

Supporting Statement
U.S. Small Business Administration
Paperwork Reduction Act Submission
All 7(a) Loan Programs
(OMB Control # 3245-0348)

A. OMB clearance is requested for the following forms:

- 1. SBA Form 1919, SBA 7a Borrower Information Form**
- 2. SBA Form 1920, Lender’s Application for Loan Guaranty**
- 3. SBA Form 1971, Religious Eligibility Worksheet**
- 4. SBA Form 2237, 7(a) Loan Post Approval Action Checklist**
- 5. SBA Form 2449, Community Advantage Addendum – 7(a) Pilot Program**
- 6. SBA Form 3518, Community Advantage Addendum – 7(a) CA SBLC**

B. Introduction:

The purpose of this submission is for the revision and extension of existing information collection in OMB Control No. 3245-0348 consisting of SBA Form 1919, “SBA 7(a) Borrower Information Form For use with all 7(a) Programs”; and SBA Form 2237, “7(a) Post-Approval Action Checklist”. SBA requests an extension without revision to SBA Form 1971, “Religious Eligibility Worksheet”. Additionally, SBA is eliminating the requirement for SBA Forms 1920, “Lender’s Application for Loan Guaranty for All 7(a) Loan Programs”, and SBA Form 2449, “Community Advantage Addendum – 7(a) CA Pilot Program” from this information collection. SBA is replacing SBA Form 2449 with the new SBA Form 3518, Community Advantage Addendum – 7(a) CA SBLC”, which will be included in this information collection going forward.

SBA intends to eliminate the SBA Form 1920 as a required collection from Lenders. As of August 1, 2023, SBA no longer requires Lenders to submit SBA Form 1920 with their requests for SBA guarantee. Since the last renewal, there have been changes in Agency regulations and Standard Operating Procedures (SOPs) related to the 7(a) loan program, including changes related to the prior criminal history of an Associate, equity injection requirements, SBA business loan program eligibility requirements, and affiliation determinations, which require SBA to revise the information collection in SBA Form 1919.s. During the three years the current forms were in use, suggested improvements were received from sources such as SBA District Offices, the SBA’s Loan Guaranty Processing Center (LGPC), and Lenders who work directly with Small Business Applicants. This submission reflects changes that were made in response to the statutory, regulatory, and procedural changes as well as in response to the suggestions and recommendations SBA received regarding the forms.

C. Summary of Changes:

1. SBA Form 1919, SBA 7(a) Borrower Information Form for use with all SBA 7(a) Loan Programs

SBA has reorganized and streamlined SBA Form 1919 to remove information which is no longer required, updated and/or simplified information collection that is duplicative or otherwise obsolete based on rule and policy changes. SBA will only require a single Authorized Representative of the Applicant to complete the Application and certify the information provided as part of the Application. This revision is anticipated to reduce the time necessary for respondents to read and complete the form.

Based on the regulatory changes effective since the last publication of the form in September 2020, and subsequent procedural requirement changes in SBA SOP 50 10 7, effective August 1, 2023, SBA revised the information collected as follows:

Removed, revised and/or redesignated the following questions from SBA Form 1919:

- a. Revised the definitions section to make the instructions more concise and consistent in format, which should decrease the time a respondent may spend reading the instructions page.
- b. Removed the requirement for a key employee without ownership in the Applicant business to complete Form 1919.
- c. Removed regulatory language, and inserted citation 120.10 for the definition of Associates.
- d. Removed Question 1 was removed as all Co-Applicants are required to complete a separate SBA Form 1919.
- e. Former Questions 2, 3, 3(a) and 3(b), 26, 26(a), 26(b), 31, 31(a), and 31(b) –These questions are consolidated, revised, and redesignated as the new Question 2, which covers eligibility based on delinquency, default on SBA or other Federal debt.
- f. Former Questions 4, 7, 21, 24, 27, and 29 – Debarment, Suspension, Voluntary Exclusion, and Bankruptcy: These questions are consolidated, revised, and redesignated as Question 1 in the updated SBA Form 1919.
- g. Removed Question 5 “Does the Applicant Business operate under a Franchise/License/Distributor/Membership/Dealer/ Jobber or other type of Agreement?” No longer required due to regulatory change on Affiliation effective May 11, 2023.
- h. Former Questions 6, 23, and 28 – Affiliation: “Does the Applicant, Principals, or entity owners have any Affiliates”. SBA revised, consolidated, and redesignated it to the new Question 3.
- i. Former Questions 8, 25, and 30 – Pending legal action: The questions are consolidated, revised, and redesignated as Question 13.
- j. Former Question 10 – Fees Paid to Lender or Agent: SBA revised the language in Former Question 10 to include additional clarification on reporting fees.
- k. Former Question 11 –SBA revised the former Question 11 to add “lending activities, lobbying activities” to the list of activities which may have an eligibility restriction. SBA redesignated as the new Question 7.

- l. Former Question 17 – Prior Criminal History: As of August 1, 2022, SBA revised the regulations (87 FR 38900) under 13 CFR 120.110(n) regarding eligibility of a business with Associates with a prior criminal history. SBA revised former Question 17 to reflect the changes made to the regulations and redesignated as new Question 4.
- m. Former Questions 18 and 19 were removed as the need for the previous information collected was eliminated by revised regulations (87 FR 38900) under 13 CFR 120.110(n).
- n. Former Question 20 requested information on the citizenship status of each owner or Associate required to complete Former Section II of the SBA Form 1919. This question was removed and replaced with Applicant certification on page 3 of the new SBA Form 1919.
- o. Former Question 22 regarding Child Support was removed and replaced with Applicant certification on page 3 of the new SBA Form 1919.
- p. Consolidated and updated as necessary existing Borrower certifications and representations. These changes will assist with upfront eligibility and fraud checks. Included in the Application, requirements for the following certifications formerly provided by the applicant at closing:
 - i. Applicant, together with all affiliates, is small under the applicable small business size standard (13 CFR 121.201 and Section 3(a)(5) of the Small Business Act [15 U.S.C. 631 et seq]).
 - ii. If applicable, the Applicant(s), the ESOP (or equivalent trust), and/or the 401(k) plan is in compliance with all applicable IRS, Treasury, and Department of Labor requirements and will comply with all relevant operating and reporting requirements.
 - iii. Applicant environmental certification requirements.
 - iv. Applicant and/or OC will reimburse Lender for out-of-pocket expenses incurred in the making and administration of the loan.
 - v. Applicant and/or OC will maintain proper books and records, allow the Lender and SBA access to these records, and furnish financial statements or reports annually or whenever requested by the Lender.
 - vi. Applicant and/or OC will post SBA Form 722, Equal Opportunity Poster, where it is clearly visible to employees, applicants for employment and the general public.
 - vii. If loan proceeds are used for refinance of debt, the debt being refinanced with the loan proceeds was used exclusively for the Applicant's business.
 - viii. Real estate pledged as Collateral for the Loan or where the Operating Company conducts its business will not be leased to or occupied by any business that is engaged in any activity that is illegal under Federal, state, or local law or any activity that can reasonably be determined to support, promote, or facilitate any activity that is illegal under Federal, state, or local law.
 - ix. Applicant will not, without the Lender's prior written consent: 1) Make any distribution of company assets that will adversely affect the financial condition of the Borrower and/or OC; 2) Change the ownership structure or interests in the business

during the term of the loan; and 3) Sell, lease, pledge, encumber (except by purchase money liens on property acquired after the date of the Note), or otherwise dispose of any of the Borrower's property or assets, except in the ordinary course of business.

