

Supporting Statement
Strategic Economic and Community Development
OMB No. 0570-0068

A. Justification

1. Explain the circumstances that make the collection of information necessary.

As authorized under the Agricultural Act of 2014 (2014 Farm Bill), the Strategic Economic and Community Development program will award priority points through seven Rural Development programs to fund projects that support the implementation of multijurisdictional strategic and economic community development plans. The programs for which priority points will be awarded (which are referred to as the “underlying programs”) are:

- Community Facility Grants
- Community Facility Guaranteed Loans
- Community Facility Direct Loans
- Water and Waste Disposal Loans and Grants
- Water and Waste Disposal Guaranteed Loans
- Business and Industry Guaranteed Loans
- Rural Business Development Grants

To be eligible for priority points, projects must first be eligible for funding under the underlying programs. In addition, projects must be carried out solely in rural areas.

This collection of information is necessary in order for the Agency to identify projects eligible for priority points under the Section 6025 Program and to prioritize eligible applications. In accordance with the Paperwork Reduction Act of 1995 (P.L. 104-13, 44 U.S.C. Chapter 35), the Agency is submitting this information collection package to the Office of Management and Budget (OMB) for review and clearance to implement the Section 6025 Program.

2. Explain how, by whom, and for what purpose the information is to be used.

Applicants will submit information on the application, the Plan that the project supports, and the project. This information will be submitted as part of the application material required for the underlying program. The Agency will use this information to determine project eligibility for priority points and to score the applications, with higher scoring applications receiving preference for funding according to the award process of the underlying program. If the information is not collected, the Agency would not be able to fund projects that specifically contribute to regional economic and community development plans.

The Agency, through its Community Facilities group in Rural Housing Service, the Water and Waste group in Rural Utilities Service, and the Business Programs division in Rural Business-Cooperative Service, in Washington, D.C., will be the primary user of the information collected. The information sought by this information collection will be stored in Agency files or computers. Under the Freedom of Information Act, the general public can request some of the

data provided by the applicant to the Agency, except data that are proprietary or confidential.

REPORTING REQUIREMENTS – NO FORMS

Measures, Metrics, and Outcomes

Applicants who receive Section 6025 priority points are required to submit information on the project's measures, metrics, and outcomes that the awardee would already be submitting to the appropriate entity(ies) monitoring the implementation of the plan.

REPORTING REQUIREMENTS - FORMS

Form 1980-88 – Strategic Economic and Community Development Application for Reserved Funding. The information collected on the form is used by the Agency to determine project eligibility for Section 6025 priority points and to score the application for purposes of determining priority. The form requires the applicant to submit the information identified below.

Applicant Information (Block I).

- The applicant's name, telephone number, and email address.
- Checking the applicable box to indicate whether or not the applicant is or includes one of the following: State government; County government; Municipal government; or Tribal government.

Plan Information (Block II). Each application must include the following information:

- The name of the Plan the Project supports.
- The effective date of the Plan.
- The dates that Plan is in effect.
- Contact information for the entity(ies) approving the Plan, including name(s), telephone number(s), and email address(es).
- A description of the service area of the Plan.
- If available, a web site address link to the Plan.

Project Information (Block III). Each application must include the following information:

- Project name.
- Sufficient detail to allow the Agency to determine whether the project is carried out solely in a rural area as defined in §1980.1005.
- If the application is from an applicant that includes a State, county, municipal, or tribal government, a letter to the appropriate entity(ies) indicating that the Project is consistent with the Plan and the Plan has been adopted.

Scoring Information (Block IV). To enable the Agency to score the application, the applicant must provide information on each Plan objective the proposed project directly supports and on the Plan itself.

Scoring the Project (Attachment A). As found in the most current version of the Plan, the

applicant must provide the name of each Plan objective that the Project will directly support; a description of each such Plan objective; and a description of how the proposed project directly supports the objective. The applicant will fill out Attachment A for each such objective.

