

**DEPARTMENT OF TRANSPORTATION**

**SUPPORTING STATEMENT:**

**UNIFORM REPORT OF DBE AWARDS AND COMMITMENTS AND OTHER DBE  
PROGRAM COLLECTIONS**

**49 CFR Part 26**

OMB Control Number 2105-0510

**INTRODUCTION**

This is to request the Office of Management and Budget (OMB) to provide Paperwork Reduction Act clearance on five information collections associated with the Department's Disadvantaged Business Enterprise (DBE) program, four of which were included in the Notice of Proposed Rulemaking (NPRM), entitled "Disadvantaged Business Enterprise: Program Implementation Modifications," published on September 6, 2012. *See* 77 FR 54952. The Department published a correction to this NPRM on October 25, 2012 that included the fifth collection and extended the comment period for 60 days. *See* 77 FR 65164.

One of these collections, Uniform Report of DBE Awards/Commitments and Payments, currently exist under OMB Control Number 2105-0510 and the Department is requesting to reinstate this collection (it expired in June 30, 2012) and grant a three year approval for this collection, beginning with the publication of a final rule and consistent with changes the Department will make as part of the rulemaking process. The Department addresses OMB's terms of clearance of the earlier emergency clearance in this supporting statement. As part of the NPRM, the Department is also requesting the four other collections that currently have no control number now be included under 2105-0510 and that OMB grant approval of them for three years. These collections are: Uniform Certification Application Form, Annual Affidavit of No Change, Personal Net Worth Form, and Reporting Requirement for Percentages of DBEs in Various Categories.

The Department seeks to combine all five collections into one OMB Control Number because it believes this will lead to more efficient administration on the part of DOT.

**Part A. Justification.**

**1. Circumstances that make collection of information necessary.**

The Department of Transportation's (DOT) Disadvantaged Business Enterprise (DBE) program is mandated by statute, including Moving Ahead for Progress in the 21st Century Act (P.L. 112-141) (MAP-21) and 49 U.S.C. 47113. The Department's final regulations implementing these statutes are 49 CFR Part 23 and 26. The program is implemented primarily by recipients of DOT financial assistance (state highway agencies, transit authorities, and airports). The NPRM published on September 6, 2012 and the October 25, 2012 correction deal with five separate information collections, one of which is a proposed modifications to an existing collections, two are revisions to unapproved collections, and two are new. These information collections support DOT's strategic goal of mobility and organizational excellence by ensuring that state and local

recipients that let federally funded contracts carry out their mandated responsibility to provide a level playing field for small businesses owned and controlled by socially and economically disadvantaged individuals to fairly compete for such contracts.

- The “Uniform Report of DBE Awards/Commitments and Payments” is necessary for the Department to be able to carry out its oversight responsibilities because the Department must be able to obtain information from the recipients about the DBE participation they obtain in their program. It implements statutory reporting requirements and 49 CFR 26.11 and 26.47. In the NPRM, the Department has proposed to modify this collection to respond to concerns the Department has identified by creating separate forms for routine DBE reporting and for transit vehicle manufacturers (TVMs) and mega projects, amending and clarifying the report’s instructions, and changing the forms to better capture the desired DBE data on a more continuous basis.
- The “Uniform Certification Application Form” is necessary to implement 26 CFR 26.83(c)(7)(i) and completion and submission of this collection by the DBE is necessary for UCPs to determine whether a particular firm qualifies for certification as a DBE. This collection, therefore, serves the important goal of ensuring that firms participating in the program are socially and economically disadvantaged and of preventing fraud on the part of DBEs by requiring applicants to provide necessary information and also minimizes the likelihood that a UCP would arbitrarily reject an applying DBE. The Department is proposing certain modifications of this collection described below that will increase the integrity of the program, but without making the collection unnecessarily burdensome.
- The “Annual Affidavit of No Change” is mandated under 26 CFR 26.83(j) and is necessary to ensure the integrity of the DBE program that requires DBEs to annually state that they remain eligible for the program and a firm that fails to submit this form will be deemed to have failed to cooperate and could be subject to decertification. This collection is necessary to ensure the integrity of the DBE program because it requires DBEs affirm in a notarized affidavit that they are still eligible to participate in the program. Since DBEs are not required to reapply after they are certified, this affidavit is the only information DBEs are required to submit to the UCP to maintain their certification, absent certain changes in circumstances identified in section 26.83(i). In the NPRM, the Department’s proposed revisions would require that the affidavit be accompanied an updated Personal Net Worth Form (see below) and three additional items: (1) A record from each individual claiming disadvantaged status regarding the transfer of assets for less than fair market value to any immediate family member, or to a trust any beneficiary of which is an immediate family member, within two years of the date of the annual review; (2) a record of all payments, compensation, and distributions (including loans, advances, salaries and dividends) made by the DBE firm to each of its owners, officers or directors, or to any person or entity affiliated with such individuals; and (3) the owner and the firm’s (including affiliates) most recent completed IRS tax return, IRS Form 4506 (Request for Copy or Transcript of Tax Return). The Department believes these proposed revisions are necessary to further strengthen the integrity of the program by responding to issues that have led to problems in the past and requiring DBEs to substantiate their claim of no change, while, at the same, not requiring DBEs to go through a lengthy recertification process.

