

SMALL BUSINESS ADMINISTRATION (SBA)  
Supporting Statement for Paperwork Reduction Act Submission (Emergency)  
Restaurant Revitalization Fund Program Post Award Report, SBA Form 3173  
New Information Collection

***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 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 5003 of the ARP Act establishes the Restaurant Revitalization Fund (RRF) program to provide direct funds of up to \$10 million and limited to \$5 million 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. Section 5003(c)(6) of the ARP Act requires recipients to return to the Treasury any funds that the recipient did not use for allowable expenses by the end of the covered period, or if the recipient permanently ceased operations, not later than March 11, 2023. To address the requirement in Section 5003(c)(6) of the ARP Act, SBA requires RRF recipients to submit post award reports to confirm that funds are used fully and in accordance with program requirements.

SBA has created a new form (Form 3173, “Restaurant Revitalization Fund Post Award Report”) to collect the information necessary to obtain the reports from recipients. SBA restricts recipients from selling or otherwise conveying an interest in their business due to the requirement to use all of the funds and to provide SBA with a report thereof prior to any transfer. Because the need for this report is critical, SBA is requesting emergency approval under 5 CFR 1320.13 for this new information collection by September 29, 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 recipients (small businesses) that received awards under the RRF. This information collection will be used by SBA’s Office of Capital Access (OCA) to confirm that recipients used awarded funds in accordance with program 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.***

Post Award Reports will be submitted electronically through a portal managed by the company with which SBA has contracted to provide 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 reporting requirement for the RRF 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 comply with the reporting requirements for recipients of RRF direct funds as authorized under the ARP Act. The requested information is designed to collect the minimum information necessary to confirm appropriate use of funds.

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.***

Respondents have until March 11, 2023, to expend funds in accordance with program requirements and must file a report annually until they are able to report that all RRF funds have been used in accordance with program requirements. The first report is due no later than December 31, 2021. SBA anticipates that the majority of respondents will use all funds prior to the December 31, 2021, filing deadline and will therefore only need to file one report. If the respondent has not spent all funds by December 31, 2021, the recipient must file another report no later than December 31, 2022. If the respondent has not spent all funds by December 31, 2022, the respondent must file a final report no later than April 30, 2023. If this information were not collected, OCA could not evaluate and confirm the appropriate use of funds awarded to recipients.

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 often than quarterly;***
- ***requiring respondents to prepare 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;*
- *requiring 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;*
- *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*
- *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.*

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. Program rules require recipients to complete the report after receiving the award. Recipients certify on the award application that they understand the requirement to complete the post award report.

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

The RRF Post Award Report informs recipients 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 RRF 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 101,004 entities that received awards under the RRF program.

**Calculation:**

**Hour Burden**

Estimate of the hour burden of the collection of information: SBA estimates it will take respondents 30 minutes to complete each report, including time to gather the necessary information,, complete the form and submit it to SBA.

**Frequency of Response**

SBA estimates that 75% of recipients will submit the report one time: 75,753  
 $101,004 \times 75\% \times 1 \text{ response} = 75,753$

SBA estimates that 20% of recipients will submit the report two times: 40,402  
 $101,004 \times 20\% \times 2 \text{ responses} = 40,402$

SBA estimates that 5% of recipients will submit the report three times: 15,151  
 $101,004 \times 5\% \times 3 \text{ responses} = 15,151$

**Total Number of Responses (over the three-year reporting period): 131,306**

**Annual Hour Burden**

**Year 1:** 100% of respondents must file the report at 30 minutes each: 50,502  
 $101,004 \times .5 = 50,502 \text{ hours}$

**Year 2:** 20% of respondents file at 30 minutes each 10,100  
 $101,004 \times 20\% = 20,201 \quad 20,201 \times .5 = 10,100 \text{ hours}$

**Year 3:** 5% of respondents file at 30 minutes each: 2,525  
 $101,004 \times 5\% = 5,050 \quad 5,050 \times .5 = 2,525$

**Total Hours: 63,127 (for the three-year reporting period) 63,127**

**Hour Cost Burden**

The cost estimate for a respondent is based the Bureau of Labor Statistics, National Occupational Employment and Wages estimates an average for median hourly wage for: Accountant and Auditors 13-2011: \$35.30 per hour Secretaries and Administrative Assistants, Except Legal, Medical, and Executive 43-6014: \$18.68 per hour

$\$35.30 + \$18.68 = \$53.98$

$\$53.98$  divided by 2 = **\$26.99 Average hourly wage**

$\$26.99$  per hour at 30 minutes each = **\$13.50 Per Response**

Year 1: 100% of recipients must file the report: \$1,363,554

$101,004 \times 100\% \times \$13.50 = \$1,363,554$

Year 2: SBA estimates that 20% of recipients will submit the report: \$272,711

$101,004 \times 20\% \times \$13.50 = \$272,711$

Year 3: SBA estimates that 5% of recipients will submit the report: \$68,178

$101,004 \times 5\% \times \$13.50 = \$68,178$

**Total Public Hour Cost Burden :** **\$1,704,443**

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.***

There is no additional annual cost burden for respondents.

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 200 government employees that will be reviewing 131,306 total responses.

Calculation:

- 200 Reviewers: Average GS-9, Step 5 - \$32.65 hourly rate
- Each reviewer will spend a total of 5 minutes per application, which means a reviewer will review 20 responses per hour
- $\$32.65$  divided by 20 = \$1.63 per response

**Year 1:** 101,004 responses to review:

$101,004 \times \$1.63$  \$164,637

<b>Year 2:</b> 20,201 responses to review: 20,201 x \$1.63	\$32,928
<b>Year 3:</b> 5,050 responses to review 5,050 x \$1.63	<u>\$8,232</u>
<b>Total Costs:</b>	<b>\$205,797</b>

SBA negotiated a contract for \$48,000,000 the delivery of this program on the electronic platform. This cost was included in the Supporting Statement for the RRF Application, SBA Form 3171. There are no additional electronic platform costs for this collection of information.

Estimated total annualized cost to the Federal Government: \$205,797.

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 aggregated data on the uses of proceeds. 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