**Paperwork Reduction Act Submission**

Please read the instruction before completing this form. For additional forms or assistance in completing this forms, contact your agency’s Paperwork Reduction Officer. Send two copies of this form, the collection instrument to be reviewed, the Supporting Statement, and any additional documentation to: Office of Information and Regulatory Affairs, Office of Management and Budget, Docket Library, Room 10102, 725 Seventeenth St. NW, Washington, DC 20503.

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| --- | --- | --- | --- |
| 1. Agency/Subagency Originating Request:  **U.S. Department of Housing and Urban Development**  Office of Native American Programs | | 2. OMB Control Number:  a. **2577-0200** | b. None |
| 3. Type of information collection: (check one)   1. New Collection 2. Revision of a currently approved collection 3. Extension of a currently approved collection 4. Reinstatement, **without change**, of previously approved   collection for which approval has expired   1. Reinstatement, **with change**, of previously approved collection   for which approval has expired   1. Existing collection in use without an OMB control number   For b-f, note item A2 of Supporting Statement instructions. | 4. Type of review requested: (check one)   1. Regular 2. Emergency - Approval requested by 3. Delegated   5. Small entities: Will this information collection have a significant economic impact on a substantial number of small entities?  Yes No  6. Requested expiration date:  a. Three years from approval date b. Other (specify) | | |

7. Title:

**Section 184 and 184-A Loan Guarantee Program**

8. Agency form number(s): (if applicable)

HUD-XXXX, HUD-50110-A, HUD-50111-A, HUD-50112-A, HUD-50118-A, HUD-50119-A, HUD-50124-A, HUD-50125-A, HUD-50127-A, HUD-50128-A, HUD-50131-A, HUD-50132, HUD-50132-A, HUD 50143-A, HUD-50148, HUD-50149, HUD-50149-A, HUD-53039, HUD-53039-A

9. Keywords:

Housing, Mortgages, Native American, Native Hawaiian, Section 184, Section 184-A, Office of Loan Guarantee

10. Abstract:

Information collected determines if the Department will guarantee loans and mortgage insurance made by private lenders to eligible Native American and native Hawaiian borrowers.

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| 11. Affected public: (mark primary with “P” and all others that apply with “X”)  a. Individuals or households e. Farms  b. **P** Business or other for-profit f. Federal Government  c. Not-for-profit institutions g. **X** State, Local or Tribal Government | | 12. Obligation to respond: (mark primary with “P” and all others that apply with “X”)  a.  Voluntary  b. **P** Required to obtain or retain benefits  c.  Mandatory |
| 13. Annual reporting and recordkeeping hour burden:  a. Number of respondents 21,985  b. Total annual responses 21,985  Percentage of these responses collected electronically 75%  c. Total annual hours requested 6,051  d. Current OMB inventory 2,600  e. Difference (+,-)  1. Program change: +3,451  2. Adjustment: | | 14. Annual reporting and recordkeeping cost burden: (in thousands of dollars)  Do not include costs based on the hours in item 13.  a. Total annualized capital/startup costs  b. Total annual costs (O&M)  c. Total annualized cost requested  d. Current OMB inventory  e. Difference  f. Explanation of difference:  1. Program change:  2. Adjustment: |
| 15. Purpose of Information collection: (mark primary with “P” and all others that apply with “X”)  a. **X** Application for benefits e. **X** Program planning or management  b. Program evaluation f. Research  c. General purpose statistics g. **P** Regulatory or compliance  d. Audit | | 16. Frequency of recordkeeping or reporting: (check all that apply)  a. Recordkeeping b. Third party disclosure  c. Reporting:  1. On occasion 2. Weekly 3. Monthly  4. Quarterly 5. Semi-annually 6. Annually  7. Biannually 8. Other (describe) |
| 17. Statistical methods:  Does this information collection employ statistical methods?  Yes No | 18. Agency contact: (person who can best answer questions regarding the content of this submission)  Name: Thomas Wright  Phone: (202) 708-0614 ext 4978 | |

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**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). appear 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:

1. It is necessary for the proper performance of agency functions;
2. It avoids unnecessary duplication;
3. It reduces burden on small entities;
4. It uses plain, coherent, and unambiguous terminology that is understandable to respondents;
5. Its implementation will be consistent and compatible with current reporting and recordkeeping practices;
6. It indicates the retention periods for recordkeeping requirements;
7. It informs respondents of the information called for under 5 CFR 1320.8(b)(3):
8. Why the information is being collected;
9. Use of the information;
10. Burden estimate;
11. Nature of response (voluntary, required for a benefit, or mandatory);
12. Nature and extent of confidentiality; and
13. Need to display currently valid OMB control number;
14. 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);
15. It uses effective and efficient statistical survey methodology; and
16. 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.

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| Signature of Program Official:  X Heidi Frechette, Deputy Assistant Secretary, Office of Native American Programs, PN | Date: |

**Supporting Statement for Paperwork Reduction Act Submissions**

**2577-0200**

**Section 184 and 184-A Loan Guarantee Program**

**A. Justification**

1. Explain the circumstances that make the collection of 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 or authorizing the collection of information.

This information collection is required by Section 184 of the Housing and Community Development Act of 1992 as amended by Section 701 of the Native American Housing Assistance and Self-Determination Act of 1996 and its implementing regulations at 24 CFR Part 1005; and by the Housing and Community Development Act of 1992, as amended, and its implementing regulations at 24 CFR Part 1007. These regulations authorize the Department of Housing and Urban Development (HUD) to operate a loan guarantee program to facilitate lending for Indian Housing. Under this program, HUD will guarantee loans made by private lenders to Native American and native Hawaiian borrowers, tribally designated housing entities, and federally recognized tribes that construct, acquire, or rehabilitate 1-4-family homes. These homes must be located on trust land, land located in an Indian or Alaska Native area, or Hawaiian home lands.

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 current collection.

HUD’s Office of Native American Programs (ONAP) uses the information collected from lenders to determine a borrower’s credit worthiness and ability to pay for a home loan as well as to ensure that lenders comply with the program requirements. Mortgage lenders provide information to ONAP through the “case number request form”, and the “mortgage credit analysis worksheets.” The Section 184 and 184-A forms help to ensure the borrower is eligible for the program. The information being collected is needed to complete mortgage calculations, settlement requirements and obtain general lender and mortgage information. The information is required to obtain a benefit. All of this information is obtained by lenders from borrowers generally through a face-to-face meeting. The borrowers must fill out all of the documentation or their loans will not be able to be processed. However, at all times the privacy of the respondents and the associated information collected will be protected to the extent permitted by law.

To determine whether a particular borrower is eligible for the Section 184 or 184-A loan guarantee, the lender must analyze the borrower’s ability to repay the mortgage debt. Once a loan has been approved, the borrower will have to submit a guarantee fee to ONAP before the loan will be endorsed. The fee may be financed into the mortgage amount.

The information provided by mortgagees is based on information collected during the standard process of initiating a mortgage, as standard business practice.

As this is an ongoing collection of information, the requirements have not changed over time.

3. Describe whether, and to what extent, the collection of information involves the use of automated, electronic, mechanical, or other technological collection 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.

ONAP is developing a system called the Loan Origination System (ONAP-LOS) to support the Section 184 Indian Home Loan Guarantee Program. The ONAP-LOS system will deliver automated processes for case registration, reservation of funds, issuance of loan guarantee certificates, and lender registration and re-certification. This system will capture and maintain data across the following major information categories: lenders, borrowers, properties, and loan. ONAP-LOS will provide participating lender partners with clarity and transparency around the ONAP enforcement efforts and it will expand access to credit for eligible borrowers. The initial release of the ONAP-LOS will deliver the following high-level capabilities:

* Authentication of External Lenders
* Case Registration - Intake of Case Registration Data & Case Number Issuance
* Generation of Case Registration Acknowledgement

The system is available to all lenders with direct guarantee approval, upon completion of scheduled training. ONAP designed the new system to reduce the number of forms needed and the time to prepare the forms while ensuring the highest level of security and privacy protections.

