
19. Certification for Paperwork Reduction Act Submissions

On behalf of the U.S. Department of Housing and Urban Development, I certify that the collection of information encompassed by this request complies with 5 CFR 1320.9.

Note: The text of 5 CFR 1320.9, and the related provisions of 5 CFR 1320/8(b)(3) appears at the end of the instructions. The certification is to be made with reference to those regulatory provisions as set forth in the instructions.

The following is a summary of the topics, regarding the proposed collections of information that the certification covers:

- (a) It is necessary for the proper performance of agency functions;
- (b) It avoids unnecessary duplication;
- (c) It reduces burden on small entities;
- (d) It uses plain, coherent, and unambiguous terminology that is understandable to respondents;
- (e) Its implementation will be consistent and compatible with current reporting and recordkeeping practices;
- (f) It indicates the retention periods for recordkeeping requirements;
- (g) It informs respondents of the information called for under 5 CFR 1320.8(b)(3):
 - (i) Why the information is being collected;
 - (ii) Use of the information;
 - (iii) Burden estimate;
 - (iv) Nature of response (voluntary, required for a benefit, or mandatory);
 - (v) Nature and extent of confidentiality; and
 - (vi) Need to display currently valid OMB control number;
- (h) It was developed by an office that has planned and allocated resources for the efficient and effective management and use of the information to collected (see note in item 19 of the instructions);
- (i) It uses effective and efficient statistical survey methodology; and
- (j) It makes appropriate use of information technology.

If you are unable to certify compliance with any of these provisions, identify the item below and explain the reason in item 18 of the Supporting Statement.

Signature of Program Official:

Date:

X Jean Lin Pao, General Deputy Assistant Secretary for Policy Development and Research

Signature of Senior Officer or Designee:

Date:

X
Lillian Dietzer, Departmental Reports Management Officer,
Office of the Chief Information Officer

Supporting Statement for Paperwork Reduction Act Submissions

A. Justification

1. Why is this 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/authorizing the collection of information.

Section 2835(d) of HERA (Public Law 110-289, approved July 30, 2008) amended Title I of the U.S. Housing Act of 1937 (42 U.S.C. 1437 et seq.) (1937 Act) by adding a new section 36 (codified as 42 U.S.C. 1437z-8) that requires each state agency administering tax credits under section 42 of the Internal Revenue Code of 1986 (low-income housing tax credits or LIHTC) to furnish HUD, not less than annually, information concerning the race, ethnicity, family composition, age, income, use of rental assistance under section 8(o) of the U.S. Housing Act of 1937 or other similar assistance, disability status, and monthly rental payments of households residing in each property receiving such credits through such agency. New section 36 of the 1937 Act further provides that to the extent feasible, each agency collect such information through existing reporting processes and in a manner that minimizes burden on property owners. The collection of the last four digits of social security numbers by HUD is permitted for this purpose through 42 U.S.C. Section 3543 and 3544. The information collected on these forms is protected by the Privacy Act of 1974, Title VI of the Civil Rights Act of 1964 (42 U.S.C. 2000d), and the Fair Housing Act (42 U.S.C. 3601-19).

New section 36 requires HUD to establish standards and definitions for the information to be collected by state agencies and to provide states with technical assistance in establishing systems to compile and submit such information and, in coordination with other federal agencies administering housing programs, establish procedures to minimize duplicative reporting requirements for properties assisted under multiple housing programs.

The congressional intent of this data collection is to provide basic information on the Low-Income Housing Tax Credit (LIHTC) program and the population it serves. The LIHTC program uses benefits available through the tax code as an incentive to produce qualified low-income housing units. The program is administered by 59 (predominantly state-level) allocating agencies. While the IRS has responsibility for issuing LIHTC regulations and ensuring compliance with the code for individual taxpayers, states administer the program and are also responsible for monitoring compliance at the project level.

2. How is this information to be used?

The information to be collected in the LIHTC database will be used by HUD to comply with the reporting requirements of HERA, which involves compiling the data for Congress and the public. HUD will develop descriptive statistics about the current tax credit projects and tenants and conduct an analysis of the locations of units produced in recent years.

