



U.S. Department of Justice

Executive Office for United States Trustees

Office of Oversight

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February 14, 2022

MEMORANDUM

TO: Melody Braswell
Department Clearance Officer for Paperwork Reduction Act

FROM: Robert S. Gebhard
Assistant Director, Office of Oversight

SUBJECT: Request for Renewal Approval by the Office of Management and Budget of the
“Application for Approval as a Provider of a Personal Financial Management
Instructional Course”

This memorandum and the attached materials are submitted under the Paperwork Reduction Act, 44 U.S.C. § 3501, *et seq.*, to authorize the United States Trustee Program (Program) to extend and revise the information collection request (ICR) entitled, “Application for Approval as a Provider of a Personal Financial Management Instructional Course” (Application). This ICR was previously approved by the Office of Management and Budget for three years under 1105-0085 and is set to expire on December 31, 2022.

By way of background, the Bankruptcy Abuse Prevention and Consumer Protection Act of 2005 (BAPCPA) enacted amendments to the Bankruptcy Code that took effect on October 17, 2005. The BAPCPA requires individual debtors to complete an approved instructional course concerning personal financial management after filing for bankruptcy before they may receive a discharge of their debts. 11 U.S.C. § 727(a)(11). The Program has responsibility for approving the providers of the personal financial management instructional courses that debtors must complete. 11 U.S.C. § 111(a)-(e). Before such a provider is approved, a United States Trustee is required to review the provider’s qualifications under the standards set forth in the statute, and the United States Trustee may require the provider to submit information needed for this review. 11 U.S.C. § 111(d). Procedures and criteria to be used by the Program when determining whether applicants seeking to become and remain approved agencies satisfy all the statutory prerequisites are set forth in final rule. 28 C.F.R. §§ 58.25 - 58.36 (Rule). Approved providers are identified on a publicly available list in each federal judicial district where they are approved to educate debtors. 11 U.S.C. § 111(a). Providers are approved for a probationary period not to exceed six months. The Program may approve a provider for an additional one-year period, or for successive one-year periods thereafter if the provider demonstrates it meets the standard set forth under 11 U.S.C. § 111 and can satisfy such standards in the future.

The ICR as provided in the revised Application is necessary to carry out the Program’s statutory mandate in determining whether a provider is in compliance with statutory standards

and should be approved for a six-month period or an additional one-year period pursuant to 11 U.S.C. § 111. The collected information will enable the Program to assess each applicant's eligibility for approval under statutory standards that include providing trained personnel with adequate experience and training in providing effective instruction and services; using learning materials and teaching methodologies designed to assist debtors in understanding personal financial management; and maintaining adequate records.

The total annual burden associated with the attached Application and instructions has decreased from 17,288 hours to 10,620 hours. The decrease is due to a decline in the estimated number of applicants seeking approval each year and to a decrease in the estimated number of debtors who complete a satisfaction survey.

However, the Program made two changes to the application and related instructions that will increase a provider's annual hour burden. First, the Program added the requirement for returning applicants to complete an application in full every five years. Currently, applicants may select a "no change" response to a question. By requiring periodic restatements of information previously provided, applicants will be more likely to closely review that information to ensure that it is up to date and correct, thus enhancing the Program's ability to review and approve the applications. In addition, permitting applicants to use the "no change" option indefinitely in their responses creates an unreasonable burden on the Program to retain unnecessary applications as opposed to disposing of them in accordance with a document retention policy. The Program estimates that this modification will increase a returning applicant's hourly burden by approximately one hour every five years.

Second, the instructions now include a broad definition of the term website where before there was none, to ensure that applicants fully disclose their entire presence on the internet. This in turn will enable the Program to better monitor applicants who may have previously undisclosed websites offering personal financial management instructional courses. The Program estimates that this modification will increase an applicant's annual hourly burden by only a few minutes.

Other changes that do not impact the total annual hour burden include the removal of two questions from the Application, a clarification that Applications may be submitted by secure methods other than those set forth in the instructions, and additional minor or clarifying changes.

The following documents are contained in the attached ICR package:

1. Supporting Statement A for the Paperwork Reduction Act Submission.
2. Application, instructions and appendices used to collect the information.
3. Law or authority mandating the information collection.
4. 60-day ICR Notice for publication in the Federal Register.
5. 30-day ICR Notice for publication in the Federal Register.

Your favorable consideration of this request will be greatly appreciated. If there are any questions concerning the ICR, please contact Juliet Drake at (202) 307-3698.

Attachments