ONAP operates the Section 184-A program for eligible native Hawaiians. The program is designed to offer home ownership, property rehabilitation, and new construction opportunities for eligible native Hawaiian individuals and families wanting to own a home on Hawaiian home lands. The Hawaiian Homelands Homeownership Act of 2000 added a new Section 184-A to the Housing and Community Development Act of 1992 which authorized the Native Hawaiian Housing Loan Guarantee Program. This Paperwork Reduction Act package includes all forms required for the Section 184-A program. The ONAP-LOS is not designed to process Section 184-A forms because of the small volume of loan guarantees; therefore, the Section 184-A program will continue to rely on paper forms.

The information collected on the forms is used to ensure that the lenders have followed program requirements and that the HUD Secretary is legally protected against possible fraud, waste, and abuse. Every form is either an industry standard form or a form that mimics an industry standard form but is tailored to programmatic requirements. The forms required for the Section 184 and 184-A program and the estimated burden to complete the forms are provided in item 12 below.

The collection of the information contained in these forms is authorized and governed under the following laws and regulations: Native American Housing Assistance and Self-Determination Act of 1996 and its implementing regulations at 24 CFR Part 1005; Housing and Community Development Act of 1992 and its implementing regulations at 24 CFR Part 1007; Title 12 Chapter 13 Section 1715z–13a of the U.S. C.; 5 U.S.C. § 552a, *Privacy Act of 1974*; Public Law 100-503, *Computer Matching and Privacy Act of 1988*; OMB Memo M-99-18, *Privacy Policies on Federal Web Sites*; and OMB Memo M-03-22, *OMB Guidance for Implementing the Privacy Provisions*.

4. Describe efforts to identify duplication. Show specifically why any similar information already available cannot be used or modified for use for the purposes described in Item 2 above.

A thorough review of all the required documentation was recently conducted with all of the program underwriters with the goal of ensuring that there was no unnecessary duplication in the collection of information. Additionally, the program reached out to a cross section of lenders in order to seek ideas on how to streamline the collection of information. The review disclosed that there is no duplication of information collection.

5. If the collection of information impacts small businesses or other small entities (Item 5 of OMB Form 83-I) describe any methods used to minimize burden.

ONAP does not believe that the collection of this information will have a significant economic impact on a substantial number of small entities. Although many of the approved lenders are small businesses, almost every one of them processes other types of government loans such as FHA and VA which require substantially more documentation. Thus, ONAP believes that lenders qualifying as small entities are not uniquely burdened through the collection of information associated with the Section 184 and 184-A programs.

The information collected is designed to minimize the burden for both large and small organizations, as well as for the Federal Government, by requesting a minimal amount of information and automating much of the loan guarantee process.

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.

Legislation requires the lender to submit application for the loan to the HUD Secretary for underwriting and compliance. The Department would be in violation of the law if less frequent collection were made.

1. **Explain any special circumstances that would cause an information to be collected 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 the study;

**Not Applicable**

* requiring the use of statistical data classification that has not been reviewed and approved by OMB;

**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 associated with this information collection.

1. If applicable, provide a copy and 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.

HUD published a Notice of Proposed Information Collection for public comments in the *Federal Register,* Volume 82; Page 47238, on October 11, 2017. The public was given until December 11, 2017, to submit comments on the proposed information collection. HUD received no comments on this proposed collection.

9. Explain any decision to provide any payment or gift to respondents, other than remuneration of contractors or grantees.

There will be no payment or gift to respondents.

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

When the collected pieces of information are submitted to ONAP, they are stored in locked cabinets within locked offices. Once the forms have been reviewed by ONAP staff the loan is either denied and sent back to the lender or approved and sent to an Iron Mountain storage facility. The Iron Mountain storage facility is a National Archives and Records Administration (NARA)-compliant Federal Records Centers. The Iron Mountain storage facility meets NARA regulations at 36 CFR) Part 1234 and Federal Emergency Management Agency’s (FEMA) Continuity of Operations Plan (COOP) requirements.

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.

No sensitive questions of the nature described are involved.

