

Department of the Treasury
Departmental Offices
State Small Business Credit Initiative
1505-0227

A. Justification

1. Circumstances necessitating the collection of information

Section 3301 of the American Rescue Plan Act of 2021 (ARPA), Public Law No. 117-2 (March 11, 2023), reauthorized and amended the Small Business Jobs Act of 2010 (SSBCI statute) to provide funding for the Department of the Treasury (Treasury) to make payments to states of the United States, the District of Columbia, U.S. Territories (Puerto Rico, U.S. Virgin Islands, Guam, Northern Mariana Islands, and American Samoa), and Tribal governments (collectively, “eligible jurisdictions”) to help address the economic fallout from the pandemic and lay the foundation for a strong and equitable recovery by providing direct support to eligible jurisdictions for programs that increase access to credit for small businesses. Specifically, ARPA provided funding for the Capital Program to fund small business credit and investment programs of eligible jurisdictions, as well as funding to support technical assistance (TA) to qualifying small businesses. Under the allocation formula-based TA Grant Program, Treasury intends to award federal grants to eligible jurisdictions that submit a complete and timely SSBCI Capital Program application (“eligible recipients”) for the provision of legal, accounting, and financial advisory services (TA services) to qualifying small businesses. Under the SSBCI Investing in America Small Business Opportunity Program (SSBCI Investing in America SBOP), which is a competitive grant program, Treasury intends to award federal grants to eligible applicants to support programs that propose innovative and high-impact models for delivering TA services to qualifying small businesses.

Capital Program Application:

The SSBCI statute (12 U.S.C. §§ 5703(a), (b)(3), 5704(a), (b)(2), and 5705(a), (b)(4)) requires eligible jurisdictions to submit a complete application for capital program funding. Treasury has received OMB approval to collect these applications, which are vitally important for Treasury to review and approve in order to distribute funding to eligible jurisdictions.

Capital Program Reporting:

The SSBCI reporting requirements are contained in two different documents. The interim final rule (87 FR 13628, March 10, 2022) focuses on demographics-related data of those who own or control small businesses that participate in SSBCI, whereas the Capital Program Reporting Guidance captures these and all of the other data elements that Treasury requires. These two documents are further described below. Eligible jurisdictions need to know what the reporting requirements are in order for them and for their partner lenders and other financial entities, to build and modify their data collection systems to obtain this information. Lenders and other financial entities need to know what the requirements are before agreeing to partner with eligible jurisdictions to implement their SSBCI capital programs.

The mechanics of the data reporting are as follows. SSBCI data reporting requirements are imposed at the level of the participating jurisdiction (i.e., state, the District of Columbia, territory, or Tribal government). A participating jurisdiction may have a direct capital program, where the jurisdiction itself runs the program and would directly engage in the collection of data for purposes of SSBCI reporting. However, for many programs, participating jurisdictions may work with program providers (i.e., those entities making loans or investments with SSBCI funding) that implement the capital programs in order to collect the data. In these instances, the program provider would request the information that the participating jurisdiction is required to report, through a form that the borrower or investee would be asked to complete at or around the time it applies for a SSBCI-supported loan or investment. Treasury's SSBCI interim final rule and Capital Program Reporting Guidance would impact the contents contained in such a form. In the scenario where a participating jurisdiction works with a program provider to collect information for reporting, the information collection would flow to Treasury as follows: Borrower or investee → Program provider (e.g., bank) → Participating Jurisdiction → Treasury.

Interim Final Rule

Treasury has authority under the SSBCI statute (12 U.S.C. §§ 5706, 5709) to issue an interim final rule on collecting demographics-related data of those who own or control small businesses that participate in SSBCI for purposes of implementation, compliance and reporting, and understanding program outcomes. First, issuing this interim final rule is important for the implementation of and compliance with the program requirements regarding allocations related to business enterprises that are owned and controlled by socially and economically disadvantaged individuals (SEDI-owned businesses). Second, this interim final rule is being issued to ensure compliance with legal requirements related to nondiscrimination and nondiscriminatory uses of federal funds, where such laws are applicable to a participating jurisdiction and any contracted entity operating SSBCI programs on the jurisdiction's behalf, because all SSBCI funds are considered federal financial assistance for purposes of such requirements. Third, issuing this interim final rule is important for SSBCI implementation and compliance because some participating jurisdictions will partner with lenders or other financial entities that may be subject to laws that prohibit these entities from inquiring about the race, color, religion, national origin, or sex of an applicant or any other person in connection with a credit transaction, unless such information is required by statute or regulation, such as this interim final rule.

Capital Program Reporting Guidance

The SSBCI statute, 12 U.S.C. § 5706, requires eligible jurisdictions to submit to Treasury quarterly and annual reports. These reports must contain certain data elements set forth in § 5706(a) and (b). Treasury also has authority under § 5709 to issue other guidance to establish additional reporting requirements that are necessary to carry out the purposes of SSBCI. Issuing guidance requiring additional reporting requirements enables Treasury to collect not only the quarterly and annual information required under § 5709, but also more detailed information about the eligible jurisdictions' SSBCI-supported programs and the small businesses that receive SSBCI funding through the program providers (e.g., lenders and investors) who partner with the eligible jurisdictions. This collection of SSBCI program-level, provider-level, and transaction-level (i.e., small business level) information in annual reports, and collection of certain program

level information in quarterly reports, is necessary in order for Treasury to implement and determine compliance, as well as evaluate program outcomes.

