entities**

The leveraging report form collects data involving State, tribal territorial programs. It does not have a significant economic impact on a substantial number of small businesses or other small entities.

## **6. Consequences of Collection the Information Less Frequently**

We collect information each fiscal year on the leveraging activities that LIHEAP grantees carried out during the previous fiscal year. If information collection were less frequent, we would not be able to meet the LIHEAP statute's requirement for the annual award of leveraging incentive funds. If the information were not collected, we could not administer the leveraging incentive program.

## **7. Special Circumstances Relating to the Guidelines of 5 CFR 1320.5**

No special circumstances require the information to be collected or used in a manner inconsistent with the guidelines in 5 CFR 1320.6.

## **8. Comments in Response to the Federal Register Notice and Efforts to Consult Outside the Agency**

Notice of the request for OMB approval of information collection for the LIHEAP leveraging report was published in the Federal Register and made available for a 60-day review and comment on December 9, 2011 (76 FR 76977). We made a copy of the Federal Register notice and the proposed leveraging report form and instructions to all LIHEAP grantees and "interested parties", available on our website and requested their comments. As part of this process, we sent a copy of this package to the following individuals and national organizations for review.

Mr. Mark Wolfe  
Executive Director  
National Energy Assistance Directors'  
Association (NEADA)  
5505 Connecticut Avenue, N.W.  
Washington, DC 20015-2601

Mr. Timothy Warfield  
Executive Director  
National Association of State  
Community Services Programs  
400 N. Capitol Street N.W., Suite 395  
Washington, DC 20001

Dr. Meg Power  
Economic Opportunity Research, Inc.  
400 North Capitol. St., N.W., Suite G80  
Washington, DC 20001

National Consumer Law Center  
Suite 510  
1875 Connecticut Avenue  
Washington, DC 20001

We received comments from one individual. The writer expressed that:

- Information from the Leveraging Report is used for many program purposes such as performance measures data, preparation of legislative reports, coordination of activities between non-Federal partners, and to track changes in leveraging resources.
- The estimate of the burden of the proposed collection of information is most likely accurate, although the burden may vary from State to State.
- The information collected is useful, with fairly easy to follow instructions. However, the writer would like to see more clarification about “non-allowable” resources and how to exclude those after they are reported by a local partner, such as a utility company.
- The burden of the collection of information on respondents would be lessened by a web-based data entry screen for respondents.

We appreciate the respondent’s comments. We will provide additional information concerning “non-allowable” leveraging resources before the next round of Leveraging Reports become due. We will also investigate the electronic submission of the Leveraging Reports although this venture may require much time for development.

There has been no change in the substance of this collection activity since the activity was last approved.

#### **9. Explanation of Any Payment or Gift to Respondents**

We have provided no payments or gifts to respondents, other than leveraging incentive fund awards to respondents whose leveraging reports describe countable leveraged resources.

#### **10. Assurance of Confidentiality Provided to Respondents**

There is no assurance of confidentiality that is applicable to the leveraging report form.

#### **11. Justification for Sensitive Questions**

The leveraging report form contains no questions of a sensitive nature.

#### **12. Estimates of Annualized Burden Hours and Costs**

We receive about 70 leveraging reports – from about 40 to 45 States and about 20 to 25 Tribes – once each fiscal year. We expect to continue to receive about 70 responses each year.

Based on informal consultation with a sample of respondents and experience with the leveraging report form in previous years, we have determined that the average amount of time that will be needed by a respondent to gather the necessary information and complete the proposed revised leveraging report form is approximately 38 hours. Because the amount of leveraging varies considerably from one LIHEAP grantee to another, the amount of time needed to gather information and complete the form also varies considerably. The estimated range is from less than an hour for a small grantee with a single leveraged resource whose value is less than \$500, to about 100 hours for a very large grantee with many complex leveraged resources whose total value exceeds \$125 million.

We expect that the total annual burden for all respondents for the Leveraging Report Form will be approximately 2,660 hours. (70 responses x 38 hours per response = 2, 660 hours).

