**Supporting Statement for Paperwork Reduction Act Submissions**

**(Transfer and Consolidation of Public Housing Programs)**

**(OMB# 2577-0280)**

**A. Justification**

1. **Explain the circumstances that make the collection of information necessary. Identify any legal or administrative requirements that necessitate the collection. Attach a copy of the appropriate section of each statute and regulation mandating or authorizing the collection of information.**

Public housing agencies (PHAs) are state-chartered entities, authorized for Federal funding by Section 3 of the United States Housing Act of 1937 (“the Act,” 42 USC 1437f). Federal funding for the public housing program is authorized by Section 9 of the Act. A State, or other properly delegated local authority, such as a city, county, or parish, may periodically act to turn the public housing of one PHA over to another PHA or act to combine two or more PHAs into one, multijurisdictional PHA. HUD must be informed in order to (1) perfect its security interest in the public housing, (2) ensure the continued use of the housing as public housing, and (3) guarantee that Federal funding is paid to the proper PHA on behalf of the public housing actually owned by the PHA.

2. **Indicate how, by whom and for what purpose the information is to be used. Except for a new collection, indicate the actual use the agency has made of the information received from the current collection.**

HUD will use the data collected to execute as necessary a new Annual Contributions Contract with a consolidated PHA; ensure that proper Declarations of Trust, vesting the Secretary with an interest in each public housing property. HUD will modify its funding data systems so that subsequent fund awards are made to the proper PHA.

3. **Describe whether, and to what extent, the collection of information involves the use of automated, electronic, mechanical, or other technological collection techniques or other forms of information technology, e.g., permitting electronic submission of responses, and the basis for the decision for adopting this means of collection. Also describe any consideration of using information technology to reduce burden.**

The requested data is transmitted to HUD both in paper form and electronically by email. Paper submissions are necessary because of the nature of the transaction, transfer of ownership in real property, in which most jurisdictions require original signatures on various instruments, including deeds of trust, quitclaims, assignments of beneficial interest, declarations of title, and so forth. Further, HUD’s Annual Contributions Contract and Declaration of Trust require original signatures. PHAs will make the necessary changes to public housing project and tenant records in HUD’s on-line data systems to tie basic project information, occupancy, fiscal data, and physical condition data to the proper PHA.

The collection of information involves limited use of automated, electronic, mechanical, or other technological methods. Electronic submission of responses is permitted and encouraged wherever possible, with a preference for fully electronic processes to reduce respondent burden. Below is a detailed breakdown of the methods, their basis, and considerations for electronic submission:

1. **Submission Requirements for Transfers and Consolidations:**

* Requests to process transfers or consolidations of Public Housing programs must include the items listed below. HUD may request additional documentation or information if needed to process the request.
* Submission Date. Requests must be submitted at least 120 calendar days before the desired effective date. Under special circumstances, as described in Section 4.g. above, HUD may consider a shortened time frame.
* What is Submitted. PHAs must submit one electronic copy of the request to the Public Housing Director of the divesting and receiving PHAs’ HUD field office. The official submission date will be the date the electronic copy is received by HUD.

**b. For transfers:**

* Letter from the receiving PHA and a letter from the divesting PHA requesting the transfer be processed; Receiving PHA name and PHA Code; and Reason(s) for transfer submitted by receiving PHA.
* Resolution by receiving PHA’s governing body agreeing to the transfer and accepting the Public Housing program, developments, or units, as appropriate, of the divesting PHA.
* Opinion from the receiving PHA’s counsel that the requested transfer is compliant with State and local law, that the transfer is permitted under State enabling legislation, and that the receiving jurisdiction is permitted to operate in each divesting PHA’s jurisdiction.
* Items listed in Paragraph (3) below.

**c. For consolidations into a newly formed PHA:**

* Letter from the consolidated PHA, stating its new name and requesting to enter into an ACC with HUD and be assigned a PHA Code.
* Letter from each divesting PHA requesting the consolidation.
* Enabling, Organization, Divestiture, Assumption, and Supporting Documentation as listed in Attachment A.
* Intended fiscal year end (FYE) for the consolidated PHA.
* Items listed in Paragraph (4) below.

**d. For both transfers and consolidations, in addition to those items listed in Paragraph (1) or (2) above:**

* Requested effective date (must be at least 120 days after submission date).
* Each divesting PHA ‘s name and PHA Code.
* Inventory of projects and units to be transferred or consolidated, including PIC development grouping (formerly known as an Asset Management Project or AMP) numbers and the buildings and units associated with each number required by HUD, including submission of final audits and financial statements.
* Resolution of each divesting PHA’s governing body agreeing to transfer/consolidate its program to/with another PHA and to complete all transfer/consolidation actions (proposed transfers and consolidations must be permitted by state PHA enabling law).
* Resolution or ordinance, as appropriate, by each divesting PHA’s enabling jurisdiction assigning the HUD programs to the receiving/consolidated PHA, permitting the receiving/consolidated PHA to function in its jurisdiction, and agreeing to complete all transfer/consolidation actions required by HUD.
* Opinion from the counsel of each divesting PHA making representation of any Court orders, consent decrees, State or local receiverships or similar status, unsatisfied judgments against it, and any known potential or pending legal actions; any unusual or large liabilities, including but not limited to pension liabilities, unpaid settlements, and insurance claims; and any administrative or enforcement matter, such as an unresolved letter of findings under any fair housing or civil rights authority or a currently effective Voluntary Compliance Agreement (VCA) or Inspector General audit;
* Statement from each divesting PHA identifying any Public Housing demolition, disposition, or conversion actions that are pending approval, have been approved but not implemented, and those that have been completed for which deed restrictions, use agreements, reverter clauses, or other similar restrictions have been recorded.
* Statement from each divesting PHA identifying and describing all instrumentalities, affiliates, and nonprofit entities of the PHA, which have an interest in any developments or units of the Public Housing program being transferred to the receiving PHA.
* Statement from each divesting PHA identifying any non-HUD programs that may have an impact or be impacted by the transfer/consolidation.

4. **Describe efforts to identify duplication. Show specifically why any similar information already available cannot be used or modified for use for the purposes described in Item 2 above.**

There will be no duplication of information. There is no similar information already available that could be used or modified.

5. **If the collection of information impacts small businesses or other small entities describe any methods used to minimize burden.**

There is no significant impact on small businesses or other small entities by this collection.

6. **Describe the consequence to Federal program or policy activities if the collection is not conducted or is conducted less frequently, as well as any technical or legal obstacles to reducing burden.**

If the information is not collected at the point of transaction, HUD may not be able to pay Operating Fund or Capital Fund subsidies to support the continued operation of public housing properties. Without this funding, public housing agencies may not be able to purchase utilities or other services basic to the operation of multiple dwelling housing enterprises.

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

* requiring respondents to report information to the agency more than quarterly; **Not Applicable**
* requiring respondents to prepare a written response to a collection of information in fewer than 30 days after receipt of it; **Not Applicable**
* requiring respondents to submit more than an original and two copies of any document; **Not Applicable**
* requiring respondents to retain records other than health, medical, government contract, grant-in-aid, or tax records for more than three years; **Not Applicable**
* in connection with a statistical survey, that is not designed to produce valid and reliable results than can be generalized to the universe of study; **Not Applicable**
* requiring the use of a statistical data classification that has not been reviewed and approved by OMB; **Not Applicable**
* that includes a pledge of confidentiality that is not supported by authority established in statute or regulation, that is not supported by disclosure and data security policies that are consistent with the pledge, or which unnecessarily impedes sharing of data with other agencies for compatible confidential use; or **Not Applicable**
* requiring respondents to submit proprietary trade secret, or other confidential information unless the agency can demonstrate that it has instituted procedures to protect the information's confidentiality to the extent permitted by law. **Not Applicable**

1. **If applicable, provide a copy and identify the date and page number of publication in the Federal Register of the agency's notice, required by 5 CFR 1320.8(d), soliciting comments on the information collection prior to submission to OMB. Summarize public comments received in response to that notice and describe actions taken by the agency in response to these comments. Specifically address comments received on cost and hour burden.**

* **Describe efforts to consult with persons outside the agency to obtain their views on the availability of data, frequency of collection, the clarity of instructions and recordkeeping disclosure, or reporting format (if any) and the data elements to be recorded, disclosed, or reported.**
* **Consultation with representatives of those from whom information is to be obtained or those who must compile records should occur at least once every 3 years -- even if the collection of information activity is the same as in prior periods. There may be circumstances that preclude consultation in a specific situation. These circumstances should be explained.**

The Department last published a Notice of Proposed Information Collection for Public in the *Federal Register*, 84376, Volume 89, number 204 (**FR-7091-N-08**), on October 22, 2024. The public was given until December 21, 2024, to submit comments on the proposal. The Department received no comments on that proposed collection.

9. **Explain any decision to provide any payment or gift to respondents, other than renumeration of contractors or grantees.**

No payments or gifts are provided.

10. **Describe any assurance of confidentiality provided to respondents and the basis for assurance in statute, regulation or agency policy. If the collection requires a system of records notice (SORN) or privacy impact assessment (PIA), those should be cited and described here.**

Almost all documents in this information collection are public documents, either recorded with units of local government, States, or HUD. Financial and banking documents which list account numbers, any bank or business enterprise account balances, are maintained confidentially in accordance with the HUD standards.

The information collection is public information; therefore, there is no assurance of confidentiality.

11. **Provide additional justification for any questions of a sensitive nature, such as sexual behavior and attitudes, religious beliefs, and other matters that are commonly considered private. This justification should include the reasons why the agency considers the questions necessary, the specific uses to be made of the information, the explanation to be given to persons from whom the information is requested, and any steps to be taken to obtain their consent.**

No such questions are asked.

12. **Provide estimates of the hour burden of the collection of information. The statement should:**

* Indicate the number of respondents, frequency of response, annual hour burden, and an explanation of how the burden was estimated. Unless directed to do so, agencies should not conduct special surveys to obtain information on which to base hour burden estimates. Consultation with a sample (fewer than 10) of potential respondents is desirable. If the hour burden on respondents is expected to vary widely because of differences in activity, size, or complexity, show the range of estimated hour burden, and explain the reasons for the variance. Generally, estimates should not include burden hours for customary and usual business practices;
* If this request covers more than one form, provide separate hour burden estimates for each form and aggregate the hour burdens in chart below; and
* Provide estimates of annualized cost to respondents for the hour burdens for collections of information, identifying and using appropriate wage rate categories. The cost of contracting out or paying outside parties for information collection activities should not be included here. Instead, this cost should be included in Item 13.

Total Burden Hours Estimation for Transfer and Consolidation of Public Housing Programs

There are 2,729 PHAs (as of May 13, 2024) operating public housing programs. Based on current experience, HUD estimates that there will be approximately five (5) transfers or consolidations combined in any given calendar year. In each transaction, HUD estimates there will be two participant PHAs (consolidations of more than two PHAs are exceedingly rare) with the receiving PHA (in the case of a transfer) or the consolidated PHA (in the case of a consolidation) will assume the larger administrative burden of the information submission requirements. The estimation of burden hours, therefore, is per transaction, assuming two respondents per transaction for an average-sized PHA (350 units).

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| --- | --- | --- | --- | --- | --- | --- | --- |
| **Information Collection** | **Number of Respondents** | **Frequency of Response** | **Responses**  **Per Annum** | **Burden Hour Per Response** | **Annual Burden Hours** | **Hourly Cost Per Response** | **Annual Cost** |
| Transfer of public housing (3 expected) | 6 | 1 | 6 | 120 | 720 | $25.97\* | $18,698 |
| Consolidation of public housing (2  expected) | 4 | 1 | 4 | 200 | 800 | $25.97\* | $20,776 |
| Subtotals | 10 | 1 | 10 | 320 | 1,520 |  | $39,474 |

\* The hourly cost assumes that the wage for housing authority staff responsible for preparing the required information earn the equivalent of the national mean hourly wage for Community and Social Service Specialists, reported by the U.S Bureau of Labor Statistics (BLS) May 2023 Occupational Employment and Wage Statistics report ([Community and Social Service Specialists, All Other](https://www.bls.gov/oes/2023/may/oes211099.htm)[)](https://www.bls.gov/oes/current/ones_nat.htm)).

13. **Provide an estimate of the total annual cost burden to respondents or recordkeepers resulting from the collection of information. (Do not include the cost of any hour burden already reflected on the burden worksheet shown in Items 12 and 14).**

* **The cost estimate should be split into two components: (a) a total capital and start-up cost component (annualized over its expected useful life); and (b) a total operation and maintenance purchase of services component. The estimates should take into account costs associated with generating, maintaining, and disclosing or providing the information. Include descriptions of methods used to estimate major cost factors including system and technology acquisition, expected useful life of capital equipment, the discount rate(s) and the time period over which costs will be incurred. Capital and start-up costs include, among other items, preparations for collecting information such as purchasing computers and software; monitoring, sampling, drilling and testing equipment; and record storage facilities;**
* **If cost estimates are expected to vary widely, agencies should present ranges of cost burdens and explain the reasons for the variance. The cost of purchasing or contracting out information collection services should be a part of this cost burden estimate. In developing cost burden estimates, agencies may consult with a sample of respondents (fewer than 10) utilize the 60-day pre-OMB submission public comment process and use existing economic or regulatory impact analysis associated with the rulemaking containing the information collection, as appropriate.**
* **Generally, estimates should not include purchases of equipment or services, or portions thereof made: (1) prior to October 1, 1995, (2) to achieve regulatory compliance with requirements not associated with the information collection, (3) for reasons other than to provide information or keep records for the government, or (4) as part of customary and usual business or private practices.**

There are no additional costs to respondents.

14. **Provide estimates of annualized cost to the Federal government. Also, provide a description of the method used to estimate cost, which should include quantification of hours, operational expenses (such as equipment, overhead, printing, and support staff), and any other expense that would not have been incurred without this collection of information. Agencies also may aggregate cost estimates from Items 12, 13, and 14 in a single table.**

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| --- | --- | --- | --- | --- | --- | --- | --- |
| **Information Collection** | **Number of Respondents** | **Frequency of Response** | **Responses**  **Per Annum** | **Burden Hour Per Response** | **Annual Burden Hours** | **Hourly Cost Per Response** | **Annual Cost** |
| **PHA Submissions** | **10** | **1** | **10** | **100** | **1000** | **$50.49\*** | **$50,490** |
| **Total** | **10** | **1** | **10** | **100** | **1000** | **$50.49** | **$50,490** |

\* **Hourly cost for response assumes a GS-13, Step 1 ($105,383), Analyst or Manager; hourly rate is $50.49.** A GS-13 Step 1 rate is the average salary for a Field Office Analyst/Manager based on the OPM general schedule for the rest of the United States.

15. **Explain the reasons for any program changes or adjustments reported in Items 12 and 14 of the Supporting Statement.**

This is a reinstatement with change. The program changes reported in items 12 and 14 are attributed to increased salary costs, as reflected in the description of the cost estimation method. This method incorporates a quantification of hours, operational expenses, and aggregate cost estimates.

16. **For collection of information whose results will be published, outline plans for tabulation and publication. Address any complex analytical techniques that will be used. Provide the time schedule for the entire project, including beginning and ending dates of the collection of information, completion of report, publication dates, and other actions.**

None of the information collected will be published.

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

This item does apply to the subject information collection requirements.

18. **Explain each exception to the certification statement identified in item 19.**

There are no exceptions.

**B. Collections of Information Employing Statistical Methods**

Not applicable.