

# **Information Collection Request (ICR) Supporting Statement for Clean Water State Revolving Fund Program OMB NO.2040-0118, EPA ICR NO. 1391.11**

## **Terms of Clearance for Current ICR:**

**This information collection is approved for one year. In its subsequent renewal submission, EPA shall submit an updated supporting statement that includes (a) an updated description of the program and the information needed from respondents; (b) updated burden and cost estimates associated with the information; (c) a description of the method by which the information should be submitted to EPA; (d) a new FR citation soliciting comments and a summary of public comments received in response to the citation; and (e) a summary of consultation with representatives outside of EPA to obtain views on availability of data, frequency of collection, clarity of instructions, and recordkeeping, disclosure, or reporting format (if any), and on the data elements to be recorded, disclosed, or reported. In addition, EPA shall, to the extent possible, include in its request all forms and instructions related to the information covered by the supporting statement.**

The supporting statement has been updated to reflect the Terms of Clearance.

## **A. Justification**

### **1.1 Short Characterization/Abstract**

Title VI of the Clean Water Act of 1987 established the CWSRF program, which replaced the EPA's Construction Grants Program. As outlined in 40 CFR Part 35, Subpart K, State Water Pollution Control Revolving Funds, and EPA guidance, each state and Puerto Rico has its own CWSRF. A state CWSRF includes funds provided by federal capitalization grants, repayments from prior loans, interest that has been repaid to the CWSRF, and, in some cases, bond proceeds or investment income. These funds are used to provide financial assistance to eligible recipients. Each state designs and operates its own revolving fund to provide assistance for water pollution control activities.

States have the authority to use the CWSRF to provide various types of assistance to recipients, including issuing and refinancing loans, purchasing or guaranteeing local debt, and purchasing bond insurance. States may set specific terms on any loans they issue using the CWSRF, such as interest rates and repayment periods. In 2009, Congress authorized states to provide further financial assistance via the CWSRF program, including grants, principal forgiveness and negative interest rate loans.

Congress provides the EPA an annual appropriation for providing capitalization grants to state CWSRFs. The EPA awards CWSRF capitalization grants to each state upon the state's submission of a grant application, which includes an intended use plan. (IUPs). While EPA provides oversight, the CWA and 40 CFR Part 35, Subpart K provide the states with a great deal

of autonomy in administering the program, ranging from selecting projects to setting financing terms. EPA oversight ensures that states procedures are consistent with the CWA and accompanying regulations. Recently, Title VI of the CWA was amended in 2014 by the Water Resources Reform and Development Act. Additional information about the CWSRFs is available at <http://www.epa.gov/cwsrf/learn-about-clean-water-state-revolving-fund-cwsrf>.

This ICR renews the Office of Management and Budget (OMB) Number 2040-0118 CWSRF ICR and provides updated estimates of the reporting burden associated with the information collection activities. The updated estimates are based on EPA's most recent public consultation and capture the estimated impact of the WRRDA amendments.

The individual information collections covered under this ICR are briefly described as follows:

#### Capitalization Grant Agreement/Intended Use Plan

The Capitalization Grant Agreement is the principal instrument by which a CWSRF commits to manage its revolving fund program in conformity with the requirements of the Clean Water Act. The grant agreement contains or incorporates by reference the intended use plan, application materials and accompanying CWSRF administrative budget information, CWSRF required certifications, and other documentation required by EPA. The intended use plan describes how a CWSRF program intends to use its funds for the upcoming year to meet the objectives of the Clean Water Act (CWA).

#### Annual Report

The annual report indicates how the CWSRF has met its goals and objectives of the previous state fiscal year as stated in the grant agreement and, more specifically, in the intended use plan. The report provides information on loan recipients, loan amounts, loan terms, project categories of eligible costs, and similar data on other forms of assistance.

#### Annual Audit

The CWA requires a CWSRF to undergo an annual audit. Though an audit conducted under the Single Audit Act meets this requirement, EPA still recommends that a CWSRF also undergo a separate independent audit as a best management practice. The audit must contain an opinion on the financial condition of the CWSRF program, a report on its internal controls, and a report on compliance with applicable laws and the CWA.

#### Clean Water National Information Management System (CWNIMS) and CWSRF Benefits Reporting (CBR)

To meet the CWA objective of "promoting the efficient use of fund resources," states must enter financial data, including project disbursements, into the CWNIMS database on an annual basis. This publicly available information is used by the EPA to assess compliance with the CWSRFs' mandate to use all funds in an "expeditious and timely" manner and achieve the objectives of the CWA. Project level data is collected on a quarterly basis using the CBR System to record projected environmental results from CWSRF projects.

### CWSRF Applications

The application is developed and used by the CWSRFs to determine the project's eligibility, to evaluate the borrower's financial capability to repay the CWSRF, and to ensure that the borrower will comply with all applicable program requirements. The information collected by the CWSRF applications is consistent with requirements set forth by the CWA.

### Public Awareness Policy

Per EPA Grants Policy Issuance (GPI) 14-02: Enhancing Public Awareness of EPA Assistance Agreements, CWSRF borrowers must publicize the EPA's involvement in project funding only up to the funding amount in each year's capitalization grant. The CWSRFs have various options to meet this requirement.

With the exception of the public awareness policy and CWSRF applications, the respondents for the information collection activities are the state environmental departments, and/or finance agencies responsible for operating the CWSRFs. The CWSRFs have procedures in place to assist borrowers in completing the applications. The public awareness policy directly impacts CWSRF borrowers that are designated as recipients of federal funds. The burden associated with the public awareness policy should not have an impact on small entities since the CWSRFs have flexibility in determining which borrowers must comply with this requirement.

This renewal adds two information collections activities not included in the previous version of the ICR. Specifically, the renewal includes the additional burden associated with the EPA requirement that the CWSRFs submit data into the CWNIMS and CBR databases on a recurring basis. The renewal also reflects the additional burden related to the recently released public awareness policy, directing CWSRF borrowers that receive federal funds to publicize EPA's role in funding the projects.

Compared to the previously approved ICR, the estimate of the annual burden has been decreased by 218,461 hours while the total annual cost burden has been increased by \$6,297,248. The decrease in the total hours was mainly due to the discontinuation of ARRA reporting that accounted for 364,442 hours of reporting burden. This decrease was partially offset by upward adjustments of the reporting burden associated with other information collection activities, especially the burden associated with CWSRF borrower applications. The increase in the total cost burden was mainly due to the fact that the hourly cost estimates for CWSRF state staff and CWSRF borrowers were adjusted upwards. These new cost estimates are consistent with the cost estimates used by the Office of Ground Water and Drinking Water's most recent DWSRF ICR renewal. In addition, the revised total cost burden includes the \$2,928,100 in O&M costs that were not reflected in the previous version of the ICR. Additional information regarding the burden adjustments is provided in Section 15 of this supporting statement.

