

Department of the Treasury, Departmental Offices
Supporting Statement and Request for Clearance
Troubled Asset Relief Program – MHA Program Performance Study

1. CIRCUMSTANCES NECESSITATING THE COLLECTION OF INFORMATION

In February 2009, the Department of the Treasury (Treasury) established the Making Home Affordable Program (MHA) as part of the Troubled Asset Relief Program (TARP), authorized under the Emergency Economic Stabilization Act of 2008, as amended (12 U.S.C. § 5021 et seq.) MHA is designed to help stabilize the housing market and prevent avoidable foreclosure. The primary component of MHA is the Home Affordable Modification Program (HAMP), which facilitates the modification of mortgages at risk of foreclosure. Under HAMP, Treasury provides financial incentives to borrowers, servicers and investors to permanently lower mortgage payments to affordable and sustainable levels.

Treasury wishes to conduct a survey of borrowers that received mortgage modifications under HAMP, but subsequently lost good standing by missing three consecutive mortgage payments (a “re-default”). The survey will enable Treasury to better understand, among other things, the reasons why homeowners re-default, the continued financial stress faced by homeowners participating in HAMP, the homeowners’ experience with HAMP, and their outlook regarding their housing plans. This information may inform policy decisions about how to lower re-default rates going forward. Minimizing the number of borrowers that default on HAMP modifications is critical to the success of the program.

2. USE OF THE DATA

Fannie Mae, in its capacity as financial agent of the United States and MHA program administrator, will engage an outside vendor to administer the survey. The results will be paired with other information stored in the HAMP system of record and then analyzed by Treasury and the MHA program administrator in light of the objectives described above.

3. USE OF INFORMATION TECHNOLOGY

The survey will be a mail questionnaire with an option to complete the questionnaire online.

4. EFFORTS TO IDENTIFY DUPLICATION

To limit duplication, Treasury will pair the results of the survey with information that was previously collected and stored in the HAMP system of record. Also, HAMP is a relatively new program administered by Treasury; we do not believe research of this kind exists elsewhere within the Federal government.

5. IMPACT ON SMALL ENTITIES

Not applicable.

6. CONSEQUENCES OF LESS FREQUENT COLLECTION AND OBSTACLES TO BURDEN REDUCTION

As described above, the results of the survey will inform Treasury policy decisions to promote sustainable modifications and minimize re-defaults. If Treasury does not conduct the survey, Treasury's policy decisions may be less effective at minimizing re-defaults.

7. CIRCUMSTANCES REQUIRING SPECIAL INFORMATION COLLECTION

Not applicable

8. SOLICITATION OF COMMENTS ON INFORMATION COLLECTION

Treasury published a notice for public comment in the Federal Register on July 10, 2013. No comments have been received to date.

9. PROVISION OF PAYMENTS TO RECORDKEEPERS

Not applicable.

10. ASSURANCE OF CONFIDENTIALITY

A unique identifying number will be included on each survey instrument in order to pair the responses with information stored in the HAMP system of record. Although there will be no assurance of confidentiality, respondents will be assured that Treasury will not publish their names or other personal information in connection with the survey. Furthermore, Treasury will not disclose personally identifiable information except in accordance with the Privacy Act and the applicable system of record notice.

11. JUSTIFICATION OF SENSITIVE QUESTIONS

Not applicable.

12. ESTIMATED BURDEN OF INFORMATION COLLECTION

The target sample size is 2,400 homeowners and the estimated time to complete the survey is 10-15 minutes per respondent. Thus, the estimated annual burden is 600 hours.

13. ESTIMATED TOTAL ANNUAL COST BURDEN TO RESPONDENTS

Treasury estimates that there will be no annualized capital/start-up costs for the respondents to submit this information.

14. ESTIMATED COST TO THE FEDERAL GOVERNMENT.

The full cost of the HAMP re-default research project to the Treasury is estimated at approximately \$300,000.

15. REASONS FOR CHANGE IN BURDEN

Not applicable.

16. PLANS FOR TABULATION, STATISTICAL ANALYSIS, AND PUBLICATION

Treasury does not currently plan to publish the results of this survey. However, if Treasury decides at a later date to publicly release a report on the survey results, the publication will not include any information pertaining to specific answers or individuals. Rather, it will include only high-level, aggregate results and the researchers' analysis of the results combined with data obtained from the HAMP system of record.

17. REASONS WHY DISPLAYING THE OMB EXPIRATION DATE IS
INAPPROPRIATE

We believe displaying the OMB expiration date may create confusion about the nature of the collection, given that it is a one-time survey.

18. EXCEPTIONS TO CERTIFICATION REQUIREMENT OF OMB FORM 83-I

There are no exceptions to the certification statement in item 19 of Form 83-I.