Scoring the Plan. To enable the Agency to score the Plan, the applicant must provide documentation that addresses each of the following five areas:

- The Plan was developed through the collaboration of multiple stakeholders in the service area of the plan, including the participation of combinations of stakeholders;
- The Plan demonstrates an understanding of the applicable region's assets that could support the Plan;
- Whether or not the Plan includes monetary or non-monetary contributions from Federal agencies other than the U.S. Department of Agriculture
- Whether or not the Plan includes monetary or non-monetary contributions from one or more philanthropic organizations
- The Plan contains clear objectives and the ability to establish measurable performance measures and to track progress towards meeting the Plan's objectives

Agency Coordination (Block V). To help ensure coordination among the programs included in this subpart, each application must contain the following, as applicable:

- Identify the program area(s) (i.e., Community Facilities, Water and Waste, Rural Business and Cooperative Development) from which funds are being sought.
- If the applicant is submitting in the same fiscal year more than one application for Section 6025 priority points, identify in each application the other application(s) by providing:
 - The name(s) of the project(s);
 - The program area(s) for which funds are being sought; and
 - The date that each application was submitted to the Agency.
- If the applicant has previously submitted one or more applications for priority points under this subpart, the applicant must provide, using Attachment B, in the current application the following information for each previous application:
 - The date the application was submitted;
 - The name of the project;
 - The program area(s) from which funds were sought; and
 - If the project was selected for funding, the specific program(s) that provided the funding; the date and amount of the award; and whether any portion of the funding came from the funds reserved under this subpart.

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. Also describe any consideration of using information technology to

reduce burden.

The Section 6025 program relies on the underlying programs' methods for program administration. Thus, to the extent the underlying programs use collection techniques other than the submittal of written material, this program will follow suit.

With regard to the underlying programs, Rural Development has considered the use of improved information technology to reduce the burden on the applicants. The information involved is unique to each particular case. Automating the written narrative portion of the application would assist the applicant and Rural Development because most of this could be completed on a computer. The Agency's plan envisions a system capable of electronically receiving from participating lenders, the data elements contained in the forms associated with the notice of funding availability. However, Rural Development does not anticipate electronic submission of the application package by the applicants because, at this point in time, the Agency is not satisfied that the security protocols properly protect an applicant's proprietary information.

4. Describe efforts to identify duplication.

Rural Development anticipates that the application material submitted for the underlying program will be able to provide information to determine project eligibility. If similar information is found to be available from another Federal agency, every effort is made to utilize that information as is or in an appropriately modified form for this program.

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

Eligible projects for the Section 6025 priority points will be the same as those for the underlying programs and the distribution of businesses applying for the priority points are anticipated to be the same as found in the underlying programs. Of the estimated 374 applicants, approximately 30 percent are estimated to be small businesses. The information collection required places little or nominal burden on all entities, including these small businesses.

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.

Application information is only collected once. If this information is not collected, the Agency would not be able to give proper preference to projects seeking priority points as required by the authorizing statute.

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

- a. Requiring respondents to report information to the Agency more often than quarterly.
There are no information collection requirements that require respondents to report more

often than quarterly.

- b. Requiring respondents to prepare a written response to a collection of information in fewer than 30 days after receipt of it. There are no information collection requirements that require less than 30 days response from the lender.
 - c. Requiring respondents to submit more than an original and two copies of any document. There are no information requirements that require more than an original and two copies.
 - d. Requiring respondents to retain records for more than 3 years. There are no such requirements.
 - e. Not using statistical sampling. There are no such requirements.
 - f. Requiring use of statistical data classification that has not be reviewed and approved by Office of Management and Budget (OMB). No such requirements exist.
 - g. Requiring a pledge of confidentiality that is not supported by authority 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. There are no such requirements.
 - h. Requiring respondents to submit proprietary trade secrets or other confidential information unless the agency can demonstrate that it has instituted procedures to protect the information's confidentiality to the extent permissible by law. Because of the technical nature of the applications, some proprietary/confidential trade information is reviewed by the Agency's contractor, the National Renewable Energy Laboratory (NREL). The information is sent directly to NREL by Agency personnel. When their review is complete, the technical information is returned to the Agency.
8. Comments on Agency's notice in the Federal Register and efforts to consult with persons outside the Agency to obtain their views on the availability of data, frequency of collection, the clarity of the instructions and recordkeeping, disclosure, or reporting format (if any), and on the data elements to be recorded, disclosed, or reported.

