Small Business Administration (SBA)

SBA Form 5C, Disaster Home Loan Application

OMB Control Number 3245-0018

Justification – Part A Supporting Statement

Overview of Information Collection:

The purpose of this submission is to Request a Revision of an Existing Collection. OMB control No. 3245-0018, includes both the paper and online versions of the loan application for SBA's Form 5C, "Disaster Home Loan Application". The revision standardizes required data fields and instructions to reduce inconsistent guidance to applicants. Updates also include replacing outdated or inactive website links with the current, validated website links to ensure accurate public communication, usability, and compliance with accessibility standards. SBA has revised existing questions due to regulatory changes. The SBA has revised the criminal history question to match the question used in all other SBA programs at 13 CFR 120.110(n). The question will now ask about incarceration due to an adjudication of guilt, or indictment for a felony or any crime involving or relating to financial misconduct or a false statement. Also, SBA has revised the voluntary demographic information to comply with Executive Order 14168 Defending Women from Gender Ideology Extremism and Restoring Biological Truth to the Federal Government. The question "With which gender do you identify" was replaced with "sex" and the selection of "Other" was removed as a response. Finally, SBA updated information regarding the consent to use and receive communications in an electronic format. SBA also added a new Social Security consent for the purpose of determining whether the information provided by the applicant matches the Social Security Administration (SSA) records.

1. Need & Method for the Information Collection.

Section 7(b) of the Small Business Act, 15 U.S.C. 636, as amended, authorizes SBA to make loans to victims of Federally declared disasters. The loan application and supporting documentation are basic requirements of any lending function. OMB Circular A-129, *Policies for Federal Credit Programs and Receivables*, Section III, Credit Extension and Management Policy (Circular A-129 Revised (whitehouse.gov) requires Federal agencies to determine, among other things, whether loan applicants comply with certain statutory, regulatory, and administrative eligibility and other requirements for loan assistance. The requirement for the use of the Form 5C is found in the Standard Operating Procedure (SOP) for Disaster Assistance, SOP 50 30 9.

SBA is modernizing the process and delivery of disaster loan assistance by improving the documents utilized by the disaster survivor. Disaster loan applicants can elect to submit a paper version of the application or apply online via the MySBA loan portal. Disaster survivors visiting an SBA field location or Disaster Loan Outreach Center (DLOC) work with SBA staff who assist them in obtaining applications, returning completed applications, and completing disaster loan application forms. The information obtained at field offices or DLOCs are submitted to the Disaster Processing and Disbursement Center (PDC) for application processing and retention. If the SBA Form 5C is not collected, SBA cannot conduct the disaster loan program nor determine which disaster survivors are eligible for assistance.

2. Use of the Information.

This information collection (IC) is used by individual homeowners or renters to apply for SBA physical disaster loans. SBA analyzes the information from the application to determine whether the applicant is eligible for an SBA disaster loan and has repayment ability. The credit analysis is also necessary to determine whether a loan is an acceptable risk to the Government.

The information collected may be used by other Federal agencies, as permitted by law, to process, service, liquidate, or foreclose on a loan or loan guaranty. A copy of "Statements Required by Laws" is attached to every application issued, which includes the Right to Financial Privacy Act of 1978. The applicant must acknowledge receipt of the information before the application can be accepted.

3. Use of Information Technology.

This information collection provides disaster loan applicants with the option to complete the disaster application online and submit it electronically via the MySBA Loan Portal. The MySBA Loan Portal is a web-based platform that enables disaster loan applicants to retrieve and modify existing data records and allows some reduced data entry on their part. The portal also allows SBA borrowers to view loan details, make payments, and access statements for Disaster loans. If the applicant submits a paper application, SBA will enter the application in the system, and the applicant will be notified that they will need to create an account in the Capital Access Financial System (CAFS) so they can electronically sign the disaster loan application. CAFS is also used to track application statuses, view loan balances, receive electronic billing statements, and make sure loan payments. Ninety- nine percent of the disaster applications are submitted online.

4. Non-duplication.

The information requested on the application is applicant and time specific; therefore, past information provided generally would not be appropriate for use.

5. Burden on Small Business.

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

6. Less Frequent Collection.

This information cannot be conducted less frequently because we only collect it once from each applicant in connection with each application for disaster assistance. The consequence of not collecting this information would be an inability to determine which applicants are eligible for assistance and an inability to begin the credit/financial analysis necessary to make loan decisions. The SBA could not conduct the program without the collection of this information.

7. Paperwork Reduction Act Guidelines.

No special circumstances exist. No confidential information is required that is not protected to the extent permitted by law including the Privacy Act and Freedom of Information Act.

8. Consultation and Public Comments.

Comments were solicited in a Federal Register Notice published on March 4, 2026, at 91 FR 10663. The comment period closed on May 4, 2026. No comments were received. SBA did not conduct any other additional outreach outside of the public notice.

9. Gifts or Payment.

There are no gifts or payments provided to respondents. SBA is not proposing to provide incentives to potential respondents.