- The “Personal Net Worth Form” is necessary to implement the requirement found in 49 CFR 26.67(a)(2) that the a firm applying for DBE status must certify that the personal net worth (PNW) of the owners does not exceed the current maximum (currently \$1.32 million) and support that certification with PNW statement. Prior to proposing this form, the Department had encouraged DBEs and recipients to use SBA Form 413 (OMB Control No. 3245-0188), but has now decided that the program would be better served by using a form tailored specifically to the DBE program. When submitted as part of the initial application, this collection allows recipients to determine whether a firm is truly owned and controlled by a disadvantaged individual with a PNW below the regulatory cap and is therefore necessary to ensure that only properly qualified firms are certified. The Department is also proposing that this form be submitted annually by all certified DBEs as an attachment to the annual affidavit of no change. The Department views that this is necessary in order for recipients to properly ensure that a DBE remains certified as time goes by, since the program requires no regular recertification process.
- The “Percentages of DBEs in Various Categories” collection is necessary to implement a long-standing statutory requirement calling on UCPs to report the percentages of white women, minority men, and minority women who control DBE firms, most recently included at section 1101(b)(4)(B) of MAP–21. Submission of this information will also satisfy proposed 49 CFR 26.11(e).

2. How, by whom, and for what purpose is the information used.

- As part of the terms of clearance for the emergency approval of the “Uniform Report of DBE Awards/Commitments and Payments,” OMB requested that the Department “adequately describe the collection of information.” DOT Form 4630 must be submitted annually by each recipient having an approved DBE program, which generally refers to state DOTs, regional/municipal transit agencies and airports. Thus, the report form is collected from recipients by the Department’s Federal Highway Administration (FHWA), Federal Transit Administration (FTA), and Federal Aviation Administration (FAA), and is used to enable DOT to conduct program oversight of recipients’ DBE programs and to identify trends or problem areas in the program. FTA and FAA use an electronic collection system. FHWA uses primarily paper collection, though it is moving toward an electronic system based on that of FAA. The form requires recipients to include information about their DBE goals for that year and the DBE participation they managed to achieve during that time. As discussed above, the collection of this information is necessary to ensure that the DBE program is achieving its goal of encouraging DBE participation in federal transportation-related contracts. The Department’s proposed revisions will not change the answer to these questions, but will rather make it easier for states to complete the form and the Department to analyze the responses. For the “Uniform Certification Application Form,” businesses that wish to become certified as a DBE submit this information to the state. The exact method of submission varies by state, but most states require the applicant to mail the notarized form and necessary attachments to the state UCP. The application is then used by the UCP to determine whether a firm qualifies as a DBE. In reviewing an application, the UCP looks to the information provided to determine whether, among other things, the applying business is under the mandatory gross receipts cap for a DBE, actually owned and controlled by a disadvantaged individual, and owned by an individual whose personal net worth does not