The Capital Program Reporting Guidance sets forth the SSBCI reporting requirements for all participating jurisdictions beyond the required demographics-related data elements set forth in the SSBCI interim final rule. The quarterly report from a participating jurisdiction must include basic information about the jurisdiction's SSBCI-supported programs (e.g., program name and type) and program-level information on the use of the jurisdiction's SSBCI funds (e.g., program total allocated funds expended, obligated, or transferred (EOT); program allocated funds EOT for direct administrative costs; and program income). The basic program information substantially overlaps with information collected through the SSBCI application and will be prepopulated with information where possible. The annual report must include information about the jurisdiction's SSBCI-supported program providers (e.g., provider regulatory ID, provider type), the specific terms of its SSBCI-supported loans and investments (e.g., loan APR, equity security type), and the performance of its SSBCI-supported loans and investments (e.g., SSBCI funds lost, subsequent private financing). The provider-level information need only be collected once for each provider and partially overlaps with information collected through the SSBCI application if the participating jurisdiction knew who the provider would be and relayed that information in its application. The loan or investment transaction-level information need only be collected once for each loan or investment. There are only a handful of data elements that will be collected on performance of the loan or investment in the years after the transaction is consummated and only when that information is available (e.g., when an investment is written off).

TA Grant Program Application:

Eligible recipients are required to submit an application with a TA plan in order to receive TA funding. Treasury will review and approve the application before distributing funds to jurisdictions.

TA Grant Program Reporting:

Similar to the Capital Program, reporting requirements applicable to the TA Grant Program are contained in two different documents. As noted above in the section on Capital Program Reporting, the interim final rule focuses on demographics-related data of those who own or control small businesses that participate in SSBCI, including small businesses that receive technical assistance, whereas the draft TA Grant Program Reporting Guidance, which is described below, captures these and other data elements that Treasury requires. Via the draft TA Grant Program Reporting Guidance, Treasury has interpreted the interim final rule for purposes of the TA Grant Program.

The interim final rule is further described above and the draft TA Grant Program Reporting Guidance is further described below. TA recipients need to know what the reporting requirements are in order for them and for their TA providers, to build and modify their data collection systems to obtain this information.

The mechanics of TA Grant Program reporting are as follows. Data reporting requirements are imposed at the level of the TA recipient (i.e., eligible states, the District of Columbia, territories,

and Tribal governments, or their departments, agencies, or other entities designated to receive the funds on their behalf). A TA recipient may act as a TA provider by providing TA services to eligible small business beneficiaries directly, where the recipient itself runs the program and would directly engage in the collection of data for purposes of TA Grant Program reporting. TA recipients may also work with other jurisdiction entities or contract with legal, accounting, and financial advisory firms (LAF firms) as TA providers to provide TA services to eligible beneficiaries. In these instances, the TA providers would generally request the information that the TA recipient is required to report, such as through a form that the eligible beneficiary would be asked to complete at or around the time it applies for or receives TA services. Treasury's SSBCI interim final rule and draft TA Grant Program Reporting Guidance would impact the contents contained in such a form. In the scenario where a TA recipient works with a TA provider to collect information for reporting, the information collection would typically flow to Treasury as follows: eligible beneficiary → TA provider (e.g., non-profit or for-profit service provider that qualifies as a LAF firm) → TA recipient → Treasury. In a less typical case, there may be an administrative entity in addition to or between the TA provider and the TA recipient.

TA Grant Program Reporting Guidance

The TA Grant Program is a federal assistance program and, as such, the government-wide regulations at 2 CFR §§ 200.328 and 200.329 specify reporting requirements for recipients under federal assistance awards. In accordance with 2 CFR § 200.328, Treasury will require TA recipients to submit Form SF-425 "Federal Financial Report" semiannually. In accordance with 2 CFR § 200.329, Treasury will require TA recipients to report on program performance and the goals and objectives of the federal award via the annual TA project progress and outcomes report. The annual TA project progress and outcomes report collects data on TA providers, eligible beneficiaries, and classroom style TA services and is designed to collect data on the goals and objectives of the federal award, while balancing the reporting burden on TA recipients. Treasury will also require TA recipients to provide a final TA project progress and outcomes report that provides a narrative about final outcomes of the TA project, including progress made toward the recipient's performance goals, as well as a final Form SF-425. The collection of financial data semiannual reports and program performance in annual and final reports is necessary in order for Treasury to implement and determine compliance, as well as evaluate program outcomes. The TA Grant Program is related to and supports the SSBCI Capital Program and Treasury anticipates that certain businesses may be eligible beneficiaries under the TA Grant Program and also receive loans or investments under the SSBCI Capital Program. Therefore, in some instances, Treasury may collect certain information from certain businesses twice under the respective programs. We have considered the potential for sharing of such information between providers in the two programs so that the information will not have to be collected twice from relevant businesses, and have determined that such sharing is impractical. TA providers under the TA Grant Program and lenders and investors under the SSBCI Capital Program are unlikely to be the same entities, which makes sharing information difficult. Also, some information collected may have changed in the time period between application for the TA Grant Program and the Capital Program; therefore, sharing information between the two programs may result in inaccurate information. For both programs, Treasury has generally endeavored to limit information to be collected from businesses to identifying information about the business, information to ensure compliance with program requirements and to help assess program performance, and optional demographic information about the owners of the business.

