





## 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:

- (a) It is necessary for the proper performance of agency functions;
- (b) It avoids unnecessary duplication;
- (c) It reduces burden on small entities;
- (d) It uses plain, coherent, and unambiguous terminology that is understandable to respondents;
- (e) Its implementation will be consistent and compatible with current reporting and recordkeeping practices;
- (f) It indicates the retention periods for recordkeeping requirements;
- (g) It informs respondents of the information called for under 5 CFR 1320.8(b)(3):
  - (i) Why the information is being collected;
  - (ii) Use of the information;
  - (iii) Burden estimate;
  - (iv) Nature of response (voluntary, required for a benefit, or mandatory);
  - (v) Nature and extent of confidentiality; and
  - (vi) Need to display currently valid OMB control number;
- (h) 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);
- (i) It uses effective and efficient statistical survey methodology; and
- (j) 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.

Signature of Program Official:  X Heidi Frechette, Deputy Assistant Secretary, Office of Native American Programs, PN	Date: 5-1-2020
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Signature of Senior Officer or Designee:  X Colette Pollard, Departmental Paperwork Reduction Act Officer, Office of the Chief Information Officer	Date:
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# Supporting Statement for Paperwork Reduction Act Submissions

2577-New

## 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.

To report statutory and regulatory waivers and alternative requirements for tribes and Tribally Designated Housing Entities pursuant three authorities: to the Coronavirus Aid, Relief, and Economic Security Act (CARES Act) and PIH Notice 2020-05; waivers and relief under the FR-6050-N-04 is: Relief from HUD Public Housing and Section 8 Requirements Available During CY2020 and CY2021 to Public Housing Agencies to Assist with Recovery and Relief Efforts; and any future emergency waiver relief. Each available authority, pursuant to HUD’s discretionary authority under section 106 of the Department of Housing and Urban Development Reform Act of 1989 and consistent with 24 CFR 5.110, specific waiver options is the basis for the checklist responses to report which options were subsequently used and their date of implementation.

The CARES Act mandates that all lenders participating in HUD loan guarantee programs provide an immediate forbearance for any borrower impacted by, and requesting relief from, the COVID-19 National Emergency. The Act also allows lenders to seek payment of the forgone mortgage payments at the end of the forbearance period, provided that the borrower meets specified criteria.

In early May 2020, HUD issued Dear Lender Letter 2020-06 detailing loss mitigation options in response to the COVID-19 National Emergency. This letter states: Lenders and servicers must report on COVID impacted loans on a weekly basis and their entire loan portfolio on a monthly basis. The table below shows the content of the weekly and monthly reports.

Week 1	COVID-19 Impacted Loans Only
Week 2	COVID-19 Impacted Loans Only
Week 3	COVID-19 Impacted Loans Only
Week 4 (Monthly Report)	Entire Loan Portfolio (COVID-19 Impacted Loans and All Other Loans)

Lenders and servicers must also report which type of loss mitigation option the borrower is under. If the borrower’s circumstances change, lenders and servicers must update the borrower’s classification on their monthly servicing report submitted to HUD.

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 participating in the Section 184 and 184A programs to determine, on a monthly basis, the financial stability of lenders’ loan portfolio and assess the risk to the loan guarantee pool. This information including nine new data fields related to the COVID-19 National Emergency consists of fifty-one data fields, including borrower and loan information, loan status and loss mitigation actions. Collectively this information is called the “Section 184/184A Servicing Report.” See attached form for proposed data collection format.

ONAP relies on the data collected in the Section 184/184A Servicing Report to monitor loan status and loss mitigation actions throughout the loan term in order to mitigate risk.

At all times, the privacy of the respondents and the associated information collected is protected to the extent permitted by law.

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.

The Loan Servicing Report is an Excel spreadsheet that lenders and loan servicers will submit electronically to HUD.

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 Loan Servicing Report is a new data collection form in response to a new reporting requirement codified in the CARES Act. There is no extant form collecting similar information.

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 backed loans such those insured and guaranteed respectively by the FHA and the 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 this information in standardized, electronic format .

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.

HUD would be in violation of the law if less frequent data collection were made. Further, HUD could not monitor the financial health of the lender's loan portfolio, which increases the risk of HUD's guarantee of the loans.

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 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 study; **Not Applicable.**
  - requiring the use of a 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.**

None of the bulleted items above are applicable to this information collection.

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 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 XX; Page XXXX, on \_\_\_\_\_. The public was given until \_\_\_\_\_, 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.

The Section 184/184A Servicing Report is submitted electronically to HUD and the data is stored and protected in HUD’s secure IT systems.

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:

- \* 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 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
- \* 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.

<i>Information Collection</i>	<i>Number of Respondents</i>	<i>Frequency of Response</i>	<i>Responses Per Annum</i>	<i>Burden Hour Per Response</i>	<i>Annual Burden Hours</i>	<i>Hourly Cost</i>	<i>Total Annual Cost</i>
Section 184/184A Servicing Report- Monthly Reporting	100	12	1,200	2	2,400	\$38*	\$91,200
Section 184/184A Servicing Report – Weekly Reporting	100	52	5,200	2	10,400	\$38*	\$395,200
Total	100	64	6,400	2	12,800	\$38*	\$486,400

\*This hourly rate is based on a current mid-range salary of \$79,040 for a private sector lender or loan servicer.

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).

- \* 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;

\* 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.

See table above for the estimated total annualized 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.

No program changes or adjustments are reported in Items 13 and 14.

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 expiration date will appear on the form.

18. 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.

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## **B. Collections of Information Employing Statistical Methods**

This information collection does not employ statistical methods.