

Supporting Statement for Paperwork Reduction Act Submissions
Export-Import Bank and Small Business Administration
Form EIB 84-01

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.

Response:

This is a joint application form for working capital load guarantees provided by Ex-Im Bank and the Small Business Administration. Ex-Im Bank is the U.S. Government agency (created by the Export-Import Bank of 1945 as amended) that facilitates the export financing of U.S. goods and services. This collection of information is necessary under Sec. 635(a) (1) to determine eligibility of applicant for Ex-Im Bank assistance or participation.

The Small Business Administration is the U.S. Government Agency (created by the Small Business Act, as amended) that aids and assists small businesses to increase their ability to compete in international markets by enhancing their ability to export. This collection of information is necessary under Section 7(a) (14) of the Small Business Act (15 U.S.C. 636 (a) (14) to determine eligibility of applicant for SBA assistance or participation.

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.

Response:

The application provides EX-Im Bank and Small Business Administration staff with the information necessary to determine if the application and transaction are eligible for Ex-Im Bank and SBA assistance.

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 submissions 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.

Response:

Ex-Im Bank is currently working on the electronic submission of applications.

SBA currently allows Preferred Lender Program (PLP) Export Working Capital Program loan applications to be submitted to SBA electronically using SBA's electronic origination system E-Tran.

4. Describe effort 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.

Response:

All applications are independent of each other, i.e. no duplication. In circumstances when some information may already be on file at Ex-Im Bank, the application includes language allowing the application to indicate so.

5. If the collection of information impacts small businesses or other small entities describe any methods used to minimize burden.

Response:

This information collection does not impact a substantial number of small businesses. As noted in question number 12, on average the Export-Import Bank received 496 applications per year (from both large and small businesses) and the Small Business Administration received 177 (from small businesses). To minimize the burden on these small entities, the form is accessible on-line and the agencies have limited the information collected to that which is necessary for both agencies to make informed decisions about the loan application.

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.

Response:

The consequence to the Federal program would be that Ex-Im Bank and SBA would not be able to determine if an application and transaction to be guaranteed is eligible, thereby making it impossible to operate the program.

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

- *requiring respondents to report information to the agency more often than quarterly;

- *requiring respondents to prepare a written response to a collection of information in fewer than 30 days after receipt of it;

- *requiring respondents to submit more than an original and two copies of any document;

- *in connection with a statistical survey, that is not designed to produce valid or reliable results that can be generalized to the universe of study;

- *requiring the use of statistical data classification that has not been reviewed and approved by OMB;

*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; or *requiring respondents to submit proprietary trade secrets, 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.

Response:

Collection of information is consistent with the guidelines in 5 CRF 1320.6.

8. If applicable, 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.

Response:

A request for public comments was published in the Federal Register, Vol. 77 No. 38 on February 27, 2012. The comment period ended April 27, 2009; no comments were received.

A second request for public comments was published in the Federal Register, Vol. 77 No. 105 on May 30, 2012. The comment period will end on June 29, 2012.

Application form and revisions thereto were discussed with potential users and staff to determine necessity, practicality and acceptability.

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

Response:

Delegated Authority Lenders, as approved by Ex-Im Bank, are entitled to retain a certain portion of the facility fee paid by the Exporter. Delegated Authority Lenders serve as one of the means by which the program is made available to the public. SBA lenders are also authorized to retain a portion of certain processing and servicing fees; however neither SBA nor Ex-Im Bank will provide payments or gifts to respondents as incentive to respond to this information collection.

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

Response:

Ex-Im Bank, SBA, and their officers and employees are subject to the Trade Secret Act, 18 U.S.C. Sec. 1905, which requires them to protect confidential information from disclosure, to the extent permitted by law. In addition, Ex-Im

Bank's regulations at 12 CRF 404.1 provides that, except as required by law Ex-Im Bank will not disclose information provided in confidence without the submitter's consent. SBA has similar regulations at 13 CFR 102.7 that are intended to protect confidential business information from disclosure without consent or waiver from the entity that submitted the information.

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 provides. This justification should include the reasons why the agency considered 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.

Response:

Ex-Im's answer: No sensitive questions are involved as that term is described by OMB. This information collection does contain questions concerning an applicant's criminal background in order to make sound determinations concerning an application's character.