The draft TA Grant Program Reporting Guidance sets forth the TA Grant Program reporting requirements for all TA recipients, including the required demographics-related data elements set forth in the SSBCI interim final rule as interpreted and applied to the TA Grant Program. The semiannual financial report is via the Form SF-425. In addition, for TA Grants that are \$250,000 or less, the TA Grant Program recipient must provide Treasury at the time of submission of the Form SF-425 with cumulative information for the entire period of performance to date as of March 31 and September 30 of each year on amounts expended to administer and oversee the award (administrative costs as specified in the draft Reporting Guidance).

The annual report must include information about the TA recipient's TA providers (e.g., identifying information about the TA provider and the types of services the TA provider provides, and the amount of TA grant funds budgeted for the TA provider). The TA provider-level information need only be collected once for each TA provider. To the extent information to be reported overlaps with information already provided for the TA Grant Program, Treasury intends to automatically populate that information. The annual report also includes information about eligible beneficiaries (e.g., name of the TA provider that provided TA services to the beneficiary, location information about the beneficiary, the 2017 North American Industry Classification System (NAICS) code for the eligible beneficiary's industry, the eligible beneficiary's full-time equivalent employees (FTEs) at the time TA services are provided), certain demographic information about eligible beneficiaries (e.g., whether the eligible beneficiary is a minority, women, or veteran-owned or controlled business, race of principal owners), the primary purpose of TA services provided to the eligible beneficiary, whether the TA provider made a referral to a small business program with respect to the eligible beneficiary and the name of the relevant small business program, and whether the TA provider made a referral to a potential source of capital. The annual report also includes information about classroom-style TA services, if applicable to the specific TA award (e.g., the primary purpose of the classroom-style TA service event, a brief description of the classroom style TA service event, the number of attendees that attended the classroom-style TA service event, and the date of the classroom-style TA event).

The final TA project progress and outcomes report and final Form SF-425 will be due to Treasury no later than 120 calendar days after the end date of the award period of performance. This final TA project progress and outcomes report will consist of a narrative containing updates on project performance and outcomes (e.g., an assessment of progress made toward achieving each of the recipient's performance goals established under the TA plan, including output measures and benchmarks described in the recipient's TA plan, a data-driven assessment of how the recipient's TA Grant funds targeted the needs of eligible beneficiaries, an evaluation of the recipient's TA providers, a description of how the recipient's overall TA project supported or complemented relevant small business programs, an assessment of the recipient's strategy and efforts to reach eligible beneficiaries, a description of how the recipient identified gaps and opportunities in the recipient's ability to fulfill and achieve the goals of the TA plan and how the recipient addressed those issues, and any other material information, which may include expected and actual benefits to eligible beneficiaries of the TA Grant).

SSBCI Investing in America SBOP Application:

Any state, territory, the District of Columbia, or Tribal government (each a “jurisdiction”) that has been approved as a participating jurisdiction in the SSBCI Capital Program is eligible to apply under the SSBCI Investing in America SBOP. Jurisdictions that are not yet approved as participating jurisdictions in the SSBCI Capital Program, but that have submitted complete and timely SSBCI Capital Program applications (or are part of a joint Tribal government application), are also eligible to apply; however, to receive an SSBCI Investing in America SBOP award, a jurisdiction must be approved as a participating jurisdiction in the SSBCI Capital Program. Eligible applicants are required to submit an application in accordance with the SSBCI Investing in America SBOP Notice of Funding Opportunity (NOFO). Only certain applicants will be selected for funding under this competitive program in accordance with the SSBCI Investing in America SBOP NOFO. Treasury will review and approve selected applications before distributing funds to successful applicants.

SSBCI Investing in America SBOP Reporting:

Treasury anticipates that reporting under the SSBCI Investing in America SBOP will be similar to reporting in the allocation formula-based TA Grant Program, with potential new or modified data elements specific to the SSBCI Investing in America SBOP. Accordingly, reporting requirements applicable to the SBOP are expected to be set out in two different documents. As noted above, the interim final rule focuses on demographics-related data of those who own or control small businesses that participate in SSBCI, including small businesses that receive technical assistance, whereas the draft TA Grant Program Reporting Guidance, which is described above, captures these and other data elements that Treasury requires. Via the draft TA Grant Program Reporting Guidance, which Treasury anticipates will be similar to the SBOP reporting requirements, Treasury has interpreted the interim final rule for purposes of the TA Grant Program.

The interim final rule and the draft TA Grant Program Reporting Guidance are both further described above. Successful SBOP recipients will need to know what the reporting requirements are in order for them and for their TA providers, to build and modify their data collection systems to obtain this information.

Treasury anticipates that the mechanics of SSBCI Investing in America SBOP reporting will be as follows. Data reporting requirements are imposed at the level of the SBOP recipient (i.e., eligible states, the District of Columbia, territories, and Tribal governments, or their departments, agencies, or other entities designated to receive the funds on their behalf). An SBOP recipient may act as a TA provider by providing TA services to eligible small business beneficiaries directly, where the recipient itself runs the program and would directly engage in the collection of data for purposes of SBOP reporting. SBOP recipients may also work with other jurisdiction entities or contract with LAF firms as TA providers to provide TA services to eligible beneficiaries. In these instances, the TA providers would generally request the information that the SBOP recipient is required to report, such as through a form that the eligible beneficiary would be asked to complete at or around the time it applies for or receives TA services. Treasury’s SSBCI interim final rule and draft TA Grant Program Reporting Guidance would impact the contents contained in such a form. In the scenario where an SBOP recipient works with a TA provider to collect information for reporting, the information collection would

typically flow to Treasury as follows: eligible beneficiary → TA provider (e.g., non-profit or for-profit service provider that qualifies as a LAF firm) → SBOP recipient → Treasury. In a less typical case, there may be an administrative entity in addition to or between the TA provider and the SBOP recipient.