12. Provide estimates of the hour burden of the collection of information. The statement should:

1. indicate the number of respondents, frequency of response, annual hour burden, and an explanation of how the burden was estimated. Unless directed to do so, agencies should not conduct special surveys to obtain information on which to base hour burden estimates. Consultation with a sample (fewer than 10) of potential respondents is desirable. If the hour burden on respondents is expected to vary widely because of differences in activity, size, or complexity, show the range of estimated hour burden, and explain the reasons for the variance. Generally estimates should not include burden hours for customary and usual business practices;
2. if this request covers more than one form, provide separate hour burden estimates for each form and aggregate the hour burdens in Item 13 of OMB Form 83-I; and
3. 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.

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| --- | --- | --- | --- | --- | --- | --- | --- | --- |
| **Form Number** | **Form Name** | **Number of Respondents** | **Frequency of Response** | **Responses per Annum** | **Burden Hour Per Response** | **Annual Burden Hours** | **Hourly Cost Per Response** | **Annual Cost** |
|
| HUD-XXXX | ONAP-Loan Origination System | 5,000 | 1 | 5,000 | 0.5 | 2,500 | $ 18 | $ 45,000 |
| HUD-50110-A | 184A Warranty of Completion of Construction | 3 | 1 | 3 | 0.15 | 0.45 | $ 18 | $ 8 |
| HUD-50111-A | 184A Addendum to Uniform Residential Loan Application | 63 | 1 | 63 | 0.5 | 31.5 | $ 18 | $ 567 |
| HUD-50112-A | 184A Construction Loan Rider | 3 | 1 | 3 | 0.15 | 0.45 | $ 18 | $ 8 |
| HUD-50118-A | 184A Mortgagee's Assurance of Completion | 3 | 1 | 3 | 0.15 | 0.45 | $ 18 | $ 8 |
| HUD-50119-A | 184A Post Endorsement Submission Checklist | 63 | 1 | 63 | 0.15 | 9.45 | $ 18 | $ 170 |
| HUD-50124-A | 184A Homebuyer Notice Form | 63 | 1 | 63 | 0.15 | 9.45 | $ 18 | $ 170 |
| HUD-50125-A | 184A Applicant Acknowledgement | 3 | 1 | 3 | 0.15 | 0.45 | $ 18 | $ 8 |
| HUD-50127-A | 184A Endorsement Submission Checklist - Acquisition and Single Close New Const/Rehab | 63 | 1 | 63 | 0.5 | 31.5 | $ 18 | $ 567 |
| HUD-50128-A | 184A Endorsement Submission Checklist - Refinance | 63 | 1 | 63 | 0.3 | 18.9 | $ 18 | $ 340 |
| HUD-50131 | Request for Section 184 Case Number | 5,500 | 1 | 5,500 | 0.1 | 550 | $ 18 | $ 9,900 |
| HUD-50132 | Mortgage Credit Analysis Worksheet | 5,000 | 1 | 5,000 | 0.5 | 2,500 | $ 18 | $ 45,000 |
| HUD-50132-A | Hawaiian Mortgage Credit Analysis Worksheet | 65 | 1 | 65 | 0.5 | 32.5 | $ 18 | $ 585 |
| HUD-50143-A | Section 184-A Loan Guarantee Firm Commitment Form | 65 | 1 | 65 | 0.15 | 9.75 | $ 18 | $ 176 |
| HUD-50148 | Checklist for Proposed Transactions Less Than 1 Year Old | 500 | 1 | 500 | 0.15 | 75 | $ 18 | $ 1,350 |
| HUD-50149 | Rider For Section 184 Tribal Trust | 500 | 1 | 500 | 0.5 | 250 | $ 18 | $ 4,500 |
| HUD-50149-A | Hawaiian Rider For Section 184-A Tribal Trust | 63 | 1 | 63 | 0.5 | 31.5 | $ 18 | $ 567 |
| HUD-53039 | 184 Loan Guarantee Certificate | 4,900 | 1 | 4,900 | 0 | 0 | $ 18 | 0 |
| HUD-53039-A | 184-A Loan Guarantee Certificate | 65 | 1 | 65 | 0 | 0 | $ 18 | 0 |
|  | **Total** | **21,985** |  | **21,985** |  | **6,051** |  | **$ 108,924** |
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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).

