

SMALL BUSINESS ADMINISTRATION (SBA)
Supporting Statement for Paperwork Reduction Act Submission (Emergency)
Restaurant Revitalization Fund Grant Program, SBA Form 3172)
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 American Rescue Plan Act of 2021 (ARP Act), Pub. L. 117-2, title V, sec. 5003 (March 11, 2021), to provide direct funds to Eating and Drinking establishments that meet certain conditions. Specifically, Section 324 of the ARP Act establishes the Restaurant Revitalization Fund (RRFG) program to provide direct funds of up to \$10 million dollars and limited to \$5 million dollars per location to certain eligible persons or entities: a restaurant, food stand, food truck, food cart, caterer, saloon, inn, tavern, bar, lounge, brewpub, tasting room, taproom, licensed facility or premise of a beverage alcohol producer where the public may taste, sample, or purchase products, or other similar place of business in which the public or patrons assemble for the primary purpose of being served food or drink. The SBA will accept applications for no less than \$1,000 up to \$5,000,000 per location (not to exceed \$10,000,000 total for the Applicant and any affiliated businesses). This is subject to the statutory eligibility requirement and the availability of funds. Provisions in the statute that establish the terms and conditions RRFG applicants must meet, require that SBA collect information from applicants to determine eligibility.

SBA has created a new application (Form 3172) to collect the information necessary to implement the RRFG 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 April 5, 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) that are eligible to apply under the Restaurant Revitalization Fund. This information collection will be used by SBA's Office of Capital Access (OCA) to make a determination on whether an applicant meets 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 RRFG 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 other available information that can be used for purposes of carrying out the RRFG 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 is necessary to provide the benefit authorized under the RRFG. 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, OCA 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 21) Loan Systems to maintain the personally identifiable information collected from applicants to the RRFG program.

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.

For purposes of this emergency submission, the burden estimates are based on the 446,155 entities that are eligible to apply at any time during the covered period. If necessary, SBA will adjust the estimates in a subsequent submission.

Calculation:

PUBLIC BURDEN – Hour

The Restaurant Revitalization Fund Grant Application, SBA Form 3172 takes an estimated 45 minutes to complete. Burden hours are calculated using 446,155 respondents x 45 minutes = 334,616 public burden hours. This is a combination of 30 minutes to gather the documents and 15 minutes to complete and submit the form.

PUBLIC BURDEN-Cost

The cost estimate for a respondent is based the Bureau of Labor Statistic, National Occupational Employment and Wages estimates an average for median hourly wage for Accountant and Auditors 13-2011 (\$35.30 x 30 minutes) and Hourly wage for 43-6014 Secretaries and Administrative Assistants, Except Legal, Medical, and Executive (\$18.68 x 15 minutes) for a total avg hourly wage of \$22.36. The estimated average annual hourly cost estimate is 334,616 hours x \$22.36 per hour = \$7,480,346.

- 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.**

This a one-time collection of data; therefore, no additional annual costs are anticipated beyond those identified in #12 above.

- 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 389 government employees Level of GS employees that will be reviewing and confirming which tiers they will be responsible for manual review and approval of about 35,000 applications:

Calculation:

- 233 Recommenders: Average GS-9, Step 5 - \$32.65 hourly rate = \$571,375 which represents a total of 30 minutes per application.
- 156 Approvers: Average GS-12, Step 5 - \$47.35 hourly rate = \$552,416 which represents a total of 20 minutes per application.

The total number of hours equal 29,050 (17,500 GS 9 +11,550 GS 12)

SBA will incur costs associated with the use of an electronic platform to process applications with an estimated cost of \$48,000,000.

Estimated total annualized cost to the Federal Government: \$49,123,791

- 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