exceed the current cap. If a UCP is satisfied by this information provided in this collection, it will certify the DBE, which allows the DBE to compete for federally assisted contracts with DBE contract goals and to be included in statewide DBE usage rates. The information provided in this collection will also be used as a basis for DOT to determine whether a UCP correctly approved or rejected an application in the event the decision is appealed to the Department. In the NPRM, the Department several more items than the existing form: (1) A list of dates of any site visits conducted by the firm's home state and any other UCP members; (2) details concerning denial or decertification, withdrawals, suspension/debarment actions; (3) a business profile seeking a concise description of the firm's primary activities, products, or services the company provides; (4) a written description of the applicant's relationships and dealings with other businesses, including the sharing of equipment, storage space, inventory, and staff; (5) an assessment of the amount of time the majority owner and key officers, directors, managers, and key personnel devote to firm activities such as bidding and estimating, supervising field operations, and managing staff or crew, and (6) resume's and salaries of owners, directors, managers and key personnel.

For the "Annual Affidavits of No Change," firms certified as DBEs must submit this affidavit annually to the UCP of every state for which they are certified. The affidavit requires that the DBE affirm that "there have been no changes in the firm's circumstances affecting its ability to meet size, disadvantaged status, ownership, or control requirements of this part or any material changes in the information provided in its application form, except for changes about which you have notified the recipient under paragraph (i) of this section," and that the firm "continues to meet SBA business size criteria and the overall gross receipts cap of this part, documenting this affirmation with supporting documentation of your firm's size and gross receipts." The UCP uses this information to determine whether the DBE remains eligible to participate in this program. In the NPRM, the proposed revision would require DBEs to provide an updated Personal Net Worth Form (discussed below) and the three additional pieces of information described above. This information will be used by state UCPs to better determine whether a DBE has experienced any change during the course of the year that would require the UCP to question the firm's continued status as a DBE. Other than that, the process and use of this collection will remain the same.

- For the "Personal Net Worth Form", the proposed form will be used in the same manner as SBA form 413 is currently used. That is, prospective DBEs will submit this form and necessary supporting documentation with their initial Application Form. UCPs will then use this information to determine whether an individual's net worth exceeds \$1.32 million. If not (and assuming there are no other issues), the firm will likely be certified as a DBE; if not, the presumption of economic disadvantage is deemed to have been conclusively rebutted. The Department is also proposing that this information accompany the Annual Affidavit; when submitted at that time, this information will be used by the recipient to determine whether the DBE should remain certified or if the recipient should initiate a further investigation that could lead to decertification.
- For the "Percentages of DBEs in Various Categories" collection, states, through their UCPs are the respondents for this proposed collection. To carry out this requirement, UCPs would go through their statewide Directories and count the number of firms

controlled, respectively, by white women, minority or other men, and minority women. They would then convert the numbers to percentages and send the result to the Departmental Office of Civil Rights, with which they already have a working relationship in certification appeals matters. The Department anticipates using this statutorily required information to respond to public and governmental questions regarding the DBE program, determine which states may need assistance in conducting outreach to DBEs, and assist in determining whether states DBE goals are in line with the current make-up of the DBE market.

### 3. Extent of automated information collection.

- As part of the terms of clearance for the emergency approval of the “Uniform Report of DBE Awards/Commitments and Payments,” OMB requested that the Department “adequately describe . . . the electronic processes surrounding this collection. As of our last submission in 2010, most recipients already use computer systems for many of these information collection tasks, such as the reporting requirements on the achievements of DBE firms in contract awards. FAA and FTA had also developed electronic systems that allowed recipients to submit this form electronically, at FAA’s DBE Office Online Reporting System (DOORS) (<https://www.faa.gov/secure/doors/>) and FTA’s Transportation Electronic Awards and Management (TEAM) system to receive reporting data (<http://ftateamweb.fta.dot.gov/fta-flash2b.html>) and FHWA was in the process of devising a system. Since that time, the Department has created one website that allows electronic submission of this report for all recipients of FTA, FAA, and FHWA funding. This system carries forward the name of the FTA site DBE Office Online Reporting System (DOORS) and is located at <http://osdbu.dot.gov/doors/application/logon.aspx>. The Department’s proposed revisions will not change the way the information is collected.
- For the “Uniform Certification Application Form,” the Department’s proposed revisions will not affect how this form has traditionally been submitted to the state UCP. Thus, the decision regarding how a state UCP will accept this form is left to the recipient. The Department has available on the DBE website copies of this form and links and contact information for all state UCPs. Nearly all states provide additional information about the application process on their websites. However, states generally require that application forms be submitted to the UCP by mail, not through electronic means.
- For the “Annual Affidavit of No Change,” the proposed revisions will not change the way this information has traditionally been submitted. Thus, the Department provides examples of an accepted affidavit on its website, as well as contact information for all state UCPs. The states also provide copies of the affidavit on their websites, but generally only accept submission of the affidavit through mail.
- For the “Personal Net Worth Form”, the Department plans on making the final form available online, on both the DBE website and in the Code of Federal Regulations, and will also encourage states to make the form available online as well. However, as with the Application Form and Annual Affidavit, the Department anticipates that most states will continue the submission of this form primarily through mail.

