

Paperwork Reduction Act Submission
Supporting Statement

Application for the 8(a) Business Development (BD) Program

Terms of Current Clearance

On April 3, 2015, OMB approved this information collection without change for a period of 24 months. The purpose of the extension was to provide SBA time to align the online 8(a) application submission interface with the OMB approved collection, and also to conduct a comprehensive review of the entire 8(a) application and annual review collections and their associated burdens. In conducting the review, SBA was to assess the practical utility of the various requirements and the internal processes to identify ways to reduce burden while still meeting the goal(s) of the program.

As a result of its review efforts to date, SBA has streamlined the 1010 8(a) Business Development Program Application (Business) and the 1010 Individual Information (IND). The specific revisions are addressed in A-1 below. The supplemental forms 1010-Alaska Native Corporation (ANC), 1010-Native Hawaiian Organizations (NHO), 1010-American Indian Tribal (AIT), 1010-Community Development Corporation (CDC) and the 1010-C Business Plan have no revisions at this time.

- 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 U.S. Small Business Administration's (SBA) 8(a) Business Development (BD) Program was created by Section 8(a) of the Small Business Act and implemented by Title 13, Part 124, Subpart A of the Code of Federal Regulations (CFR). The purpose of the 8(a) BD Program is to enhance the business development of small business concerns owned and controlled by socially and economically disadvantaged individuals whose ability to compete in the free enterprise system has been impaired due to diminished capital and credit opportunities as compared to others in the same or similar line of business.

Historically, over 2,000 entrepreneurs apply for the 8(a) BD Program certification each year. Each year, approximately 1,500 applications are returned without processing or withdrawn because they are incomplete. In an effort to increase the 8(a) BD Program's accessibility to socially and economically disadvantaged small business owners, SBA seeks to streamline the currently approved information collection which will reduce the administrative paperwork burden for 8(a) applicants while maintaining the integrity of the 8(a) BD Program. The reduced collection of information is consistent with the 8(a) Program eligibility criteria in 13 CFR Part 124.

The summary below reflects the changes to the information collection:

- I. Effective August 24, 2016, SBA updated the 8(a) regulations which further streamlined the application process and reduced the burdens for 8(a) applicants. These updates included the following:
 - a. Removal of the wet signature requirement. 8(a) applicants can now provide a scanned signature.
 - b. Elimination of economic narrative. SBA determines economic disadvantage based on quantitative factors – net worth, total assets and adjusted gross income. A narrative is not required as SBA relies on information in the SBA Form 413 and other supporting documents to determine economic disadvantaged status.
 - c. Elimination of paper applications and supporting documentations. 8(a) applicants can now upload their applications and supporting documentations electronically to the SBA 8(a) system.
- II. **SBA Form 1010 -Business (Application for admission to the 8(a) BD Program – Business Profile)** was revised to streamline the application process by requesting only pertinent information in an efficient and organized manner which resulted in the reduction of burden. Changes include:
 - a. General instructions and definition sections revised to simplify language or update obsolete references.
 - b. Section I, Business Profile questions were re-organized in a plain language approach to only address information needed to determine eligibility.
 - c. Section II, Business Management and Administration, Section A-B charts were revised to collect only pertinent information while deleting the request for information that SBA was not using to determine eligibility.
 - d. Section III, Supporting Documentation questions were revised to eliminate information that can be found elsewhere and to collect only pertinent information. In total across all forms, SBA eliminated 21 items out of 36 items previously required. Those items eliminated from the SBA Form 1010 - Business are as follows:

SBA Form 1623 Certification Regarding Debarment, Suspension and other Responsibility Matters
Copy of the current lease agreement(s) and/or proof of ownership for all business facilities and equipment
Current schedule of business insurance declaration pages (e.g., comprehensive, liability, worker's compensation, etc.)
A brief description and history of the business (including any changes in ownership/management/legal structure or business activity in the past 5 years)
All amendments to the Articles of Organization or Certificate of Formation
All amendments to the Operating Agreement
All Member Meeting Minutes-last 2 years

