

1Supporting Statement A

Appraisals and Valuations of Indian Property

OMB Control Number 1076-0188

Terms of Clearance: None.

General Instructions

A completed Supporting Statement A must accompany each request for approval of a collection of information. The Supporting Statement must be prepared in the format described below, and must contain the information specified below. If an item is not applicable, provide a brief explanation. When the question “Does this ICR contain surveys, censuses, or employ statistical methods?” is checked “Yes,” then a Supporting Statement B must be completed. OMB reserves the right to require the submission of additional information with respect to any request for approval.

Specific Instructions

Justification

- 1. Explain the circumstances that make the collection of information necessary. Identify any legal or administrative requirements that necessitate the collection.**

Title III of the Indian Trust Asset Reform Act (ITARA), 25 U.S.C. 5601, *et seq.*, requires the Secretary of the Interior (Secretary) to publish minimum qualifications for appraisers of Indian property and allows the Secretary to accept appraisals performed by those appraisers without further review or approval. The Secretary developed a regulation at 43 CFR 100 to implement these provisions. The regulation requires appraisers to submit certain information so that the Secretary can verify the appraiser meets the minimum qualifications.

- 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. Be specific. If this collection is a form or a questionnaire, every question needs to be justified.**

The information submitted by appraisers is used to verify whether they meet the minimum requirements for the appraiser to be considered a “qualified appraiser” under the regulations.

The regulation requires the appraiser to submit:

- A copy of the appraiser’s current Certified General Appraiser license;

- A copy of the appraiser’s qualifications statement;
- The appraiser’s self-certification that the appraiser meets the criteria in § 100.200; and
- If the property contains natural resource elements that contribute to the value of the property, such as timber or minerals, a list of the appraiser’s additional qualifications for the specific type of property being valued in the appraisal report.

This information allows the Department to verify that the appraiser is licensed and professionally qualified to perform the appraisal and has the competency to perform appraisals for the specific type of property being appraised.

The Indian Tribe or individual Indian must also submit an acknowledgment of their intent to waive Departmental review and approval. No burden hours are included for the acknowledgment because it is a simple certification under 5 CFR § 1320.3(h)(1).

Submission of the appraisal or valuation itself by the property owner is already authorized by other OMB Control Numbers under the associated 43 CFR or 25 CFR part (for example, the submission of appraisals for leasing of Indian land is included in the lease information collection authorized by OMB Control Number 1076-0181).

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 and specifically how this collection meets GPRA requirements.

Appraisers may submit their information electronically by email. All respondents reported that they provide hard copy to their clients. There are no barriers for the use of electronic technology to collect the information and reduce the burden of this collection.

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.

The regulation relies on State licensing of appraisers to help reduce duplication. Rather than requiring the appraiser to submit all the information it would have to submit to a State to obtain an appraiser license, the regulation instead requires the appraiser to submit a copy of the State license.

There may be some duplication in that the same appraiser could be used for multiple appraisals, but the regulations require submission of the appraiser’s qualifications with each appraisal to ensure that the appraiser’s qualifications are intact at the time the appraisal is submitted.

In keeping with the Paperwork Reduction Act and other statutory requirements, the information collected is the minimum needed for the intended purpose.

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

Appraisers conducting appraisals or valuations on Indian land may be small businesses, but the information collection burden has been minimized to allow them to submit documents by email and to rely on existing documentation easily accessible to the appraiser.

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.

If this collection is not conducted, the Department cannot verify that the appraiser meets the minimum qualifications, and may ultimately approve a transaction of Indian property that relies on an insufficient or inaccurate appraisal.

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

There are no special circumstances that require exceptions to 5 CFR 1320.5(d)(2) in this regulation except it is possible that a respondent appraiser may conduct more than one appraisal per quarter, and would therefore have to provide the qualifications information more than once a quarter. The burden of providing the qualifications information is necessary to ensure the appraiser's qualifications are intact at the time of the appraisal.

8. 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 in response to the PRA statement associated with the collection over the past three years, and describe actions taken by the agency in response to these comments. Specifically address comments received on cost and hour burden.

A 60-day notice for public comments was published in the Federal Register on March 30, 2020 (85 FR 17596). No comments were received.

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, or reporting format (if any), and on the data elements to be recorded, disclosed, or reported.

The BIA received feedback from three independent contracted appraisers.

Respondent #1 stated the work they do on Indian trust land is contracted by a Tribe, and on occasion they have completed work for the BIA Appraisals Office, when they are asked to complete self-certification they do so upon request. They do not mind complying with requests as they understand working with Federal offices can require additional information.