- For the “Percentages of DBEs in Various Categories” collection, the Department anticipates that states will provide this information to the Office of Civil Rights via e-mail.

#### 4. Efforts to identify duplication.

- For the “Uniform Report of DBE Awards/Commitments and Payments,” the Department’s proposed revisions will not change this aspect of the collection. Thus, the form does not have duplicative information on it. The Unified Certification System is still in effect, though since it relates to certification rather than DBE commitments and achievements, it is not directly involved with the form. The “lead agency relationship” likewise is still in place, though since it has to do with DBE program documents rather than records of awards and commitments, it is also not directly involved with the form. Some recipients may also collect similar information for their own purposes, but the extent of this collection is not known.
- For the “Uniform Certification Application Form,” the Department has attempted to minimize the burden of this collection in three ways. First, with the creation of the UCP program, a DBE need only apply once for each state in which it seeks to be certified, not for each DOT recipient within that state. That is, a DBE certified by a state UCP for work it has done on a contract with the state DOT is not required to resubmit this form if the DBE next wishes to perform work on a contract for a municipal transit agency. Next, once certified in a state, a DBE is certified until it is decertified through the procedures found in 25 CFR CITE. Thus, there is no requirement that a DBE must resubmit this form at any regular interval to remain certified. Finally, although DBEs are certified on a state-by-state, not federal, basis, the Department has taken steps to ease the process of a DBE that is already certified in one state to become certified in another state. Most importantly, all states are required to use this form and are not permitted to create their own form. Additionally, the Department has adopted an interstate certification process in section 26.85 that attempts to expedite the process of a DBE already certified in one state gaining certification in another state without submitting a new application. The Department’s proposed revisions will not affect issues associated with duplication, since the new information being requested in the form is not duplicative of other information requested as part of this program.
- For the “Annual Affidavit of No Change,” as with all parts of the DBE program, if a state has established a UCP, firms are only required to submit one affidavit to each state UCP, regardless of how many different recipients within that state they engage in contracts with. For example, a DBE that does work on contracts involving both a state DOT and municipal transit agency within that state need only submit one affidavit to that state’s UCP. However, DBEs must submit an affidavit to each state in which it is certified; this is because certain aspects of DBE eligibility, for example the requirement of control, may vary from state to state. The Department, though, does not view this as creating any significant additional burden, since the DBE may create the affidavits and go through the notarization process for each state at the same time. The proposed revisions contained in the NPRM do request new information from DBEs, none of which is duplicative of other collections.

- For the “Personal Net Worth Form”, the proposed form will not lead to the collection of duplicative information because it will replace the Department’s prior approach of requesting the SBA form with the Application Form. Beyond basic identifying information the Personal Net Worth and Application Forms do not request the same information, nor does Personal Net Worth Form request the same information as the Annual Affidavit and its supporting documentation.
- For the “Percentages of DBEs in Various Categories” collection, the Department noted in the NPRM that the commitments and achievements reporting form located in Part 26 Appendix B (OMB Control No. 2105-0510) already captures information broken down by gender and ethnicity concerning contracts and contracting dollars going to DBEs. However, this is a different collection than the statutorily mandated report on the percentages of certified firms. The Department, though, has sought comment in the NPRM on whether it would be easier to include the percentage information on this reporting form in some fashion rather than having a separate report submitted.