q. SBA added new statements as follows:

- i. "Federal Funding Accountability and Transparency Act of 2006, as amended (31 U.S.C. 6101 Note).
- ii. "Disclosure of Information" informing the Applicant of SBA's possible disclosure of certain information.
- iii. "The Build America, Buy America Act (BABAA) (41 U.S.C. §8301) –The Build America, Buy America Act (BABAA) certification.

2. SBA Form 1920, Lender's Application for Loan Guaranty for all 7(a) Loan Programs

SBA is removing SBA Form 1920 from this collection. As of August 1, 2023, SBA no longer requires the use of SBA Form 1920 for Lenders in their submission of 7(a) guaranteed loan applications.

3. SBA Form 1971, Religious Eligibility Checklist For all 7(a) and 504 Loan Programs

No changes to the information collection in the SBA Form 1971 were made by SBA.

4. SBA Form 2237, 7(A) LOAN POST APPROVAL ACTION CHECKLIST

SBA revised the instruction to correct the SOP reference from SOP 50 50 to read SOP 50 57.

5. SBA Form 2449, Community Advantage Addendum – 7(a) Pilot Program

The SBA is removing from this collection SBA Form 2449 because the regulation changes in *Small Business Lending Company (SBLC) Moratorium Rescission and Removal of the Requirement for a Loan Authorization* ([88 FR 21890](#)), sunsets the Community Advantage Pilot Program on September 30, 2023. Existing CA lenders have been transitioned to CA SBLC status.

6. SBA Form 3518, Community Advantage Addendum – 7(a) CA SBLC

SBA created a new SBA Form 3518, Community Advantage Addendum – 7(a) CA SBLC, to replace SBA Form 2449 because the CA Pilot will sunset September 30, 2023, and SBA Form 2449 was specific to the CA Pilot Program. CA SBLCs will continue to collect information from the Applicant previously provided in the SBA Form 2449 with geographic and demographic information to track small businesses in underserved markets. Because SBA will track this information not collected in the other 7(a) Loan Application forms, CA SBLCs will be required to submit SBA Form 3518 as an addendum to SBA Form 1919.

SBA Form 3518 also requires the CA SBLC lender to check the appropriate box to notify SBA if the business is either a "Startup/New Business (2 years or less)" or an "Existing Business (more

than 2 years old)". It also captures if the Small Business Applicant is in Low-to-Moderate Income (LMI) Community; Empowerment Zone or Enterprise Community (EZ/EC); Historically Underutilized Business Zone (HUBZone); Promise Zone; an Opportunity Zone; and/or in a Rural Area. The lender will identify if the small business Applicant is Veteran-owned and/or if more than 50 percent of the Small Business Applicant's workforce is low-income or resides in a LMI census tract.

D. Need & Method for the Information Collection:

1. The circumstances that make the collection of information necessary.

Section 7(a) of the Small Business Act (15 U.S.C. 636) authorizes the Small Business Administration to guarantee loans made by banks or other financial institutions to qualified small businesses for the purposes of "plant acquisition, construction, conversion, or expansion, including acquisition of land, material, supplies, equipment, and working capital" (a copy of this provision is attached). The 7(a) loan program regulations at 13 CFR Part 120 set forth the requirements that small businesses and lenders must comply with when applying for an SBA-guaranteed loan. This collection of information is also required of SBA by OMB Circular A-129 (Policies for Federal Credit Programs and Non-tax Receivables), to among other things, evaluate the character and performance of individuals participating in its federal credit programs (copy of this provision is attached).

2. How, by whom, and for what purpose will the information be used.

SBA Form 1919

The SBA Form 1919 is currently approved for use with the 7(a) loan program, and it is the first step in the SBA 7(a) loan origination process. The form is completed by the Small Business Applicant for submission to an SBA Participating Lender. The form is comprised of questions that help determine whether the Applicant and the requested financing are eligible and, if so, what additional information is necessary. To determine loan eligibility, SBA, through the Lender, collects information about the Applicant and its principal(s), their indebtedness, current or previous government financing, and certain other matters.

SBA uses the information collected in the electronic submission of SBA Form 1919 to ensure general eligibility and pre-screen for fraud.

In addition, as part of a Risk Based Review, the SBA uses the information on this form and other documents to ensure Lenders are originating loans that meet SBA Loan Program Requirements, and to minimize fraud. Data from the form is used to compile reports by SBA management (Executive, Senior, and Mid-Level) and entities with oversight authority of SBA. The entities use the data to evaluate the effectiveness of the 7(a) loan program in meeting the needs of various demographics, as well as the safety and soundness of the programs.

SBA Form 1920

SBA no longer requires the use of SBA Form 1920 as of August 1, 2023, and has eliminated this information collection document.

SBA Form 1971

This form is completed by the Lender for 7(a) loans and by the Certified Development Company (CDC) for 504 loans when a Small Business Applicant has a religious component. For non-delegated applications, the Lender/CDC submits the form with the application to the appropriate SBA loan processing center and SBA counsel uses the information collected to determine whether or not a Small Business Applicant with a religious business component is eligible to receive SBA loan assistance. The information is reviewed by SBA when conducting lender oversight activities or, in the event of default on a 7(a) loan, at time of guaranty purchase request.

SBA Form 2237

The information requested on this form is used by Lenders to advise or request SBA approval of post-approval loan changes for routine modifications (increase/decrease loan amount and/or guaranty percentage; cancellation of a loan approval; changes to the loan term/ maturity; and name (legal and/ or trade) and address changes). The collection of information is provided by the SBA Participating Lender to SBA through the secured E-Tran platform. The information is pertinent to the SBA to ensure that the Agency's records reconcile with the Lender's as well as with the loan documents.

SBA Form 2449

SBA Form 2449 was used to collect information about the Small Business Applicant and any management and technical assistance training or counseling the Applicant may have received in connection with a CA Pilot Program loan. This form is being replaced with the new SBA Form 3518 described below.