**1.2 Explain the circumstances that make the collection of information necessary. Identify any legal or administrative requirements that necessitate the collection.**

Title VI of the CWA provides the statutory basis for having a CWSRF prepare and submit a capitalization grant agreement, intended use plan, annual report, and annual audit. EPA also requires that the CWSRFs periodically enter program and project level information into CWNIMS and CBR databases. These databases provide EPA with the information needed to effectively evaluate the performance of the CWSRFs and to ensure compliance with statutory and other federal requirements.

Prior to awarding a capitalization grant, EPA must have sufficient assurances that a CWSRF will be managed in compliance with the CWA. To ensure that EPA receives these assurances, the CWA provides specific instructions to the state for developing and submitting the capitalization grant agreement. The contents of the capitalization grant agreement are governed by Section 602, which lists the assurances and certifications a CWSRF must provide to EPA. As part of the capitalization grant agreement, a state must submit an intended use plan that is developed in accordance with Section 606(c). In addition to mandating the minimum level of information that must be included in the intended use plan, Section 606(c) also requires that a CWSRF provide an opportunity for public comment before the plan can be submitted to EPA for review. The intended use plan must also reflect how a CWSRF will comply with other federal requirements. These federal requirements are usually included in annual appropriation acts. Two major requirements that have accompanied recent annual appropriations involve the use of additional subsidization and the funding of the projects that promote such activities as green infrastructure and water and energy efficiency improvements.<sup>1</sup>

To help ensure that there is sufficient oversight of the CWSRFs, the CWA also requires that a CWSRF annually submit a report to EPA and undergo an audit. Under section 606(d), a CWSRF is required to develop and submit an annual report describing how it has met the goals and objectives included in the previous year's intended use plan. The annual report must also include detailed information on the financial assistance provided through the CWSRF program over the past year, including identification of the loan recipients, assistance amounts and terms, and other related information. Section 606(b) requires each CWSRF to have an annual audit that is conducted in accordance with the auditing procedures of the General Accounting Office to ensure the proper usage of all CWSRF funds.

In addition to these statutory requirements, EPA will continue to direct the CWSRFs to submit program and project level information through the CWNIMS and CBR databases on a periodic basis. The information collected through these databases is critical to EPA's oversight responsibilities in ensuring the timely and expeditious use of CWSRF funds and the long-term financial sustainability of the CWSRFs. The information collected through CBR database also serves another important role by establishing a stronger link between CWSRF financed projects and the projected environmental benefits as required by *EPA Order 5700.7, Environmental Results Under Assistance Agreements*.

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<sup>1</sup> Additional subsidization is assistance provided in the form of principal forgiveness, grants, or negative interest loans.

The CWSRFs are asked to submit program level financial data annually through CWNIMS, including loan amounts, disbursements, repayments, and other critical information. The data collected supports section 606(e) of the CWA, requiring EPA to conduct annual oversight reviews of the CWSRFs. The CWNIMS database complements the annual report and audit by providing a current snapshot of financial activity and the extent of which the CWSRFs funds have been committed and disbursed for projects. The CWNIMS database also provides an overview of the types of projects and the recipients receiving CWSRF funding. This comprehensive overview on program activity allows EPA to discuss the future direction of the CWSRFs and head off potential concerns before they become major problems.

The CWNIMS database is also instrumental in allowing EPA to document the progress of the CWSRFs in addressing the nation's water quality needs to the public and Congress. Information provided by this database is an essential part of EPA's testimony before the Congressional appropriations and authorizing committees that oversee environmental infrastructure programs. The data collected by this system is made available to the public and greatly supports outreach efforts by EPA and several key state and trade organizations (e.g., Council of Infrastructure Financing Authorities, Association of Clean Water Administrators, National Utility Contractors Association, and Water and Wastewater Equipment Manufacturers Association).

The CBR database was originally developed to assist states in complying with *EPA Order 5700.7, Environmental Results Under Assistance Agreements*, which became effective on January 1 2005. The Order aimed at addressing environmental results under EPA assistance agreements, including grants and cooperative agreements, and to establish a stronger linkage between EPA financed projects and the goals of the Agency's Strategic Plan. The CWSRFs had the option of meeting the EPA Order by entering project level data into CBR and producing report-outs that could then be included in their annual report. The CWSRFs that chose not to use CBR were required to work with EPA to show appropriate outputs and outcomes that can be tied back to the Strategic Plan.<sup>2</sup>

Since 2010, Congress has included several major provisions in the annual appropriations that affected the CWSRFs. One of the provisions included the Green Project Reserve requirement that directed a portion of the federal funding be used to fund projects that addressed green infrastructure, water efficiency improvements, energy efficiency improvements, or environmentally innovative activities. Another provision directed that a portion of federal funding be used to provide additional subsidization in the form of principal forgiveness, negative interest loans, or direct grants. Accompanying these provisions was conference language that directed EPA to not only track how additional subsidies are used, but also by what types of communities. These provisions have been carried over into subsequent appropriations.

The CBR database was determined to be the best option for collecting and tracking this information. As a result, data entry into CBR database stopped being optional in 2010. The CWSRFs are required to enter project level information into the CBR database on a quarterly

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<sup>2</sup> The Strategic Plan includes five goals to better serve the mission of the Agency, which is to protect human health and the environment. The goal that applies to the CWSRF is Goal 2: Protecting America's Waters. The key elements for the CWSRF are found under Goal 2, Objective 2.2: Protect and Restore Watersheds and Aquatic Ecosystems.

basis. This frequency of collection is to ensure that EPA can provide a timely response to congressional inquiries with the most up-to-date data. In response to constant inquiries regarding the status of meeting the annual GPR requirements, EPA also uses the CBR database to track funding under the GPR requirement. The CWSRFs are also still expected to complete the data fields established in 2005, tracking general project information and projected environmental results.

