



U.S. Department of Justice

Executive Office of United States Trustees


Office of Oversight

Washington, D.C. 20530

April 29, 2013

MEMORANDUM

TO: Lynn Murray
DOJ Clearance Officer

FROM: Doreen Solomon 
Assistant Director

SUBJECT: Request for Approval by the Office of Management and Budget of the
“Application for Approval as a Nonprofit Budget and Credit Counseling Agency”

This memorandum and the attached materials are submitted under the Paperwork Reduction Act, 44 U.S.C. § 3501, *et seq.*, to authorize the United States Trustee Program (Program) to revise the information collection request (ICR) entitled, “Application for Approval as a Nonprofit Budget and Credit Counseling Agency” (Application). This ICR was previously approved by the Office of Management and Budget for three years under 1105-0084. Although the expiration date for this Application is January 31, 2016, it must be revised now to bring it into conformity with regulations the Program recently promulgated on March 14, 2013, that are effective April 15, 2013. *See* 78 Fed. Reg. 16,138 – 16,159 (March 14, 2013).

By way of background, on April 20, 2005, Congress enacted certain amendments to the Bankruptcy Code that became effective on October 17, 2005. Under the 2005 amendments to the Bankruptcy Code, to be eligible for bankruptcy relief, an individual must meet with an approved nonprofit budget and credit counseling agency (agency) to receive credit counseling and a budget analysis within 180 days prior to filing for bankruptcy relief. 11 U.S.C. § 109(h)(1). Further, the Program must approve agencies with which individuals will consult. 11 U.S.C. § 111(a)-(e). Before an agency can be approved, a United States Trustee must review the agency’s qualifications under the standards set forth in the statute, and the United States Trustee may require the agency to provide information needed for this review. 11 U.S.C. § 111(b)-(c). Approved agencies are named on a publicly available list in each federal judicial district where they are deemed qualified to counsel individuals. 11 U.S.C. § 111(a). Agencies are approved for a probationary period not to exceed six months. The Program may approve an agency for an additional one year period, or for successive one year periods thereafter, if the agency demonstrates it meets the standards set forth under 11 U.S.C. § 111 and can satisfy such standards in the future.

The ICR as provided in the revised Application is necessary to carry out the Program's statutory mandate to determine whether an agency is in compliance with statutory standards and should be approved for a six-month period or an additional one year period pursuant to 11 U.S.C. § 111. The collected information will enable the Program to assess each applicant's eligibility for approval under statutory standards that include providing qualified counselors; maintaining adequate provision for the safekeeping and payment of client funds; providing adequate counseling with respect to client credit problems; and dealing responsibly and effectively with other matters relating to the quality, effectiveness, and financial security of the services it provides.

The attached Application has been revised to conform to the Program's newly promulgated regulations governing the approval process. The main difference between the revised Application and the current Application is that the revised Application explicitly details the supporting documentation an applicant is required to submit and requires the applicant to aver that he or she has read certain portions of the revised Application. In addition, some of the questions in the current Application have been divided into separate questions in the revised Application. Please note, however, that although the revised Application is longer in form than the current Application, the time to complete the revised Application should remain substantially the same as the current Application.

The following documents are contained in the attached ICR package:

1. OMB Form 83-I, Paperwork Reduction Act Submission.
2. Supporting Statement for the Paperwork Reduction Act Submission.
3. Application, instructions and appendices used to collect the information.
4. Law or authority mandating the information collection.
5. 60-day ICR Notice for publication in the Federal Register.
6. 30-day ICR Notice for publication in the Federal Register.

Your favorable consideration of this request will be greatly appreciated. If there are any questions concerning the ICR, please contact Wendy Tien at 202-307-3698.

Attachments