#### 5. Efforts to minimize the burden on small businesses.

- For the “Uniform Report of DBE Awards/Commitments and Payments,” FTA and FAA have funding thresholds that exempt their smaller recipients from the DBE program requirements, including this report. As noted above, reporting frequencies are only annual or semi-annual. The information on these matters is found in the DOT DBE regulation (*see* sec. 26.21 and Appendix B).
- For the “Uniform Certification Application Form,” the proposed revision may increase the burden on DBEs, all of whom are small businesses. However, in addition to efforts to identify and prevent duplication described above, the Department has attempted to make this collection to as streamlined and user-friendly as possible to minimize the burden on applicants, while requiring sufficient information to maintain the integrity of the program.
- The “Annual Affidavits of No Change” minimizes as much as possible the burden on DBEs, all of whom are small businesses. Firms are only required to submit this affidavit on an annual basis and the affidavit is essentially a “fill-in-the blank” statement, copies of which are available online on both the Department’s and states’ websites. In addition, the annual affidavit causes considerably less burden than any foreseeable alternative, such as a requirement that DBEs go through a recertification process after a period of time. The proposed revisions require that DBEs submit additional information and therefore may increase the burden on small businesses. However, the DBE will have already completed the annual IRS form for tax purposes and will likely have created records for the other two types of transactions in the ordinary course of business.
- For the “Personal Net Worth Form”, the Department does not believe that the proposed form will be any more burdensome than the SBA form and, since it is tailored to the DBE program, will likely reduce the burden on DBEs by not requiring them to include information that is unnecessary for the DBE program. The proposed requirement that the form be submitted annually will lead to an increased burden on DBEs, but the

Department does not believe it will be significant, since the DBE will only need to update the form from year-to-year, not create it anew for each submission.

- The “Percentages of DBEs in Various Categories” collection only burdens states, not DBEs.

#### 6. Impact of less frequent collection of information.

- For the “Uniform Report of DBE Awards/Commitments and Payments,” the proposed revisions will not affect the frequency of collection. Thus, without this information collection, there would be no way to determine whether the program’s objectives were being met, it would be impossible to determine whether the program was being administered consistent with legal and constitutional requirements, and there would be no accountability for any participants.
- For the “Uniform Certification Application Form,” There is no opportunity for less frequent collections of this information, since a DBE is only required to fill out this form when applying to a state for the first time. The Department notes that it has long rejected any mandate that the DBEs would be required to reapply after a set period of time.
- The Department believes that less frequent collection of the “Annual Affidavits of No Change” (e.g. every two years) would greatly affect the integrity of the DBE program and would lead to situations where federal money would be awarded to contracts without the participation of firms that are correctly certified as DBEs. On the one hand, a less frequent collection would lead to an increased risk of fraud, such as in situations where a DBE knowingly continues to participate despite changes in its circumstances. Additionally, a less frequent collection would mean that DBEs who “graduate” from the program by have either their gross receipts for the personal net worth of the owner exceed the regulatory caps would be more likely to continue to receive DBE contracts. The proposed revisions will not affect the frequency of collection, as submission continues to be annual.
- For the “Personal Net Worth Form”, the proposed requirement that the form be included with each application for certification cannot be reduced, as it is a one-time occurrence. The effect of making its subsequent submission less than annual will make it more likely that DBE fraud will occur with regard to the PNW of disadvantaged owners; it would also lead to potential confusion on the part of recipients, who would need to keep track of which year a given DBE must submit a PNW form with their annual affidavit.
- For the “Percentages of DBEs in Various Categories” collection, the clear and unambiguous language of the DBE’s statutory language, most recently in MAP-21, mandates that this information be collected annually

#### 7. Special circumstances.

These information collection requirements are consistent with this and other applicable laws and regulations.



8. Compliance with 5 CFR 1320.8:

The Department has published an NPRM addressing these five collections on September 6, 2012, 77 FR 54952. The Department, however, inadvertently omitted reference to the “Uniform Report of DBE Awards and Commitments” collection in the PRA section of that NPRM (although the Department discussed the proposed changes at length in the main section of the preamble). To remedy this, the Department published in the Federal Register a correction that added this collection to the PRA section on October 25, 2012. 77 FR 65164.