All amendments to the Articles of Incorporation
All amendments to Corporate Bylaws
Shareholder Meeting Minutes for the past 2 years
Board of Directors Meeting Minutes and resolutions passed for the last 2 years
Certificate of foreign LLC or corporation status if organized or incorporated in a state other than where the firm conducts business
Copy of Fictitious Business Name or Doing Business As (DBA) filing, if operated under other than a personal name
All amendments to Partnership Agreement
Narrative of Economic Disadvantage for the individuals claiming disadvantaged status
IRS Form 4506-T completed for the business
Current balance sheet, profit and loss statement, aging of accounts receivable, and aging of accounts payable no older than 90 days from the date of the application's receipt by SBA
Balance sheet and profit and loss statement for the previous three year end periods prepared in accordance with standard accounting principle.

- e. Statement regarding fees paid to representatives for assistance with application revised to more clearly set out the reporting requirements and consequences for non-reporting.

III. **SBA Form 1010-Individual (Application for admission to the 8(a) BD Program – Individual Profile)** has been revised to collect only information that will assist in determining eligibility. Changes include:

- a. Notice of Criminal Penalties and Administrative Remedies for False Statements has been added to the front page to make the applicant aware of the penalty for false statements in order to mitigate fraud, waste and abuse.
- b. The need for a social disadvantage narrative is required only for individuals who are not in the presumed socially disadvantaged group of the program.
- c. As noted above, SBA eliminated a total of 21 items out of 36 items previously required. Those items eliminated from the SBA Form 1010 - Individual are as follows:

Resumes for all owners of 10% or more, officers, directors, managing partners, managing members, and each key manager, officer and members of the governing board or business committee of the applicant company and for any other person, including a hired manager, who has authority to speak for and commit the concern in the management of the business
IRS Form 4506-T all officers, directors, managing partners, managing members, and owners of 10% or more

Three years of personal Federal income tax returns including all schedules, attachments, W2 forms, and proof of payment for all owners of 10% or more, officers, directors, managing partners, and managing members

- III. **SBA Form 1010 (Application for Entity-owned firms):** While SBA continues to streamline its application process to reduce the administrative burden to both our external and internal processes, we are not making any substantive changes to these forms at this time.
- a. **SBA Form 1010-ANC** (Supplemental application form for concerns owned by Alaska Native Corporations)
 - b. **SBA Form 1010-NHO** (Supplemental application form for concerns owned by Native Hawaiian Organizations)
 - c. **SBA Form 1010-AIT** (Supplemental application form for concerns owned by American Indian Tribes)
 - d. **SBA form 1010-CDC** (Supplemental application form for concerns owned by Community Development Corporations)
- IV. **SBA Form 1010C 8(a) (Business Plan)** While SBA continues to streamline its application process to reduce the administrative burden to both our external and internal processes, **we are not making any changes to this form at this time.**

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 from the current collection.*

The 1010-Business and 1010-Individual allow SBA's 8(a) BD Program to collect the information from applicants in order to determine their 8(a) BD Program eligibility. To be certified as a 8(a) BD Program Participant, a firm must be small business and be at least 51% unconditionally owned and controlled by persons who are socially and economically disadvantaged and who are U.S. citizens. Firms applying for the 8(a) BD Program must also show that the principals of the firm are of good character and that the firm has the potential for success.

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.*

The SBA Forms 1010 - Business, 1010-Individual, 1010-ANC, 1010-AIT, 1010-NHO, 1010-CDC and the 1010C are accessible in a fillable form electronically. The 8(a) Participants can electronically enter and/or modify their information using SBA's data system to complete and

submit the forms for review. In addition, SBA's administrative burden is reduced since firms are not required to mail in a paper application.

- 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.**

This information is collected initially from each firm during the application process in order to provide SBA with specific data necessary in determining an applicant's eligibility for certification in the 8(a) BD Program. If an applicant is declined, that firm, within 45 days, may request that SBA reconsider the decline decision by revising its application package and addressing the factors that led to the decline decision. SBA also collects this information annually from the current 8(a) participants during their Annual Review. The Annual Review submission provides current and updated information on the participants and their firms.

