

Supporting Statement for Paperwork Reduction Act Submissions

Title: Housing Counseling Agency Activity Report

OMB Control Number: 2502-NEW

Form Number: HUD-9902

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.

The Office of Housing Counseling (OHC) is responsible for administration of the Department's Housing Counseling Program, authorized by Section 106 of the Housing and Urban Development Act of 1968 (12 U.S.C. 1701x). Section 106 authorizes HUD to provide, make grants to, or contract with public or private organizations to provide a broad range of housing counseling services to homeowners and tenants to assist them in improving their housing conditions and in meeting the responsibilities of tenancy or homeownership. Housing Counseling Program regulations are located at 24 CFR Part 214. The Housing Counseling Program reporting regulation, found at 24 CFR 214.317, requires that all participating agencies submit HUD activity reports, which may be required up to quarterly. The activity reports must be submitted in a format and by a deadline prescribed by HUD. The Housing Counseling Program supports the delivery of a wide variety of housing counseling services to homebuyers, homeowners, low-to-moderate income renters, and the homeless. The primary objectives of the program are to expand homeownership opportunities, preserve homeownership, and improve access to affordable housing.

To participate in HUD's Housing Counseling Program, a housing counseling agency must first be approved by HUD. HUD approval entails meeting various requirements relating to experience and capacity, including nonprofit status, a minimum of one year of housing counseling experience in the target community, and sufficient resources to implement a housing counseling plan. Eligible organizations include community based nonprofit organizations, Intermediaries (regional or national), and State Housing Finance Agencies (SHFAs).

Approximately 1,714 HUD-participating agencies currently provide housing counseling services nationwide. Of these, approximately 975 have been directly approved by HUD. HUD maintains a list of these agencies so that individuals in need of assistance can easily access the nearest HUD participating Housing Counseling Agency (HCA) via HUD's website, an automated 1-800 Hotline, or a smart phone application.

Currently, the Housing Counseling Agency Activity Report (form HUD-9902) is a component of OMB Collection 2502-0261, Housing Counseling Program. OHC has revised form HUD-9902 and requests a new PRA collection separate from OMB Collection 2502-0261.

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 purpose of form HUD-9902 is to collect information on housing counseling household activity to assist OHC in analyzing performance and impact information. All participating agencies in HUD's Housing Counseling Program are required to submit this form quarterly. The form is designed to capture education and counseling activities provided at all participating agencies within HUD's fiscal year. Form HUD-9902 also captures a client's demographic characteristics, income level, counseling type, and counseling outcomes.

Form HUD-9902 reporting is cumulative fiscal year-to-date for each quarterly reporting period. The collected information on form HUD-9902 is transmitted electronically through HUD's Housing Counseling System (HCS) from participating agencies.

The information collected from Local Housing Counseling Agencies (LHCAs), Multi-State Organizations (MSOs), Intermediaries (regional or national), and SHFAs through form HUD-9902 is utilized by HUD to demonstrate program impact to Congress, OMB, and industry stakeholders.

The information that is collected through form HUD-9902 includes household demographics such as ethnicity, race, income level, rural area status, and limited English proficiency status. Form HUD-9902 also collects education and counseling activities as required by HUD such as "Households Receiving Group Education" (Including Online Education), "Households Receiving One-on-One Counseling," and "Impact and Scope of One-on-One Counseling Services." Additionally, HUD uses the form data collected to justify proposed appropriations, develop performance indicators, and report on the accomplishment of performance goals. The data collected on form HUD-9902 plays a key role in analyzing performance and capacity during OHC's Notice of Funding Availability (NOFA) process. Industry stakeholders also utilize the form data, which is published quarterly on the HUD Exchange, in order to improve data accuracy of quarterly form submissions, identify data trends, and leverage additional Housing Counseling Program resources from other funding sources.

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.

OHC requires approved and participating housing counseling agencies to submit form HUD-9902 electronically through HCS. Approved and participating agencies are required to maintain an agency profile reflecting current program information in HCS, so this is a commonly used system. When a participating agency logs into their HCS profile using their username and password, they can navigate to the electronic form HUD-9902. In this form, agencies can submit their form data manually. Participating agencies may also submit form HUD-9902 by using their own required Client Management System (CMS) to connect electronically to HCS and submit the data elements.