HUD, as required by HERA, makes tabulations of the publically data available while protecting personal information. For example, HUD released in December 2014, an analysis of whom the program serves (tenant characteristics). HUD also maintains a database of property characteristics, available at lihtc.HUDUser.gov.

The information will be collected annually and submitted by the state housing finance agencies (HFAs) which administer the program to HUD through a secure portal on HUDUser.gov. Information must be submitted using XML standards defined by HUD. This is an ongoing collection. The collection requirements have remained unchanged since 2013.

3. Describe whether, and to what extent, the collection of information is automated (item 13b1 of OMB form 83-i). Also describe any consideration of using information technology to reduce burden.

This data collection is fully automated. Information is only accepted as an XML-formatted file uploaded through a secure portal on HUDUser.gov.

4. Is this information collected elsewhere? If so, why cannot any similar information already available be used or modified.

This data is not collected elsewhere. The congressional mandate for this data collection originated from the lack of data and information on tenants in Low-Income Housing Tax Credit (LIHTC) units. This effort represents the only federal effort to collect data on tax credit tenants. The tax credit program is designed such that program compliance is conducted by the state housing finance agencies (HFAs). For this reason, no federal agency collects information on LIHTC tenants.

5. Does the collection of information impact small businesses or other small entities (item 5 of OMB form 83-i)? Describe any methods used to minimize burden.

No. Respondents for this data collection include state tax credit allocating agencies. None of these entities is a private business. We have no information on the size of the entities administering the credits in individual states; however, responsibility typically lodges with a state housing finance agency (HFA), which would ordinarily not be considered a small entity.

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.

Less frequent data collection would violate the requirement in the Housing and Economic Recovery Act (codified as 42 U.S.C. 1437z-8) to collect the information at least annually. Aside from the statutory requirement, less frequent data collection places data at HUD's disposal with longer lags. Hence, the Department's analysis of an important housing program is rendered less current and less comprehensive at any given time. Annual data collection keeps HUD abreast of any trends as they are developing and are most amenable to policy intervention.

7. Explain any special circumstances requiring:

- respondents to report information more than quarterly;
- a written response in fewer than 30;
- more than an original and two copies of any document;
- respondents to retain records other than health, medical, government contract, grant-in-aid, or tax records for more than three years;
- a statistical survey not designed to produce results that can be generalized to the universe of study;
- the use of a statistical data classification that has not been reviewed and approved by OMB;
- 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
- respondents to submit proprietary trade secret, or other confidential information.

The data collection creates no special circumstances of the type listed.

8. Identify the date and page number of the *Federal Register* notice (and provide a copy) soliciting comments on the information. Summarize public comments and describe actions taken by the agency in response to these comments. Describe all efforts to consult with persons outside the agency to obtain their.

The Notice of Proposed Information Collection for Public Comment was published in the Federal Register on Day, December XX, 2015, on page XXXXX. HUD did not receive any public comments in response to the Federal Register notice. Further, HUD did not receive comments in response to the Notice of Submission of Proposed Information Collection (78 FR 16277) published on March 14, 2013.

9. Explain any payments or gifts to respondents, other than reenumeration of contractors or grantees.

No payments or gifts will be provided to respondents.

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

The collected tenant data will be aggregated to prior to public release to protect tenant privacy. The information collected on these forms is protected by the Privacy Act of 1974 (5 U.S.C. § 552a), Title VI of the Civil Rights Act of 1964 (42 U.S.C. 2000d), and the Fair Housing Act (42 U.S.C. 3601-19).

The property characteristics data to be collected are basic, descriptive data about publicly-subsidized housing projects, specifically their location, size, and use of specific financing mechanisms. Therefore, no offers of confidentiality will be made for the collected project data. The requested property-level data are public information.

11. Justify any questions of a sensitive nature, such as sexual, religious beliefs, and other matters that are commonly considered private

The tenant data collection form contains questions which may be considered sensitive, including income, rent, and disability status. However, these questions are mandated by the Housing and Economic Recovery Act (HERA) and HUD has no discretion regarding their inclusion. The information collected on these forms is protected by the Privacy Act of 1974 (5 U.S.C. § 552a), Title VI of the Civil Rights Act of 1964 (42 U.S.C. 2000d), and the Fair Housing Act (42 U.S.C. 3601-19). In the absence of these questions, HUD would be violation of the National Housing Act as amended by HERA.