9. Payments or gifts to respondents.

None.

10. Assurance of confidentiality:

Only two of the collections here contain these assurances: the “Application Form” and the “Personal Net Worth Form”. These two collections include statements that the Department will comply with both FOIA and the Privacy Act in collecting, using and disclosing this information. Further, section 26.109 of the DBE regulations contains assurances of confidentiality for any information provided by a DBE as part of the DBE program. Section 109(a)(2) states that recipients “must not release any information that may reasonably be construed as confidential business information to any third party without the written consent of the firm that submitted the information. This includes applications for DBE certification and supporting information. However, you must transmit this information to DOT in any certification appeal proceeding under §26.89 of this part or to any other state to which the individual's firm has applied for certification under §26.85 of this part.”

11. Justification for collection of sensitive information:

This is not applicable to this collection. The “Uniform Certification Application Form,” “Personal Net Worth Form”, and “Annual Affidavits of No Change” ask for information from the owners of the business, but this information is primarily commercial in nature.

12. Estimate of burden hours for information requested:

- **Uniform Report of DBE Awards/Commitments and Payments**

The Department does not anticipate that the proposed revisions will lead to any measurable change in burden, as they exist primarily to make filling out the form easier but do not do so in a way that the Department is yet able to quantify.

*Affected Public:* DOT financially-assisted state and local transportation agencies

*Number of Respondents:* 1,250

*Frequency of Response:* once/twice a year

*Estimated Average Burden per Response:* 5 hours

*Estimated Total Burden:* 9,000 hours. This is derived from approximately 550 respondents prepare two reports per year; approximately 700 recipients prepare one report per year. Estimating 5 hours per report, this gives us the 9,000 hour figure.

The Department does not believe the proposed revisions will lead to any increased burden for this collection. As part of the terms of clearance for the prior emergency approval of this rule, OMB requested that the Department explain why the hour's burden for this collection decreased from 1,311,000 hours to 1,250. The current burden estimate is unquestionably more accurate as this collection only requires that each recipient submit this form once or twice per year, which the Department estimates leads to 1,800 submissions per year. If the prior estimate were correct, that would mean that each response would require roughly 730 hours. Given the limited information required for this form, the Department views this figure as unreasonably high. The Department speculates that it was either the result of a one-time error that was carried forward or that this control number once contained within it other collections that were not renewed due to program changes but whose burden hours remained in the total.

- **Uniform Certification Application Form**

Based on discussions with DBEs, it is estimated that the total burden hours per applicant to complete its DBE or ACDBE certification application with supporting documentation to be approximately 8 hours. In addition, new applicants will have to submit a Personal Net Worth Form (see below). The number of new applications received each year by UCPs is difficult to estimate. There is no central repository for DBE certification applications and we predict that the frequency of submissions at times vary according to construction season (high applications when the season is over), the contracting opportunities available in the marketplace, and the number of new transportation related business formations or expansions. To get some estimate however, the Department recently contacted recipients. The agencies we contacted reported receiving between 1–2 per month, 5–10 per month, or on the high end 80–100. There are likely several reasons for the variance. Jurisdictions that are geographically contiguous to other states (such as Maryland) and/or have a high DBE applicant pool may receive a higher number whereas jurisdictions in remote areas of the country with smaller numbers of firms may have lower applicant requests for DBE certification. These rough numbers likely do not include requests for expansion of work categories from existing firms that are already certified.

*Affected Public:* Firms applying to be certified as DBEs

*Number of Respondents:* 9,500

*Frequency of Response:* Once during initial DBE or ACDBE certification.

*Estimated Average Burden per Response:* 8 hours.

*Estimated Total Burden:* 76,000 hours per year.

- **Annual Affidavit of No Change**

*Affected Public:* Certified DBEs

*Number of Respondents:* The approximately 30,000 certified DBE firms.

*Frequency of Response:* Once per year.

*Estimated Average Burden per Response:* The Department estimates that this collection will take roughly 1.5 hours per response.