TA Grant Program Reporting Guidance

As noted above, Treasury anticipates that the TA Grant Program Reporting Guidance will be generally consist with the SSBCI Investing in America SBOP reporting requirements, with potential new or modified data elements specific to this program, and that reporting will occur generally as described above under “TA Grant Program Reporting Guidance.” For brevity, Treasury has not repeated the information above.

2. Method of collection and use of data

Capital Program Application:

Treasury will use the submitted information to determine if the applicants meet the eligibility requirements in order to receive the SSBCI capital program funds.

Treasury will collect information from applicants, which may include eligible states, territories, the District of Columbia, and Tribal governments, through an online application portal. The application includes the collection of eligibility information and program details including:

- Points of contact for the eligible jurisdiction and those administering the program;
- Designation support for the implementing entity, as well as any delegation of authority documentation;
- Statement on legal actions that have been taken or will be taken in order to receive SSBCI funds;
- Underserved narrative that details how an applicant plans to use the federal contributions for their approved programs to help provide access to capital for small businesses in low- and moderate-income, minority, and other underserved communities, including women- and minority-owned small businesses;
- Enrolled loan data table for Capital Access Programs (CAPs), including historic information for programs that have operated before and estimates for the life of the SSBCI program;
- Other Credit Support Programs (OCSPs) information including: a summary of the background of the program, a summary of the program guidelines, a description of the anticipated benefits of the program, a description of how the program will “cause and result” in \$1 of new private credit for every \$1 of SSBCI funds; a description of how the program will ensure a meaningful amount of lender or investor capital is at risk; and a description of how the program will provide credit support that meets all of the requirements regarding borrower and investor size and loan and investment amounts;
- OCSP Additional Considerations including: a description of the program’s management team, operational capacity, and internal accounting and administrative controls systems;
- OCSP Independent Financial Audit or Program Financial Statements;
- Leverage Ratio Data Tables for all proposed programs, using a provided template;
- Compliance and Oversight Narrative describing what reporting mechanisms, audits, or other internal controls and compliance activities (a) the applicant has in place or

- (b) need to be implemented to enable the applicant to conduct oversight and meet annual and quarterly reporting requirements for the proposed program(s);
- Assurances of Compliance with Civil Rights Requirements; and
- Financial institution information for receipt of funds.

The information collected in applications will be evaluated by Treasury staff to determine eligibility to receive SSBCI funds, as well as distribute funds.

Capital Program Reporting – Interim Final Rule and Capital Program Reporting Guidance:

The information will be collected by the participating jurisdictions (or their contracted entities, lenders, investors, or other program providers) from small businesses and will be reported to Treasury on an annual and quarterly basis. Eligible jurisdictions must provide the information using the format specified on Treasury’s website, which will be a portal that Treasury sets up. The information collected in annual and quarterly reports will be used by Treasury staff to evaluate the capital program allocations for implementation and compliance reasons and to generally assess program outcomes.

TA Grant Program Application:

Treasury will use the submitted information to determine if the applicants meet the eligibility requirements in order to receive TA Grant Program awards.

Treasury will collect information from applicants, which may include eligible states, territories, the District of Columbia, and Tribal governments, through an online application portal. The application includes the collection of eligibility information and program details including:

- Points of contact for the eligible jurisdiction and those administering the program;
- Delegation of authority documentation;
- Information about the subrecipient that has been designated to carry out the TA plan described in the TA Grant Program application;
- Joint Applicant Designation Documentation - documentation stating that the governing officials of the Co-Applicant Tribal governments have designated certain entities their authority;
- Written plan on how the jurisdiction will carry out its TA program that includes a data-driven assessment of the needs of eligible beneficiaries in the eligible recipient’s jurisdiction; the organizational capacity and ability of the TA providers; the connection between the TA project and SSBCI or other program that supports small businesses; the strategy and efforts to reach SEDI-owned businesses and VSBs that are eligible beneficiaries; and performance goals;
- Detailed proposed budget and narrative justification for the proposed budget;
- Current Negotiated Indirect Cost Rate Agreement or Cost Allocation Plan
- Assurances of Compliance with Civil Rights Requirements; and
- Financial institution information for receipt of funds.

The information collected in applications will be evaluated by Treasury staff to determine eligibility to receive TA Grant Program funds, as well as distribute funds.

TA Grant Program Reporting – Interim Final Rule and TA Grant Program Reporting Guidance:

The information will generally be collected by the TA recipients (or their TA providers) from eligible beneficiaries and will be reported to Treasury on a semiannual and annual basis. TA recipients will also provide final reports. TA recipients must provide the information using the format specified on Treasury’s website, which is generally intended to use a portal. The information collected in semiannual, annual, and final reports will be used by Treasury staff to evaluate the TA Grant Program for implementation and compliance reasons and to generally assess program outcomes. The draft TA Grant Program Reporting Guidance is published on Treasury’s website at <https://home.treasury.gov/system/files/136/SSBCI-Technical-Assistance-Reporting-Guidance.pdf>.

