

2019

**SUPPORTING STATEMENT
0572-0127**

Broadband Grant Program

This is an extension of a currently approved collection.

A. Justification

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

This package is being submitted under a regular clearance as an extension of a currently approved collection. There was a program adjustment to account for an increase in the estimated number of respondents from 70 to 82 resulting in an increase of estimated burden hours from 11,380 to 13,380 hours. The projected respondents are Rural Utilities Service (RUS) telecommunication program applicants.

The United States Department of Agriculture (USDA) Rural Development administers loan and grant programs through the Rural Utilities Service (Agency). The Agency is requesting approval for this collection in support of the Broadband Grant Program.

The provision of broadband transmission service is vital to the economic development, education, health, and safety of rural Americans. Congress has recognized the need to facilitate the deployment of broadband service in unserved rural areas. To further this objective, on June 3, 2013, 7 CFR 1739 Subpart A was amended with the publication of a direct final rule in the *Federal Register* (78 FR 25791) to administer the Community Connect Grant Program for the provision of broadband transmission service in rural America. See *Title III, Pub. L. 108-199, 118 Stat. 3*.

The Agency provides financial assistance in the form of grants to eligible entities that propose, on a “community-oriented connectivity” basis, to provide broadband transmission service that fosters economic growth and delivers enhanced educational, health care, and public safety services to extremely rural, lower income communities. The Agency gives priority to rural areas that it believes have the greatest need for broadband transmission services. Grant authority is utilized to deploy broadband infrastructure to extremely rural, lower income communities on a “community-oriented connectivity” basis. The “community-oriented connectivity” concept integrates the deployment of broadband infrastructure with the practical, everyday uses and applications of the facilities. This broadband access is intended to promote economic development and provide enhanced educational and health care opportunities. The Agency provides financial assistance to eligible entities that are proposing to deploy broadband transmission service in rural communities where such service does not currently exist and who will connect the critical community facilities including the local schools, libraries, hospitals, police, fire and rescue services and who

will operate a community center that provides free and open access to residents.

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.

Applications will be submitted by entities to the Agency via electronic or hard copy. The applicant will submit a grant application; SF-424 "Application for Federal Assistance," in addition to those items set forth in the Notice of Funds Availability (NOFA) and / or a Notice of Solicitation of Applications (NOSA) published during each fiscal year and will enter into a Grant Agreement with the Agency. RUS will use the submitted information to determine the following:

- a) The broadband service in the area does not already exist and that the proposed service will meet the needs of the community; and
- b) That the funds needed to complete the project are adequate based on the grant amount requested, taking into consideration any additional funding proposed by the applicant from other sources.

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.

The Agency is committed to the E-Government Act, which requires Government agencies in general to provide the public the option of submitting information or transacting business electronically to the maximum extent possible. RUS is increasingly making use of www.Grants.gov for application to the program.

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.

Each application will be for a new project and for new purposes; therefore, no existing data exists.

5. If the collection of information impacts small businesses or other small entities (item 5 of OMB Form 83-1), describe any methods used to minimize burden.

The Agency believes it has minimized the burden on both large and small entities by requiring only the minimal amount of information needed to monitor the grant funds. The

information required, places no burden on small businesses or other small entities beyond that performed in the course of normal business.

6. Describe the consequences to Federal program or policy activities if the collection is not conducted or conducted less frequently, as well as any technical or legal obstacles to reducing burden.

The submission of the required information is required at the time the application for the grant is made and is project specific and therefore, could not be submitted less frequently. Also, once funding for a specific unserved area has been made, no future funding for that particular area would be available again.

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

a. Requiring respondents to report information more than quarterly.

There are no such requirements.

b. Requiring written responses in less than 30 days.

There are no such requirements.

c. Requiring more than an original and two copies.

There are no such requirements.

d. Requiring respondents to retain records for more than 3 years.

There are no such requirements.

e. That is not designed to produce valid and reliable results that can be generalized to the universe of study.

This collection does not involve statistical information.

f. Requiring use of statistical sampling which has not been reviewed and approved by OMB.

This collection does not involve statistical information.

g. Requiring a pledge of confidentiality.

There are no such requirements.

h. Requiring submission of proprietary trade secrets.

There are no such requirements.

8. If applicable, identify the date and page number of publication in the Federal Register of the agency's notice soliciting comments on the information collection. Summarize public comments received and describe actions taken by the agency in response to these comments. Describe efforts to consult with persons outside the Agency to obtain their views on the availability of data, frequency of collection, the clarity of instructions and recordkeeping, disclosure, reporting format (if any), and on data elements to be recorded, disclosed, or reported.

In accordance with 5 CFR 1320.8(d), the Agency published a Notice and Request for Comments in the *Federal Register* on May 20, 2019, Vol. 84, No. 97, page 22806. No comments were received.

In addition to the published notice in the *Federal Register*, the agency has conducted outreach activities at which prospective applicants have been informed about the procedures and requirements of the program. Also, in the course of reviewing applications, program staff has received informal feedback from applicants on the process.

The Agency spoke with:

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The respondents indicated that the Online Application Process was fairly straight forward, and that once the requirements were clearly understood the process was easy. The Application Guide and webinars were good resources. They indicated that the

Preparation time is in line with the time(s) stated in this information collection. They also agreed that the electronic submission of the grant applications is a substantial benefit, allowing for greater concentration on the actual content of the grant request.

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

No payments or gifts will be provided.

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

No assurance has been made. Information submitted to the Agency by borrowers is covered by provisions of the Freedom of Information Act (5 U. S. C. 552).

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

There are no questions of this nature.

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

Please reference the excel worksheet (formerly Form 36) for a burden breakdown of the individual forms accounted for in this collection package.

