

April 30, 2025

Supporting Statement for Paperwork Reduction Act Submissions

OMB Control Number: 1660-0011

Title: Debt Collection Financial Statement

Form Number(s): FEMA Form FF-600-FY-22-102 (formerly 127-0-1)

General Instructions

A Supporting Statement, including the text of the notice to the public required by 5 CFR 1320.5(a)(1)(iv) and its actual or estimated date of publication in the Federal Register, must accompany each request for approval of a collection of information. The Supporting Statement must be prepared in the format described below, and must contain the information specified in Section A below. If an item is not applicable, provide a brief explanation. When Item 17 or the OMB Form 83-I is checked “Yes”, Section B of the Supporting Statement must be completed. OMB reserves the right to require the submission of additional information with respect to any request for approval.

Specific Instructions

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. Provide a detailed description of the nature and source of the information to be collected.**

Pursuant to the Debt Collection Improvement Act of 1996 (Public Law 104-134) as amended (31 U.S.C. §§ 3701, et. seq.), the Federal Claims Collection Standards (31 C.F.R. Parts 900 - 904), and the Department of Homeland Security (DHS) regulations (6 C.F.R. Part 11); the Administrator of the Federal Emergency Management Agency (FEMA) is: 1) required to attempt collection of all debts owed to the United States arising out of FEMA’s activities; and 2) authorized to compromise certain debts, or terminate a collection action completely, where it

appears that no person is liable for such debt or has the present or prospective financial ability to pay a significant sum or that the cost of collecting such debt is likely to exceed the amount of the recovery (31 U.S.C. § 3711 (a)).

- 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. Provide a detailed description of: how the information will be shared, if applicable, and for what programmatic purpose.**

FEMA Form FF-600-FY-22-102 (formerly 127-0-1), Debt Collection Financial Statement, is a form that collects information provided by the debtor and estimates the current and future ability of a debtor to pay their debt. FEMA uses the form to evaluate the debtor's financial condition in making determination of whether termination of debt collection activity, or compromise of some of the value of the debt, is appropriate. This financial information is essential to meeting the requirements set forth in applicable regulations and to appropriately apply the various collection standards.

This information allows FEMA to review and discuss with debtors their financial resources in an attempt to resolve their debt. FEMA also uses this data to determine whether alterations to established installment payment agreements should be allowed based on a significant change in the debtor's ability to pay and comply with the terms of the agreement.

- 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.**

FEMA Form FF-600-FY-22-102 (formerly 127-0-1) is available to the public upon request but is not submitted online. Debtors are instructed to call the following number listed on the Notice and Debt Letter (NDL) and may request the FEMA Form FF-600-FY-22-102 (formerly 127-0-1): (866) 804-2469. An agent will explain the options of payment and potential for compromise and, if applicable, waiver noted in the NDL. Discussion may result in a verbal payment agreement making the form unnecessary. Debtors who express an inability to pay are mailed the form and instructed to call if they need assistance. An agent can help the debtor complete the form in approximately 15 minutes. The debtor returns the form and supporting documentation to FEMA (National Processing Service Center, P.O. Box 10055, Hyattsville, MD 20782-8055) by USPS or fax (800-827-8112). FEMA staff will upload the debtor's response in the National Emergency Management Information System (NEMIS).

Current and former FEMA employees may also use this form to request a compromise or payment plan for an employee debt. FEMA employees will send the completed form to the

FEMA Finance Center (FFC) (FEMA Finance Center, Accounts Receivable, P.O. Box 9001, Winchester, VA 22604) by USPS or fax (540-504-2288). The FFC will scan the documents into FEMA's SharePoint system for processing.

FEMA staff documents the information in FEMA's financial system including: the debtor's request for a payment plan or compromise, the debtor's response to FEMA's request for financial information (RFI) packet that includes the FEMA Form FF-600-FY-22-102 (formerly 127-0-1), the progress of the evaluation of the debtor's eligibility for a payment plan, compromise, or termination based on the debtor's ability to pay, and the disposition of the debt resolution evaluation. Only authorized FEMA staff have access to this information.

FEMA conducted usability testing on the Debt Collection Financial Statement. A total of 3 persons were selected to participate in the study. All participants were employees of FEMA in varying components including Business Management Office, Financial Management Branch, and Operations Branch. None of the participants were currently an active user or had previously used this financial form. Participants found the form very streamlined, straight forward, easy to understand and navigate. The warnings, disclosures, and instructions were clear and concise. A scale of 1-10 was used to rate the confidence in completing the Debt Collection Financial Statement and the form received an average score of 9.3. Subjects suggested improvements included formatting changes, issues with grammar, delivery of form, redundancy of certain information, and some inconsistency in language used. None of the proposed improvements were material enough to warrant changes to the form at this time, but we will continue to monitor them for future action.

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

This information is not collected in any other form or process, and therefore is not duplicated elsewhere.

5. If the collection of information impacts businesses or other small entities (Item 5 of OMB Form 83-I), describe any methods used to minimize.

This information collection does not have an impact on small businesses or other small entities.

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

FEMA would be unable to appropriately adjudicate requests for compromise or a payment plan without having the debtor's financial resources to assist with resolving their debt. FEMA also

uses this data to determine whether alterations to established installment payment agreements should be allowed based on a significant change in the debtor's ability to pay and comply with the terms of the agreement.

FEMA would also be unable to appropriately adjudicate requests for compromise or a payment plan for an employee's debt without this financial information.

Using the data provided to evaluate debtor's ability to pay, FEMA is able to collect significantly higher numbers of debts and amounts through installment repayment agreements, and provide debt relief for those with a financial need. Without the data provided on the financial statements, FEMA would not be able to proficiently negotiate such agreements and would have to use other, less effective and/or more costly methods of collection. In addition, if FEMA did not maintain accounts receivable tracking capabilities and, when appropriate, collect this necessary financial data, FEMA would not be cognizant of the debtor's financial situation when receivables become debts. FEMA would not be able to negotiate equitable installment repayment agreements if this information was eliminated.

7. Explain any special circumstances that would cause an information collection to be conducted in a manner (See 5 CFR 1320.5(d)(2)):

a. Requiring respondents to report information to the agency more often than quarterly.

This information collection does not require respondents to report information more than quarterly.”

b. Requiring respondents to prepare a written response to a collection of information in fewer than 30 days after receipt of it.

This information collection does not require respondents to prepare a written response in fewer than 30 days after receipt of it.

c. Requiring respondents to submit more than an original and two copies of any document.

This information collection does not require respondents to submit more than an original and two copies of any document.

d. Requiring respondents to retain records, other than health, medical, government contract, grant-in-aid, or tax records for more than three years.

This information collection does not require respondents to retain records (other than health, medical, government contract, grant-in-aid, or tax records) for more than three years.

- e. In connection with a statistical survey, that is not designed to produce valid and reliable results that can be generalized to the universe of study.**

This information collection does not include a statistical survey.

- f. Requiring the use of a statistical data classification that has not been reviewed and approved by OMB.**

This information collection does not use a statistical data classification that has not been reviewed and approved by OMB.

- g. 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.**

This information collection does not include a pledge of confidentiality that is not supported by established authorities or policies.

- h. 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.**

The special circumstances contained in item 7 of the supporting statement are not applicable to FEMA's debt collection financial information collection.

8. Federal Register Notice:

- a. Provide a copy and identify the date and page number of publication in the Federal Register of the agency's notice 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.**

A 60-day Federal Register Notice inviting public comments was published on January 16, 2025, at 90 FR 4759. FEMA received 0 comments.

A 30-day Federal Register Notice inviting public comments was published on April 30, 2025, at 90 FR 17947. The 30-Day public comment period closes on May 30, 2025.

- b. 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 on the data elements to be recorded, disclosed, or reported.**

FEMA debt collection specialists generally use telephone conversations with respondents to discuss the respondents' financial condition and their ability to repay the debt using information from the Debt Collection Financial Statement, FEMA Form FF-600-FY-22-102 (formerly 127-0-1).

FEMA developed a Standard Operating Procedure (SOP) for its internal processes to formalize its debt collection process. FEMA determined that following current Federal processes, such as the Federal Claims Collection Standards, the Debt Collections Improvement Act as amended, with the Treasury Cross-Servicing Program, remain the most effective methods to collect FEMA debts.

- c. Describe consultations with representatives of those from whom information is to be obtained or those who must compile records. Consultation should occur at least once every three years, even if the collection of information activities is the same as in prior periods. There may be circumstances that may preclude consultation in a specific situation. These circumstances should be explained.**

FEMA's consultations include telephone conversations with debtors and cover all aspects of the information collection.

- 9. Explain any decision to provide any payments or gift to respondents, other than remuneration of contractors or grantees.**

FEMA does not provide payments or gifts to respondents in exchange for a benefit sought.

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

The Privacy Threshold Analysis (PTA) was approved by the Department of Homeland Security's (DHS's) Privacy Office on October 1, 2024.

The Debt Collection Financial Statement (Form FF-600-FY-22-102 formerly Form 127-0-1) is a privacy sensitive collection requiring Privacy Impact Assessment (PIA) coverage. PIA coverage is provided by:

- DHS/FEMA/PIA-049 Individual Assistance (IA) Program. (January 11, 2018).
- DHS/FEMA/PIA-009(B) Document Management and Records Tracking System (DMARTS). (April 6, 2018).

The Debt Collection Financial Statement (Form FF-600-FY-22-102 formerly Form 127-0-1) is a privacy sensitive collection requiring System of Records Notice (SORN) coverage. SORN coverage is provided by:

- DHS/ALL-008 Accounts Receivable System of Records. (December 19, 2018, 83 FR 65176).
- DHS/FEMA-008 Disaster Recovery Assistance Files (September 9, 2024, 89 FR 73104).

11. Provide additional justification for any question of a sensitive nature (such as sexual behavior and attitudes, religious beliefs and other matters that are commonly considered private). This 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.

There are no questions of sensitive nature beyond those which seek to identify respondents' financial abilities to pay their debts and assist the Agency in determining whether it needs to craft special repayment plans unique to the individual.

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

- a. Indicate the number of respondents, frequency of response, annual hour burden, and an explanation of how the burden was estimated for each collection instrument (separately list each instrument and describe information as requested). Unless directed to do so, agencies should not conduct special surveys to obtain information on which to base hour burden estimates. Consolation with a sample (fewer than 10) of potential respondents is desired. 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.

FEMA Form FF-600- FY-22-102 (formerly 127-0-1), Debt Collection Financial Statement is estimated to have 140 respondents times 1 response(s) per year for 140 total annual responses (140 x 1= 140). It is estimated that each response will require 45 minutes (or 0.75 burden hours) to complete, therefore the total annual hour burden will be 105 hours (140 x 0.75= 105).

- b. If this request for approval covers more than one form, provide separate hour burden estimates for each form and aggregate the hour burdens in Item 13 of OMB Form 83-I.**

Please see our response for 12a above and 12c below.

- c. Provide an estimate of annualized cost to respondents for the hour burdens for collections of information, identifying and using appropriate wage rate categories. NOTE: The wage-rate category for each respondent must be multiplied by 1.45 (1.62 for State and local government employees)¹ and this total should be entered in the cell for “Avg. Hourly Wage Rate.” The cost to the respondents of contracting out to paying outside parties for information collection activities should not be included here. Instead this cost should be included in Item 13.**

Type of Respondent	Estimated Annualized Burden Hours and Costs							
	Form Name / Form No.	No. of Respondents	No. of Responses per Respondent	Total No. of Responses	Avg. Burden per Response (in hours)	Total Annual Burden (in hours)	Avg. Hourly Wage Rate	Total Annual Respondent Cost
Individuals or Households	Debt Collection Financial Statement/FEMA Form FF-600- FY-22-102	140	1	140	0.75	105	\$45.65	\$4,793
Total		140		140		105		\$4,793

¹ Bureau of Labor Statistics, Employer Costs for Employee Compensation, Table 1. Available at https://www.bls.gov/news.release/archives/ecec_03142025.pdf. Accessed March 14, 2025. The national wage multiplier is calculated by dividing total compensation for all workers of \$47.20 by wages and salaries for all workers of \$32.52 per hour yielding a benefits multiplier of approximately 1.45. For State and local government employees the wage multiplier is calculated by dividing total compensation for State and local government workers of \$63.46 by Wages and salaries for State and local government workers of \$39.22 per hour yielding a benefits multiplier of approximately 1.62.

Instruction for Wage-rate category multiplier: Take each non-loaded “Avg. Hourly Wage Rate” from the BLS website table and multiply that number by 1.45. For example, a non-loaded BLS table wage rate of \$42.51 would be multiplied by 1.45, and the entry for the “Avg. Hourly Wage Rate” would be \$61.64.

According to the U.S. Department of Labor, Bureau of Labor Statistics, the May 2023 Occupational Employment and Wage Estimates wage rate for All Occupations SOC 00-0000 is 31.48 per hour.² Including the wage rate multiplier of 1.45, the fully loaded wage rate is \$45.65. Therefore, the burden hour cost is estimated to be \$4,793 annually (\$45.65 x 105 hours = \$4,793).

- 13. Provide an estimate of the total annual cost burden to respondents or recordkeepers resulting from the collection of information. The cost of purchasing or contracting out information collection services should be a part of this cost burden estimate. (Do not include the cost of any hour burden shown in Items 12 and 14.)**

Itemized Changes in Annual Burden Hours						
Data Collection Activity/Instrument	Program Change (hours currently on OMB inventory)	Program Change (new)	Difference	Adjustment (hours currently on OMB inventory)	Adjustment (new)	Difference
N/A						
Total	0	0	0	0	0	0

The cost estimates should be split into two components:

- a. Operation and Maintenance and purchase of services component. These estimates should take into account cost associated with generating, maintaining, and disclosing or providing information. Include descriptions of methods used to estimate major cost factors including systems and technology acquisition, expected useful life of capital equipment, the discount rate(s), and the time period over which costs will be incurred.**

There are no operation or maintenance costs associated with this collection.

- b. Capital and Start-Up Cost should include, among other items, preparations for collecting information such as purchasing computers and software, monitoring sampling, drilling and testing equipment, and record storage facilities.**

² Information on the mean wage rate from the U.S. Department of Labor, Bureau of Labor Statistics is available online at: https://www.bls.gov/oes/2023/may/oes_nat.htm

There are no capital or start-up costs associated with this information collection.

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 have been incurred without this collection of information. You may also aggregate cost estimates for Items 12, 13, and 14 in a single table.

Annual Cost to the Federal Government	
Item	Cost (\$)
Contract Costs:	\$0
Staff Salaries: 1 GS 9 Step 5 (\$37.97/hour) for 315 hours x 1.45 loaded wage rate = \$17,343 1 GS 13 Step 5 (\$65.48/hour) for 23.8 hours x 1.45 loaded wage rate = \$2,260 1 GS 14 Step 5 (\$77.38/hour) for 23.8 hours x 1.45 loaded wage rate = \$2,670 1 GS 15 Step 5 (\$91.02/hour) for 11.2 hours x 1.45 loaded wage rate = \$1,478	\$23,751
Facilities [cost for renting, overhead, etc. for data collection activity]	\$0
Computer Hardware and Software [cost of equipment annual lifecycle]	\$0
Equipment Maintenance [cost of annual maintenance/service agreements for equipment]	\$0
Travel (not to exceed)	\$0
Printing [number of data collection instruments annually]: 140 forms x \$0.17/form=	\$24
Postage [number of data collection instruments annually x postage]: 140 forms x \$0.73/form=	\$102
Total	\$23,877
¹ Office of Personnel Management 2025 Pay and Leave Tables for the Washington-Baltimore-Arlington, DC-MD-VA-WV-PA locality. Available online at https://www.opm.gov/policy-data-oversight/pay-leave/salaries-wages/salary-tables/25Tables/html/DCB_h.aspx . Accessed January 13, 2025.	
² Wage rate includes a 1.45 multiplier to reflect the fully-loaded wage rate.	

FEMA's estimate for the overall time to determine and set up a payment plan, obtain approval for the payment plan, print and mail the results of the decision, and archive the form for data collection is based on past estimates to review and evaluate a debtor's financial information. All employees are assumed to work in Washington, DC.

15. Explain the reasons for any program changes or adjustments reported in Items 13 or 14 of OMB Form 83-I in a narrative form. Present the itemized changes in hour burden and cost burden according to program changes or adjustments in Table 5. Denote a program increase as a positive number, and a program decrease as a negative number.

A "Program increase" is an additional burden resulting from a Federal Government regulation action or directive (e.g., an increase in sample size or coverage, amount of information, reporting frequency, or expanded use of an existing form). This also includes previously in-use and unapproved information collection discovered during the ICB process, or during the fiscal year, which will be in use during the next fiscal year.

A “**Program decrease**” is a reduction in burden because of: (1) the discontinuation of an information collection, or (2) a change in an existing information collection by a Federal Agency (e.g., the use of sampling (or smaller samples), a decrease in the amount of information requested (fewer questions), or a decrease in reporting frequency).

An “**Adjustment**” denotes a change in burden hours due to factors over which the government has no control, such as population growth, or in factors which do not affect what information the government collects or changes in the methods used to estimate burden or correction of errors in burden estimates.

Itemized Changes in Annual Burden Hours						
Data Collection Activity/Instrument	Program Change (hours currently on OMB inventory)	Program Change (new)	Difference	Adjustment (hours currently on OMB inventory)	Adjustment (new)	Difference
Debt Collection Financial Statement/FEMA Form FF-600-FY-22-102	0	0	0	225	105	-120
Total	0	0	0	225	105	-120

Explain: There is a decrease in the burden hours due to a decrease in the number of respondents.

Itemized Changes in Annual Cost Burden						
Data Collection Activity/Instrument	Program Change (cost currently on OMB inventory)	Program Change (new)	Difference	Adjustment (cost currently on OMB inventory)	Adjustment (new)	Difference
Debt Collection Financial Statement/FEMA Form FF-600-FY-22-102	\$0	\$0	\$0	\$8,206	\$4,793	\$3,413
Total	\$0	\$0	\$0	\$8,206	\$4,793	\$3,413

Explain: The overall decrease in annual costs is due to the decrease in the number of respondents.

16. For collections 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.

There are no plans for tabulation and publication of data for this information collection.

17. If seeking approval no to display the expiration date for OMB approval of the information collection, explain reasons that display would be inappropriate.

This collection does not seek approval to not display the expiration date for OMB approval.

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

This collection does not seek exception to Certification for Paperwork Reduction Act submissions.