Participating agencies can also download form HUD-9902 through HUDClips and on the HUD Exchange.

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.

Form HUD-9902 is the only instrument to collect agency activity reports from HUD participating HCAs, therefore no duplication exists.

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.

Reporting requirements for form HUD-9902 are the same for all HCA entities, regardless of their size. The information requested on form HUD-9902 has been streamlined and is considered to represent the minimal information needed for HUD to effectively demonstrate program performance and impact. OHC has provided annual training to the industry and have never received negative feedback regarding reporting being an onerous burden.

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.

Failure to collect quarterly performance data utilizing form HUD-9902 would eliminate the only mechanism OHC has to collect critical data justifying the benefits and impact of HUD's Housing Counseling Program.

7. Explain any special circumstances that would cause an information collection to be conducted in a manner: (PLEASE ANSWER EACH BULLET SEPARATELY)

- * requiring respondents to report information to the agency more often than quarterly;
There are no special circumstances that would require respondents to report more than quarterly.
- * requiring respondents to prepare a written response to a collection of information in fewer than 30 days after receipt of it;
There are no special circumstances that would require respondents to provide 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;
There are no special circumstances that would require 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;

There are no special circumstances that would require 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;

There are no special circumstances 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;

There are no special circumstances 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

There are no special circumstances 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.

* 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 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.

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. 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. Consultation with representatives of those from whom information is to be obtained or those who must compile records should occur at least once every 3 years - even if the collection of information activity is the same as in prior periods. There may be circumstances that may preclude consultation in a specific situation. These circumstances should be explained.

In accordance with 5 CFR 1320.8(d), this information collection soliciting public

comments was announced in the Federal Register on May 19, 2021, Volume 86, Pages 27100. No comments received.

A 30-day Federal Register Notice inviting public comments was published on July 26, 2021, Volume 86, Page 40074. No comments were received.

HUD solicited input on proposed form HUD-9902 changes during several stakeholder feedback webinars in April and May of 2019.

Below are three stakeholders who attended the webinar and provided feedback:

1. Teresa Bardwell - tbardwell@rcac.org;
2. Grazia Cortes - gcortes@unidosus.org;
3. Suzette McCarty - smccarty@tabornet.org.

Stakeholders attending these sessions reported the following:

- Changes will clarify language that has confused HUD participating housing counseling agencies for several years.
- Changes will allow participating agencies to better reflect the services that they are providing in their community.
- Changes do not represent an increase in reporting burden.

One revision that was made to form HUD-9902 based on stakeholder feedback from the webinar sessions in April and May of 2019 was including additional information on the types of disaster recovery related outcome activities that could be reported in Section 10(i) of the form. HUD revised the form to include examples of disaster recovery related activities, including homeowner rehab and relocation services.

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

HUD does not provide payments or gifts to respondents in exchange for a benefit sought.

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

All information collected and reported on form HUD-9902 is done in the aggregate, and without any PII collected. Additionally, HUD secures and protects the electronic transfer of sensitive information through the use of CMS/HCS transmission by using firewall protection, encryptions, and restricted access security.

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 sensitive nature.

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 in Item 13 of OMB Form 83-I.

* 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.

Annualized Burden Hours and Costs

Information Collection / Type of Respondent	Form Name / Form Number	Number of Respondents	Frequency of Response	Responses Per Year	Average Burden Hours Per Response	Annual Burden Hours	Hourly Cost per Response (Hourly Wage Rate)	Total Annual Respondent Cost
Not-For-Profit Institutions	HUD-9902 CMS Transmission	450	4	1,800	.25	450	\$49.01	\$22,054.50
Not-For-Profit Institutions	HUD-9902 Manual Transmission *	647	4	2,588	.50	1,294	\$49.01	\$63,418.94
State, Local & Tribal Government	HUD-9902 CMS Transmission	212	4	848	.25	212	\$49.01	\$10,390.12

State, Local & Tribal Government	HUD-9902 Manual Transmission *	305	4	1,220	.50	610	\$49.01	\$29,896.10
TOTALS		1,714		6,456		2,566		\$125,759.66

Note: The "Avg. Hourly Wage Rate" for each respondent includes a 1.46 multiplier to reflect a fully-loaded wage rate.