- **Estimate for annualized costs to respondents for the hour burden for collections of information, identifying and using appropriate wage rate categories.**

RUS estimates a cost of **\$782,452.05** for all respondents to comply with this regulation. The cost is based on an annual average of 82 organizations filing grant applications from which 13 grants are awarded. The estimated average cost per respondent is **\$9,542.10**. Organizations employ professional, clerical, managerial, and legal personnel to complete these applications and documentation. The wage rates for the wage categories were selected from the Department of Labor, Bureau of Labor Statistics, May 2018. The link is https://www.bls.gov/oes/current/oes_nat.htm. Benefit costs were added to DOL Wages for private trade, transportation, and utilities industry workers to be 29.8% of total hourly compensation. (Please reference <https://www.bls.gov/web/ecec/ecsuhst.pdf>, **Supplemental Table 6, page 90**). These Department of Labor, Bureau of Labor Statistics, Standard Occupational Classification wage rates were considered in the cost estimates as:

Hourly Wage / (1 – Benefits as percentage of total compensation) = Total hourly compensation

<u>Task item</u>	<u>Item Time</u>	<u>Professional</u>	<u>Managerial</u>	<u>Legal</u>	<u>Clerical</u>
Application	160 hours	55%	10%	0%	35%
Grant Agreement	20 hours	0%	60%	15%	25%
SF-424	1 hour	0%	25%	0%	75%

<u>DOL Classification</u>	<u>Role Title</u>	<u>Hourly Wage</u>	<u>Benefits as % of total compensation</u>	<u>Total Hourly compensation</u>
17-2070	Professional	\$47.89	29.80%	\$68.22
13-2051	Managerial	\$44.58	29.80%	\$63.50
23-1011	Legal	\$90.20	29.80%	\$128.49
43-5061	Clerical	\$29.18	29.80%	\$41.57

The estimate for annualized costs to respondents for the hour burden for collections of information is summarized as follows:

	Hrs. Per Response	Total Hours	Cost per Hour	Total Cost
82 applicants	160 hrs per application	13,120	\$58.42	\$766,476.96
13 Grant Agreements	20 hrs per agreement	260.00	\$46.60	\$12,116.78
82 SF-424 Forms	1 hr per form	82.00	\$47.05	\$3,858.31
Estimated Total costs to respondents			\$782,452.05	
Estimated average cost per respondent			\$9,542.10	

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

(a) Total capital and start-up cost component (annualized over its expected useful life); and

There are no capital or start-up costs involved with this collection.

(b) Total operation and maintenance and purchase of services component.

There is no operation and maintenance or purchase of services costs involved with this collection.

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

The estimated annualized cost to the Federal Government to collect and evaluate this information is estimated to be \$85,923 and take 1,166 hours. Based on past experience and interviews with the agency staff, it is estimated that per response Grant Application initial review Data Collection requires 3 hours of time by a Manager GS 15/Step 5 (\$74,86 per hour), and 6 hours of time by an Engineer at GS 13/Step 5 (\$53.85 hourly wage), and 72 hours from a Loan Specialist at GS 13/Step 5 wage rate (\$53.85). Grant Application Final Review and Grant Documentation requires one-half hour of time for Manager review, one hour of Engineer time and 5 hours of time from a Loan Specialist to process. SF 424 doesn't require specific RUS time. Wage rates used to calculate federal costs are fund at the Office of Personnel Management, 2019 General Schedule tables at <https://www.opm.gov/policy-data-oversight/pay-leave/salaries-wages/2019/general-schedule/> With the addition of the cost of benefits¹, the Manager hourly total compensation cost is \$102.00; the Engineer hourly compensation is \$73.37, and the Loan Specialist hourly compensation is \$73.37. The cost calculation of the Federal government for this information collection is shown below:

Federal Government Cost related to Grant Application Initial Review Data Collection				
Category/Task Description	Wage w/ Benefits	Hours required	Number of Respondents	Totals
Engineer GS 13/5	\$73.37	7	82	\$42,115
Loan Specialist GS 13/5	\$73.37	5	82	\$30,082
Subtotal		12	82	\$72,197
Federal Cost Related to Grant Application Final Review and Grant Documentation				
Category	Wage/Benefit	Hours required	Respondents	
Review by Manager GS 15/5	\$102.00	1.0	13	\$1,326
Engineer GS 13/5	\$73.37	5	13	\$4,769

¹ Cost of total benefits for Federal Government employees has been calculated by multiplying the hourly OPM wage by 36.25% in accordance with OMB Memorandum M-08 13.

Loan Specialist GS 13/5	\$73.37	8	13	\$7,369
Subtotal		14	13	\$13,726
Federal Government Cost Related to SF 424				
Category	Wage/Benefits	Hours Required	Respondent	Costs
Review by Manager GS 15/5	\$102.00	0.0	82	\$0
Program Analyst GS 13/5	\$73.37	0.0	82	\$0
Loan Specialist GS 13/5	\$73.37	0.0	82	\$0
Subtotal				\$0
Total				\$85,923

15. Explain the reasons for any program changes or adjustments reported in items 13 or 14 of the OMB Form 83-1.

The Agency has seen an increase in the number of applications for this grant program over the last several years. This submission reflects an increase in the average number of annual respondents from 70 to 82 (FY16-FY19 average). The increase in respondents resulted in an adjustment increase of 2,000 burden hours from 11,380 to 13,380 hours.

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

There are no plans for publications.

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.

There is no such approval requested.

18. Explain each exception to the certification statement identified in item 19 on OMB 83-1.

There are no exceptions.

B. Collection of Information Employing Statistical Methods.

This collection does not involve statistical methods.