

US Small Business Administration  
SBA Form 1366, Borrower's Progress Certification  
OMB Control Number 3245-0110  
Justification – Part A Supporting Statement

Overview of Information Collection:

This submission covers SBA Form 1366, Borrower's Progress Certification, and associated record-keeping requirements. The purpose of this submission is to request OMB renewal or extension authorization of this form with changes.

Summary of Revisions

The SBA has incorporated a modified version of the information collected on this form in the Unified Lending Platform (ULP). The ULP includes a Progress Report section that displays the borrower's approved loan amount, the amount of funds disbursed, the amount of funds remaining to be disbursed, and the total amount of receipts submitted to date, as well as notification the borrower of the following progress details and requirements:

- Before subsequent disbursements can be made, the borrower must provide details regarding the use of the funds currently disbursed.
- Real estate related amounts should have receipts which can be uploaded and viewed in the portal.
- All funds received from other sources (i.e. insurance, FEMA, grants, or personal sources) required to complete the repair/replacement of damaged property must be receipted prior to subsequent disbursements.

The ULP differs from the paper version of the SBA Form 1366 in that the borrower is not required to list all funds spent individually and report how the receipts were paid. The system calculates the total amount of funds spent based on the receipts uploaded in the loan portal. In addition, the ULP does not require the borrower to list items purchased or contracted for but not yet paid as requested on the paper version of the form.

1. Need & Method for the Information Collection.

SBA's disaster loan proceeds are available to restore or replace a borrower's primary residence, personal or business property as nearly as possible to pre-disaster conditions. The disaster program regulations and procedures require borrowers to submit and maintain records to show that loan proceeds were used solely for authorized purposes. The pertinent portions of each referenced authority are attached (13 CFR 123.7 and 13 CFR 123.12).

2. Use of the Information.

SBA Form 1366 provides a simple format for borrowers to organize and present documentation and information to SBA to show how loan funds have been used in the disaster restoration, when

a borrower is ready to request a subsequent disbursement. The information collected provides assurances to SBA that loan proceeds are used for authorized purposes only and includes a listing of expenditures and copies of certain receipts. This information assists SBA in determining whether additional funds can be disbursed. The information is submitted by the borrower by completing the form or uploading documentation through the ULP. Exceptions to the authorized use of funds might involve credit factors and would be referred to a loan officer for review. All information related to the use of proceeds is reviewed by SBA to assure that loan proceeds have been used as authorized. Representatives of the SBA's Inspector General and other auditors also use the information collected on Form 1366 and the records which borrowers are required to retain for audit trail purposes. Evidence of misuse of proceeds would be used by U.S. Attorneys and the Office of Inspector General prosecuting for misuse of loan proceeds. There are no privacy concerns related to this information sharing.

3. Use of Information Technology.

Form 1366 is currently available online at [www.sba.gov](http://www.sba.gov) for downloading and printing. The information can also be submitted electronically in the ULP allowing submission of receipts for review by SBA prior to subsequent disbursements.

4. Non-duplication.

There is no duplication in SBA's files and any similar information that might be available could not be substituted. If Form 1366 is submitted on multiple occasions the information is not cumulative but is specific to use of disbursed funds not previously reported. In other words, the borrower is not asked to submit the same information more than once. Minimal duplication (borrower name, loan number, etc.) is necessary to distinguish and organize records appropriately.

5. Burden on Small Business.

The respondents to this information collection include small businesses; however, the information collection does not impose a substantial burden on these respondents. Record-keeping requirements are not more than the customary records maintained by businesses for internal management and tax and securities law purposes. The information collected is limited to specific program requirements and has been designed to minimize paperwork while satisfying legal and policy mandates. Based on the number of businesses that submitted this information in Fiscal Years 2022 (370), 2023 (741), and 2024 (343), we estimate that 485 respondents a year will be small businesses.

6. Less Frequent Collection.

The information collection is conducted only as needed. If the record-keeping and reporting requirements were not imposed, SBA would not have a mechanism for ensuring documentation of proper use of loan proceeds, or for determining that subsequent disbursements are prudent and justified. Failure to conduct this collection of information could also impair SBA's ability to conduct audits or take action in cases of misuse. As the disaster-damaged property is generally the collateral securing the loan, misuse of loan proceeds can also weaken the value of the collateral securing the loan and therefore may impact SBA's recovery on the loan.

7. Paperwork Reduction Act Guidelines.

There are no special circumstances.

8. Consultation and Public Comments

Comments were solicited in a Federal Register notice published on June 17, 2025, at 90 FR 25733, copy attached. The comment period ended on August 18, 2025. There were no comments received.

9. Gifts or Payment.

There are no payments made or gifts given to respondents.

10. Privacy & Confidentiality.

There is no assurance of confidentiality provided.

The information collected is protected to the extent permitted by law, including the Privacy Act, 5 U.S.C. 552a, and the Freedom of Information Act, 5 U.S.C. 552, which prohibits disclosure of confidential or privileged commercial or financial information. The form includes notices to the respondents regarding the use and disclosure of information submitted to SBA on this form. The Privacy Act Statement (PAS) and consent from the respondents is not included in the electronic version within SBA's ULP (ULP) at this time. A system change request will be made to have the PAS and consent from the respondents incorporated. In addition, SBA will request to add the purpose for collecting the information, burden hours, OMB approval # and expiration date, and certification (including Criminal and Other Penalties for False Statements) in the ULP.

Information collected on SBA Form 1366 is maintained in the Agency's Privacy Act System of Records as follows:

SBA 20 -- Disaster Loans Case Files

<https://www.govinfo.gov/content/pkg/PAI-2017-SBA/xml/PAI-2017-SBA.xml#sba20>. SBA most recently published an updated SORN for SBA 20 on November 19, 2021 (86 FR 64979), which can be located here: <https://www.federalregister.gov/documents/2021/11/19/2021-25276/privacy-act-of-1974-system-of-records-notice>. SBA adheres and complies with its

Cybersecurity and Privacy Policy to maintain privacy and confidentiality of the data collections that are stated in the applicable Privacy Impact Assessment (PIA), specifically, the Capital Access Financial System PIA and ULP PIA. The SBA collects controlled unclassified information to include its subcategories of business proprietary information and personally identifiable information such as the business name, individual owner’s name, social security number, address, phone number, and financial assets and debts. SBA Form 1366 does not collect respondents’ social security numbers. Applicants are not required to submit proprietary trade secrets, or other confidential information. Applicants are not required to submit proprietary trade secrets, or other confidential information.

11. Sensitive Questions.

No questions of a sensitive nature are asked in this information collection; however, because certain loan records are retrieved by a personal identifier, SBA maintains a Privacy Act system of record to protect the disclosure of collected information that is covered by that act.

12. Burden Estimate.

**Estimate of the hour burden of the collection of information for the respondents:**

Annual number of responses has been determined using the average number of certifications received over the three fiscal years of FY 2022, 2023 and 2024.

	Files with receipts submitted for SBA review
FY 2022	2,125
FY 2023	5,486
FY 2024	1,896
Total	9,507

$9,507 / 3 = 3,169$  average per fiscal year.

**Total burden hours for Respondents:  $3,169 \times .5 = 1,584.5$**

The estimated cost to respondents for the hour burden of information collection is calculated at a salary equivalent to a GS-09, Step 1 Federal employee’s annual salary of \$51,332 or \$25/hour (rounded to the nearest whole number) based on the 2024 General Schedule (Base). The GS-09 pay grade is utilized in preparing this estimate as it is equivalent to the expertise normally required to complete this form.

**Total combined cost to respondents for burden hours:  $1,584.5 \times \$25 = \$39,612.5$**

	Requested	Program Change Due to New Statute	Program Change Due to Agency Discretion	Change Due to Adjustment in Agency Estimate	Change Due to Potential Violation of the PRA	Previously Approved
Annual Number of Responses for this IC	3,169			-22,513		25,682
Annual IC Time Burden (Hour)	1,584.5			-11,256.5		12,841
Annual IC Cost Burden (Dollars)	39,612.5			-324,558.5		364,171

Burden per Response:

	Time Per Response	Hours	Cost Per Response
Reporting	.5	.5	\$12.50
Record Keeping			
Third Party Disclosure			
Total	.5	.5	\$12.50

Annual Burden:

	Annual Time Burden (Hours)	Annual Cost Burden (Dollars)
Reporting	1,584.5	\$39,612.50
Record Keeping		
Third Party Disclosure		
Total	1,584.5	\$39,612.50

13. Estimated nonrecurring costs.

No additional annual costs beyond those identified in #12 above are anticipated.

14. Estimated cost to the Government.

The estimated cost to SBA for the hour burden of information collection is calculated at a salary equivalent to a GS-11, Step 1 Federal employee's annual salary of \$ 62,107 or \$30/hour (rounded to the nearest whole number) based on the 2024 General Schedule (Base). The GS-11 pay grade is utilized in preparing this estimate as it is equivalent to the position normally held by the personnel performing this review.

**Estimate of the burden hours of the collection of information for the Agency:**

**3,169 x 1 hour per review = 3,169**

Estimate of the annualized cost to the Agency for the hour burden:

**Total combined cost for the Agency: 3,169 x \$30 = \$95,070**

15. Reasons for changes.

The change was due to the previous PRA submission being over inclusive and including accounts that did not require the SBA Form 1366. Record keeping has been updated and will be more accurate for this and future submissions.

16. Publicizing Results.

Not applicable. No publication is planned, and no statistical methods will be employed.

17. OMB Not to Display Approval.

Expiration date will be displayed.

18. Exceptions to "Certification for Paperwork Reduction Submissions."

There are no exceptions to the certification statement.

Part B: Surveys, Censuses, and Other Collections that Employ Statistical Methods.

N/A