SBA Form 3518

SBA Form 3518 will be submitted to SBA electronically by the CA SBLC and will be used to collect demographic information of the Small Business Applicant, including but not limited to if it is located in an underserved market, if more than 50% of the Applicant's employees either are low income or reside in a LMI area, and/or if the Applicant is veteran owned. SBA requires this information to ensure the CA SBLC is in compliance with SBA's requirement that 60% of the number of CA SBLC loans closed must meet the underserved market requirements. This information was collected in SBA Form 2449, which is being retired from this information collection as the CA Pilot Program will be sunset on September 30, 2023.

3. Use of Information Technology

SBA Form 1919

This form is available on the SBA website as a PDF (fillable form) (<https://www.sba.gov/managing-business/forms/lending-forms/borrower-information-form><https://www.sba.gov/document/sba-form-1919-borrower-information-form>). Lenders are also able to assist respondents by generating the form through many third-party software platforms. Lenders with delegated authority are required to retain it in the respective loan file. For loans processed under non-delegated authority, the form must be submitted electronically to the SBA's LGPC via the E-Tran platform.

SBA Form 1920

SBA Form 1920 was eliminated as of August 1, 2020, Participating Lenders are no longer required to complete the form.

SBA Form 1971

This form is available in PDF-fillable online (<https://www.sba.gov/document/sba-form-1971-religious-eligibility-worksheet>) and is remitted to the Agency, when required, electronically.

SBA Form 2237

This information is collected from the SBA Participating Lender electronically through E-Tran as an electronic submission, however, the form is also available in PDF-fillable online (<https://www.sba.gov/sites/default/files/2020-11/sba-form-2237.pdf>).

SBA Form 3518

This information is a new information collection and replaces SBA Form 2449. This information collection submitted by the CA SBLC lender electronically through E-Tran. The form will also be made available in PDF-fillable format online.

4. Non-duplication

The information collected is unique to each Small Business Applicant, its principals, and the circumstances of the particular loan. All information must be collected by the Lender during the origination of an SBA loan and there are no other sources for this information.

There were certain questions included in the information collection provided in SBA Form 1919 by the small business Applicant that were also in the SBA Form 1920; for example, the questions requesting information on the existing jobs and anticipated FTEs created and retained by the Applicant as a result of the loan. The data on SBA Form 1919 is supplied by the Applicant

whereas the data on SBA Form 1920 was supplied by the Lender. The elimination of the SBA Form 1920 will in many instances eliminate duplication of collection.

5. Burden on Small Businesses

SBA Form 1919

This form is completed by small businesses in order for SBA to determine eligibility under the statutory and regulatory program rules. SBA made a concerted effort to provide a more user-friendly document based on SBA's new use of upfront fraud and eligibility tools.

SBA Forms 1920, 1971, 2237, 2449, and 3518

These forms are completed by Participating 7(a) Lenders, some of whom may be classified as small businesses in accordance with SBA's size standards. The Agency is cognizant of the burden completing the form places on its lending partners and continues to work with them to determine ways to reduce the burden. As SBA has no requirement that the Lender be a small business and does not collect with the Application information on the size of the Lender, SBA has no way to determine if the Lender submitting the loan guaranty request is or is not a small business.

6. Less Frequent Collection - Consequences if the information is not collected.

Failure to collect the information contained in the forms would likely compromise the 7(a) program's effectiveness and contribution to the nation's economy. Collection of the information contained in the forms allows the Agency to provide small businesses access to capital in an efficient and timely manner while complying with its statutory and regulatory authority and maintaining its fiduciary responsibility to the taxpayer.

The information is only collected once per application. As the forms collect information on eligibility and credit standards established by SBA Loan Program Requirements, not completing the required forms in their entirety at application may result in loans entering the program which are not eligible or creditworthy, potentially impacting program subsidy. Failure to collect the information would also inhibit SBA's ability to ensure compliance with SBA Loan Program Requirements.

7. Existence of Special Circumstances

Lenders submit loan data to SBA for its loan guaranty approval on a loan-by-loan basis. Because Lenders want SBA to approve loans on a rolling basis, they submit information more than once a quarter.

8. Solicitation of public comment.

SBA published notice in 88 FR 18623, Data Collection Available for Public Comments, regarding SBA Forms 1919, 1920, and others contained within OMB 3245-0348, Title: Borrower Information Form, Lenders Application for Guaranty, and 7(a) Loan Post Approval Action Checklist. Comments were due by May 30, 2023. SBA received one comment on the notice with suggestions for edits to the forms and procedures. SBA accepted and incorporated some of the suggested edits. SBA continues to engage with the Lenders to identify future enhancements.

9. Gifts or Payments.

No gifts or payments are provided to any respondents.

10. Privacy & Confidentiality.

Personally identifiable information is protected in accordance with SBA Cybersecurity and Privacy Policy, federal policies, guidelines, industry practices and standards which consists of encryption, access controls, least privileges, role-based permissions, Cybersecurity Awareness Training for all SBA staff, signed Rules of Behavior, and data minimization. A Privacy Impact Assessment has been conducted on the Capital Access Financial System affiliated with this form. Also, the information collected is protected to the extent permitted by law including the Freedom of Information Act and the Privacy Act, where applicable. SBA provides respondents with a summary statement of the laws governing the Agency's protection and disclosure of confidential and sensitive information as part of SBA Form 1081. SBA restricts access to the information to those personnel with a need to know. The most recent revision of Privacy Act System of Records, SBA 21 – Loan System can be found at: [2021-09064.pdf \(govinfo.gov\)](#)

The information collected is protected to the extent permitted by law. SBA incorporated various statements required by law and executive orders to advise each respondent (both the loan Applicant(s) and Lenders) of, among other things, the protections against disclosure of sensitive and confidential information under the “Freedom of Information Act” (5 U.S.C. § 552), “Right to Financial Privacy Act of 1978” (12 U.S.C. § 3401), the Privacy Act (5 U.S.C. § 552a), and other executive orders or legislation governing federal financial assistance.

SBA Form 1919 includes a section entitled, “Statements Required by Law and Executive Order.” This section advises each respondent of, among other things, the protections and policies governing the disclosure of sensitive and confidential information under the Freedom of Information Act, (5 U.S.C. § 552), Privacy Act (5 U.S.C. § 555a), the Right to Financial Privacy Act of 1978 (12 U.S.C. § 3401), the Federal Funding Accountability and Transparency Act of 2006, as amended (31 U.S.C. 6101 Note), and other statutes or executive orders related to financial assistance from the Federal government.