SSBCI Investing in America SBOP Program Application:

Treasury will use the submitted information to determine if the applicants meet the eligibility requirements in order to receive TA Grant Program awards, and to make selections for awards.

Treasury will collect information from applicants, which may include eligible states, territories, the District of Columbia, and Tribal governments, through an online application portal. The application includes the collection of eligibility information and program details including, as relevant and appropriate:

- Points of contact for the eligible jurisdiction and those administering the program;
- Delegation of authority documentation;
- Information about the subrecipient that has been designated to carry out the TA plan described in the TA Grant Program application;
- Joint Applicant Designation Documentation - documentation stating that the governing officials of the Co-Applicant Tribal governments have designated certain entities their authority;
- Written plan on how the jurisdiction will carry out its TA program that includes a data-driven assessment of the needs of eligible beneficiaries in the eligible recipient’s jurisdiction; the organizational capacity and ability of the TA providers; the connection between the TA project and SSBCI or other program that supports small businesses; the strategy and efforts to reach eligible beneficiaries; and performance goals;
- Detailed proposed budget and narrative justification for the proposed budget;
- Current Negotiated Indirect Cost Rate Agreement or Cost Allocation Plan
- Assurances of Compliance with Civil Rights Requirements; and
- Financial institution information for receipt of funds.

The information collected in applications will be evaluated by Treasury staff to determine eligibility to receive TA Grant Program funds, as well as make award selections, distribute funds.

SSBCI Investing in America SBOP Reporting – Interim Final Rule and TA Grant Program Reporting Guidance:

As noted above, Treasury anticipates that the TA Grant Program Reporting Guidance will generally be consistent with the reporting requirements under the SBOP, with potential new or modified data elements specific to this program. As such, Treasury anticipates that relevant

information will be collected by the SBOP recipients (or their TA providers) from eligible beneficiaries and will be reported to Treasury on a semiannual and annual basis. SBOP recipients will also provide final reports. SBOP recipients must provide the information using the format specified on Treasury's website, which is intended to use a portal. The information collected in semiannual, annual, and final reports will be used by Treasury staff to evaluate the SSBCI Investing in America SBOP for implementation and compliance reasons and to generally assess program outcomes. As noted above, the draft TA Grant Program Reporting Guidance is published on Treasury's website at <https://home.treasury.gov/system/files/136/SSBCI-Technical-Assistance-Reporting-Guidance.pdf>.

3. Use of information technology

Treasury will manage the submission process with the use of existing and widely available technology such as a web portal and e-mail.

4. Efforts to identify duplication

There is no overlap with other SSBCI or Treasury data collections except as described above. Where there is overlap, SSBCI intends to prepopulate the data to the extent feasible.

5. Impact on small entities

This collection of information is not expected to have an adverse impact or impose an undue burden on small entities, such as small businesses affected by reporting. We believe some of the smaller Tribal governments will require additional outreach. We are not aware of any flexibilities in this area due to the statutory requirement. Because of this, Treasury will do outreach and education with our Tribal partners. Treasury is also offering Tribal governments the opportunity to apply for SSBCI funding as a group of Tribal governments, thereby, potentially resulting in a single report for the group of Tribal governments.

6. Consequences of less frequent collection and obstacles to burden reduction

Treasury cannot approve programs without using application forms to discern eligibility of programs. While Treasury does not anticipate frequent collection of the application forms in the future, Treasury must maintain this collection in order to adequately assess requests for modifications, including those that involve the addition of new capital and TA programs.

SSBCI is statutorily required to have annual and quarterly reporting under the Capital Program. TA Grant Program and SBOP reports are in accordance with the government-wide regulations at 2 CFR §§ 200.328 and 200.329. While not all of the data elements in the interim final rule, Capital Program Reporting Guidance, and TA Grant Program Reporting Guidance are mandated by statute, they are integral for implementation, compliance, and understanding program outcomes, as explained above in the answer to question 1.

7. Circumstances requiring special information collection.

There are no special circumstances causing the information collection to be conducted in a manner described in 5 CFR 1320.6.

8. Solicitation of comments on information collection

Treasury solicited public comments on this information collection for 60 days following publication of a notice in the Federal Register on March 30, 2022 (87 FR 18474). No comments were received. In addition, Treasury solicited comments on the interim final rule and intends to publish a final rule incorporating those comments. Treasury posted draft TA Grant Program Reporting Guidance on the SSBCI website in June 2023.

9. Provision of payments to recordkeepers

No payments or gifts are provided to respondents.

10. Assurance of confidentiality

The SSBCI is subject to all federal regulations with respect to confidentiality of information.

11. Justification of sensitive questions

We are collecting transaction-level details that include demographics-related data of those who own or control small businesses that participate in the SSBCI. Treasury has completed a Privacy and Civil Liberties Impact Assessment (PCLIA) for SSBCI reporting and will comply with all applicable privacy laws regarding this information collection. This PCLIA, which Treasury publishes on its website and may revise from time to time as needed, details the justification and process for the collection of certain information, including sensitive demographic information.

There is no sensitive information being requested in the Capital Program application or the TA Grant Program application.