10. Privacy & Confidentiality.

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, and is part of SBA's Privacy Act System of Records. The System of Records Notice (SORN) for the SBA disaster program is titled Disaster Loans Case File (SBA 20 - 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 which are specifically stated in the Unified Lending Platform Privacy Impact Assessment (PIA). SBA collects personally identifiable information such as name, social security number, birth date, address, phone number, email address, financial information, citizenship or immigration status, FEMA registration number, and insurance policy number. Applicants are not required to submit proprietary trade secrets, or other confidential information. Title VII characteristics such as race, sex, age, etc. are also collected as required by the Loan application. However, this information is voluntary.

11. Sensitive Questions.

Questions perceived to be “sensitive” such as marital status, date of birth, financial, and criminal records information are solicited in this collection so that SBA can make an informed credit and eligibility determination. This information is required for an applicant to receive a benefit under SBA’s Disaster Loan Program. This information helps SBA to assess whether there is a reasonable assurance of loan repayment.

Veteran, sex, race, and ethnicity data is collected for program reporting only. These questions do not negatively impact any vulnerable populations. In the sections of the application that ask for this information, the following instructions are provided: “Veteran, sex, race, and ethnicity data is collected for program reporting only. Disclosure is voluntary and has no bearing on the loan decision.”

The SBA requests consent from the applicant and collects their signature for the authority to include this sensitive information which is optional.

12. Burden Estimate.

The SBA Form 5C is revised for use by homeowners and renters to apply for low-interest, long-term loans from SBA for physical damage caused by a declared disaster. SBA has not made any changes to the collection that will increase the burden to respondents since the previous submission.

	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	84,494	NA	NA	-16,825	NA	101,319

Responses for this IC						
Annual IC Time Burden (Hour)	105,617	NA	NA	-21,032	NA	126,649
Annual IC Cost Burden (Dollars)	$1,338,385	NA	NA	-538,549	NA	1,876,934

Burden per Response:

	Time Per Response	Hours	Cost Per Response
Reporting	75 minutes	1.25	$15.84
Record Keeping	NA	NA	NA
Third Party Disclosure	NA	NA	NA
Total	75 minutes	1.25	$15.84

Annual Burden:

	Annual Time Burden (Hours)	Annual Cost Burden (Dollars)
Reporting	105,617	$1,338,385
Record Keeping	NA	NA
Third Party Disclosure	NA	NA
Total	105,617	$1,338,385

Estimates are based on an average of home loan applications accepted during the last five fiscal years. The computation is below:

FY	Home Loan Applications Accepted for Processing
2021	108,350
2022	55,746

2023	78,100
2024	64,172
2025	116,100
TOTAL	422,468

422,468 divided by 5 = 84,494 average home loans accepted per year (number of responses). For FY 25, approximately 99% of all applications were accepted using the MySBA loan portal.

SBA estimates that the home loan application (both paper and the electronic version in the MySBA loan portal) will continue to take approximately 1.25 hours to complete based on feedback and testing of the MySBA loan portal and based on feedback received from applicants and observation for paper forms.

84,494 respondents x 1 response per applicant x 1.25 hours = 105,617
Total annual hour burden = 105,617.
Cost to respondent for hour burden for this collection. Average cost is based on
GS 1, Step 1 ($12.67 per hour – 2026 RUS) which reflects the level of expertise (minimal) that is required to respond.

Cost per response: 1.25 hours x 12.67 = $15.84

84,494 respondents x $15.84 = $1,338,385 Total cost to respondents.

13. Estimated nonrecurring costs.

There are no additional costs that have not been identified and explained in 12 above.

14. Estimated cost to the Government.

It takes SBA personnel approximately 2 hours per loan application to evaluate the information provided, perform a credit analysis, and process the application (both paper and electronic) to make a decision.

Typically, expertise equivalent to a GS-9, Step 1 ($29.57 per hour - 2026 RUS) is required to process these applications using either method.

84,494 responses at 2 hours per response = 168,988 x $29.57 = $4,996,975 estimated cost to Federal Government.

15. Reasons for changes.

Burden and cost estimates decreased in this submission compared to the prior one due to a lower total number of applications received across the five fiscal years used in the calculation.

Although FY 2025 experienced a notable surge in applications driven by several major disasters (e.g., Hurricane Helene, Hurricane Milton, and the California wildfires), the overall multi-year volume declined, resulting in reduced burden and cost figures.

16. Publicizing Results.

Published SBA disaster loan data includes verified loss and approved loan amount totals for both home and business disaster loans, segmented by city, county, zip code and state. This information is published quarterly on the SBA.gov website. This data contains non-personally identifiable (non-PII) data from the SBA Disaster Loan Program. Certain loan information is also posted on USAspending.gov, pursuant to the Federal Funding Accountability and Transparency Act (nih.gov).

17. OMB Not to Display Approval.

The expiration date will be displayed.

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

There are no exceptions.

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

Not Applicable