The CWSRF application and supporting documentation are critical for ensuring that the project is eligible under section 603(c) of the CWA and that the borrower has a dedicated revenue source to repay the loan as required by section 603(d). In addition, the application and supporting documentation provides assurances that the borrower is in compliance with relevant provisions of the CWA and other applicable federal statutes, including:

- Conducting a cost and effective analysis consistent with section 602(b)(13)
- That architectural and engineering services are negotiated consistent with section 602(b)(14)
- That laborers and mechanics employed by contractors are paid a prevailing wage consistent with 602(b)(6)
- That projects undergo an environmental review consistent with section 602(b)(6). This can be met using a state established environmental review process.
- That the borrower will develop a fiscal sustainability plan consistent with section 603(d)(1)(E)
- That the borrower will use American iron and steel consistent with section 608
- That the borrower is in compliance with the following federal crosscutter requirements.
  - Archeological and Historic Preservation Act
  - Clean Air Act
  - Coastal Barrier Resources Act
  - Coastal Zone Management Act
  - Endangered Species Act
  - Protection and Enhancement of the Cultural Environment
  - Floodplain Management Executive Order
  - Protection of Wetlands
  - Farmland Protection Policy Act
  - Fish and Wildlife Coordination Act
  - National Historic Preservation Act
  - Safe Drinking Water Act
  - Wild and Scenic Rivers Act
  - Demonstration Cities and Metropolitan Development Act
  - Women's and Minority Business Enterprise
  - Uniform Relocation and Real Property Acquisition Policies Act
  - Debarment and Suspension
  - Migratory Bird Act
  - Magnuson-Stevens Act – Essential Fish Habitat
  - Environmental Justice

The amount of information that a borrower must provide to fully satisfy these requirements through the application and supporting documentation is consistent with the requirements set forth by the CWA and accompanying regulations.

The recently released *EPA Grants Policy Issuance (GPI) 14-02: Enhancing Public Awareness of EPA Assistance Agreements* requires CWSRF borrowers designated as recipients of federal funds to publicize EPA's involvement in the funding of the project. The purpose of this policy is to enhance public awareness of EPA assistance agreements nationwide and communicate the positive impact and benefits of EPA funding around the country. This requirement went into effect in FY 2015 and applies to all future federal capitalization grant awards.

**2. Indicate how, by whom, and for what purpose the information is to be used. Except for a new collection, indicate the actual use the agency has made of the information received from the collection.**

The information collection activities serve several important functions. Foremost, they are the means by which EPA can assess whether the CWSRFs are being properly managed. They factor heavily in EPA's determination of whether a CWSRF should be awarded a capitalization grant. The capitalization grant agreement/intended use plan not only provides detailed information on how a CWSRF will operate its program in the upcoming year, it is instrumental in legally binding a CWSRF to fulfilling its responsibilities under the CWA. Working in concert with the capitalization grant agreement/intended use plan are the annual report and audit, which provide EPA with documentation that a CWSRF is actually operating in compliance with the CWA and thus sufficiently meeting the assurances provided through the capitalization grant agreement/intended use plan. While the CWNIMS and CBR databases support program oversight, they also have an important role when it comes to public outreach and responding to stakeholder inquiries in a prompt and effective manner. The purpose of the new public awareness policy is to better inform the public of the role EPA has in supporting CWSRF funded projects that yield numerous economic and environmental benefits. Finally, the applications provide the CWSRFs with information needed to ensure that the borrowers are in compliance with all relevant aspects of the CWA and that they are capable of repaying the CWSRFs in a timely manner.

The respondents for most of the information collection activities are the state environmental departments, and/or finance agencies responsible for operating the CWSRFs. A notable exception is the CWSRF application, which places a reporting burden on both the borrower seeking CWSRF funding and the state agency responsible for reviewing the material submitted by the borrower. In addition, the public awareness policy directly impacts CWSRFs borrowers that are designated as recipients of federal funds.

Capitalization Grant Agreement / Intended Use Plan

The capitalization grant agreement is the principal instrument by which a CWSRF commits to manage its program in conformance with the requirements of the CWA as a prerequisite of receiving a capitalization grant award. The capitalization grant agreement contains, or incorporates by reference, the following: the grant application form (EPA Standard Form (SF)

No. 424/OMB No. 2020-0020) and accompanying CWSRF administrative budget information, intended use plan, attorney general certification, and other documentation required by EPA. This material is submitted to EPA through the [www.grants.gov](http://www.grants.gov) website.

A critical component of the capitalization grant agreement is the intended use plan. This document not only covers what a CWSRF plans to accomplish for the upcoming year, it also provides EPA with detailed information on how a CWSRF will meet the assurances included as part of the capitalization grant agreement. At a minimum, the IUP must include the following:

- Short-term and long-term goals.
- “Sources and Uses” table that documents the amount of funding that is expected to be available in the upcoming year from capitalization grant awards, state contributions, loan repayments, earnings, and other non-federal sources.<sup>3</sup> This table also shows how this funding will be used for eligible projects and administrative expenses. The maximum amount that can be used to cover administration is set by section 603(d)(7).
- Documentation for how the CWSRF plans to provide the required 20% state match.
- Documentation on whether fees will be charged, the basis for the fees, and the planned uses of fee revenue.
- A schedule/estimate for when it will enter into binding commitments on projects to ensure that it meets the requirement that a CWSRF enters into binding commitments equal to the federal grant payment and accompanying 20% state match within one year of receipt of a grant payment.<sup>4</sup> The intended use plan must also document the procedure by which grant funds will be drawn from the federal treasury into the CWSRF.
- A summary of the CWSRF’s financial plan, including loan interest rate(s); information on how the interest rate, loan term and additional subsidies are established for the types of assistance the state will offer; and how it will maintain the long term health of the Fund. To the extent known, it should also include the state’s plans on leveraging and the level of bond issuance.
- Documentation on the state’s compliance with the following requirements:
  - The CWSRF will conduct environmental reviews according to its own established State Environmental Review Process.
  - The CWSRF will expend all funds in a timely and expeditious manner.
  - The new capitalization grant agreement requirements added by WRRDA involving cost and effectiveness analysis and procurement of architectural and engineering services. This also includes fiscal sustainability planning by CWSRF assistance recipients required under section 603(d)(1)(e) of the CWA.
- Documentation for how the state will ensure compliance with the Single Audit Act, the Federal Funding Accountability and Transparency Act, and federal crosscutters.
- Documentation on whether funds will be transferred between the CWSRF and DWSRF in accordance with section 302 of the Safe Drinking Water Act and/or that the state reserves the right to transfer funds in the future.

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<sup>3</sup> This mainly includes leveraging, where a CWSRF raises additional funding by selling bonds.

<sup>4</sup> For some CWSRFs the binding commitment represents a preliminary commitment to provide funding for a project. The binding commitment is eventually finalized as an executed loan agreement. For other CWSRFs there is no distinction between the binding commitment and executed loan. Regardless, the binding commitment is considered sufficient for meeting this requirement.



- A list of projects the CWSRF plans to fund. This list should include the following
  - Documentation that any project meeting the definition of a publicly owned treatment work was ranked based on the state’s project priority setting system.
  - Project description sufficiently detailed to determine project eligibility.
  - Type and amount of financial assistance.
  - NPDES permit number (if applicable).
- A description of how the CWSRF plans to meet the Green Project Reserve requirement included in recent annual appropriations. To the extent possible, this description should include a list of the projects that will be used to meet this target.
- A description of how the CWSRF plans to provide additional subsidization. To the extent possible, this description should include a list of the projects that will be used to meet the minimum required amount set by recent annual appropriations and under what conditions it is eligible under the CWA.<sup>5</sup>

A CWSRF is required by the CWA to make the intended use plan available for public comment and review. EPA is also provided an electronic copy for review. Once a CWSRF makes any necessary revisions based on these comments, the CWSRF submits the final intended use plan through grants.gov as part of the capitalization grant agreement package.