12. Estimated burden of information collection

Treasury received approximately 200 applications and will also use the application form for modifications. SSBCI estimates the burden of such collection to be approximately 5 hours per application response. SSBCI estimates the total one-time burden to be 1,000 hours (200 responses * 5 hours/program). Using the standard total compensation for accountants and auditors, the estimated cost of this information collection is \$51,640.00.¹

The interim final rule will add annual reporting requirements related to the demographics of those who own or control small businesses that participate in SSBCI-supported loan and investment transactions. The addition of the collection of the required data fields will increase total annual burden by 5,220 hours. The eligible jurisdictions will need to collect such

¹ See Bureau of Labor Statistics, U.S. Department of Labor, Occupational Outlook Handbook, Accountants and Auditors, on the internet at <https://www.bls.gov/oes/current/oes132011.htm>. Base wage of \$35.37/hour increased by 46 percent to account for fully loaded employer cost of employee compensation (benefits, etc.) for a fully loaded wage rate of \$51.64.

demographic data from small businesses to use in the annual compliance reporting, as well as for implementation of the program and understanding program outcomes. As reflected in Table 1 below, the requirements are expected to affect 174 transactions with small businesses per jurisdiction per year. As shown in Table 2, there are 200 jurisdictions (thus 200 respondents), and thus a total of 34,800 transactions that are affected per year. It is estimated to take 0.15 hours to complete the reporting per transaction for an annual burden of 5,220 hours. Using the standard total compensation for accountants and auditors, the estimated cost of this information collection is \$269,561.00.²

The Capital Program Reporting Guidance sets forth more annual reporting requirements and quarterly reporting requirements for participating jurisdictions. The annual reporting requirements include reporting on SSBCI information at the program level, provider level, and transaction level (i.e., small business level), in addition to the demographics-related information described in the interim final rule. As reflected in Table 2, the annual reporting requirements—not including the demographics-related reporting requirements—are expected to take 0.33 hours to complete for an annual burden of 11,484 hours. Using the standard total compensation for accountants and auditors, the estimated cost of this information collection is \$593,034.00.

The quarterly reporting requirements include reporting of certain information on the use of SSBCI funds at the program level. The collection of this information has an expected annual burden of 120 hours annually. As reflected in Table 2, the quarterly reporting requirements are expected to be reported 4 times a year to Treasury for each of the 200 jurisdictions and estimated to take 0.15 hours to complete for an annual burden of 120 hours. Using the standard total compensation for accountants and auditors, the estimated cost of this information collection is \$6,197.00.

Treasury expects 138 applications for TA Grant Program Funding. Treasury estimates the burden of such collection to be approximately 4 hours per application response. SSBCI estimates the total one-time burden to be 552 hours (138 responses * 4 hours/program). Using the standard total compensation for accountants and auditors, the estimated cost of this information collection is \$28,505.

Treasury expects 100 applications for SBOP Funding. Treasury estimates the burden of such collection to be approximately 6 hours per application response. SSBCI estimates the total one-time burden to be 600 hours (100 responses * 6 hours/program). Using the standard total compensation for accountants and auditors, the estimated cost of this information collection is \$30,984.

While Treasury originally estimated 500 applications for capital and TA Grant Program funding, Treasury has been able to update the expected numbers based on the number of applications submitted by states, the District of Columbia, territories, and Tribal governments, including because certain Tribal governments banded together to submit joint applications that are treated

² See Bureau of Labor Statistics, U.S. Department of Labor, Occupational Outlook Handbook, Accountants and Auditors, on the internet at <https://www.bls.gov/oes/current/oes132011.htm>. Base wage of \$35.37/hour increased by 46 percent to account for fully loaded employer cost of employee compensation (benefits, etc.) for a fully loaded wage rate of \$51.64.

as one unit for application and reporting purposes.³ Therefore, Treasury expects reporting under the draft TA Grant Program Reporting Guidance to apply to no more than 138 TA recipients. Because the TA Grant Program is new and there is no baseline data, it is challenging to estimate the number of eligible beneficiaries per TA recipient per year. Treasury has reviewed the performance goals submitted in their TA Grant Program applications of a variety of TA recipients as a reasonable proxy of the number of eligible beneficiaries per TA recipient per year. Based on this review, Treasury estimates that under the TA Grant Program, an average of 150 eligible beneficiaries will receive TA services per TA recipient per year. Treasury anticipates that the draft TA Grant Program Reporting Guidance will apply to the SSBCI Investing in America SBOP. Per the SBOP NOFO, Treasury anticipates that it will make up to 15 awards under the program and, therefore, expects reporting under the draft TA Grant Program Reporting Guidance to apply to no more than 15 SBOP recipients. Similarly, because the SSBCI Investing in America SBOP is new and there is no baseline data, it is challenging to estimate the number of eligible beneficiaries per SBOP recipient per year. Because the SBOP awards are likely to be larger than the TA Grant Program awards, Treasury estimates an average of 200 eligible beneficiaries will receive TA services per SBOP recipient per year.