1. The cost estimate should be split into two components: (a) a total capital and start-up cost component (annualized over its expected useful life); and (b) a total operation and maintenance purchase of services component. The estimates should take into account costs associated with generating, maintaining, and disclosing or providing the information. Include descriptions of methods used to estimate major cost factors including system and technology acquisition, expected useful life of capital equipment, the discount rate(s) and the time period over which costs will be incurred. Capital and start-up costs include, among other items, preparations for collecting information such as purchasing computers and software; monitoring, sampling, drilling and testing equipment; and record storage facilities;
2. If cost estimates are expected to vary widely, agencies should present ranges of cost burdens and explain the reasons for the variance. The cost of purchasing or contracting out information collection services should be a part of this cost burden estimate. In developing cost burden estimates, agencies may consult with a sample of respondents (fewer than 10) utilize the 60-day pre-OMB submission public comment process and use existing economic or regulatory impact analysis associated with the rulemaking containing the information collection, as appropriate.
3. generally, estimates should not include purchases of equipment or services, or portions thereof made: (1) prior to October 1, 1995, (2) to achieve regulatory compliance with requirements not associated with the information collection, (3) for reasons other than to provide information or keep records for the government, or (4) as part of customary and usual business or private practices.

See table above for the estimated total annual cost burden.

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, operational 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.

There are no additional costs to the Federal Government, as the government is already incurring these costs.

15. Explain the reasons for any program changes or adjustments reported in Items 13 and 14 of the OMB Form 83-I.

This “reinstatement with change” is requested for three reasons: (1) change in forms and estimated burden associated with the automated ONAP-LOS, (2) addition of forms for the Section 184-A program, and (3) significantly increased participation by lenders and borrowers. All three reasons for changes in burden and cost estimates are explained below.

1. ONAP-LOS. The implementation of ONAP-LOS has reduced burden and cost estimates through automation and the reduction in forms to be completed and submitted to ONAP. The estimated burden and cost are expected to reduce burden further once the system fully operational.
2. Addition of Section 184-A Forms. This PRA includes all forms associated with the Section 184-A program which serves eligible native Hawaiians. The forms were not included in prior PRAs because the volume of loan guarantees for native Hawaiians has been so much smaller than the volume of loan guarantees the Section 184 program, prompting ONAP to believe that Section 184-A forms were not subject to PRA requirements. This administrative oversight is being corrected by the subject PRA.

Virtually all of the Section 184-A forms are identical to the Section 184 forms because they serve the same purpose. Further, Section 184-A and Section 184 forms must be treated as separate forms because of differing statutory and regulatory authorities.

All Section 184-A forms are paper-based because ONAP-LOS is currently designed for the Section 184 program only. It is anticipated that with proper budgetary resources, ONAP-LOS will be expanded to include Section 184-A, and many of the forms will be replaced through automation.

1. Increased Lender and Borrower Participation. The last time ONAP submitted a PRA for the Section 184 program was in 2014. During that year, ONAP’s Office of Loan Guarantee (OLG) had significantly less budgetary authority to guarantee loans, resulting in a significantly lower number of respondents and less burden and cost. Since that time, OLG has received increased budgetary authority, thereby enabling it to successfully expand its marketing and outreach to lenders and borrowers. In 2017, OLG estimates that it will receive 26,984 respondents annually, representing a 3,000 per cent increase over the 850 respondents received in 2014. The onset of ONAP-LOS enables OLG to absorb the large increase in respondents without diminishment to program efficiency and effectiveness.

16. For collection 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.

The collection of information will not be published.

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 OMB approval number appears on the forms; the expiration date will be updated once OMB approval is received.

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

There are no exceptions to the certification statement identified in item 19 of the OMB 83-i.

## B. Collections of Information Employing Statistical Methods

This information collection does not employ statistical methods.