The breakdown in burden hours is as follows:

#### ANNUAL BURDEN ESTIMATES

Instrument	Number of Respondents	Number of Responses per Respondent	Average Burden Hours per Response	Total Burden Hours
LIHEAP Leveraging Report	70	1	38	2,660
Estimated Total Annual Burden Hours:				2,660

We estimate that each respondent will spend about 27 clerical staff hours for recordkeeping and preparing the application at an average cost of \$12 per hour. This totals \$324 per application for clerical functions ( $27 \times \$12 = \$324$ ). We estimate that an average of 11 hours will be spent by each respondent's professional staff analyzing and reporting data, at an average cost of \$31 per hour. This totals \$341 per application for professional functions ( $11 \times \$31 = 341$ ). The total estimated cost for all respondents is \$46,550 as shown in the table below:

	Time per Response	Hour per response	Annual Hour Burden	Cost per Response	Annual cost Burden
Reporting	11	11	770	\$341	\$23,870

Record-keeping	27	27	1890	\$324	\$22,680
Total	38	38	2660	\$665	\$46,550

OMB approval for this information collection will expire on August 31, 2012, approval number 0970-0121. The information will be collected on November 30 of each year for which funding is appropriated by Congress.

**13. Estimates of Other Total Annual Cost Burden to Respondents and Record Keepers**

We estimate that the annual cost burden to respondents or record keepers of capital/start-up and operation/maintenance resulting from the collection of information is \$0. We expect that existing resources -- e.g., staff and personal computers -- will be used. We assume that any computers and software needed were obtained for other purposes, and not for the purpose of completing the application, and that respondents' in-house staff will be used (see #12). Thus, there are no direct monetary costs to respondents, other than their time to participate in the information collection, in order to apply for and receive leveraging incentive funds.

**14. Annualized Cost to the Federal Government**

Based on our experience in administering the leveraging incentive program, we estimate that it takes an average total of 4 hours for Federal staff to review each leveraging report and make any necessary follow-up contacts with grantees to clarify information.

A GS-13 employee generally reviews each report and a GS 13 may also do a second review. A GS-14 or GS-15 employee generally makes final decisions when there are questions about the countability or valuation of a resource. At an average salary rate of \$40 per hour, assuming 4 hours per application, for 70 applications, the Federal salary costs each year are about \$11,200 ( $\$40 \times 4 \times 70 = \$11,200$ ). This includes an estimate of a \$10/hour salary increase for professional staff due to inflation. We print a sufficient number of leveraging report forms and instructions for annual distribution to grantees. We e-mail the leveraging report form and instructions to grantees and make the form available on our website. The total Federal cost, therefore, is about \$11,200 each fiscal year.

**15. Explanation of Program Changes or Adjustments**

There is no change from the current OMB inventory of 2,660 burden hours for this collection of information.

In 1996, we reduced the annual burden for the leveraging report form from 40 hours to 38 hours per grantee, reducing the total from 2,800 burden hours to the current 2,660 burden hours. This decrease was due to a program change -- the deliberate government action deleting a requirement that grantees explain how certain leveraged resources valued at less than \$5,000 were integrated and coordinated with their LIHEAP programs.

**16. Plans for Tabulation and Publication and Project Time Schedule**

Through information memoranda sent to LIHEAP grantees and interested parties, and through our statutorily-required LIHEAP annual report to Congress, we make available data collected by the leveraging report form on the value of applicants' leveraged resources, and data showing calculation of applicants' leveraging incentive fund allocations. We also make available data on types of leveraging activities carried out by grantees. We send an information memorandum soon after we receive leveraging reports, listing applicants for leveraging incentive funds and the claimed total value of their leveraged resources. We send an information memorandum on leveraging incentive fund awards shortly after we make these awards. We include data on leveraging in the LIHEAP annual report to Congress that covers the award period; this report is due by June 30 of the fiscal year following the award period.

**17. Reason(s) Display of OMB Expiration Date is Inappropriate**

The expiration date for OMB approval of the information collection will be displayed on the leveraging report forms.

**18. Exceptions to Certification for Paperwork Reduction Act Submission**

There are no exceptions to the certification statement of the Certification for Paperwork Reduction Act Submissions.

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

This information collection is an application for leveraging incentive funds that does not employ statistical methods such as sampling or imputation.