Respondent #2 said they are not contracted too often and have no issue with providing their license information, in fact their qualifications are always attached to the back of all appraisal reports.

Respondent #3 stated they understand the need for proof of good standing and valid license to ensure a license had not been revoked during a term. They communicate with their clients most often via email and will submit hard copy documents if convenient. They have a very good working relationship with the Tribes they service.

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

Respondents do not receive any payment, gift, or other remuneration for providing the information collection requirements.

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

There is no assurance of confidentiality provided to respondents concerning this information collection. None is needed because the information collected concerns appraiser qualifications that are provided in the course of business.

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.

There are no questions of a sensitive nature solicited in this information collection.

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

- * 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.**
- * If this request for approval covers more than one form, provide separate hour burden estimates for each form and aggregate the hour burdens.**
- * 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 under “Annual Cost to Federal Government.”**

The Department estimates that, on average, there will be on average 379 appraisers each submitting 3 appraisals per year, for an average total of 1,137 appraisals for which the appraiser information must be submitted.

The Department estimates that many of the respondents who choose to submit this information will be repeat requesters, and estimates that, on average, each respondent will submit information for three different transactions in a year. We estimate that, in most cases, the property owner, rather than the appraiser, will submit the information to the Department because the property owner will be providing other documentation (authorized by other OMB Control Numbers) in support of a request for Departmental approval of the underlying transaction.

The Department estimates an hourly burden of one hour per response, taking into account that most of the information will already be readily accessible to the appraiser as a course of business, and adding the time it takes to pull together the information, make copies, and submit to the Department for each appraisal. The total of burden per year is **1,137 hours** with a total burden cost of **\$42,183**.

CFR Section	No of Respondents	Ave Responses per Respondent	Total Number of Responses	Hourly Burden per Response	Total Annual Hourly Burden	Total Burden Cost
100.203	379	3	1,137	1	1,137	\$42,183

To obtain the hourly rate, BIA used \$37.10, the wages and salaries figure for civilian workers from BLS Release USDL-20-0451 Employer Costs for Employee Compensation—December 2020, Table 2, Employer costs per hour worked for employee compensation and costs as a percent of total compensation: Civilian workers, by major occupational and industry group, at <https://www.bls.gov/news.release/pdf/ecec.pdf>. This wage includes a multiplier for benefits. <https://www.bls.gov/news.release/ecec.toc.htm>

13. Provide an estimate of the total annual non-hour cost burden to respondents or recordkeepers resulting from the collection of information. (Do not include the cost of any hour burden already reflected in item 12.)

- * **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 and purchase of services component. The estimates should take into account costs associated with generating, maintaining, and disclosing or providing the information (including filing fees paid for form processing). 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.**
- * **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.**
- * **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.**

The estimated total annual cost burden to respondents or record keepers for capital and start-up costs components (annualized over the expected useful life) for this information collection is \$0. The information collection does not require the purchase of any capital equipment nor create any start-up costs because no equipment is involved in the implementation of these provisions. Appraisers must obtain a State license as a part of doing business, and no start-up costs would be required to provide the information. Any computers and equipment (such as copiers) used to complete this information collection are part of the respondent's customary and usual business practices and, therefore, are not included in the estimate.

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.

The annualized cost to the Federal Government for this information collection is \$38,874. This represents the cost of reviewing the certification submissions from appraisers to verify that they meet the minimum qualifications.

We calculated the cost by using GS-13/5 from the Salary Table 2020 – GS, *see* https://www.opm.gov/policy-data-oversight/pay-leave/salaries-wages/salary-tables/20Tables/html/GS_h.aspx. The hourly salary (\$42.73) is multiplied by 1.6 to calculate the salary & benefits: \$68.38/hour. It is estimated that it will take one employee at this level approximately 568.5 hours to review the submitted qualification information. Therefore:

$$\begin{aligned} & \$42.73/\text{hour salary} \times 1.6 \text{ benefits} = \$68.37/\text{hour} \\ & \text{Avg 30 min to review 1 Certification} \\ & \$68.37/2 = \$34.19 \text{ per Certification} \times 1,137 \text{ Certification} = \$38,874 \end{aligned}$$

15. Explain the reasons for any program changes or adjustments in hour or cost burden.

Over the past three years, more appraisers have started to use this program and, therefore, the number of appraisals submitted has increased. The total burden hours and cost for respondents and the federal government was increased based on agency estimate.

16. For collections 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 results of this collection are not 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 Department intends to display the expiration date with the OMB Control Number on any materials asking for information that may be sent to appraisers.

18. Explain each exception to the topics of the certification statement identified in "Certification for Paperwork Reduction Act Submissions."

No exceptions are necessary to the certification statement.