- 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.**

The collection impacts small businesses and the principals of these small businesses. However, SBA believes that this collection of information does not present a significant burden or economic impact on these small businesses. The requested information is required to ensure adequate oversight and program integrity and guarantee that only firms meeting the eligibility criteria are certified for 8(a) Program participation. To reduce the burden of responding to this collection of information, the application primarily requires "yes/no" responses and only requires narrative text where necessary. In addition, the electronic application provides a less burdensome and more effective and economical process for completion of the application form.

- 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.**

If SBA does not collect this information when a firm applies for 8(a) BD Program certification, SBA will be unable to determine the firm's Program eligibility. Further, there is an enormous risk associated with SBA not collecting this information since it increases the potential for ineligible firms to gain entry into the 8(a) BD Program thus opening up the Program to fraud, waste and abuse.

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

None of the listed special circumstances are applicable.

- 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.

60 Day – Federal Register Notice

A request for comment on Form 1010-Business and 1010-Individual was published in the Federal Register at 80 FR 71907 November 17, 2015. A copy of the Federal Register notice is attached. SBA received comments from five members of the public, including 8(a) program Participants and prospective applicants. Generally, commenters lauded SBA’s efforts to streamline the process and stated their belief that the reduction of administratively paperwork will be beneficial to other socially and economically disadvantaged small businesses when applying to the Program. Some commenters did not have any specific suggestion for SBA. One commenter simply requested a copy of the application forms, while a few others merely voiced their frustrations with the amount of information SBA requires to apply to the program. Those comments that included specific suggestion for SBA are discussed below:

One commenter expressed concern with “the storage of the information and potential for identity theft based on the types and amount of information requested.” SBA believes that controls in place for gathering and storing the information the agency collects helps to ensure its protection and unauthorized disclosure. SBA uses a two phase system approach to access 8(a) BD data. Firms are required to first log into General Login System (GLS) using their secured and password protected identifier and then gain access to our secured Business Information Management System (BDMIS) where data is ultimately entered and protected. Both of the systems have the proper “Firewall” to mitigate unauthorized access and fraud.

Another commenter suggested that SBA develop a more reliable streamlined application system that will leverage current technology tools while heightening fraud detection and program compliance monitoring functions. The commenter believes this would help SBA to reduce its application processing time. SBA is currently exploring an improved and more refined electronic application system that will enhance the 8(a) BD application efficiency.

A separate commenter suggested that SBA provide a timeline/checklist to help “control applicant expectation” along with training for firms once they are approved in the Program. SBA has and will continue to make improvements to the 8(a) BD Program. This commenter also commented on aspects of its customer service experience with the program, including issues with the website and length of processing time. SBA believes that changes to date will address this commenter’s concerns. SBA has simplified acceptance letters by giving all newly approval participants instructions on “Next Steps. SBA has also given, and will continue to give, webinars on application instructions as well as how to use the program once a Participant is approved. In addition, each SBA District Office conducts an in-person orientation seminar for Participants.

The final commenter stated that in order “to balance the program’s original intent and its stated objectives against the potential of fraud and abuse, the government would be well-served to leverage technology tools to focus its review and compliance resources to combat fraud and abuse risks.” This commenter, echoing the sentiment of another commenter, said the “government should look to further reducing the application burden and enhancing its analytics capability by taking the 8(a) application to an electronic application.” The commenter

specifically suggested that “digital service” mindset, as espoused by previous White House and Federal CIO initiatives, would significantly enhance the government’s efficiency in streamlining, accelerating and bringing in the best, brightest and honest minority, disadvantaged entrepreneurs into the 8(a) program. SBA is currently exploring a more refined application system that will enhance the efficiency of the 8(a) application process.

30 Day – Federal Register Notice

A request for comment on Forms 1010-Business and 1010-Individual was published in the Federal Register Vol. 81 No. 168 Tuesday, August 30, 2016. A copy of the Federal Register notice is attached. SBA received comments from members of the public and 8(a) program participants. SBA has review each comment and address each accordingly.

