

Supporting Statement for Paperwork Reduction Act Submissions
Community Development Financial Institutions Fund (CDFI Fund)
Opportunity Zones Nomination Tool

A. Justification

1. Circumstances necessitating collection of information

Pursuant to Section 13823 of the Tax Cuts and Jobs Act of 2017 (the Act, Pub. L. 115-97), the Chief Executive Officer of a State has until March 21, 2018 (or until April 20, 2018, if a 30-day extension is requested) to nominate certain low-income communities for designation as qualified Opportunity Zones. The Secretary of the Treasury must certify such nominations and designate qualified Opportunity Zones within 30 days of receipt of the nomination (or within 60 days if a 30-day extension of the consideration period is requested). The Opportunity Zones under the Act will generally be administered by the Internal Revenue Service (IRS), however, the Community Development Financial Institutions Fund (CDFI Fund) will administer the designation of qualified Opportunity Zones on behalf of the Internal Revenue Service. The CDFI Fund needs to provide State Chief Executive Officers with an information collection in order to effectively and efficiently collect the information on these nominated communities. A uniform information collection tool is necessary to enable the CDFI Fund to designate the Opportunity Zones within the legislative time constraints.

2. Method of collection and use of data

The CDFI Fund will collect data by means of the Opportunity Zone Nomination Tool. State Chief Executive Officers must complete and upload the Opportunity Zone Nomination Tool through a CDFI Fund-managed web-based application portal. The CDFI Fund will use the data collected to certify eligible nominations and designate qualified Opportunity Zones.

3. Use of Information Technology

The CDFI Fund will only accept electronic nominations unless an applicant receives advance written permission from the CDFI Fund that they may submit their nominations in another format. All nomination materials must be submitted in the CDFI Fund-managed web-based portal.

4. Efforts to identify duplication

The Opportunity Zone Nomination Tool does not request information that is available from other Federal agencies or collected in other information collections.

5. Impact on small entities

This collection of information will only be completed by States and will not impact small entities.

6. Consequences of less frequent collection and obstacles to burden reduction

This collection is required as soon as possible in order to meet the statutory requirement established by Congress for States to nominate qualified Opportunity Zones no later than March 21, 2018. Failure to implement and collect the Opportunity Zone Nomination Tool will result in the significant loss of benefits to low-income communities across the country. The intention of this collection is to reduce the burden on States to meet this statutory requirement.

7. Circumstances requiring special information collection

Not applicable.

8. Solicitation of comments on information collection

It is not possible for the CDFI Fund to solicit public feedback at this time due to the limited amount of time available to accept nominations. The CDFI Fund will solicit feedback on the information collection shortly after the Secretary of the Treasury certifies the Opportunity Zones.

9. Provision of payment to respondents

No payments or gifts will be made to respondents.

10. Assurance of confidentiality

The CDFI Fund is subject to all Federal statutes and regulations with respect to confidentiality of information provided by State Chief Executive Officers. Access to information in the Opportunity Zone Nomination Tool is restricted to the State Chief Executive Officer, their designated representatives, and CDFI Fund staff.

11. Justification of sensitive questions.

No questions of a sensitive nature are asked in this information collection. No personally identifiable information (PII) is collected.

12. Estimate of the hour burden of information collection.

It is estimated that it will take each of the 56 State Chief Executive Officers one (1) hour to complete the Opportunity Zone Nomination Tool for a total of 56 hours. Only State Chief Executive Officers can nominate qualified Opportunity Zones, therefore, the monetized burden hour estimate is based on the hourly rate for a State Chief Executive per the Bureau of Labor Statistics.

Affected Public	# Respondents	# Responses Per Respondent	Total Annual Responses	Hours Per Response	Total Hours	Time Value (per hour)	Monetized Burden Hours
Opportunity Zone Nomination Tool	56	1	56	1	56	\$57.90 ¹	\$3,242.40

13. Estimate of total annual cost burden to respondents

Per the table in Question 12, the average annual cost burden to respondents is \$3,242.40. No purchase of equipment or services will need to be made by respondents for this information collection other than as required as part of customary and usual business practices.

¹ The hourly rate is based on the national estimate for the median hourly wage for State Chief Executives according to the Bureau of Labor Statistics (<https://www.bls.gov/oes/current/999201.htm>)

14. Estimate of annualized cost to the Government

The cost to the Government is the CDFI Fund staff and contractor time required to review the submitted Opportunity Zone Nomination Tool, maintain the electronic application system, and collect follow-up information from applicants. Staff at varying grades, both internal and external to the CDFI Fund, will support nomination reviews at different levels throughout the nomination review period. Therefore, it is not possible to provide an accurate estimate for the annualized cost to the Government associated with the Opportunity Zone Nomination Tool.

15. Any program changes or adjustments

Not applicable. This is a new information collection in response to a change in tax law included in the Tax Cuts and Jobs Act of 2017 to provide certain tax incentives for investments in designated qualified Opportunity Zones.

16. Plans for information tabulation and publication

The final list of designated qualified Opportunity Zones will be published in the Federal Register and on the website of the CDFI Fund. No confidential or proprietary information is collected through this information collection.

17. Reasons for not displaying expiration date of OMB approval

The CDFI Fund will display the expiration date of the OMB approval on the Opportunity Zone Nomination Tool.

18. Explanation of exceptions to certification statement

Not applicable.

B. Collections of Information Employing Statistical Methods

Not applicable.