Recently, EPA provided the CWSRFs with an example intended use plan to provide additional guidance on what should be included in this document. The purpose of the example intended use plan was to reduce the reporting burden by limiting the amount of interactions between a CWSRF and EPA.<sup>6</sup>

#### Annual Report:

As required by the CWA, an annual report must be submitted to EPA covering program activities for the past year. A copy of the report is provided in an electronic format (e.g., MS Word or Adobe) to the EPA regional office within 90 days of the end of the CWSRF’s fiscal year. The report must illustrate the progress a CWSRF has made towards meeting the goals and objectives of the previous fiscal year’s IUP and capitalization grant agreement. Similarly, the report must document a CWSRF’s compliance with the assurances included as part of the intended use plan.

The report must also provide detailed information on actual assistance provided, including: loan recipients; loan amounts; loan terms; project categories of eligible cost; and similar details on other forms of assistance. This information must note whether a project is being counted towards the Green Project Reserve requirement. Additionally, a CWSRF must include whether a project received additional subsidization and supporting rationale for why it was eligible to receive such assistance.

A CWSRF must also submit detailed financial statements as part of the annual report that provide a snapshot of its financial stability. If an annual audit has not yet been completed, the

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<sup>5</sup> WRRDA amended the CWA to provide the CWSRFs with the ability to provide additional subsidization under certain conditions. These conditions restrict the use of this type of assistance to addressing affordability issues or to promoting projects that include sustainability, water or energy efficiency, or stormwater components.

<sup>6</sup> This example intended use plan is currently being revised to reflect the WRRDA amendments to the CWA.

annual report should include draft financial statements and footnotes that are in accordance with generally accepted accounting principles (GAAP) to present fairly the financial condition and results of operation. Preferably, a CWSRF would include the financial statements resulting from the annual audit.

The report is one of the principal instruments by which a CWSRF demonstrates to EPA that it has abided by the assurances and terms set forth in the capitalization grant agreement. Any major discrepancies between the annual report and capitalization grant/intended use plan must be addressed to the satisfaction of EPA. The regional annual review of a CWSRF is usually where such concerns are identified and raised, though EPA may contact a CWSRF prior to the annual review if such action is deemed warranted.

#### Annual Audit:

Section 606(b) requires that a CWSRF undergo an independent annual audit consistent with the auditing procedures of the General Accounting Office, including chapter 75 of title 31, United States Code. Though an audit conducted under the Single Audit Act meets this requirement, it is strongly encouraged that a CWSRF still proceed with an independent annual audit. The rationale being that an independent audit looking only at a CWSRF provides a much more detailed and effective review as opposed to the Single Audit that groups a CWSRF with many other programs disbursing federal funds.

A CWSRF usually relies on the services of a professional auditing firm to conduct the independent audit. The audit includes testing of accounting records and other procedures the auditor considers necessary to express an opinion that the financial statements are fairly presented, in all material respects. Audits also include tests of documentary evidence supporting the transactions recorded in the accounts. The product of an audit generally includes issuing the following reports:

- Financial statements with an opinion (or disclaimer of opinion) as to whether the CWSRF financial statements are presented fairly in accordance with GAAP. As a minimum, financial statements should include a statement of net position or balance sheet, statement of revenues and expenses and changes in net position, a statement of cash flows, and notes to the financial statements.
- A report on internal controls related to the CWSRF financial statements. The report should describe the scope of testing of internal controls and the results of the tests.
- A report on compliance that includes an opinion as to whether the state has complied in all material respects with laws, regulations, and the provisions of the CWSRF capitalization grants.

Once completed, an electronic copy of the annual audit is provided to EPA. Of critical importance is whether the audit includes any findings or recommendations that either relay concerns that the financial statements may not accurately reflect the financial condition of the fund or that a CWSRF is not in compliance with one or more federal or state requirements. Working with EPA, a CWSRF must take steps to address these recommendations.

## Clean Water National Information Management System (CWNIMS) and CWSRF Benefits Reporting (CBR)

The CWNIMS and CBR databases are designed to support EPA oversight responsibilities and public outreach efforts. Both databases are hosted on EPA servers located at the National Computer Center and can be accessed at the following web address: <https://owsrf.epa.gov/>. The CWSRFs use this website to establish an account and submit data in the NIMS and CBR databases. The NIMS database provides an annual snapshot of program level activity. By contrast, the CBR database collects project level and projected environmental benefits information quarterly.

During the summer of each year, the CWSRFs complete the CWNIMS data entry for the reporting period of July 1 to June 30. Once the CWSRFs have completed the data entry, EPA, with the assistance of a contractor, conducts a quality review. During the quality review, there is follow-up with the CWSRFs to address any questions or concerns regarding the most recent entries. Though a copy of the glossary that defines each data field is included with the supporting statement, a summary of what must be reported into CWNIMS is provided below:

- Federal and state contributions
- Total assistance provided
- Assistance by population served
- Assistance by needs category
- Leveraging activity (making additional funding available for projects by issuing bonds)
- Loan repayments
- Investment earnings

The data collected through the CWNIMS database is used to generate a variety of state and national reports that cover various aspects of the CWSRF activity. These reports contain detailed information on CWSRF activity as it relates to funding levels and the types of projects being funded. These reports also provide detailed information on CWSRF financial performance, including metrics that track the rate of which loans are made and funds are being disbursed for projects. They also track the extent of which the funds are growing as a result of loan and investment earnings. These reports are reviewed by EPA to identify possible issues that are brought to the attention of a CWSRF. This is usually included as part of the annual review; however, an issue may be raised sooner if the situation warrants it. The CWNIMS reports are publicly available and can be accessed at <http://www.epa.gov/cwsrf/clean-water-state-revolving-fund-cwsrf-national-information-management-system-reports>.

The CWSRFs are required to enter project level information into the CBR database no less than on a quarterly basis. Unlike the CWNIMS data, the information captured by the CBR database focuses on loan project level details. More importantly, the CBR database also captures the projected environmental benefits associated with the CWSRF funded projects. This database also collects data associated with Federal Funding Accountability and Transparency Act (FFATA). The FFATA data fields are optional. Once these data fields are completed, a CWSRF can produce an excel-based report that can then be uploaded into firs.gov website. Though a copy of the help file that defines each data field is included with this ICR, a summary of what must be

reported into the CBR database is provided below.

**Loan Information:**

- Borrower
- Assistance Type
- Agreement History
  - Additional Subsidy
  - Population Served
  - Green Project Reserve
  - Needs Categories
- % Funded by CWSRF
- CWSRF Total from all Projects \$
- Interest Rate
- Repayment Period
- Tracking #
- Other #
- Incremental Funding
- Loan funds one or more NPS Projects
- Assign Assistance to Federal Grant(s): (Additional Subsidization, Green Project Reserve, and FFATA).

**Project Information:**

- CW Needs Survey Number
- Project Description
- Wastewater Volume
- Discharge Affected
- Permit Information
- Affected Waterbodies
- Project Location
- Project Improvement/Maintenance of Water Quality
- Contribution to Protection or Restoration of the Waterbody and Other Uses

The CBR database is currently being updated to add several additional fields that account for the expanded project eligibilities due to the WRRDA amendments. These fields include stormwater: green infrastructure, water efficiency improvements, energy efficiency improvements, renewable energy, land conservation, and planning/assessment. EPA will also be adding several new socio-economic fields related to the financial capability of the loan recipient, including such things as Median Household Income, Unemployment Rate, and Poverty Rate. These additional fields are accounted for in the burden estimate.

The CBR and CWNIMS data is also crucial to EPA's ability to respond to inquiries from Congress, OMB, GAO, and other stakeholders. Data from the CBR database has been used to provide Congress with periodic updates on the use of additional subsidization and other trends such as assistance to small communities and the degree by which the CWSRFs are complying with the GPR requirement. For example, CBR data was crucial in preparing the following report to Congress: *Utilization of Additional Subsidization Authority in the Clean Water and Drinking*

*Water State Revolving Fund Programs.*<sup>7</sup> Information from CBR and CWNIMS is also used in pulling together material needed for the president's budget, including the congressional justification, program factsheets, congressional testimony, and other budget related material. Finally, information from CWNIMS and CBR is pivotal in EPA's ability to produce informational material that highlights the national trends in CWSRF environmental and financial performance. This material includes the environmental benefits reports, national financial reports, and assorted array of factsheets. These documents are made publicly available through EPA's website at <http://www.epa.gov/cwsrf/clean-water-state-revolving-fund-cwsrf-results>.

### CWSRF Applications:

The CWSRFs are responsible for selecting which projects receive funding. The information collected through the application is used by the CWSRF to evaluate the plans and specifications of a potential project to ensure its eligibility and viability. The information from the application is also used to assess the financial capability of a recipient to repay the loan and to ensure that the borrower is in compliance with all applicable federal and state laws and rules. The applications are generally submitted electronically, with many CWSRFs providing online application portals to further assist borrowers.

The CWSRFs generally design the applications to collect the following information:

- Project description
- Project cost estimate
- Estimated construction schedule
- Projected disbursement schedule
- Description of projected environmental impacts
- Estimation of cost impacts on users
- Identification of repayment source
- Description of community

In addition, the CWSRFs also generally require that borrowers provide the following supporting documentation:

- Environmental Assessment that details any potential impacts to flora, fauna, air quality, water quality, or impacts on socioeconomically disadvantaged community groups.
- Preliminary Engineering Reports and/or Facilities Plans that describe the project site location and alignment, technology to be implemented, analysis of different project alternatives, phases and timelines, permit requirements.
- Financial data that may include a debt authorization and community resolution, audited financial statements, and other relevant information.
- Sufficient documentation showing compliance with the federal crosscutter requirements<sup>8</sup>
- Certifications that the borrower will comply with applicable federal requirements related to:
  - cost and effective analysis

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<sup>7</sup> An electronic copy of this report is available at [http://www.epa.gov/sites/production/files/2015-04/documents/additional\\_subsidization\\_report\\_to\\_congress\\_.pdf](http://www.epa.gov/sites/production/files/2015-04/documents/additional_subsidization_report_to_congress_.pdf)

<sup>8</sup> The federal crosscutters are listed on page 6.

- o the use of American iron and steel
- o negotiation architectural and engineering services
- o the payment of prevailing wages

Finally, a borrower must certify that they will develop a fiscal sustainability plan. Though a CWSRF has the discretion of defining the required scope of this document, the CWA requires that fiscal sustainability plans include:

- an inventory of critical assets that are part of the project being funded
- an evaluation of the condition and performance of inventoried assets or asset groupings
- a certification that the borrower has evaluated and will be implementing water and energy conservation efforts as part of the plan
- a plan for maintaining, repairing, and, as necessary, replacing the treatment works and a plan for funding such activities.

### Public Awareness Policy

Per EPA Grants Policy Issuance (GPI) 14-02: Enhancing Public Awareness of EPA Assistance Agreements, borrowers receiving CWSRF funds must publicize EPA’s involvement in project funding. EPA has issued guidance to assist the CWSRFs and borrowers in meeting this requirement.<sup>9</sup>

This policy only applies to funding up to the amount of each year’s capitalization grant and states may choose the systems to which this requirement applies. It is at the discretion of the state SRF program to select projects most-able to efficiently and effectively comply in a way that meets the intention to enhance public awareness without significant financial hardship to the state or its borrowers.

Local respondents have various options to meet this requirement and are encouraged to choose the method most cost-effective and accessible to a broad audience. After consulting with EPA and CWSRF staff throughout the country, the following compliance options were developed:

- Standard signage
- Posters or wall signage in a public building or location
- Newspaper or periodical advertisement for project construction, groundbreaking ceremony, or operation of the new or improved facility
- Online signage placed on community website or social media outlet
- Press release

The following information must be included:

- Name of facility, project and community
- State SRF administering the program
- Project is wholly or partially funded with EPA funding
- Brief description of project
- Brief description of the water quality benefits the project will achieve

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<sup>9</sup> A copy of this guidance has been included with the supporting statement.

**3. Describe whether, and to what extent, the collection of information involves the use of automated, electronic, mechanical, or other technological collections techniques or other forms of information technology, e.g. permitting electronic submission of responses, and the basis for the decision for adopting this means of collection. Also describe any consideration of using information technology to reduce burden.**

The CWNIMS and CBR databases are hosted at EPA's National Computer Center and can be accessed online. Once a CWSRF successfully creates an account, it has full access to submit and review data via the online interface.

The CWSRF capitalization grant application along with accompanying material (e.g., intended use plan, attorney general certification) is submitted online through [www.grants.gov](http://www.grants.gov).

**4. Describe efforts to identify duplication. Show specifically why any similar information already available cannot be used or modified for use for the purpose(s) described in item 2 above.**

Duplication of effort is not expected. The information collected through the intended use plan, annual report, and independent audit is specific to the requirements of the CWA. They are derived from CWSRF specific sources that are not duplicated elsewhere and are designed to capture different aspects of CWSRF activity. The intended use plan provides EPA with a detailed roadmap of how a CWSRF plans to proceed for the upcoming year, while the annual report covers a CWSRF's actual activity. The annual audit provides an independent review of the financial status and management of a CWSRF conducted by certified auditors.

The information collected through CWNIMS and CBR databases is also derived from CWSRF specific sources that are not duplicated elsewhere. Much of the overlap between the information reported in CBR and the annual report is by design. One of the CBR database's primary functions is to provide the CWSRF a convenient means to meet *EPA Order 5700.7, Environmental Results Under Assistance Agreement*. The CBR database allowed a CWSRF to document its compliance with this order in its latest annual report by taking the project level information reported and producing summary statements that could be appended to the document. Though the annual report includes information related to additional subsidization and the GPR, the CWSRFs are asked to enter this information into the CBR database quarterly so that EPA can effectively respond to ongoing congressional inquiries with more recent data.

When CBR data entry became required for all CWSRF assistance in 2010, there was concern of overlap with the program level information already being captured through the NIMS database. Specifically, project information related to the type of assistance provided, needs and population categories, and construction start and initiation of operation data. This overlap has been addressed by developing a feature that allows CWSRFs to automatically populate overlapping CWNIMS data elements with aggregated CBR data.

The information made available because of the public awareness policy is project specific and no duplication is expected.

**5. If the collection of information impacts small businesses or other small entities, describe the methods used to minimize burden.**

The respondents for most of the information collection activities are the state environmental departments, and/or finance agencies responsible for operating the CWSRFs. The only information collection activities that could impact small entities are the CWSRF applications and public awareness policy.

Though small entities seek and receive CWSRF funding, many of the state programs have procedures in place to actively assist these entities in completing the applications and providing the necessary documentation. The public awareness policy is not expected to impact small entities since it only applies to a portion of the funding provided annually and a CWSRF has full flexibility in determining which borrowers must comply. Further, the five compliance options allow borrowers to select the least burdensome method for complying with the public awareness policy. As a result, many borrowers are expected to choose the online signage option. It is estimated that only borrowers that are already required by state law to provide promotional material such as signs, posters, and newspapers advertisements will choose the other options provided under the policy.

**6. Describe the consequences 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.**

The capitalization grant agreement/intended use plan and annual report are required by the CWA and represent critical components by which EPA awards capitalizations grants to the CWSRFs. The capitalization grant agreement/intended use plan is the principal means by which a CWSRF commits to managing its program in conformance to the requirements of the CWA. The annual report and audit provides official documentation that a CWSRF has met this commitment.

The information collected through the CWNIMS and CBR databases is relied upon by the CWSRFs for key planning decisions and is used by EPA for essential program oversight and corrective measures. This information is also critical for effectively responding to ongoing OMB and congressional requests. These requests usually revolve around wanting a status update regarding the performance of the CWSRFs. However, EPA is sometimes requested to go beyond this and produce analyses related to national needs and budgetary impacts.

**7. Explain any special circumstances that would cause an information collection to be conducted in a manner:**

- **requiring respondents to report information to the agency more often than quarterly;**
- **requiring respondents to prepare a written response to a collection of information in fewer than 30 days after receipt of it;**
- **requiring respondents to submit more than an original and two copies of any document;**
- **requiring respondents to retain records, other than health, medical, government**



- **contract, grant-in-aid, or tax records for more than 3 years;**
- **in connection with a statistical survey, that is not designed to produce valid and reliable results that can be generalized to the universe of study;**
- **requiring the use of a statistical data classification that has not been reviewed and approved by OMB;**
- **that includes 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**
- **requiring respondents to submit proprietary trade secret, or other confidential information unless the agency can demonstrate that it has instituted procedures to protect the information's confidentiality to the extent permitted by law.**

There are no special circumstances. The collection of information is conducted in a manner consistent with the guidelines in 5 CFR 1320.6.

**8. If applicable, identify the date and page number of publication in the federal register of the agency's notice, required by 5 CFR 1320.8(d), soliciting comments on the information collection prior to submission to OMB. Summarize public comments received in response to that notice and describe actions taken by the agency in response to these comments. Specifically address comments received on cost and hour burden.**

On April 4, 2016, Vol. No. 81, pages 19173 to 19174, the agency published the notice of information collection and request for comments in the Federal Register. No comments were received.

EPA also reached out to the following four states: California, Illinois, Georgia, and New Mexico. These states were specifically selected by EPA to help account for the fact that CWSRFs differ in size, sophistication, and geographic location. As part of the consultation, these states were asked to provide feedback on the proposed burden (hours and cost) associated with information collection activities. This feedback was used to develop the revised reporting burden estimates.

In addition, these states were also asked a series of questions to obtain their views on the availability of data, frequency of collection, the clarity of instructions and recordkeeping, disclosure, or reporting format (if any), and on the data elements to be recorded, disclosed, or reported. The states indicated that information being request by EPA was easily available. For the most part, they also indicated the information being asked for was appropriate for the stated purposes of the information collection activities and that the process for providing the data to EPA was easy and straightforward. One state did indicate that since each project is unique, it is occasionally difficult to match up the list of benefits in the CBR database with the category of project being funded. Another state noted the overlap between the CBR and CWNIMS databases. EPA has addressed this overlap by including a feature that allows CWSRFs to automatically import CBR project level information into the NIMS database. Another state expressed its appreciation of this feature.

**9. Explain any decision to provide any payment or gift to respondents, other than**

**remuneration of contractors or grantees.**

No payment or gifts are provided to respondents.

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

No confidential information is collected.

**11. Provide additional justification for any questions of a sensitive nature, such as sexual behavior and attitudes, religious beliefs, and other matters that are commonly considered private. This justification should include the reasons why the agency considers the questions necessary, the specific uses to be made of the information, the explanation to be given to persons from whom the information is requested, and any steps to be taken to obtain their consent.**

Questions of a sensitive nature are not found in this information collection.

**12. Provide estimates of the hour burden of the collection of information.**

As part of the consultation process, EPA reached out to the following four states: California, Illinois, Georgia, and New Mexico. These states were selected to ensure that EPA received feedback from a cross-section of the various CWSRFs that accounted for difference in size, sophistication, and geographic location. These states were asked to provide feedback on the proposed burden (hours and cost) associated with information collection activities.

While the responses varied by state, this was expected given the nature of the information collection activities. Though the Intended Use Plan and Annual Report include required elements, the scope and extent by which states provide information to EPA through these documents can vary. For example, larger and more sophisticated CWSRF programs may need to include additional details covering such things as leveraging activity, specialized financing options, and other program activities. The size and sophistication of a CWSRF program also impacts the level of effort needed to complete the Annual Audit, NIMS, and CBR. The CBR and NIMS databases capture CWSRF activity at the both the state and loan/project level. As a result, the level of effort needed will be proportional to the overall level of activity of the CWSRF. In addition, the level of effort needed to complete an audit will also be dependent on the number of loans and accompanying transaction a CWSRF conducts in a given year.

Straight averages (rounded) of the state responses were used to derive the burden estimates for most of the information collection activities. The exception was the Capitalization Grant Agreement/IUP estimate. The state feedback related to the Capitalization Grant Agreement/IUP information collection activity was increased to account for partial responses from California and Georgia. The burden estimate associated with NIMS and CBR reporting represents the summation of the total number of hours a CWSRF will spend entering data into these databases over a given year

Except for the annual audit, the respondents for these information collection activities are the 51 State Department of Health, Environmental Department, and/or Finance Agencies responsible for operating the CWSRFs. Only 47 CWSRFs elect to undergo an independent audit. The remaining four CWSRFs instead rely only on the audit conducted under the Single Audit Act..

The burden estimates associated with completing (borrower) and reviewing (state) the CWSRF applications are based on feedback provided by Arkansas, Texas, and Oklahoma. The straight averages of these responses were taken and rounded down. The burden associated with completing the application was further adjusted by 100 hours to account for the time needed by the borrower to develop a fiscal sustainability plan. A similar adjustment was not made to the estimate associated with reviewing the applications. The reason being that a fiscal sustainability plan remains with the borrower and is not reviewed by the state. Instead the borrower only needs to provide the state with a certification that they will develop a fiscal sustainability plan as part of their CWSRF application. It is estimated that there will be 1,359 borrower applications annually. This estimate was derived by taking the average number of annual CWSRF assistance agreements from 2014 through 2016 based on historical data of CWSRF activity.

The burden associated with the Public Awareness Policy is based on EPA's professional judgement that most borrowers will comply with this policy through the online signage option. It is also EPA's judgement that only borrowers that are already required by state law to provide promotional material such as signs, posters, and newspapers advertisements will choose the other options provided under the policy.

EPA estimates that approximately 393 CWSRF borrowers will be affected by the public awareness policy annually. Historical data was used to determine the subset of the total number of borrowers that would be subject to the public awareness policy. This was accomplished by calculating the percentage of federal funding compared to total project funding and applying this percentage to the estimated number of borrower applications.

The estimated salary costs used for CWSRF staff (\$55.09 per hour) and CWSRF borrowers (\$37.02 per hour) were developed by an EPA contractor and are based on prevailing wage rates for state agency staff and water system operators respectively.

| Activity   | No. of Responses/Year | Hour Per Response | Total Hours Per Year | Cost Per Hour | Total Cost Per Year |
|--|-----------------------|-------------------|----------------------|---------------|---------------------|
| Capitalization Grant Agreement/<br>Intended Use Plan | 51                    | 200               | 10,200               | \$55.09       | \$561,918           |
| Annual Report  | 51                    | 110               | 5,610                | \$55.09       | \$309,055           |
| Annual Audit   | 47                    | 770               | 36,190               | \$55.09       | \$1,993,707         |
| CBR & NIMS Reporting                                 | 51                    | 90                | 4,590                | \$55.09       | \$252,863           |
| CWSRF Applications - Borrower                        | 1,359                 | 210               | 285,390              | \$37.02       | \$10,565,138        |
| CWSRF Applications - Review                          | 1,359                 | 180               | 244,620              | \$55.09       | \$13,476,116        |
| Public Awareness Policy                              | 393                   | 2                 | 786                  | \$37.02       | \$29,098            |

**Average Annual # of Hours:** 587,386  
\$27,187,89

**Average Annual Cost:** 4

**Total # of Hours (2017 to 2019):** 1,762,158  
\$81,563,68

**Total Cost (2017 to 2019):** 2

**13. Provide an estimate of the total annual cost burden to respondents or record keepers resulting from the collection of information. (do not include the cost of any hour burden shown in items 12 and 14).**

The only non-labor O & M costs are those associated with an independent annual audit. The CWSRF usually contract the services of an auditing firm to conduct these audits, and the estimated average cost is approximately \$62,300. The total average annual cost for the 47 CWSRFs that elect to undergo an independent audit is estimated to be \$2,928,100

**14. Provide estimates of annualized cost to the federal government. Also, provide a description of the method used to estimate cost, which should include quantification of hours, operation expenses (such as equipment, overhead, printing, and support staff), and any other expense that would not have been incurred without this collection of information. Agencies also may aggregate cost estimates from items 12, 13, and 14 in a single table.**

Estimation of the direct cost to EPA's oversight of the CWSRFs covers review and analysis of the capitalization grant/intended use plan, annual report, audit, and CWNIMS/CBR data. The estimates reflect EPA's workload over the 3-year period covered by this information collection. The estimate of EPA costs is based on average hourly expenditures, including regional and headquarters personnel compensation and benefits.

The estimated average hourly cost of \$53.60 for EPA Headquarters and Regional personnel is

based on the General Schedule (GS) 12, Step 05 level. The hourly estimates were calculated by dividing the annual compensation of \$69,686 from the 2015 GS pay schedule, by 2,080 hours in the federal work year. The hourly rates were then multiplied by the standard government benefits multiplication factor of 1.6.

In addition to these costs, EPA also expends \$180,000 a year for contractor support for the CWNIMS and CBR databases. This support includes assisting the CWSRFs with data entry and EPA with data review. The contractor also provides support by addressing any technical issues that prevent the CWSRFs from effectively entering data into these databases.

| Activity*  | Average Annual Labor Hours | Cost Per Hour | Average Annual Labor Cost | Average Annual O & M Cost | Total Cost Per Year |
|--|----------------------------|---------------|---------------------------|---------------------------|---------------------|
| Capitalization Grant Agreement/<br>Intended Use Plan | 2,525                      | \$53.60       | \$135,340                 | \$0.00                    | \$135,340           |
| Annual Report  | 1,495                      | \$53.60       | \$80,132                  | \$0.00                    | \$80,132            |
| Annual Audit   | 940                        | \$53.60       | \$50,384                  | \$0.00                    | \$50,384            |
| CBR & NIMS Reporting                                 | 3,876                      | \$53.60       | \$207,754                 | \$180,000                 | \$387,754           |

\* The number of respondents is the 51 CWSRFs, with the exception of the Annual Audit (47 respondents). There is no federal burden associated with the CWSRF applications or public awareness policy.

**Average Annual # of Hours: 8,836**  
**Average Annual Cost: \$653,610**

**Total # of Hours (2017 to 2019): 26,508**  
**Total Cost (2017 to 2019): \$1,960,830**

**15. Explain the reason for any program changes or adjustments in burden estimates from the previous approved ICR.**

The respondent average annual burden decreased by 218,461 hours which represents a 27% decrease. The total average annual cost burden increased by \$6,297,248 (or 26%). The table below presents a summary of the adjustments in burden estimates from the previously approved ICR. These adjustments are due to several changes:

| Activity   | Reason* | Previous Burden     | New Burden)         | Difference         |
|--|---------|---------------------|---------------------|--------------------|
| Capitalization Grant Agreement/<br>Intended Use Plan (Hours) | A       | 20,400              | 10,200              | (10,200)           |
| Capitalization Grant Agreement/<br>Intended Use Plan (Cost)  | A       | \$652,800           | \$561,918           | (\$90,882)         |
| Annual Report (Hours)  | A       | 14,025              | 5,610               | (8,415)            |
| Annual Report (Cost)   | A       | \$448,800           | \$309,055           | (\$139,745)        |
| Annual Audit (Hours)   | A       | 4,080               | 36,190              | 32,110             |
| Annual Audit (Cost)**  | A       | \$130,560           | \$4,921,807         | \$4,791,247        |
| CBR & NIMS Reporting (Hours)                                 | A       | 0                   | 4,590               | 4,590              |
| CBR & NIMS Reporting (Cost)                                  | A       | \$0                 | \$252,863           | \$252,863          |
| CWSRF Applications -<br>Borrower and Review (Hours)          | A       | 402,900             | 530,010             | 127,110            |
| CWSRF Applications -<br>Borrower and Review (Cost)           | A       | \$11,684,100        | \$24,041,254        | 12,357,154         |
| Public Awareness Policy (Hours)                              | PC      | 0                   | 786                 | 786                |
| Public Awareness Policy (Cost)                               | PC      | \$0                 | \$29,098            | \$29,098           |
| ARRA Reporting (Hours)                                       | A       | 364,442             | 0                   | (364,442)          |
| ARRA Reporting (Costs)                                       | A       | \$10,902,487        | \$0                 | (\$10,902,487)     |
| <b>Total (Hours)</b>   |         | <b>805,847</b>      | <b>587,386</b>      | <b>(218,461)</b>   |
| <b>Total (Cost)</b>  |         | <b>\$23,818,747</b> | <b>\$30,115,995</b> | <b>\$6,297,248</b> |

\*A = Adjustment; PC = Program Change

\*\* Includes the average annual O & M cost of \$2,928,100 associated with the hiring a firm to conduct the audit

- The hourly cost estimate for CWSRF state staff was increased from \$32 per hour to \$55.09 per hour. Likewise, the hourly cost estimate for the CWSRF borrower was increased from \$27 per hour to \$37.02 per hour. These adjustments impact all cost burden estimates accordingly.
  - The new estimates were developed by the Office of Groundwater and Drinking Water using the expertise of a contractor as part of their effort in renewing the ICR for the DWSRF.
  - These revised estimates were incorporating to help ensure consistency between the CWSRF and DWSRF with respect to hourly cost estimates. For many states, the CWSRF and DWSRF are managed (at least in part) by the same state agency.
- Multiple adjustments were made to the estimated burden associated with CWSRF

applications. The net impact of these modifications was an increase in the hour and cost burden.

- The number of applications was revised downward from 4,029 applications to 1,359 applications to more accurately reflect recent CWSRF activity. The average annual number of CWSRF loans/assistance agreements from 2014 through 2016 was 1,359.
- The hourly burden estimate for how long it would take a borrower to complete an application and provide the supporting documentation was revised upward from 60 hours per application to 210 hours per application. The main driver for the higher estimate is the additional time resulting from the new WRRDA requirements.
- The hourly burden estimate for reviewing an application was revised upward from 40 hours per application to 180 hours per application. The main driver for the higher estimate is the additional time resulting from the new WRRDA requirements.
- The estimated burden of 364,442 hours (\$10,902,487) previously associated with ARRA reporting has also been excluded. ARRA provided the CWSRFs with a one-time supplemental appropriation of \$4 billion. The additional reporting requirements were associated with these funds. The reporting requirements have ended because the ARRA funds have been fully loaned out and disbursed. Though these funds may be loaned out again once they have been repaid to the CWSRF, they will be treated as state funds. As a result, ARRA reporting requirements will not apply.
- As a result of the latest consultation, the estimated hour burden for the annual audit was revised upward to more fully capture the activities associated with this information collection activity.
  - These activities include making the relevant material and documentation available to the auditors while also addressing questions and providing clarification as needed.
  - The revised cost estimate also reflects the \$2,928,100 in O&M costs that were not reflected in the previous version of the ICR.
- The supporting statement has been updated to reflect the estimated reporting burden of 4,590 hours (\$252,863) associated with CBR and NIMS databases. Previously, we have treated the burden associated with these databases as being covered under the General Administrative Requirements for Assistance Programs ICR developed by the Office of Acquisition and Resource Management. The ICR developed by OARM includes information collection activities related to oversight and performance tracking of programmatic requirements. As part of this renewal, we determined it is more appropriate that these collection activities be specifically included under the CWSRF ICR.
- It is estimated that the recently released public awareness policy will increase the reporting burden on CWSRF borrower by 786 hours (\$29,098).
- The burden estimates for the annual report was revised downward based on responses and feedback provided during the consultation process.
- The burden estimates for the capitalization grant agreement and intended use plan were revised downward based on responses provided during the consultation process and other factors. This consultation took into account the new WRRDA amendments.
  - The other factors that were considered included recent efforts undertaken by EPA

to adopt IT solutions that automate the process for submitting a capitalization grant agreements/intended use plan package for approval (e.g., grants.gov). In addition, EPA has also been actively working to reduce the burden faced by the states when drafting the Intended Use Plan by providing additional guidance on what should be included in the document. Recently, EPA provided the states with guidance in the form of an example intended use plan aimed at limiting the amount of back and forth between a state and EPA that results in time consuming revisions.

**16. For collections of information whose results will be published, outline plans for tabulation, and publication. Address any complex analytical techniques that will be used. Provide the time schedule for the entire project, including beginning and ending dates of the collection of information, completion of report, publication dates, and other actions.**

Annual state and national reports reflecting the latest CWNIMS data are posted in the early part of every calendar year on EPA's website. Reports showing the loans reported in the CBR database are also posted online on a quarterly basis. These reports are made publicly available at <http://www.epa.gov/cwsrf/clean-water-state-revolving-fund-cwsrf-results>.

**17. If seeking approval to not display the expiration date for OMB approval of the information collection, explain the reasons that display would be inappropriate.**

The agency plans to display the expiration date for OMB approval of the information collection on all instruments.

**18. Explain each exception to the "Certification for Paperwork Reduction Act Submissions" in ROCIS.**

The agency is able to certify compliance with all provisions of the certification statement.

**B. Statistical Methods (used for collection of information employing statistical methods)**

Statistical methods are not used with this collection.