The interim final rule, as interpreted and applied by the draft TA Grant Program Reporting Guidance, which Treasury anticipates will also be applicable to the SSBCI Investing in America SBOP, adds annual reporting requirements related to the demographics of those who own or control eligible beneficiaries under the TA Grant Program and SBOP. The addition of the collection of the required data fields will increase total annual burden by 3,555 hours. TA Grant Program recipients will need to collect such demographic data from eligible beneficiaries to use in the annual compliance reporting, as well as for implementation of the program and understanding program outcomes. As noted above, for the TA Grant Program, the requirements are expected to affect 150 eligible beneficiaries per TA recipient per year. As shown in Table 2, Treasury estimates there will be 138 TA recipients (and thus 138 respondents), and thus a total of 20,700 eligible beneficiaries that are affected per year. It is estimated to take 0.15 hours to complete the reporting per transaction for an annual burden of 3,105 hours. Using the standard total compensation for accountants and auditors, the estimated cost of this information collection for the TA Grant Program is \$160,342.20.⁴ Similarly, under the SBOP, recipients will need to collect demographic data from eligible beneficiaries. For the SBOP, the requirements are expected to affect 200 eligible beneficiaries per SBOP recipient per year. As shown in Table 2, Treasury estimates there will be 15 SBOP recipients (and thus 15 respondents) and thus a total of 3,000 eligible beneficiaries that are affected per year. It is estimated to take 0.15 hours to complete the reporting per transaction for an annual burden of 450 hours. Using the standard

³ Treasury received 51 complete and timely TA Grant Program applications from states, the District of Columbia, and territories and 65 complete and timely TA Grant Program applications from Tribal governments. Treasury is also assessing 22 additional TA Grant Program applications from Tribal governments that are either pending a final signature or still in draft mode in Treasury's application portal in accordance with Treasury's late submission policy. For purposes of this information collection estimate, we are estimating based on the conservative assumption, without reaching a decision, that Treasury accepts all of the additional TA Grant Program applications from Tribal governments for a total estimate of 138 TA Grant Program recipients.

⁴ See Bureau of Labor Statistics, U.S. Department of Labor, Occupational Outlook Handbook, Accountants and Auditors, on the internet at <https://www.bls.gov/oes/current/oes132011.htm>. Base wage of \$35.37/hour increased by 46 percent to account for fully loaded employer cost of employee compensation (benefits, etc.) for a fully loaded wage rate of \$51.64.

total compensation for accountants and auditors, the estimated cost of this information collection for the SBOP is \$23,238.00.

The draft TA Grant Program Reporting Guidance sets forth more annual reporting requirements for TA recipients. The annual reporting requirements include reporting on information at the TA provider level, eligible beneficiary level, in addition to the demographics-related information described in the interim final rule as adjusted by the TA Grant Program Reporting Guidance, and classroom-style TA services (if applicable) level. For the TA Grant Program, as reflected in Table 2, the annual reporting requirements—not including the demographics-related reporting requirements—are expected to take 0.15 hours to complete for an annual burden of 3,105 hours. Using the standard total compensation for accountants and auditors, the estimated cost of this information collection is \$160,342.20. For the SSBCI Investing in America SBOP, as reflected in Table 2, the annual reporting requirements—not including the demographics-related reporting requirements—are expected to take 0.15 hours to complete for an annual burden of 450 hours. Using the standard total compensation for accountants and auditors, the estimated cost of this information collection is \$23,238.00.

As detailed in the SSBCI TA Grant Program Reporting Guidance, Treasury will generally require recipients of TA grants to submit a Form SF-425 (Federal Financial Report) to Treasury with cumulative information on a semiannual basis with the first report period starting on the Federal Award Date and ending on the sooner of the following March 31 or September 30, with the forms generally due at the end of the calendar month following the end of the reporting period, unless extended or waived in accordance with the TA Grant Program Reporting Guidance or otherwise by Treasury. In addition, recipients will generally be required to submit a Form SF-425 when requesting subsequent disbursements of grant funds, which are generally disbursed in three portions, as well as a final form SF-425 following the end of the period of performance. These reports provide information to Treasury on recipients' use of awarded funds during the period of performance, and complement Treasury's annual reporting on award progress and outcomes. Treasury anticipates that approximately 138 respondents will be subject to these SF-425 reporting requirements. All the burden for this form is accounted for under the burden estimate for OMB Control Number 4040-0014.

In addition, under the TA Grant Program, for TA Grants that are \$250,000 or less, the TA Grant Program recipient must provide Treasury at the time of submission of the Form SF-425 with cumulative information for the entire period of performance to date as of March 31 and September 30 of each year on amounts expended to administer and oversee the award (administrative costs as specified in the draft Reporting Guidance. As shown in Table 2, Treasury estimates there will be 50 such TA recipients that are affected per semiannual period. It is estimated to take 0.15 hours to complete the reporting for an annual burden of 0.3 hours per respondent, or 15 hours total. Using the standard total compensation for accountants and auditors, the estimated cost of this information collection is \$774.60.

A final TA project progress and outcomes report will be due to Treasury no later than 120 calendar days after the end date of the award period of performance. This final TA project progress and outcomes report will consist of a narrative containing updates on project performance and outcomes. For the TA Grant Program, Treasury estimates the total one-time

burden to be 276 hours (138 responses * 2 hours/program). Using the standard total compensation for accountants and auditors, the estimated cost of this information collection is \$14,252.64. For the SSBCI Investing in America SBOP, Treasury estimates the total one-time burden to be 30 hours (15 responses * 2 hours/program) Using the standard total compensation for accountants and auditors, the estimated cost of this information collection is \$1,549.20.