SBA's answer: Submission of Social Security Number (Privacy Act notice) - Under the Privacy Act, the applicant is not required to provide social security number information, and failure to provide social security number may not affect any right, benefit, or privilege to which applicant is entitled. Disclosures of name and other personal identifiers are required for a benefit, however, and SBA requires an applicant seeking financial assistance to provide sufficient information to allow SBA to make a character and credit determination concerning individuals that are borrowers, principals, and guarantors. In determining whether an individual is of good character, SBA considers the person's integrity, candor, and disposition toward criminal actions. In making loans pursuant to section 7(a) of the SB Act (15 U.S. C. 636(a)(6)), SBA is required to have reasonable assurance that the loan is of sound value and will be repaid, or that it is in the best interest of the Government to grant the financial assistance requested. Additionally, SBA is specifically authorized to verify the applicant's criminal history, or lack thereof, pursuant to Section 7(a)(1) of the SB Act (15 U.S.C. 636(a)(1)(B)). Further, for all forms of assistance, SBA is authorized to make all investigations necessary to ensure that a person has not engaged in acts that violate or will violate the SB Act or the Small Business Investment Act (15 U.S.C. 634 and 687b(a)). For these purposes, applicant is asked to voluntarily provide social security numbers to assist SBA in making character determinations and to distinguish the individuals listed in this application from other individuals with the same or similar name or other personal identifier.

12. Provide estimates of the hour burden of the collection of information. The statement should include: the number of respondents; frequency of response;

annual hour burden; an explanation of how the burden was estimated; and the hour cost burden.

Response:

Based on the average number of loans received over the past three years since this information collection was last submitted for review, the estimated annual burden information for this collection is as follows:

	<u>Ex-Im Bank</u>	<u>SBA</u>
Estimated respondents per year	606	177
Frequency of Responses	once per application for both programs	
Estimated hours per response	<u>2.5</u> hours	<u>2.5</u> hours
Estimated annual burden hours	1,515	442.5
	TOTAL 1957.5	

Ex-Im Bank estimate hours is 1,515 at \$32.50 per hour = \$45,829

SBA estimate hours is 442.5 at \$35.00 per hour = \$15,488

The annual cost to respondents would therefore be \$61,317

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

Ex-Im Bank Response:

Ex-Im Bank charges the following for fee for all Working Capital Guarantee applications

Type of Application	Number Received	Cost
Preliminary Commitments	1	\$500 x 1 = \$ 500
Final Commitments	24	\$100 x 24 = \$ 2,400
Delegated Authority	581	\$100 x 581 = \$58,100
TOTAL		\$61,000

SBA Response:

There are no additional costs, such as capital or start up costs associated with this information collection.

14. Provide estimates of annualized costs to the Federal government.

Response:

	<u>Ex-Im Bank</u>	<u>SBA</u>
Reviewing time in hours	2	2

Responses per year	606	177
Review time per year	1,212	354
Average wages per hour	\$30.25	\$35.00
Average cost per year	\$36,333	\$12,390
Benefits and Overhead	28%	100%
Total Government Cost	\$46,506	\$24,780

The annual cost to the Government would be \$71,708

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

Response: Ex-Im Bank

We have added information concerning the application fees charged by the Bank to respondents – see item 13. This has increased the cost to the respondent.

Response: SBA

The average number of responses has increased over the past three years. The increase is partially due to the fact that interest in working capital loan guarantees has increased. Therefore, the burden information reported has been adjusted to reflect this increase.

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.

Response:

Ex-Im Bank response; not applicable. Information collected is not published. Any publishing of information collected is not related to the original purpose of the application.

SBA response; except for the inclusion of aggregated data in various OMB, Congressional or ad hoc reports, the information collected is not 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.

Response:

Not applicable. We are not seeking approval not to display the expiration date.

18. Explain each exception to the certification statement in item 19.

Response:
There are no exceptions.

B. Collection of Information Employing Statistical Methods

The agency should be prepared to justify its decision not to use statistical methods in any case where such methods might reduce burden or improve accuracy of results.

Response:
Statistical methods are not used in this information collection.