11. Questions of a sensitive nature.

This information collection requests social security numbers as well as financial, criminal, and employment information which all may be perceived as sensitive information. SBA is specifically authorized to verify the criminal history, or lack thereof, to make a character determination, pursuant to section 7(a)(1)(B), 15 USC Section 636(a)(1)(B) of the Small Business Act (the Act). SBA is authorized to make all investigations necessary to ensure that a person has not engaged in acts that violate or will violate the Act or the Small Business Investment Act, 15 USC Sections 634(b)(11) and 687(b)(a), respectively.

Regulations under 13 CFR 120.110(n) currently reflect those businesses with an Associate who is incarcerated, on probation, on parole, or is under indictment for a felony or any crime involving or relating to financial misconduct, or a false statement are ineligible. SBA Form 1919 collects information about each applicable principal's recent criminal record, gender, race, ethnicity, and veteran status. The veteran status, gender, race, and ethnicity are collected for program reporting purposes only and have no bearing on the credit decision, and the collection of this information is voluntary. However, SBA's collection of information concerning a respondent's current criminal history is necessary to ensure an ineligible loan is not approved by the SBA.

SBA maintains a Privacy Act System of Records governing the disclosure of an individual's loan related personal information. See Federal Register Notice SBA-21, Loan System, at 74 FR 14890 (April 1, 2009) as amended by notices published at 77 FR 15835 (03/16/2012) and 77 FR 61467 (10/09/2012).

12. Estimate the hourly burden of the collection of the information.

Number of Respondents – To calculate the number of respondents for each form, SBA used the average number of 7(a) loan applications approved over the last three completed Fiscal Years¹ as a basis for anticipated 7(a) loan approvals for FY 2024. For Application submissions, SBA included the estimated number of loans which will be declined based on the percentage of the total number of declined 7(a) loans² in FY's 2020, 2021 and 2023 compared to approved loans. This figure represents the total number of respondents for Form 1920 in previous years. This figure, plus an estimate of the additional Form 1919 required to be submitted by Operating Companies (OC) when the Applicant is an EPC and added an estimate for additional Form 1919

¹ Per publicly available SBA 7(a) Loan Approval data downloaded from SBA's Freedom of Information webpage: webpage SBA FOIA - 7(a)(FY2020-Present) as of 230331.csv

(<https://data.sba.gov/dataset/7-a-504-foia/resource/c71ba6cf-b4e0-4e60-98f0-48aef4c6460>). 141,832 7(a) loan approvals in FY 2020 (42,298), FY 2021 (51,856), and FY 2022 (47,678); which averaged 47,277.3 loans per year.

² Per SBA Loan Guaranty Processing Center, the number of declined 7(a) loan applications without subsequent approval by FY were 194 declines in FY 2020; 285 declined loans in FY 2021; and 224 declined loans in FY 2022. The total of 703 declined loans represents 0.497% of the total loan approvals of 141,832 over the same period. For purposes of estimating the total number of loan applications received (both approved and declined) by SBA, SBA rounded the percentage of declined loans to 0.5% and added to the number of anticipated 7(a) loan approvals for FY 2024.

submissions required by Co-Borrowers. The number of respondents for Form 1920 will be zero for FY 2024 as SBA is eliminating the use of the form, however, SBA is maintaining the cost burden based on the lender needing to provide the loan information obtained from the Applicant in SBA Form 1919, as well as the terms and conditions of the specific loan, in the SBA’s E-tran system. SBA recognizes there is a time burden with the input of such information and the cost estimates below consider the Lender’s time burden in entering this information in E-tran. SBA estimated the time burden estimate for FY 2024 by calculating the total number of 7(a) loan Applications submitted to SBA, both approved, and declined (adding 0.5% for the number of submitted and declined applications), then dividing the sum by three (3) (number of years collected) to arrive at 47,512 anticipated Applicants (Applications received). To determine the average number of respondents for the Form 1919, SBA added 17.8% of the total Applications received to estimate the number of additional Form 1919s required for Applications submitted as an EPC/OC or Co-Borrower structure.

SBA used the total number of loans declined without subsequent approval between FY 2020 and FY 2022 which was calculated as a percentage of the total loans approved of approximately 0.5 percent. SBA then added 17.8% to the estimated number of applications received to incorporate the anticipated additional information collection submissions required for EPC/OC and Co-Borrower submissions, which are estimated to be approximately 17.8% of the total 7(a) loan approvals³. This total was used to calculate the total 7(a) Application submissions for the Small Business Applicants (Form 1919). For the number of respondents completing Form 1919 for FY 24, we averaged the number of Applications received as an Eligible Passive Company (EPC)/Operating Company (OC) structure and the number of Applications including a Co-Borrower. The EPC/OC and Co-Borrower submissions would only affect the number of Applicants for Form 1919, and not the other Forms in this addressed in this supporting statement.

See the Table 1: 7(a) Form Submissions, FY 2020 – FY 2022, for a breakout of Applications and Form submissions received by SBA in the last three completed fiscal years and the average per year used as a base for FY 2024:

Table 1: 7(a) Form Submissions, FY 2020 – FY 2022:

	3-Year Total	Average Per Year
Approved 7(a) Loans	141,832	47,277

³ Per SBA loan data on number of SBA loan approvals with EPC/OC and/or multiple Co-borrowers for FY 2020 (6,892 approvals); FY 2021 (10,923 approvals); and FY 2022 (7,384 approvals). Which results in a total of 25,199 applications received requiring more than one submission of Form 1919 per application, or 17.77% of the total approvals. SBA added 17.8% to the anticipated number of loan applications to ensure the total number of respondents is accurately reflected.

Declined 7(a) Applications (~0.5% of the 3-Year total - Est.)	709	236
EPC/OC and Co-Borrower (~17.8% of the 3-Year total - Est.)	25,199	8,400
Total Form 1919 Respondents⁴	167,740	55,913
Total Form 1920 Respondents⁵ (applications approved and declined)	142,535	47,512
Total Form 2237 Respondents⁶	141,832	47,277
Total Form 2449 / Form 3518 Respondents⁷	1,820	607
Total Form 1971 Respondents (Estimated)	30	10

**Discrepancy between Application totals may be off due to rounding in calculating the average Applications per year.*

For the Fiscal Years, FY 2020, 2021, and 2022, there was an average of 47,512 7(a) loan applications submitted to SBA by SBA Participating Lenders, which is comprised of all 7(a) Loan approvals plus the 7(a) loan applications which were declined without subsequent approval. This figure is used for the number of Form 1920 respondents. For the number of Form 1919 Respondents, SBA added to this figure the additional Form 1919 submission based on the Application being from an EPC, or including a Co-Borrower, which requires an additional Form 1919 submission for each OC and Co-Borrower in the EPC/OC applications and loan applications and other loan requests structured with Co-Borrowers.

