Supporting Statement for Paperwork Reduction Act Submissions

Recertification of Family Income and Composition, Section 235(b) and Statistical Report Section 235(b), (i), and (j) 2502-0082 HUD-93101 and HUD-93101-A

A. Justification

- 1. Section 235 of the National Housing Act (P.L. 479, 48 Stat. 1246 12 U.S.C. 1701 (et seq.), applicable portions attached for reference, authorizes the Secretary of the Department of Housing and Urban Development to make assistance payments to qualified homeowners annually (or more frequently as deemed necessary.
- 2. The Form HUD-93101 is sent by lenders to individual borrowers to determine and adjust the amount of subsidy a mortgagor is eligible to receive. It is used for securing re-certifications. The forms serve as vehicles for obtaining the information necessary to determine family income and composition, and to compute assistance under HUD guidelines. The Section 235 program is diminishing each year with approximately 3,200 235 mortgages still receiving subsidy. Congress last provided authority for 30-year mortgages to receive subsidy in 1983. The HUD-93101-A form is no longer submitted to HUD by lenders for statistical analysis of increase and decrease in subsidy and general program information. Mortgagees maintain copies of both forms HUD-93101 and 93101-A for audit purposes.
- 3. The mortgagee utilizes computer methods and programs to satisfy the need to calculate the amount of subsidy the mortgagor is eligible to receive. The homeowner is not required to use any automated techniques. The program response is diminishing as the program is being phased out. Development of an automated system for automated transactions would not be cost beneficial.
- 4. The information is reviewed periodically to identify duplication. No similar information is readily available.
- 5. Small businesses or other small entities are not respondents.
- 6. This information collected is needed so that annual re-certifications of homeowners by lenders will not result in overpayment of Federal assistance.
- 7. The reporting frequency cannot be reduced because any reduction could result in overpaid assistance. Reporting frequency is timed to establish changes in income. Statute requires at a minimum, annual recertifications to adjust the amount of subsidy a mortgagor is eligible to receive.
- 8. In accordance with 5 CFR 1320.6, a notice for this collection was announced in the <u>Federal Register</u> on Wednesday, March 5, 2014 (Volume 79, Number 43, pages12519) No comments .
- 9. No gifts or payments will be provided to respondents.
- 10. There is a Privacy Act Statement on the information collection, form HUD-93101.
- 11. No questions of a sensitive nature are involved.

12. Estimate of public burden:

Information Collection	Number of Respondents	Frequency of Response	Responses Per Annum	Burden Hours Per Response		Hourly Cost	Annual Cost
Recertification of Family Income and Composition (HUD form 93101)	1600	Once per loan	1600	1.00	1600	\$22.00	\$35200
Recertification of Family Income Statistical Report (HUD form 93101-A)	1600	Once per loan	1600	.10	160	\$22.00	\$3520
TOTALS	1600		3200		1760		\$38720

- 13. There is no additional cost to the respondents.
- 14. Annualized cost to the Federal Government totals \$0.00 –because the Federal Government does not complete either form.
- 15. This is an extension of a currently approved collection. There has been no change to the program and the reason for the decrease in burden hours is because the program response is diminishing as the program is being phased out.
- 16. No plans to publish this information for statistical use.
- 17. HUD is not seeking approval to avoid displaying the expiration date for the OMB approval.
- 18. There are no exceptions to the certification statement identified in item 19 of the OMB 83-I.

B. Collections of Information Employing Statistical Methods

The collection of information does not employ statistical methods.