As required by 5 CFR 1320.8(d), a 60 day notice to request comments was published in the Federal Register on August 20, 2018, Vol. 83, No. 161, pages 42107.

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

No payments or gifts were provided to respondents, including no remuneration of contractors or grantees.

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

No assurance of confidentiality was provided to respondents for the information required. When necessary, the Agency will process any and all requests for release of records and information in accordance with the Privacy Act of 1974. However, in some instances, the information collected under the provisions of this program is not considered to be of a confidential nature. For example, organizations, such as not-for-profit entities and public bodies from which information is collected, are ordinarily required to make their activities available for public scrutiny.

11. Provide additional justification for any questions of a sensitive nature, such as sexual behavior or attitudes, religious beliefs, and other matters that are commonly considered private.

The information collected does not contain any questions of a sensitive nature such as sexual behavior, religious beliefs, or other matters commonly considered private.

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

The average annual number of applicants seeking Section 6025 funding is estimated to be 339 applicants. The average annual number of applicants receiving Section 6025 funding is estimated to be 290 awardees. Table 1 presents the estimated number of applicants and awardees by program.

Table 1. Estimated Number of Applicants and Awardees

Program	Number of Applicants per Year	Number of Awardees per Year
Community Facilities Grants	91	66
Community Facilities Loans	41	42
Community Facilities Guaranteed Loans	5	3
Water and Waste Disposal Loans and Grants	71	62
Water and Waste Disposal Guaranteed Loans	1	1
Business and Industry Guaranteed Loans	49	45
Rural Business Development Grants	81	71
Total	339	290

The estimated annual burden of this information collection is 3,040 hours and 629 annual responses. The cost to the public for applying for and receiving Section 6025 priority points is estimated to be \$97,267. In making the cost estimates, an average cost (\$32 per hour) per applicant was estimated based on the individual underlying programs' cost per hour per respondent, which vary program to program, and those values were based on the most recent burden packages for each underlying program. Table 2 represents the total estimated annual

burden.

Table 2. Estimated Annual Burden

Title	Form No. (if Any)	Est. No. of Respondents	Reports Filed Annually	Total Annual Responses (D) x (E)	Est. No. of Man hours Per Response	Est. Total Man-hours (F) x (G)	Wage Class	Total Cost (H) x (I)
(B)	(C)	(D)	(E)	(F)	(G)	(H)	(I)	(J)
REPORTING REQUIREMENTS - FORM								
Strategic Economic And Community Development Application For Reserved Funding	1980-88	339	1	339	6.4	2,170	32	69,427
REPORTING REQUIREMENTS- NO FORM								
Awardee Requirements								
Submittal of measures, outcomes, and metrics report	written	290	1	290	3	870	32	27,840
Totals								
				629		3,040		97,267

Estimated burden for completing a single Form 1980-88

While some applicants are expected to submit more than one Form 1980-88 in a given year (because the applicant is applying for the Section 6025 priority points under more than one underlying program), the Agency estimates that the number of hours required to complete a single Form 1980-88 to be approximately 8 hours (7.78 hours) if the applicant must complete all sections of the form and the applicant’s project supports a single objective of the plan. However, not all applicants are expected to incur the same burden when completing this form because not all aspects of the form are applicable to each applicant or even to each program. Specifically, the variables are:

- Whether the applicant is one of the four types of governments. If an applicant is one of the four government types, then the applicant would incur approximately 2.1 hours of burden than non-government applicants.
- If an applicant needs to describe the Plan’s service area, the Agency estimates the burden to be 0.08 hours. Some of the underlying programs’ applications already request this information and so not all applicants will incur this burden.
- If the applicant needs to describe how the project meets the definition of “carried out solely in a rural area,” the Agency estimates the burden to be one hour. As for describing the Plan’s service area, some of the underlying programs’ applications already request this information and so not all applicants will incur this burden.
- If the applicant is submitting multiple applications in the same fiscal year, the Agency estimates providing the associated information will take 0.25 hours. Most applicants are unlikely to fall into this category.
- If the applicant had received a previous award under Section 6025 priority, the Agency estimates that providing the associated information will take 0.25 hours. Because this is a new priority, this would affect few applicants in the first three years the priority is in

effect.