This number is calculated by adding the total number of loan approvals in FYs 2020, 2021, and 2022 (141,832 total loan approvals) and adding the total number of applications that were declined without a subsequent approval decision in FYs 2020, 2021, and 2022 (703 total loans

⁴ Anticipated respondents (Small Business Applicants, OCs, and Co-borrowers) SBA Form 1919 in FY 2024 is the annual average of the total 7(a) loan approvals, plus the estimated annual number of declined 7(a) loans (0.5%), plus the estimated number of additional Form 1919 submissions required by respondents such as Operating Companies in an EPC/OC structure, and Co-Borrowers (17.8%).

⁵ Anticipated respondents (Lenders) for SBA Form 1920 in FY 2024 are zero, as the Form is being eliminated effective August 1, 2023.

⁶ Anticipated respondents (Lenders) for SBA Form 2237 are estimated as the anticipated total loan approvals for FY 2024.

⁷ Anticipated respondents (CA SBLC Lenders) for SBA Form 3518 are estimated by using the average annual total of CA Loans approved in FYs 2020, 2021, and 2022 and subsequent SBA Form 2449 submitted to SBA for those loans. The CA Pilot Loan program is being sunset on 9/30/2023; and current CA Pilot Lenders are being converted to CA Small Business Lending Companies (CA SBLCs). SBA's Office of Credit Risk Management (OCRM) intends to require the CA SBLCs to provide to SBA in the SBA Form 3518 Addendum similar demographic information related to underserved markets which was previously collected in the Form 2449; however, some information related to management and technical assistance is not included as a required information collection in the Form 3518.

declined, or approximately 0.5% of the loan approvals), then dividing by the number of years of loan information (3). This yields an average for 7(a) loan Applications received annually by SBA Participating Lenders of 47,512 respondents. This number also reflects the anticipated number of SBA Form 1920's which will be submitted by Lenders in FY 2024, with only one Form 1920 submission required for each 7(a) Loan Application.

The estimated number of SBA Form 1919 received would be slightly higher. The reasoning for this is, even though SBA no longer requires separate Sections of Form 1919 be completed and submitted for each Applicant, each individual owner of 20% or more, each Associate, and each entity owner; SBA still requires a separate Form 1919 for each Co-Borrower on a loan application, and in cases where the Applicant is an EPC using proceeds to acquire fixed assets for the benefit of an otherwise eligible OC, SBA still requires the EPC to complete a Form 1919, and each OC must also complete SBA Form 1919, regardless if they are a Co-Borrower or a guarantor on the loan. For this calculation, SBA used a factor of 17.8% of approved applications to determine the estimated applications with EPC/OC and/or Co-Borrower structures. An additional 17.8% of the total anticipated loan approvals from EPC/OC and Co-Borrowers were added to the total Applications approved and declined, increasing the estimated total respondents for Form 1919 to 55,913 per year. (See table 1 above).

For purposes of this calculation of burden estimate for the SBA Form 1971, SBA used the estimate of 10 Form 1971 submissions per year based on historic calculations. These 10 loans per year are added to the total burden estimates in the calculation below.

SBA estimates of one response per loan approval for each Form 2237 (47,512).

There were 1,820 CA loans approved in FYs 2020, 2021, and 2022, for an average of 607 CA loans. Because the CA loan pilot is sunsetting on September 30, 2023, and CA Pilot lenders will be transitioned to become CA SBLC lenders who will make 7(a) loans, SBA is replacing SBA Form 2449 with SBA Form 3518 which will also remove the information collection pertaining to management and technical assistance, thus reducing the cost burden estimate from 5 minutes per response to less than 2 minutes as an approximate time burden savings of 30 hours per year for potential respondents.

Previous iterations of Form 1919 and supporting statements estimated three copies of Form 1919 would be submitted by each applicant per loan Application; however, the updated Form combines the separate sections and only requires a single Application submission from an Authorized individual of the Applicant to be submitted to SBA. Therefore, there is a significant reduction in the estimated number of Form 1919s submitted to SBA going forward when compared to previous years.

For purposes of calculating the anticipated annual costs by a respondent in the following sections, SBA used the GS 11 Step 5 wage scale of \$32.21 per hour⁸ in calculating the hourly

⁸ https://www.opm.gov/policy-data-oversight/pay-leave/salaries-wages/salary-tables/pdf/2023/GS_h.pdf

costs for completing an SBA Form required to be submitted by an Applicant small business (SBA Form 1919).

For purposes of calculating the anticipated annual costs by a respondent for a Form required by an SBA Participating Lender (SBA Forms 1920, 1971, 2237, 2449, and 3518), SBA utilized the hourly rate and annual wages provided in the Bureau of Labor Statistics (BLS) “Mean Hourly Wage” data for “13-2072 Loan Officers”⁹. The BLS data reflects a “Mean Hourly Wage” of \$40.46 and a “Mean Annual Wage” of \$84,160 per year. For purposes of this supporting statement, SBA used the BLS’ “Mean Hourly Wage” for “13-2072 Loan Officers” to calculate the annual anticipated costs of completing the SBA Forms by a Loan Officer of \$40.46 per hour.

SBA Form 1919

Each 7(a) loan will require only one SBA Form 1919 to be completed by each small business Applicant (the business) and any co-applicant (if applicable), and when the Applicant is an Eligible Passive Company (EPC) as permitted under 13 CFR 120.111, the underlying Operating Company(s) (OC) must also complete the Form 1919 in its entirety, as the eligibility of the loan to an EPC is determinant on the underlying OC(s). In an EPC/OC structure, the OC is only required to be a guarantor on the loan; however, the OC(s) must be a co-Borrower if it receives any proceeds or if proceeds will be used to purchase any assets for the OC(s) use. SBA estimates that the typical respondent will fill out one SBA Form 1919 once, with only occasional Applicants applying as Co-Borrowers, such as in an EPC/OC scenario.

Prior to the proposed change to Form 1919, the Form was divided into three separate sections, with the Applicant completing Section I, and a separate Section II (for individuals) and Section III (for entity owners) were required to be completed and signed by:

- o For a sole proprietorship, the sole proprietor.
- o For a partnership, all general partners, and all limited partners owning 20% or more of the equity of the firm; or any partner that is involved in management of the applicant business.
- o For a corporation, all owners of 20% or more of the corporation, and each officer and director.
- o For limited liability companies, all members owning 20% or more of the company, each officer, director, and managing member.
- o Any person hired by the Applicant to manage day-to-day operations of the Applicant business ("key employee"); and
- o Any Trustor (if the Applicant is owned by a trust).

