

## **Department of Housing and Urban Development**

### **Accountability in the Provision of HUD Assistance – “Applicant/Recipient Disclosure/Update” (form HUD 2880 Supporting Statement for Solicitation of Comment 30-Day Notice under the Paperwork Reduction Act of 1995**

#### **A. JUSTIFICATION**

##### **1. Circumstances Making the Collection of Information Necessary**

Section 102 of the Department of Housing and Urban Development Reform Act of 1989 (HUD Reform Act) requires the Department to ensure greater accountability and integrity in the provision of assistance administered by the Department. One feature of the statute requires certain disclosures by applicants seeking assistance from HUD, assistance from states and units of local government, and other assistance to be used with respect to the activities to be carried out with the assistance. The disclosure includes the financial interests of persons in the activities, and the sources of funds to be made available for the activities, and the proposed uses of the funds.

Each applicant that submits an application for assistance, within the jurisdiction of the HUD, to a state or to a unit of general local government for a specific project or activity must disclose this information whenever the dollar threshold is met. This information must be kept updated during the application review process and while the assistance is being provided.

##### **2. Purpose and Use of the Information Collection**

Form HUD-2880 is available as a word document on HUD's website and as a “fillable” pdf document. In 2005, HUD commenced accepting all grant applications, and accompanying forms electronically through the Grants.gov website. For all applicants who submitted grant applications electronically, HUD-2880 was also submitted electronically.

##### **3. Use of Improved Information Technology and Burden Reduction**

Form HUD-2880 is available as a word document on HUD's website and as a “fillable” pdf document. In 2005, HUD commenced accepting all grant applications, and accompanying forms electronically through the Grants.gov website. For all applicants who submitted grant applications electronically, HUD-2880 was also submitted electronically.

##### **4. Efforts to Identify Duplication and Use of Similar Information**

This reporting requirement is explicitly mandated by section 102 of the HUD Reform Act. There is no duplication. The information that is being required for disclosure would not have been previously requested.

## **5. Impact on Small Businesses or Other Small Entities**

As noted previously, the HUD Reform Act requires this disclosure. However, an applicant for assistance within the jurisdiction of HUD will not be required to make the disclosures if they will not receive an aggregate amount of all forms of such assistance in excess of \$200,000 during the federal fiscal year in which the application is submitted. Setting the threshold at this level should exclude most small entities from the reporting requirement.

## **6. Consequences of Collecting the Information Less Frequently**

The disclosure is made at such time as the statute mandates, which is at the time of application for assistance. As noted previously, such disclosure is part of the accountability, mandated by the HUD Reform, with respect to HUD assistance made available and awarded. The disclosure must be made for an applicant's application to be considered.

## **7. Special Circumstances Relating to the Guidelines of 5 CFR 1320.5**

There are no special circumstances applicable to this connection of information.

## **8. Comments in Response to the *Federal Register* Notice and Efforts to Consult Outside the Agency**

As required by 5 CFR 1320.8(d), HUD published in the Federal Register a 60-Day Notice on September 10, 2015, at 80 FR 55480. HUD received no public comments.

## **9. Explanation of Any Payment or Gift to Respondents**

Through this information collection, HUD offers no funds or any bonus points to be used in a competition for funds under one of HUD's notices of funding availability.

## **10. Assurance of Confidentiality Provided to Respondents**

The form includes a Privacy Act Statement. Additionally, the form was recently revised to allow grantees to input their DUNS number, as opposed to SSN number.

However, note that the HUD Reform Act includes specific requirements for the government to make all information regarding applications for HUD assistance available for public inspection, after awardees have been determined and awards made.

## **11. Justification for Sensitive Questions**

The Applicant/Recipient Disclosure/Update Report (HUD 2880) does not contain questions of a sensitive nature.

## 12. Estimates of Hour Burden Including Annualized Hourly Costs:

The cost to respondents to disclose the data HUD is requiring is estimated at \$489,600. This number is for the total number of applicants meeting the \$200,000 threshold and is based on the following assumptions:

Current hourly wage is estimated at \$17 per hour. Each applicant must disclose three types of information: a listing of other government assistance that is expected to be made available for the project, a listing of all interested parties including any developers, contractors, and consultants, and a report of all sources and uses of funds. The time required to prepare this information is estimated at 2 hours per initial submission.

The following matrix provides an estimate of the burden on respondents to meet the threshold which is necessitated by the disclosure report.

	<u>Number of Responses</u>	<u>Frequency</u>	<u>Hours</u>	<u>Burden</u>
Initial Applications	11,500	1.2	2	27,600
Updates	2,900	1.2	2	3,480
Total Burden	14,400	1.2	2	31,080

<u>No. of Disclosures (including Updates)</u>	<u>Hours (averaged)</u>	<u>Rate</u>	<u>Total</u>
14,400	2	\$17	\$489,600

### **13. Estimate of Other Total Annual Cost Burden to Respondent or Recordkeepers**

There are no additional costs to the respondents

### **14. Annualized Cost to the Federal Government:**

The cost to the government is estimated as follows:

Number of reviews of disclosed information:	41,400
Number of hours to complete a review:	1
Cost for total number reviews: (@ \$34 hour)	489,600

### **15. Changes in Hour Burden**

There are no program changes or adjustments in the burden from the last submission. The number of NOFAs and grantees had remained largely at the same number over the last several years.

### **16. Plans for Tabulation, Publication, and Project Time Schedule**

#### **A. Time Schedule**

#### **B. Publication**

#### **C. Analysis Plan**

None of the information collected will be published.

### **17. Reason(s) Display of OMB Expiration Date Inappropriate**

No Exemption is requested.

### **18. Exceptions to Certification for Paperwork Reduction Act Submissions: N/A**

### **19. Collections of Information Employing Statistical Methods: N/A**