

SUPPORTING STATEMENT PART A
U.S. Department of Commerce
Economic Development Administration
Revolving Loan Fund Reporting and Compliance Requirements
OMB Control No. 0610-0095

A. JUSTIFICATION

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

The EDA Revolving Loan Fund (RLF) Program, authorized under section 209 of the Public Works and Economic Development Act of 1965, as amended (42 U.S.C. 3149), has served as an important pillar of EDA investment programs since the establishment of the RLF Program in 1975. The purpose of the RLF Program is to provide regions with a flexible and continuing source of capital, to be used with other economic development tools, for creating and retaining jobs and inducing private investment that will contribute to long-term economic stability and growth. EDA provides RLF grants to eligible recipients, which include State and local governments, Indian Tribes, and non-profit organizations, to operate a lending program that offers loans with flexible repayment terms, primarily to small businesses in distressed communities that are unable to obtain traditional bank financing. These loans enable small businesses to expand and lead to new employment opportunities that pay competitive wages and benefits.

RLF recipients must submit to EDA Form ED-209, RLF Financial Report, which collects limited performance information that EDA uses to oversee and monitor RLF awards (13 CFR 307.14(a)). EDA currently requires Form ED-209 to be submitted on an annual basis for high-performing RLF awards and on a semi-annual basis for other RLF awards.

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

The information will be used by EDA personnel to assess RLF recipient performance, manage risk, and evaluate the RLF Program, thereby fulfilling EDA's fiduciary responsibility to oversee RLF awards. The individuals who will use the information include EDA's RLF Coordinator in Washington, DC and RLF Administrators in EDA's six Regional Offices.

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.

Currently, RLF recipients must complete and submit Form ED-209 using an EDA-provided fillable PDF (Portable Document Format) form and accompanying Microsoft Excel spreadsheet template. However, EDA anticipates transitioning to an online platform through which RLF recipients will be required to submit the information collected by Form ED-209.

4. Describe efforts to identify duplication.

EDA reviews existing information collections to ensure that there is no duplication. The information requested is unique to the RLF Program and is not collected elsewhere.

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

Only RLF recipients, which include State and local governments, Indian tribes, and non-profit organizations, are eligible to be awarded a grant to establish an RLF. For-profit businesses are not eligible to receive such an award.

Respondents may include some small entities, namely those RLF recipients that are non-profit organizations. In order to minimize burden on such entities, EDA limits the information requested to that which is unique to the RLF Program, not collected elsewhere, and necessary for oversight of RLF recipients.

6. Describe the consequences to the Federal program or policy activities if the collection is not conducted or is conducted less frequently.

EDA requires the information collected through Form ED-209 to fulfill the agency's responsibility to monitor and oversee RLF awards. If the information were not collected or were collected less frequently, EDA's ability to monitor and oversee RLF awards would be impaired.

7. Explain any special circumstances that require the collection to be conducted in a manner inconsistent with OMB guidelines.

There are no special circumstances that would require the information collection to be conducted in a manner inconsistent with OMB guidelines.

8. Provide a copy of the PRA Federal Register notice that solicited public comments on the information collection prior to this submission. Summarize the public comments received in response to that notice and describe the actions taken by the Agency in response to those comments. Describe the 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.

On August 21, 2020, EDA published a Federal Register notice (FRN) that solicited public comments on this information collection (85 FR 51677). No public comments were received in response to the FRN that solicited public comments on this information collection.

EDA also solicited views from persons outside the agency on topics including but not limited to: (a) whether the proposed collection of information is necessary for the proper performance of the functions of the agency, including whether the information shall have practical utility; (b) the accuracy of the agency's estimate of the burden (including hours and cost) of the proposed collection of information; (c) ways to enhance the quality, utility, and clarity of the information to be collected; and (d) ways to minimize the burden of the collection of information on respondents, including through the use of automated collection techniques or other forms of information technology.

9. Explain any decisions to provide payments or gifts to respondents, other than remuneration of contractors or grantees.

No gifts or payments are made to any respondent, other than disbursements of grant funds made by EDA to grantees under the authorized RLF Program.

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

There is no assurance of confidentiality provided to respondents of this information collection.

While information submitted by a respondent to EDA is generally subject to public disclosure, EDA does not publicly release confidential business information, including trade secrets and confidential commercial or financial information, to the extent that such information is exempt from public disclosure under the Freedom of Information Act (FOIA). See 5 U.S.C. 552(b)(4).

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

Form ED-209 does not include any questions of a sensitive nature.

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

EDA estimates the total annual respondent hour burden to be 5,100 hours (3 hours per ED-209 multiplied by 1,700 responses).

EDA recently awarded numerous new RLF grants. This has increased the estimated number of respondents that will be required to submit Form ED-209 and the estimated number of burden hours associated with Form ED-209. On March 27, 2020, Congress enacted the Coronavirus Aid, Relief, and Economic Security Act (Pub. L. 116-136), appropriating \$1,500,000,000 in supplemental funds to EDA to “prevent, prepare for, and respond to coronavirus . . . including for necessary expenses for responding to economic injury as a result of coronavirus.” EDA used a significant portion of those funds to fund RLF grants. As a result, the number of respondents required to submit Form ED-209 will increase substantially. Although Form ED-209 is being extended without change, and the estimated amount of time required to complete Form ED-209 remains unchanged at three hours, the estimated annual burden hours for Form ED-209 is increasing because of the increased number of RLF grants and respondents required to complete Form ED-209.

13. Provide an estimate of the total annual cost burden to the respondents or record-keepers resulting from the collection (excluding the value of the burden hours in Question 12 above).

EDA estimates the total annual cost burden to respondents to be: \$294,984 (5,100 hours per year multiplied by \$57.84 per hour). The hourly wage used is the U.S. Bureau of Labor Statistics second quarter 2019 mean hourly wage for professional and related occupations.

Apart from the value of the burden hours, there is no additional cost to respondents associated with this information collection.

14. Provide estimates of annualized costs to the Federal government.

EDA estimates the total annual cost burden to the federal government to be \$181,611 (1.8 hours to review each response multiplied by 1,700 responses multiplied by \$59.35 per hour). The hourly wage used is that of a federal employee at grade 13, step 4, plus 30% to account for overhead and other costs (\$45.66 per hour + \$13.69 per hour).

Apart from the value of the burden hours, there is no additional cost to the federal government associated with this information collection.

15. Explain the reasons for any program changes or adjustments.

The extension of Form ED-209 will not involve program changes or adjustments.

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

Information collected from respondents will only be published in aggregate form as part of EDA's annual report, GPRA reporting, EDA's Balanced Scorecard, progress reports to the DOC and/or its OIG, or other summary reports.

17. If seeking approval to not display the expiration date for OMB approval of the information collection, explain the reasons that the display would be inappropriate.

EDA is not seeking approval to not display the expiration date of OMB approval for the information collections.

18. Explain each exception to the certification statement.

There are no exceptions to the certification statement.

B. COLLECTIONS OF INFORMATION EMPLOYING STATISTICAL METHODS

EDA does not employ statistical methods to collect data using these forms.