One commenter suggested that SBA Form 1010-Business, Section 2(A) should be prefaced with a statement that applicants wholly owned by American Indian Tribes are only required to submit information on the tribal entity who is claiming social and economic disadvantage on behalf of the tribe. SBA does not believe action is needed to address this comment because the questions presented on the 1010-Business pertain to the applicant firm. The same commenter suggested the SBA Form 1010-Individual should also be prefaced with a statement that for concerns wholly owned by American Indian Tribes, only the directors, management members, partners, and officers are required to submit Form 1010-Individual. Again, SBA does not believe action is necessary to address this comment. The 1010-Individual already states that it must be completed only by individuals claiming disadvantaged status, each individual owning at least 10% of the applicant firm, each director, management member, partner, and officer.

Another commenter stated that the requirement for Native Hawaiian Organizations (NHO) Directors to provide personal financial information ignores recently established regulations that shape how NHOs are determined to be “economically disadvantaged”. No action is needed at this time. NHO Directors do not need to submit personal financial information for the claiming applicant firm. SBA intends to conduct a comprehensive review of the Form 1010-NHO which will include changes to reflect the updated regulations.

The final commenter provided five comments in two separate letters. Comment #1 duplicated the previous commenters concern; Comment #2 states that under the current system when an applicant owned by an American Indian Tribe (AIT) categorizes a parent company as “other firm” the system does not generate a Form 1010-AIT. SBA does not believe action is necessary to address this comment. Comment #3 refers to question fourteen in Section C however; there is no question fourteen. SBA corrected the typographical error. Comment #4 references question twelve of the original Form 1010-IND which has been removed. SBA removed this question from the revised Form 1010-Individual as we found it is duplicative of the information SBA captures at initial application and again during the Annual Review of current Participants. Comment #5 suggested that changes should be made to Forms 1010-Individual and 1010-Business to clarify the unique ownership structure of business entities owned by American Indian Tribes. While the Forms 1010-Individual and 1010-Business are completed by a business concern with a handful of owners, business entities owned by American Indian Tribes are represented by a governing body with authority to take action on behalf of the Tribe. Therefore,

the commenter recommends that Form 1010-Individual be prefaced with a statement that for applicants wholly-owned by American Indian Tribes, only the directors, management partners, and officers are required to submit the Form 1010-Individual. The commenter recommended that the Form 1010-Business, Section 2(A), be prefaced with a statement that applicants wholly-owned by American Indian Tribes are only required to submit information on the tribal entity who is claiming social and economic disadvantage on behalf of the tribe. SBA does not believe action is necessary to address this comment. The 1010-Business is completed on behalf of the applicant firm. The 1010-Individual is completed by individuals claiming disadvantaged status, each individual owning at least 10% of the applicant firm and each director, management member, partner, and officer.

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

There are no payments or gifts given to any respondent.

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

All financial and business information will be protected. The applicant is informed at the time of application that all information provided will be protected to the extent permitted by the law. SBA's Privacy Act System of Record – SBA 30 - for the use and disclosure of this information may be viewed at <http://www.sba.gov/content/privacy-act-systems-records>. The System of Record Notice was last published in the Federal Register at 74 FR 14890 (April 1, 2009).

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.

The agency asks sensitive questions concerning racial or ethnic background, education, employment, citizenship and potentially demeaning or embarrassing instances of discrimination. The objective of the 8(a) BD Program is to help firms owned, managed and controlled by socially and economically disadvantaged individuals compete in the competitive market through various forms of business development. To determine if a firm is owned, managed and controlled by socially and economically disadvantaged individuals, the application must collect information concerning the basis of the individual's social and economic disadvantage, e.g., ethnic background, gender, or handicap, examples of discrimination and personal financial information. Further, in order to determine that an 8(a) applicant and the principals of an 8(a) applicant firm possess good character and to ensure 8(a) BD Program integrity, SBA collects information regarding arrest records, liens and Federal debt obligations. The sensitive information sought is required by §§7(j) and 8(a) of the Small Business Act, 15 U.S.C. §§ 636(j), 637(a), and 637(d) and the implementing regulations at 13 CFR, Part 124.