⁹ Bureau of Labor Statistics Occupational Employment and Wage Statistics data as of May 2022 (<https://www.bls.gov/oes/current/oes132072.htm>).

- o Each entity owning an equity interest in the Applicant.

This created a duplication in responses about the business, which are consolidated and eliminated by allowing a single authorized representative of the Applicant to sign and certify new SBA Form 1919, which will reduce time costs, and unnecessary delays in completion of separate sections. Because SBA will perform a pre-approval primary eligibility and fraud check, the Applicant’s up front information provided in Form 1919 and additional certifications is critical for SBA to complete the pre-approval review.

To determine the average number of respondents for SBA Form 1919 per year, SBA used data for approved loans which reflected the average annual increase between Fiscal Year 2020 and 2022 (most recent three full years) of 47,277 approvals; added the anticipated number of declined loans per year (approximately 0.5% of the approved loans, or 236 declined loans per year); and added the average number of EPC/OC applications and approved loans with multiple of Co-Borrower Applications received per year (approximately 17.8% of loan approvals, or anticipated additional annual Form 1919 submissions of 8,400 loans per year). This yields 55,913 anticipated Form 1919 submissions for FY 2024.

The revised Form 1919 currently includes 5,365 words at the time of this writing. SBA used the average 8th grade reading and comprehension level and reading speed statistics to calculate the time burden estimate for a respondent. The average reading levels based on 8th grade students average of between 150 words per minute¹⁰ and 204 words per minute¹¹, SBA estimates the form will take between 26.4 and 35.8 minutes to read, comprehend, and complete the Form 1919, or an average rate of 31.1 minutes, or rounded to 31 minutes.

Estimated cost is determined by taking the salary for a GS-11, Step 5 Federal employee’s annual salary of \$67,227 or \$32.21 per hour based on the 2023 General Schedule (Base). The GS-11 pay grade is utilized in preparing this estimate as it is equivalent to the position normally held by an average person in a mid-level position. See *Table 2: Annual Estimated Costs to Complete SBA Form 1919 below.*

Table 2: Annual Estimated Costs to Complete SBA Form 1919

<i>Estimated Number of forms collected annually</i>		
A	FY2024 Estimated Responses for Form 1919	55,913
<i>Estimated Burden Hours</i>		
B	Number of minutes to complete Form 1919	31

¹⁰ Average reading speed rate for “6th – 8th grade” supported by research from Hasbrouck, J. & Tindal, G. (2017) – Brysbaert, M. (2019) (<https://scholarwithin.com/average-reading-speed>)

¹¹ <https://scholarwithin.com/average-reading-speed>

C	Total number of minutes to complete the form (annually)		1,733,303
D	Converted to hours	C/60 minutes	28,888
E	GS-11, Step 5 hourly rate		\$32.21
F	The annual cost to respondents	D x E	\$930,495

SBA Form 1920

SBA is eliminating the Lender’s required use of the Form 1920 effective August 1, 2023. Therefore, no costs will be associated with SBA Form 1920 going forward. For purposes of this collection, the time burden savings from the elimination of the use of SBA Form 1920 should reduce the time burden for this collection by 25 minutes per repose, or 23,820 hours annually based on the 47,512 estimated responses for FY 2024.

SBA Form 1971

SBA receives very few responses for Form 1971 for review by the SBA’s Office of General Counsel (OGC) with average submissions of 10 per year. For purposes of the calculation of time burden, SBA will continue to use the anticipated number of Applications received requiring the submission of Form 1971 as approximately 10 per year.

SBA requires both the Applicant small business and the Lender complete and sign the SBA Form 1971 when an Applicant has a religious component to their business (e.g., a religious bookstore). The estimated cost is determined by taking the “Mean Hourly Wage” data for “13-2072 Loan Officers” provided by the Bureau of Labor Statistics (BLS) and applying it to the total anticipated annual burden hours by all respondents. The SBA estimates the respondents will take an average of 5 minutes to complete the form at the mean hourly wage for a Loan Officer of \$40.46 per hour.¹² This yields an anticipated annual burden cost to Lenders in completing Form 1971 of \$26.01 per year. Because both the Applicant and the Lender must execute the Form, for simplicity, SBA doubled the total time required by all respondents each year, which increased the time burden from an estimated 50 minutes per year to 100 minutes per year and increased the total anticipated cost of completing Form 1971 to \$67.43 annually.

Table 3: Annual Estimated Costs to Complete SBA Form 1971

<i>Estimated Number of forms collected annually</i>		
A	FY2024 (Estimated)	10

¹² Based on Bureau of Labor Statistics Occupational Employment and Wage Statistics data for Loan Officers as of May 2022 (<https://www.bls.gov/oes/current/oes132072.htm>).

<i>Estimated Burden Hours</i>			
B	Number of minutes to complete Form 1971		5
C	Total number of minutes to complete Form 1971 (annually)		50
D	Converted to hours	C/60 minutes	0.833
E	BLS Mean Hourly Wage Data		\$40.46
F	The annual cost to respondents	D x E	\$30.32
G	Doubled Annual Cost (as both the Lender and Applicant must execute the Form when the Form is required)	F x 2	\$67.43

SBA Form 2237

The SBA estimates that most 7(a) loans booked in FY 2024 will require data regarding a change to be input at some point. Thus, SBA anticipates the input of the required information collection for SBA Form 2237 in E-Tran to be once for every approved 7(a) loan application, or an estimate of 47,277 responses. The SBA estimates the average respondent will require 5 minutes to enter the data from the form in E-Tran. SBA used the May 2022 BLS Mean Hourly Wage for a Loan Officer of \$40.46 per hour, for a total annual anticipated cost for all respondents of \$159,402. See Table 4: *Annual Estimated Costs to Complete SBA Form 2237*, below.

Table 4: Annual Estimated Costs to Complete SBA Form 2237

<i>Estimated Number of forms collected annually</i>			
A	FY2024 (Estimated) Respondents		47,277
<i>Estimated Burden Hours</i>			
B	Number of minutes to complete Form 2237		5
C	Total number of minutes to complete the form (annually)		236,385
D	Converted to hours	C/60 minutes	3,939.75
E	BLS Mean Hourly Wage Data from BLS		\$40.46

F	The annual cost to respondents	D x E	\$159,402.29

SBA Form 2449 and Form 3518

Each 7(a) Community Advantage loan required one SBA Form 2449 to be completed by the Lender and submitted to SBA electronically, providing SBA with information about the Applicant small business and any management or technical assistance training or counseling it may have received. This form was required as an addendum to SBA Form 1919, Borrower Information Form when a CA Lender submitted a loan under the CA pilot loan program. Submission of the requested information was required for the Lender to comply with program requirements and provide information on the management and technical assistance provided by the CA Pilot Loan Applicant. Because SBA Form 3518 will be submitted by CA SBLCs as the replacement for the information collection using SBA Form 2449, the data and cost burden estimates for SBA Form 2449 over the last three years are used to estimate the anticipated burden estimates and anticipated burden cost savings from the use of SBA Form 3518 versus SBA Form 2449.