Table 1: Number of Transactions Per Respondent Per Year	Values
Approximate number of transactions in SSBCI 1.0 (baseline)	21,000
Divided by 56 (for number of respondents in SSBCI 1.0)	375
Multiplied by 6.5 (size of SSBCI 2.0)	2438
Multiply by .5 (expected to be fewer loans/investments because average loan/investment size is expected to be larger in SSBCI 2.0)	1219
Divided by seven years to result in annual number of transactions	174

Table 2: Summary of Burden and Opportunity Costs						
Reporting	# Respondents	# Responses Per Respondent	Total Responses	Hours per response	Total Burden in Hours	Cost to Respondent (\$51.64 per hour*)
SSBCI Capital Application	200	1	200	5 hours	1,000	\$51,640.00
Interim Final Rule (demographics-related data elements in Annual Report)*	200	174	34,800	0.15 hours (9 minutes)	5,220	\$269,560.80
Reporting Guidance – Annual Report (non-demographic data)*	200	174	34,800	0.33 hours (20 minutes)	11,600	\$593,033.76
Reporting Guidance – Quarterly Report*	200	4	800	0.15 hours (9 minutes)	120	\$6,196.80
SSBCI TA Grant Program Application	138	1	138	4 hours	552	\$28,505.28
SSBCI TA Grant Program Interim Final Rule	138	150	20,700	0.15 hours (9 minutes)	3,105	\$160,342.20

(demographics-related data elements in Annual Report)**						
SSBCI TA Grant Program Annual Report (non-demographic data)**	138	150	20,700	0.15 hours (9 minutes)	3,105	\$160,342.20
SSBCI TA Grant Program Semiannual Reporting on Administrative Costs	50	2	100	0.15 hours (9 minutes)	15	\$774.60
SSBCI TA Grant Program Final TA Project Progress and Outcomes Report	138	1	138	2 hours	276	\$14,252.64
SSBCI Investing in America SBOP application	100	1	100	6 hours	600	\$30,984.00
Interim Final Rule (demographics-related data elements as applicable to the SSBCI Investing in America SBOP*	15	200	3,000	0.15 hours (9 minutes)	450	\$23,238.00
TA Reporting Guidance as applicable to the SSBCI Investing in America SBOP– Annual Report (non-demographic data)*	15	200	3,000	0.15 hours (9 minutes)	450	\$23,328.00
TA Reporting	15	1	15	2 hours	30	\$1,549.20

Guidance as applicable to the SSBCI Investing in America SBOP Final Project Progress and Outcomes Report						
Total	200		118,491.00		26,523	\$1,363,657.48
<p>*This burden captures the cost of participating jurisdictions and their financial entity partners (if any) to collect the data elements and report the data elements to Treasury. Data elements, as described in the answer to question 1, can be program information from the jurisdictions; provider information from jurisdictions and their financial entity partners (if any); and transaction level information from jurisdictions, their financial entity partners (if any), and small businesses. There is wide spectrum of jurisdiction capital programs, but this burden estimate accounts for the information collection—whether the collection is by the jurisdiction itself or its financial entity partner—and the jurisdiction’s reporting of that information to Treasury through the portal referenced in question 3.</p> <p>**This burden captures the cost of TA Grant Program and SBOP recipients and their TA providers (if any) to collect the data elements and report the data elements to Treasury. Data elements, as described in the answer to question 1, can be TA provider information from TA Grant Program and SBOP recipients and their TA provider partners (if any); eligible beneficiary information from TA Grant Program and SBOP recipients, their TA provider partners (if any), and eligible beneficiaries. There is wide spectrum of TA programs under the TA Grant Program and SBOP, but this burden estimate accounts for the information collection—whether the collection is by the TA recipient itself or its TA provider partners (if any)—and the TA Grant Program and SBOP recipient’s reporting of that information to Treasury through the portal referenced in question 3.</p>						

13. Estimated total annual cost burden to respondents

Other than the time described above, there is no cost burden associated with the collection of the data. No purchases of equipment or services are necessary to complete these collections.

14. Estimated cost to the federal government

The cost to the federal government is Treasury staff time and IT systems requirements to develop the information collection portal, follow up with participating jurisdictions, review the reporting, collect reporting data, and report the results.

Item	Cost (\$)
Contract Cost: \$3,000,000	\$3,000,000
* ⁵ Staff Salaries [20 GS-13 step 1 employees spending approximately 10% of time annually for this administrative and financial data collection] 20 x \$103,690 = \$2,073,800 x 1.4 = \$2,903,320 x .10 =	\$290,332

⁵ <https://www.opm.gov/policy-data-oversight/pay-leave/salaries-wages/salary-tables/pdf/2021/DCB.pdf>

\$290,332.	
Total	\$3,290,332

15. Reasons for change in burden

The burden is decreasing by 28,358 hours due to an adjustment in estimates based on the number of applications actually received under Capital and TA Grant Programs. In addition, Treasury has incorporated into the burden estimate the time required to complete reporting under the draft TA Grant Program Reporting Guidance for both the TA Grant Program and the SSBCI Investing in America SBOP, which increases the burden by 8,031 hours due to agency discretion.

16. Plans for tabulation, statistical analysis and publication

Treasury will conduct numerous types of analysis on this data. These analyses will include assessments of the effectiveness of the program (e.g., reach, amounts funded) as well as compliance checks. It is possible that a review/publication may result from these analyses. In addition, this analysis may be made available to the public for transparency on Treasury's website.

17. Reasons why displaying the OMB expiration date is inappropriate

Displaying the OMB expiration date is inappropriate because it will likely create confusion by leading respondents to believe that the forms and other instruments sunset as of the expiration date. Non-display of the expiration date is requested.

18. Exceptions to certification requirement

There are no exceptions to the certification statement.