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 contraction out or paying outside parties for information collection activities should not be included here. Instead, this cost should be included in Item 14.*

ANNUAL HOURLY BURDEN ON RESPONDENTS

The estimated total hourly burden requested for SBA Forms 1010-Business, 1010-Individual, 1010-AIT, 1010-ANC, 1010-CDC, 1010-NHO and 1010C is **19,948**. SBA accepts Business Plans from the 8(a) BD participants in any format as long as the Business Plan contains all the elements listed in the 1010C. This submission includes the hourly burden related to initially completing the required Business Plan and the annual update of the Business Plan. This information is generally collected as follows: Initial 8(a) applicants use the Form 1010-Business and the supplemental Forms 1010-IND, 1010-ANC, 1010-NHO, 1010-AIT and/or 1010-CDC; applicants who were declined and request reconsideration of their application within 45 days from their initial decline decision resubmit the same documents; and 8(a) Participant firms during their annual review use the Form 1010 and the supplemental Forms 1010-IND, 1010-ANC, 1010-NHO, 1010-AIT and/or 1010-CDC. Firms also submit the Form 1010C during their initial application and update it as necessary during the annual review process. The burdens for each of these phases are set out below:

APPLICATIONS

SBA 1010-Business

SBA is using **5,399** its Fiscal Year 15 (FY) end total 8(a) participants as of 30 September, 2015. In addition, it is estimated that there are approximately **1,229** new applicants. The combined total is **6,628**.

- Estimated burden hours per response for each new applicant:
1.0 hr. x 1,229 current participants = 1,229 total estimated burden hours

The burden hour has been decreased by .5 of an hour since the last submission which was approved March 16, 2011. This is due to our regulation changes, simplifying our questions and the elimination of 21 supporting documents.

SBA 1010 supplemental applications (IND)

It is estimated that approximately **918** applications forms were received annually in FY 15

- Estimated **918** applications at 1 hour per submission= **918 total estimate burden hours**

There were no changes made to the burden hours from the previous submission.

SBA 1010 supplemental applications (ANC, NHO, AIT and CDC)

It is estimated that approximately **311** application forms were received annually in FY 15

- Estimated burden hours per response for applications:

$$1 \text{ hr.} \times 311 \text{ applications} = 311 \text{ total estimate burden hours}$$

There were no changes made to the burden hours from the previous submission.

SBA 1010-Business applications, 1010-IND, ANC, AIT, NHO and CDC rejected and resubmitted during reconsideration process

It is estimated that approximately **123** application forms were received annually in FY 15. This calculation is based on one of the listed forms being resubmitted.

- Estimated burden hours per response for applications:
.5hr x **123** applications = **61.50 total estimate burden hours**

BUSINESS PLAN FORM

SBA 1010C – 8(a) Business Plan– as required for all 8(a) firms

It is estimated that approximately **5,399** current participants and **1,229** new applicants = **6,628** Business Plans as required for 8(a) firms will be received annually by SBA.

Based on historical data, most new and current 8(a) participants and applicants utilize their established business plan when updating and applying to the Program. For this purpose, we utilized 10% percent (6,628 X 10%) as an estimate of those firms who may use our SBA Form 1010C Business Plan.

- Estimated burden per response for 1010C 8(a) Participants:
10 hrs x 663 8(a) Business Plan = 6,630 total estimate burden hours.

ANNUAL REVIEW

- Updated SBA 1010-Business and Supplemental forms (as appropriate): 1 hour x 5,399 current Program Participants = **5,399 total estimate burden hours.**
- Updated SBA Form 1010C – 8(a) Business Plan: 1 hour x 5,399 current Program Participants = **5,399 total estimate burden hours.**

The above listed estimated burden hours for the Annual Review has been calculated in the overall estimated burden hours.

Total Burden Hours for all forms during application process and Annual Review = **19,947.50 Rounded to 19,948**

(1010-Business, 1010-Individual, 1010-ANC, 1010-NHO, 1010-AIT, 1010-CDC and 1010C).