- If an applicant had submitted an application for Section 6025 priority previously, the Agency estimates that providing the associated information will take 0.25 hours. Because this is a new priority, this would affect relatively few applicants in the first three years the priority is in effect.

Table 3 shows by underlying program how many applicants are expected to fill out which portions of the form.

Table 3. Estimated Form 1980-88 Burden by Program

Portion of Form 1980-88	Hours to Complete Portion	Number of Applicants per Underlying Program						
		WEP Guaranteed Loans	WEP Loans and Grants	CF Guaranteed Loans	CF Direct Loans	CF Grants	B&I Guaranteed Loans	RBDG
Basic Application Sections (applies to all applicants)	4.85	1	71	5	41	91	49	81
Applicant is one of the four government types	2.1	0	42	1	27	78	0	51
Description of Plan Service Area	0.08	0	11	1	6	13	7	13
Documentation for "carried out solely in a rural area"	1.0	0	11	1	6	13	7	13
Multiple applications in the fiscal year	0.25	0	7	0	1	3	0	4
Applicant has received a previous 6025 Awardee	0.25	0	8	0	1	1	1	6
Applicant has previously submitted an application under 6205 priority	0.25	0	16	0	1	3	2	17
Weighted average hours per form		4.85	6.38	5.49	6.27	6.63	5.01	6.30

NOTE: Basic application burden assumes that each project supports two objectives of the Plan.

As seen in Table 2, the estimated weighted average burden for filling out a single Form 1980-88 ranges from 4.85 hours to 6.63hours. Using the estimated number of applicants per program, the weighted average time to fill out a single Form 1980-88 is 6.2 hours.

13. Provide an estimate for the total annual cost burden to the respondents or recordkeeping resulting from the collection of information.

There are no capital and start-up costs or operations and maintenance costs associated with this collection.

14. Provide estimates of annualized cost to the Federal Government.

The annual cost to the Federal Government to review and score the applications is estimated to be about \$162,720 per fiscal year (see attached spreadsheet). The 2018 OPM general schedule and step 5 for all GS levels was used for calculation purposes. Most of the review work is completed by State Loan Specialists GS-11 at \$28.82/hr. & GS-12 at \$34.54/hr.; State Program Directors GS-13 at \$41.07/hr., with Loan Technicians and clerks GS-7 at \$19.47/hr. & GS-8 at \$21.56/hr. doing most of the computer data entry and typing. Due to rounding average rate was determined to be \$29/hr. x 36.25% benefits = \$10.55 round to \$11 = \$40/hr.

The cost of total benefits as a percentage of total hourly compensation for Federal Government employees has been calculated by multiplying 36.25% by the hourly OPM wage in accordance with OMB Memorandum M-08 13.

	Number	Hours per item	Rate	Cost
Review and Score Section 6025 Applications	339	12	\$40	\$162,720

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

There is a slight decrease in burden hours due to a weighted average formula used to calculate the estimated time to complete Form 1980-88. The number of applicants was slightly lower for this submission.

16. For collection of information whose results will be published, outline plans for tabulation and publication.

Rural Development has no plans to publish information collected under the provisions of this program.

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 application form for Section 6025 reserved funding will be submitted with the application material for the applicable underlying program. Because there are multiple underlying programs with different expiration dates, it is not practical to include an OMB expiration date on this form. The public would have no way of knowing which burden package/expiration date applied to their particular program. RD is seeking approval to not display the OMB expiration date on this form.

18. Explain each exception to the certification statement in identified in item 19 of OMB 83-I.

There are no exceptions to the certification.

19. How is this information collection related to the Service Center Initiative (SCI)? Will the information collection be part of the one stop shopping concept?

The SCI calls for changes to improve services to the United States Department of Agriculture (USDA) customers. One aspect is providing one stop service for greater customer convenience in accessing USDA programs, including access to required forms.