There were 538 Community Advantage (CA) loans processed in FY2020, 565 CA loans processed in FY2021, and 717 CA loans processed in FY2022. For purposes of calculating the time burden cost estimates for this information collection, SBA assumes the former CA Pilot lenders (which will now become CA SBLC Lenders) will continue to submit 7(a) loans consistent with the same volume they previously submitted under the CA Pilot Program. Using the totals for CA Pilot Loans for the last three completed Fiscal Years 2020 through 2022, we estimate the total information collections for Form 3518 submitted by CA SBLC Lenders to remain consistent with the average number of SBA Form 2449 submission averaged over the last three years, or approximately 607 7(a) loans per year.

Because the CA Pilot Program is being sunset as of September 30, 2023, SBA anticipates no longer collecting information related to management and technical assistance provided to the small business applicant; however, the CA SBLC Lender will still be required to complete and submit the new Form 3518 and provide SBA with information that the Applicant small business is located in an Underserved Market, or is veteran-owned, or if more than 50% of the Small Business Applicant's workforce is low-income or resides in a LMI census tract. SBA anticipates the change from SBA Form 2449 to SBA Form 3518 will have a minimal impact on SBA Lenders as all current CA Pilot Lenders who are currently required to submit Form 2449, are being transitioned to CA SBLC Lenders, and will now be required to submit the SBA Form 3518 instead of the SBA Form 2449. CA SBLC Lenders will have the ability to make regular 7(a) Small and Standard 7(a) loans going forward and are still required to submit the demographic information addendum for their Applicants on SBA Form 3518 to ensure they are making a

sufficient percentage of their 7(a) loans to businesses located in Underserved Markets. Assuming the CA Pilot Loan applications previously submitted will now be processed as 7(a) Small loans, SBA anticipates the conversion from SBA Form 2449 to SBA Form 3518 will result in anticipated annual cost reduction for all required respondents of approximately \$818.64. This figure was derived from the results of an average of 607 CA loans processed over the last three completed Fiscal Years, each requiring a single response taking an average of 2 minutes per response to complete the form and utilizing the average wage cost of \$40.46 per hour using the May 2022 BLS Mean Hourly Wage data for a Loan Officer. See Table 5: *Annual Estimated Costs to Complete SBA Form 3518* below.

Table 5: Annual Estimated Costs to Complete SBA Forms 3518

<i>Estimated Number of forms collected annually</i>			
A	FY2020 – 2023 CA Loans Three-year average		607
<i>Estimated Burden Hours</i>			
B	Number of minutes to complete Form 3518		2
C	Total number of minutes to complete the Form (annually)		1,214
D	Converted to hours	C/60 minutes	20.23
E	BLS Mean Hourly Wage Data from BLS		\$40.46
F	The annual cost to Respondents	D x E	\$818.64

13. Estimate of total annual costs.

Based on the total anticipated costs for FY 2024 to all respondents for the SBA Forms 1919, 1971, 2237, 2449, and 3518, as provided above in Section 12, the total anticipated costs for reading, completing, and submitting the Forms is \$1,090,783.36. There is no appreciable cost burden other than as reported above. There is no appreciable cost burden to the Lender respondents to submit the required data electronically to SBA other than having the ability to have internet access. The Lender must maintain the original copies of the Forms and supporting documents in the respective loan files; however, the cost to retain the forms does not materially contribute to the overall file retention cost. The costs per form are discussed above and reflected in Tables 2 through 5 above, and summarized in Table 6, Total Estimated Burden Costs for this Information Collection, below:

Table 6: Estimated Annual Time Burden Costs

Form	Time required to complete	Estimated Responses FY24	Annual Estimated Hours to Complete the Form	Annual Estimated Costs - FY 2024
1919	31 Minutes	55,913	28,888.38	\$930,495
1971	5 Minutes	20*	1.66	\$67.43
2239	5 Minutes	47,277	3,939.75	\$159,402.29
3518	2 Minutes	607	20.23	\$818.64
Total	40 minutes	103,817	32,850.02	\$1,090,783.36

* SBA estimates only 10 annual submissions for SBA Form 1971 will be received in FY 2024, however, the Form is required to be completed and executed by both the Applicant and Lender, so the number of respondents was doubled to 20 annual respondents for Form 1971.

14. Estimated annualized cost to the federal government.

When required, all forms are electronically submitted to the Agency; therefore, there is no appreciable collection cost associated with this information. The cost for the staff necessary to review the forms exists whether these forms are remitted to the Agency for review.

15. Reasons and explanation of program changes.

Changes in item 13 are related to:

1. Total Number of Responses. The total number of responses reduced since the last renewal of the Forms. This changed due to: (1) The number of 7(a) loan Applicants has reduced in recent years. SBA believes this reduction in 7(a) Loan applications in 2020, 2021, and 2022 is primarily due to pandemic-related factors and reduced demand to capital during the pandemic. The availability of pandemic stimulus and debt relief for small businesses, such as the SBA's Paycheck Protection Program (PPP) and COVID-EIDL loans to small businesses, also suppressed demand for the 7(a) loan program in FY's 2020 and 2021. (2) The prior Form 1919 submission accounted for three respondents per submission, whereas the revised Form 1919 submission reflects only 1,183 respondents per submission based including the

anticipated percentage of additional Operating Company and Co-Borrower respondents required for Form 1919 and including the anticipated percentage of declined loans.

2. The time burden estimate for the revised SBA Form 1919 also was calculated using a different methodology than used previously. SBA updated the timing to complete the form to use the average reading speed for an eight-grade educated individual, or approximately 177 words per minute. Previously, SBA used the timing of a small sample of individuals tasked with completing the forms and averaged the time necessary to complete the forms. This method is no longer considered as accurate as the reading speed calculation method. If the reading speed method was used for SBA Form 1919 with the last renewal in 2020, the burden estimate would have resulted in a time burden of 33.54 minutes¹³, which rounded up to 34 minutes as a conservative estimate. The revisions to the current form would reduce the time burden from 34 minutes to 31 minutes, a cost savings of approximately 3 minutes per response. With an estimated 55,913 responses at a rate of \$32.21 per hour, the revisions to the form would be reduced by a total of 2,796 hours resulting in anticipated annual cost savings of \$90,048¹⁴ for the revisions in SBA Form 1919. It is believed the reading speed method provides a more accurate estimate of the time necessary to complete the form and will be used for future renewals of this information collection going forward.
3. Because of the significant differences in time burden based on the different methods of calculation, SBA will rely on the more conservative reading speed method so the comparisons of the cost burden estimates for SBA Form 1919 are not considered informative in this statement. Although there were reductions in the estimated time required to complete forms 1919 and 3518, the burden estimate for forms 2237 was constant, and the increase to the number of information collections for the 1971 is due to the revision in the interpretation that requiring both the Lender and the Applicant to sign the SBA Form 1971 would essentially double the responses required from 10 per year to 20 per year. The additional number of annual responses coupled with the additional caused the total number of hours requested to increase from the prior submission.