ANNUALIZED HOURLY COST TO RESPONDENTS

Below is the annual cost to respondents for the hour burdens for collection of information. The wage rate used was that of a GS-12/1 grade level, 2015-DCB, incorporating the 1.50% General Schedule increase and a locality payment of 24.22%, for the locality pay area of Washington-Baltimore-Northern Virginia, DC-MD-VA-WV-PA, effective January 2016.

SBA Form 1010-Business

Estimated cost to respondents for the hour burden:

1.0 hr @ \$37.13 = \$37.13

SBA Form 1010-Individual (supplemental application)

Estimated cost to respondents for the hour burden:

1.0 hr @ \$37.13= \$37.13

SBA Form 1010-AIT (supplemental application)

Estimated cost to respondents for the hour burden:

1.0 hr @ \$37.13=\$37.13

SBA Form 1010-ANC (supplemental application)

Estimated cost to respondents for the hour burden:

1.0 hr @ \$37.13= \$37.13

SBA Form 1010-CDC (supplemental application)

Estimated cost to respondents for the hour burden:

1.0 hr @ \$37.13= \$37.13

SBA Form 1010-NHO (supplemental application)

Estimated cost to respondents for the hour burden:

1.0 hr @ \$37.13= \$37.13

SBA Form 1010C – 8(a) Business Plan

Estimated cost to respondents for the hour burden:

10 hrs @ \$37.13= \$371.30

13. Provide an estimate of the total amount cost burden to respondents or record keepers resulting from collection of information.

The annual cost burden to respondents resulting from this information collection is minimal. This one time collection consists of business records that respondents retain in their ordinary course of business regardless of participation in the 8(a) BD Program.

14. Provide estimates of annual 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.

Below are the estimates of annual costs to the Federal Government for the review and analysis of forms related to 8(a) applications. The wage rate used for management and professional staff was that of a GS-12/1 grade level, 2016-DCB, incorporating the 1.00% General Schedule increase and a locality payment of 24.22%, for the locality pay area of Washington-Baltimore-Northern Virginia, DC-MD-VA-WV-PA, effective January 2016. The wage rate used for legal staff was that of a GS-13/1 grade level, 2012-DCB (Washington DC Baltimore area locality pay), incorporating the 1.00% General Schedule increase and a locality payment of 24.22%, for the locality pay area of Washington-Baltimore-Northern Virginia, DC-MD-VA-WV-PA, effective January 2016.

APPLICATION PROCESS

Annual cost to Government (the review and analysis of 8(a) applications):

Review and Analyze 8(a) applications including supplemental forms if appropriate (based on GS-12/1 basic hrly rate)

Management and Professional approx. **8 hours @ \$37.13 = Total per application \$297.04**

8(a) applications Total **(6,628 x \$297.04) = \$1,968,781.12**

Review and Analyze 8(a) applications including supplemental forms if appropriate for reconsideration (based on GS-12/1 basic hrly rate)

Management and Professional approx. **8 hours @ \$37.13 = Total per application \$297.04**

8(a) applications Total **(123x \$297.04) = \$36,535.92**

Review and Analyze Form 1010C as required for new 8(a) firms (based on GS-12/1 basic hrly rate)

Management and Professional approx. **4 hours @ \$37.13 = Total per application \$148.52**

Form 1010C new 8(a) firms Total **(663x \$148.52) = \$98,468.76**

Legal Review (10% of new applications, especially applications representing particular categories, and based on GS-13/1 hrly rate)

Legal approx. 3 hrs @ \$44.15 = Total per application \$132.45

Total Annual Cost Legal Review (66 x \$132.45) = \$8,741.70

TOTAL ANNUAL COST TO GOVERNMENT = \$2,112,527.50

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

There has been a decrease in the number of respondents to the information collection.

16. For collection 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 the information, completion of report, publication dates, and other actions.

Some of the data from this collection of information is included, in the aggregate, as part of an annual report on the 8(a) BD Program that SBA provides to Congress, or in various other agency reports.

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

Not Applicable.

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

There are no exceptions.