The questions concerning property characteristics are not considered sensitive in nature. Information focuses on standard variables concerning the location, size, and other characteristics of federally subsidized housing projects.

12. Estimate public burden: number of respondents, frequency of response, annual hour burden. Read the complete instructions on the form 83i. Explain how the burden was estimated. Generally estimates should not include burden hours for customary and usual business practices;

- **if this collection uses more than one form, provide separate estimates for each form and aggregate the hour burdens in item 13 of OMB Form 83i; and**
- **provide estimates of annualized cost to respondents for the hour burdens for collections of information, identifying and using appropriate wage rate categories.**
- **The cost of contracting out or paying outside parties for information collection activities should not be included here. Instead this cost should be included in Item 13.**

The requested information is currently collected by the respondents. Respondents are also familiar with the electronic submission process that will be used. To assist with the electronic submission of data, HUD has procured a contractor who will advise and if needed assist states in submitting the data.

Based on past experience with collecting data on projects placed in service, respondents generally spend no more than eight person-hours responding to the property survey for the single year of data requested. HUD estimates a burden of forty person-hours per response to the tenant survey since this is a new data collection effort.

Each housing finance agency that administers LIHTCs must respond once annually to the tenant and property data requests. There are 59 agencies (states plus DC, territories, and a few sub-state allocators), excluding American Samoa which received a permanent waiver because it does not actively allocate new LIHTCs.

The overall annual response burden totals 48 person hours per respondent. Based on the average hourly wage of Data Processing employees (source: BLS) of \$31.43, the total aggregate cost is \$1,508.64 per respondent annually and \$89,009.76 annually in aggregate across all responding HFAs.

| Form | Respondents | Frequency of Response | Total Responses | Hours Per Response | Total Hours | Cost Per Response | Total Cost |
|--------------|------------------------|-----------------------|-----------------|--------------------|--------------|---------------------------|--------------------|
| Tenant | State Housing Agencies | Annual | 59 | 40 | 2,360 | \$31.43/hour = \$1,257.20 | \$74,174.80 |
| Project | State Housing Agencies | Annual | 59 | 8 | 472 | \$31.43/hour = \$251.44 | \$14,834.96 |
| TOTAL | | | 118 | 48 | 2,832 | | \$89,009.76 |

13. Estimate of the annual cost to respondents or recordkeepers (do not include the cost of hour burden shown in Items 12 and 14). Read the complete instructions on the form 83i.

Not applicable.

14. Estimate annualized costs to the Federal government.

In the Housing and Economic Recovery Act, Congress authorized the following amounts to fund this initiative: \$2,500,000 for fiscal year 2009 and \$900,000 for each of fiscal years 2010 through 2013. However, no funds were specifically identified for this purpose in HUD's FY2009 Appropriation. The only budgeted cost to the federal government at this time is \$226,913 to fund a contractor to assist state housing agencies with their data submissions.

Dedicated funding was never appropriated for this effort and therefore never cut. HUD has used its own discretionary research funds to support this effort and that funding has remained relatively constant. Regardless, HUD's funding of this effort has not increased the burden of the respondents, nor has it decreased program size or reduced the number of respondents subject to this information collection.

15. Explain any program changes or adjustments reported in items 13 and 14 of the OMB Form 83i.

The reporting burden per respondent did not change. However, the number of respondents decreased by 1 agency. American Samoa does not intend to allocate credits or issue private activity bonds for LIHTC properties in the future. Thus, in keeping with the HERA and PRA directive to minimize burden, HUD provided the Development Bank of American Samoa an exemption from this data collection.

16. If the information will be published, outline plans for tabulation and publication.

The data collection and analysis described in Section 2 above will be completed by HUD. The data collection is scheduled to occur in annually each September.

Following collection of all data, HUD will have all projects geocoded with Census Tract identifiers, and begin the congressionally-mandated descriptive report. A public use database will also be prepared. The report and public use database is expected to be available each spring, approximately 6 months after the data has been received.

17. Explain any request to not display the expiration date.

Not applicable.

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

Not applicable.

B. Collections of Information Employing Statistical Methods

Not applicable.