**Narrative of Changes**

*The purpose of the Narrative of Changes is to clearly indicate changes to a collection since the previous approval.*

Collection Title: Application for Loan Cancellation

OMB Control No.: 1660-0082

Current Expiration Date: June 30, 2016

 Collection Instruments: FEMA Form 009-0-15

The following are the changes to the collection:

FEMA Form 009-0-15, used for cancellation of Community Disaster Loans (CDLs), has been revised for clarity and correction of technical accounting terminology. See attached Forms Revision Chart for FEMA Form 009-0-15.

Supporting Statement:

Question 8a – Updated to reflect FRN publication information.

Question 10 – Updated to reflect current privacy information.

Question 12 – Number of forms respondents increased.

Question 14 – Costs to the Federal Government updated.

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| Estimated Annualized Burden Hours and Costs |
| **Type of Respondent** | **Form Name / Form Number** | **No. of Respon-dents** | **No. of Respon-ses per Respon-dent** | **Total No. of Responses** | **Avg. Burden per Response (in hours)** | **Total Annual Burden (in hours)** | **Avg. Hourly Wage Rate** | **Total Annual Respondent Cost** |
| State, Local or Tribal Government | Application for Loan Cancellation / FEMA Form 009-0-15 | 81 | 1 | 81 | 1 hour | 81 | $48.73 | $3,947.13 |
| **Total** |   | **81** |  | **81** |  | **81** |  | **$3,947.13** |

Question 15 – Burden hour increase explained.

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| **Itemized Changes in Annual Burden Hours** |
| **Data collection Activity/Instrument** | **Program Change (hours currently on OMB Inventory)**  | **Program Change (New)**  | **Difference** | **Adjustment (hours currently on OMB Inventory)** | **Adjustment (New)**  | **Difference** |
| Application for Loan Cancellation / FEMA Form 009-0-15 |  |  |  | 27 | 81 | +54 |
| **Total(s)** |  |  |  | **27** | **81** | **+54** |

***Explain:***

This collection is used in the cancellation process for CDLs. The increase change in burden hours is due to new loans issued since the last collection update. The number of open CDLs eligible for cancellation during the next three years is 81. This denotes an adjustment to the Annual Burden Hours of 54 hours.

FEMA Form 009-0-15, used for cancellation of Community Disaster Loans (CDLs), has been revised for clarity and correction of technical accounting terminology.  The analysis to determine qualification for loan cancellation utilizes standard accounting rules, definitions, and terminology set by the Governmental Accounting Standards Board (GASB) and other nationally accredited accounting organizations.  Incorrect terminology used on the previous form led to general confusion amongst applicants and reviewing officials, and required loan cancellation analysts to create a 7-page instruction manual attempting to explain how to complete the form.  The proposed changes correct the technical accounting terminology.  In addition, points of clarification were added by including the total approved loan amount, the promissory note execution date, and fiscal year end dates, which often differ from calendar years.  Overall, the proposed changes make the form easier to understand, more informative, and technically correct.