*Estimated Total Burden:* 45,000 hours

- **Personal Net Worth Form**

*Affected Public:* Certified DBEs and firms applying to be DBEs

*Number of Respondents:* 9500 applicants each year. Assuming approximately 30,000 certified firms nationally, there would be that number of updates annually.

*Frequency of Response:* Once during initial DBE certification and each year thereafter during annual update process. For the DBE/ACDBE programs, information regarding the assets and liabilities of individual owners is necessary for recipients of Federal Transit Administration, Federal Aviation Administration, and Federal Highway Administration, to make responsible decisions concerning an applicant's economic disadvantage under the rule. All persons who claim to own and control a firm applying for DBE or ACDBE certification and whose ownership and control are relied upon for the certification will complete the form. Once a firm is certified as a DBE or ACDBE, these same owners will complete the form each year.

*Estimated Average Burden per Response:* 8 hours for the initial statement; 4 hours for future updates.

*Estimated Total Burden:* 76,000 hours per year for applications; 120,000 hours for annual updates. Total estimated burden would therefore be 196,000 hours per year.

- **Percentages of DBEs in Various Categories**

*Affected Public:* States (through their UCPs)

*Number of Respondents:* 52 (50 states, plus the District of Columbia and Puerto Rico)

*Frequency of Response:* Annually

*Estimated Average Burden per Response:* 3 hours

*Estimated Total Burden:* 158.5 hours

The total annual burden for this collection, therefore, is estimated to be 318,000 hours per year. Of these hours, approximately 309,000 hours are from the four information collections for which the Department is seeking OMB control numbers for the first time.

13. Estimate of total annual costs to respondents.

Information not available, as costs to recipients and DBEs for these collections is not broken out in any way that allows the Department to identify costs specific to this task.

14. Estimate of cost to the Federal government.

Two collections here have costs to the federal government:

- The “Uniform Report of DBE Awards/Commitments and Payments” is submitted to the federal government, but the proposed revisions will not have an effect on this cost. Thus, the Department estimates that its tasks related to the information requirements cited in this request that are submitted to us for review (i.e., report of accomplishments) will result in 1,800 hours (i.e., assuming an hour or staff review time for each report). Assuming the reports are reviewed by a GS-13 step 5 in Washington, DC @ \$48.35/hr, the Federal cost of review would be \$87,030.
- For the “Percentages of DBEs in Various Categories” collection, the Department estimates that its tasks related to the information requirements cited in this request that are submitted to us for review (i.e., report of percentages) will result in 26 hours (i.e., assuming a half hour or staff review time for each report). Assuming the reports are reviewed by a GS-13 step 5 in Washington, DC @ \$48.35/hr, the Federal cost of review would be \$1,257.10.

15. Explanation of program changes or adjustments.

The increased burden for this collection results from four information collections that the Department is requesting OMB approval for the first time. The Department notes that it does not anticipate any changes in the burden associated with the one collection currently covered by this control number, the “Uniform Report of DBE Awards/Commitments and Payments.”

On the one hand, the collections “Uniform Certification Application Form” and “Annual Affidavit of No Change” have long been integral parts of the regulatory make-up of the DBE program. The adoption and modification of these collections has also been done through numerous notice and comment rulemakings, but the Department has not until now placed these collections under the DBE Control Number. In the NPRM, the Department is also proposing revisions to both of these rulemakings, which, if adopted, would likely increase their burden beyond what the Department estimates is necessary for the current forms.

The second type of collections is the two new collections, the “Personal Net Worth Form” and the “Percentages of DBEs in Various Categories” collection. The “Personal Net Worth Form” is being proposed to replace the Department’s current practice of requesting that DBEs complete an existing SBA form at the time they apply for certification, so it does not add new requirements per se, so much as it transfers that burden from being caused by the SBA form to being caused by this proposed form. The Department is also proposing to require that firms submit this form

with their annual affidavit of no change, which would lead to an increased burden over current practice. The “Percentages of DBEs in Various Categories” collection institutes for the first time a long-standing statutory requirement.

16. Publication of results of data collection.

None.

17. Approval for not displaying the expiration date of OMB approval.

N/A

18. Exceptions to certification statement.

N/A

ATTACHMENTS: