

# Supporting Statement for Paperwork Reduction Act Submissions

## Contractor's Requisition - Project Mortgages OMB Control Number 2502-0028 (HUD-92448)

### A. Justification

1. Section 207(b) of the National Housing Act (Public Law 479, 48 Stat. 1246, 12 U.S.C. 1701 et seq.) authorizes the Secretary of the Department of Housing and Urban Development (HUD) to insure mortgages (including advances on such mortgages during construction) for construction of rental housing projects. Section 212 of the National Housing Act prevents the Secretary of HUD from insuring a project unless the principal contractor files a prevailing wage certificate. The requirements are set forth in 24 CFR 200.33, Labor Standards, for the insurance of advances and certification of compliance with labor standards and prevailing wage requirements.
2. Form HUD-92448 is used by Contractors to obtain program benefits, consisting of distribution of insured mortgage proceeds when construction costs are involved. The information regarding completed work items is used by the Multifamily Hub Centers to ensure that payments from mortgage proceeds are made for work actually completed in a satisfactory manner. The work must be inspected and approved by a HUD Field Office inspector and an architect not employed by HUD. To ensure compliance with prevailing wage rates, the Field Office uses the certification on form HUD-92448 regarding prevailing wages. If the collection of information was not conducted, disbursement of mortgage proceeds and compliance with prevailing wage rates could not be monitored.

29CFR3.3 requires the contractor to submit an executed document certifying adherence to requirements of the Davis Bacon and Related Acts (DBRA) and the Copeland "Anti-Kickback" Act with regard to wages paid to employees. The form is completed by the contractor and approved by the project architect and a HUD Field Office inspector and must be signed. The contractor submits the completed form to HUD for review and determination of acceptability/unacceptability.

3. Reengineering efforts to replace the Development Application Processing (DAP) system with a modernized and simplified solution to improve the application review process are underway. The initial prototype for handling the tracking pipeline data and reporting for Multifamily (MFH) and Healthcare (OHP) needs to be developed using the most feasible, flexible, and scalable technologies to build an interactive and intuitive online solution. The new system, to be called Application Underwriting Support System (AUSS) will generate staff-generated review documents, pre-populated standardized documents and offers communication capability between HUD staff reviews and Lender coordination. It will also interface with the integrated Real Estate Management System (iREMS), a lender portal, and document management system for an enterprise solution that will streamline FHA's business processes. Strategic planning, technologies evaluation, risk assessment, and security consideration are agilely reviewed at each life cycle stage to ensure realignment opportunities captured and implemented in timely manner.
4. There is no duplication of information. There are no other Federal agencies involved in the construction and rehabilitation of multifamily housing projects except the Department of Agriculture's Farmers Home Administration. The Farmer's Home Administration has no information collection that is readily adaptable to HUD's mortgage proceeds distribution procedures.
5. The collection of information does not impact small businesses or other small entities.
6. This collection of information occurs as successive work items are completed at a construction site. If the information was collected less frequently, the general contractor might have to borrow funds to meet

expenses, thus increasing project development costs, and increasing the possibility of default and risk to the mortgage insurance fund.

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 than quarterly;  
**Not Applicable**
- requiring respondents to prepare a written response to a collection of information in fewer than 30 days after receipt of it;  
**Not Applicable**
- requiring respondents to submit more than an original and two copies of any document;  
**Not Applicable**
- requiring respondents to retain records other than health, medical, government contract, grant-in-aid, or tax records for more than three years;  
**Not Applicable**
- in connection with a statistical survey, that is not designed to produce valid and reliable results than can be generalized to the universe of study;  
**Not Applicable**
- requiring the use of a statistical data classification that has not been reviewed and approved by OMB;  
**Not Applicable**
- **Not Applicable**  
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  
**Not Applicable**
- 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.
- **Not Applicable**

There are no special circumstances that require the collection of information to be inconsistent with the guidelines.

8. In accordance with 5CFR 1320.8(d), this information collection soliciting public comments was announced in the Federal Register on January 31, 2017, Volume 82, No. 19, Pages 8838. No Comments received.
9. No payments or gifts are provided to respondents.
10. This is protected under The Privacy Act of Freedom of Information Act (FOIA).
11. The information collection does not contain information of a sensitive nature about sexual behavior or attitudes, religious beliefs, or private matters.
12. The burden estimate is based on the time required to gather the data, analyze information, read instructions, report the information, and maintain applicable records. The architect is not a HUD employee. Generally, the architect visits the site together with a HUD Field Office inspector, and then they both sign the form HUD-92448.

The contacts are as follows:

1. Southeast Region, Atlanta  
Linda Preston, Director, Project Management  
(678) 732-2350

2. Northeast Region, Boston  
 Shelia Galicki, Chief, Asset Development  
 (617) 994-8519

3. Southwest Region, Fort Worth  
 Tom Goade, Director Production  
 (817) 978-5836

Annual Burden Estimate:

Information Collection	Number of Respondents	Frequency of Response	Responses Per Annum	Burden Hour Per Response	Annual Burden Hours	Hourly Cost Per Response	Annual Cost
HUD-92448	1,325	1	1,325	6	7,950.00	\$51.00	\$405,450.00

The hourly rate is based on an average of the estimated annual salaries (\$106,000) of project owners and architects. (Source: The Bureau of Labor Statistics, March 2017)

13. There are no additional costs to respondents.

14. Cost to the Federal Government is based on a burden of 2 hours per response and an annual salary of GS 12/step 5.

Information Collection	Number of Responses	Frequency of Response	Responses Per Annum	Burden Hour Per Response	Annual Burden Hours	Hourly Cost Per Response	Annual Cost
HUD-92448	1,325	1	1,325	6	7,950.00	\$39.19	\$311,560.50

Annual Cost to the Federal Government:

The hourly rate is based on the annual salary of a GS-12, step 5.

15. This is a reinstatement of a currently approved collection. The numbers slightly declined as the housing programs market cooled off because of the direct reflection of the economy stability. HUD is not the only source in the industry as the housing industry is competitive again.

16. The collection of information is not scheduled for publication.

17. HUD is not seeking approval to avoid displaying the expiration date.

18. There are no exceptions to the certification statement identified in Item 19 of the OMB 83-I.

**B. Collection of Information Employing Statistical Methods.**

The collection of information employing statistical methods does not apply.