

SMALL BUSINESS ADMINISTRATION (SBA)
Supporting Statement for Paperwork Reduction Act Submission (Emergency)
Shuttered Venue Operators Application, SBA Form 3515
OMB Control Number 3245-XXXX

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.***

SBA received additional funds under the Economic Aid to Hard-Hit Small Businesses, Nonprofits, and Venues Act, (Economic Aid Act), Pub. L. 116-260, Div. N, Title III, Sec. 324 (December 27, 2020), to provide grants to shuttered venues that meet certain conditions. Specifically, Section 324 of the Economic Aid Act establishes the Shuttered Venue Operators Grant (SVOG) program to provide grants up to \$10 million dollars to certain eligible persons or entities: a live venue operator or promoter, theatrical producer, or live performing arts organization operator, museum operator, motion picture theatre operator, or talent representative subject to the statutory eligibility requirements and the availability of funds. Provisions in the statute that establish the terms and conditions SVOG applicants must meet, require that SBA collect information from applicants to determine eligibility.

SBA has created a new application (Form 3515) to collect the information necessary to implement the SVOG authority. Because the need for this financial assistance is so critical, SBA is requesting emergency approval under 5 CFR 1320.13 for this new information collection by March 15, 2021. (Justification provided separately.)

- 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.***

The information will be collected from applicants (small businesses and nonprofits) that are eligible to apply for a Shuttered Venue Operators Grant. This information collection will be used by SBA's Office of Disaster Assistance (ODA) to make a preliminary determination on whether an applicant meets certain threshold eligibility requirements.

- 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 the burden.***

Applications for SVOG are submitted electronically through a portal managed by the company with which SBA has contracted to provide application processing services.

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.***

Every effort is being taken to minimize the collection burden. There is no available information that can be used for purposes of carrying out the SVOG program.

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.***

This information collection impacts small businesses; however, providing the information will not have a significant economic impact on them. The requested information is designed to collect the minimum information necessary to prudently process the application.

6. ***Describe the consequence to the 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.***

This information will only be collected once at the time of application for assistance. If this information were not collected, ODA could not process the requests for financial assistance because there would be no basis upon which to make the eligibility determination. Since this information is only collected once, it cannot be collected less frequently.

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

No special circumstances exist.

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. Describe efforts to consult with persons outside the agency to obtain their views.***

With this submission, SBA is seeking emergency approval of this information collection, including waiver of the required public comment notices. Prior to expiration of the emergency approval, SBA will publish the waived notices in the Federal Register to solicit public feedback and will resubmit this information collection to OMB to address any public comments and make any necessary revisions.

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

There are no payments made or gifts given to respondents.

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

The application informs applicants that information collected is protected to the extent permitted by law, including the Privacy Act, 5 U.S.C. 552a and the Freedom of Information Act, 5 U.S.C. 552. SBA is revising its Privacy Act System of Records (SBA 20) to maintain the personally identifiable information collected from applicants to the SVOG program. in

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, specific uses to be made of the information, explanation to be given to persons from whom the information is requested, and any steps to be taken to obtain their consent.*

This information collection does not request information of a sensitive nature.

12. *Provide estimates of the hour burden of the collection of information, as well as the hour cost burden. Indicate the number of respondents, frequency of response, annual hour and cost burden, and an explanation of how the burden was estimated.*

The statute requires that SBA process certain groups of applicants before others: the first group includes entities who lost 90% or more of their revenue between April 2020 and December 2020, due to the COVID-19 pandemic. The second group includes entities who lost 70% or more of their revenue between April 2020 and December 2020, due to the COVID-19 pandemic. The third group includes entities who suffered a 25% or greater revenue loss between one quarter of 2019 and the corresponding quarter of 2020. For purposes of this emergency submission, the burden estimates are based on the 30,000 entities that are eligible to apply at any time during the open application. If necessary, SBA will adjust the estimates in a subsequent submission.

Calculation:

PUBLIC BURDEN – Hour

The Shuttered Venue Operators Grant Application, SBA Form 3515 takes an estimated 2 hours to complete. 30,000 respondents x 2 hours = 60,000 public burden hours.

PUBLIC BURDEN-Cost

The cost estimate for a respondent is based on GS 9, step 1 (\$25.60 per hour-RUS), which is the minimal level of expertise that is required to respond. The annual hourly cost estimate is $60,000 \times \$25.60 = \$1,536,000$.

- 13. *Provide an estimate for the total annual cost burden to respondents or record keepers resulting from the collection of information. Do not include hour cost burden from above.***

No additional annual costs beyond those identified in #12 above are anticipated.

- 14. *Provide estimates of annualized costs to the Federal Government. Also provide a description of the method used to estimate cost, including a 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.***

SBA will incur costs associated with the use of approximately 528 government employees to assist with SVOG processing. The estimated costs for these employees based on the GS-12, Step 5 rate and the GS-14, Step 5 rate of pay in the 2021 “WASHINGTON-BALTIMORE-ARLINGTON” (DC-MD-VA-WV-PA) for a minimum of 6.5 weeks, 40 hours regular time and 10 hours overtime hours, weekly.

Calculation:

Direct government employees regular pay: $389 \text{ employee} \times \$47.35 \times 260 \text{ reg. hours (6.5 weeks} \times 40) = \$4,788,979$

Direct government employees regular pay: $139 \text{ employee} \times \$66.54 \times 260 \text{ reg. hours (6.5 weeks} \times 40) = \$2,923,767.60$

Direct government employees OT pay: $389 \text{ employee} \times \$47.35 \times 65 \text{ reg. hours (6.5 weeks} \times 10) = \$1,197,244.75$

Direct government employees OT pay: $139 \text{ employee} \times \$66.54 \times 65 \text{ reg. hours (6.5 weeks} \times 10) = \$601,189.90$

Estimated total annualized cost to the Federal Government: \$9,665,163.65

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

This is a new information collection.

16. ***For collection of information whose results will be published, outline plans for tabulation and publication. Address complex analytical techniques. Provide time schedules for the entire project.***

SBA will publish data, including recipient name, addresses, and amounts received. The information is published on the USASpending.gov website pursuant to the requirements of the Data Act.

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

SBA will display the expiration date of OMB approval.

18. ***Explain each exception to the certification statement identified in Item 19, "Certification for Paperwork Reduction Act Submission," of OMB Form 83-I.***

There are no exceptions to the certification statement.

B. Collections of Information Employing Statistical Methods.

Not Applicable