Form HUD-9902 is transmitted electronically to HUD through either the agency's CMS or the agency logs into HUD's HCS and enters its report directly into HCS.

According to the U.S. Department of Labor, Bureau of Labor Statistics website (https://www.bls.gov/oes/current/oes_nat.htm), the median wage rate category for Business and Financial Operations Occupations (13-0000) is estimated to be \$33.57 (hourly wage rate) x 1.46 (the wage rate multiplier) = \$49.01 (fully loaded wage rate).

*Form HUD-9902 is transmitted 100% electronically. HCAs can either input data directly into HUD's HCS or an HCA can submit data through its own CMS using an ARM connection to HUD's HCS system.

Therefore, the estimated total burden hour cost is estimated to be **\$125,759.66** annually.

13. Provide an estimate for the total annual cost burden to respondents or recordkeepers 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 and 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 collections 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.

There are no record keeping, capital, start-up or maintenance costs associated with this information collection.

14. Provide estimates of annualized costs 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 may also aggregate cost estimates from Items 12, 13, and 14 in a single table.

Annual Cost to the Federal Government

Item	Cost (\$)
Contract Costs: Salient There is an annual cost to HUD to maintain the Housing Counseling System, which is utilized to collect form HUD-9902. The annual HCS application cost is approximately \$700,000 and includes system maintenance and staff assistance for customer service.	\$700,000
Staff Salaries: (2) GS-13, step 3 employees spending approximately 25% of time annually reviewing quarterly reports for this data collection. (1) (GS-13, Step 3 - \$105,782.00 = \$105,782.00 x 1.46 (wage rate multiplier) = 154,441.72 x .25 of time spent = \$38,610.43 x 80 (employees) = \$3,088,834.40	\$3,088,834.40
Facilities [cost for renting, overhead, etc. for data collection activity]	N/A
Computer Hardware and Software [cost of equipment annual lifecycle]	\$1,750,000
Equipment Maintenance [cost of annual maintenance/service agreements for equipment]	N/A
Travel	0.0
Printing [number of data collection instruments annually]	0.0
Postage [annual number of data collection instruments x postage]	0.0
Other	0.0
Total	\$5,538,834.40

*Note: The "Salary Rate" includes a 1.46 multiplier to reflect a fully-loaded wage rate.

15. Explain the reasons for any program changes or adjustments reported in Items 13

or 14 of the OMB Form 83-I. All revisions or changes to the collection should be described here.

This is a new collection which was previously part of the currently approved OMB Collection 2502-0261, Housing Counseling Program. This collection is specifically for form HUD-9902 and reflects revisions that are being submitted as part of this collection. The program office requests that this form have its own collection.

The revisions include the collection of service data related to disaster counseling, reverse mortgage default counseling, and adjustments to verbiage for clarification purposes and to produce the end result that OHC requires in an agency's household reporting. Specifically, this collection includes the use of the separately approved HCS for the electronic submission of form HUD-9902. HUD participating HCAs are required to electronically transmit this form quarterly.

There are no previously approved burden hours as this is a new collection, however, the burden hours for form HUD-9902 as included in OMB Collection 2502-0261, Housing Counseling Program, were stated as 2,820 annual burden hours. Therefore, the burden hours for this collection has slightly increased.

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.

Data collected on form HUD-9902 is only published to demonstrate national and state level aggregate results on household data collected from HUD participating HCAs. Generally, nationwide aggregate form HUD-9902 data is published on the HUD Exchange on a quarterly basis approximately one month after the agencies' reporting deadline for that calendar quarter.

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.

HUD will display the expiration date for OMB approval of this information collection.

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

HUD does not request an exception to the certification of this information collection.

B. Collections of Information Employing Statistical Methods.

There is no statistical methodology involved in this collection.