Table 7: Variance in Time Burden Per Form Resulting from Changes

Form	Paperwork Reduction Act Submissions			
	Respondents		Estimated Burden (Min.)	
	2020	Est. 2024	2020	2024
1919	57,169	55,913	15	31
1920	57,169	0	25	0

¹³ See Section 12, SBA Form 1919 above.

¹⁴ (55,913 responses x 34 minutes for previous version of Form 1919) – (55,913 responses x 31 minutes for revised version of Form 1919) = (1,901,042 minutes less 1,733,303 minutes) = a savings of 167,739 minutes, or 2,795 hours. Based on hourly rate of \$32.21 the revision results in an estimated annual cost savings for all Form 1919 respondents of approximately \$90,048.

1971	10	20	15	10
2237	57,169	47,277	5	5
2449/3518	957	607	5	2
Total	172,474	103,817	65	48
Difference	-68,657		-17	

Table 8: Total Variance in Time Burden Per Form Resulting from Changes

Form	Paperwork Reduction Act Submissions			
	Annual Responses		Hours Requested	
	2020	Est. 2024	2020	2024
1919	57,169	55,913	14,292*	28,888*
1920	57,169	0	23,820	0
1971	10	20	1	2
2237	57,169	47,277	4,764	3,940
2449/3518	957	607	80	20
Total	171,474	103,817	42,957	32,850
Difference	-67,657		10,107**	

* As discussed above, the hours requested for SBA Form 1919 are significantly different than the previous PRA renewal for the form because of a change in the methodology in calculating the burden hours. Using the same reading speed methodology to estimate the burden estimates for the previous SBA Form 1919 would result in a burden estimate of 34 minutes per response¹⁵. Using the 57,169 Annual responses for FY 2020 in the table above would have increased the hours requested in the last iteration of the Form from 14,292 hours to hours, to 31,955 hours if the reading speed method to determine time burden was used. If the same methodology were used, the anticipated time burden would be reduced by 3,067 hours¹⁶. Please note there was a reduction in the anticipated number of respondents from 57,169 to 32,850, which also will create a reduction in anticipated cost burden – this is discussed in more detail below.

¹⁵ SBA Form 1919 approved in 2020 included 5,936 words, and at an average reading speed of 177 words per minute, results in total time to complete the form at 33.537 minutes and rounded up to 34 minutes. 57,169 responses at 33.537 minutes per response would result in a total time burden for all responses of 31,954.6 hours per year.

¹⁶

The revisions to the SBA Form 1919 results in an actual reduction in total words in Form 1919 from 5,936 total words in the 2020 version of the form, to 5,365 total words in the revised SBA Form 1919 submitted in this package. Using the updated reading speed method to calculate the cost burden of completing the form, the resulting changes to the form would reduce the anticipated time burden from 31,955 hours per year to 28,888 hours per year - an anticipated annual reduction of 3,067 hours to complete the form. Based on an hourly cost of \$32.21 per hour, the estimated time burden costs are further reduced by approximately \$98,788 per year¹⁷ for completing the form. Based on the difference between the previous OMB inventory of 42,957 hours versus the recalculated burden hours estimate using the same methodology, the adjustment for the change in methodology is +17,662 hours¹⁸, and the revisions to the form would result in a total estimated burden hours reduction of 10 minutes, from 82 minutes to 72 minutes.

Table 9: Per Form Comparison of Time Burden using Reading Speed Methodology.

Form	Paperwork Reduction Act Submissions			
	Respondents		Estimated Burden (Min.) Using Reading Speed Method	
	2020	Est. 2024	2020	2024
1919	57,169	55,913	34	31
1920	57,169	0	25	0
1971	10	20	15	10
2237	57,169	47,277	5	5
2449/3518	957	607	5	2
Total	172,474	103,817	82	48
Difference	68,657		-34	

The use of the same reading speed methodology also decreases the total estimated cost burden of SBA Form 1919 from 32,396 hours to 28,888 hours, a reduction of 3,508 estimated burden hours

¹⁷Total annual burden hours reduction of -3,067 hours using reading speed method of calculation burden estimate, multiplied by hourly rate of \$32.21 results in annual anticipated cost reduction of -\$98,788.

¹⁸ Adjusted burden hours estimate of 60,919 hours less the previously submitted burden hours estimate of 42,957 = an adjustment to the total burden hours estimated of +17,622 hours. Actual reduction in burden hour estimate based on revisions to the forms results in decrease in total estimated time burden of 10 minutes per response, and an overall hourly burden estimate reductions of 28,211 hours for this information collection.

for completion of SBA Form 1919. The total burden estimate for SBA Form 1919 should have been 32,396 in the last PRA package. The adjustment to update the methodology used does increase the SBA Form 1919 annual burden estimate by 18,104 hours, but the revisions in the form and the reduction in anticipated submissions reduce the anticipated burden estimate of SBA Form 1919 to 28,888 hours, which represents the time savings of 3 minutes per response, when using like methodologies. Elimination of Form 1920 also creates a time burden savings of 25 minutes per Application submission, or total annual hours of 23,820, based on 57,169 historic annual SBA Form 1920 submissions.

Table 10: Total Variance in Time Burden Per Form Resulting from Changes Using Reading Speed Methodology:

Form	Paperwork Reduction Act Submissions Using Revised Methodology			
	Annual Responses		Hours Requested	
	2020	Est. 2024	2020	2024
1919	57,169	55,913	32,396	28,888
1920	57,169	0	23,820	0
1971	10	20	1	2
2237	57,169	47,277	4,764	3,940
2449/3518	957	607	80	20
Total	171,474	103,817	61,061	32,850
Difference	-67,657		-28,211	

16. Collection of information whose results will be published.

Except for summary data that may be included in various Agency reports (e.g., number of loans processed using this form) this information will not be published.

17. Expiration date for collection of this data.

This is not applicable; expiration date will be published.

18. Exceptions to the certification.

There are no exceptions.

19. Surveys, Censuses, and Other Collections that Employ Statistical Methods Collections of Information Employing Statistical Methods.

This is not applicable.