

U.S. Small Business Administration  
SBA Form 3520, Builder's Certification  
OMB Control Number 3245-0432  
Justification – Part A Supporting Statement

Overview of Information Collection:

SBA is requesting an extension without change of the information collection request for SBA Form 3520 "Builder's Certification" (OMB Control No. 3245-0432).

1. Need & Method for the Information Collection.

SBA is authorized under Section 7(b) of the Small Business Act, 15 U.S.C. 636, and its regulations at 13 CFR Part 123, to provide disaster loans that help survivors repair or restore damaged property to pre-disaster conditions and to ensure the timely delivery of disaster loan assistance following a Presidential disaster declaration.

SBA disaster Loan borrowers provide this form to their builder to sign to allow disaster repairs to proceed, if certain conditions are met, including experiencing significant delays in obtaining a building permit or other approval. To support timely disbursement of disaster loan funds, SBA requires the information collected through SBA Form 3520, the Builder's Certification. This collection is necessary to meet the requirements of 13 CFR 123.803 and documents the borrower's and builder's certification that the builder has complied and will continue to comply with applicable state and local requirements not preempted under § 123.803.

The form is provided to the Borrower electronically. The form is downloaded either through a link to the document in the MySBA loan portal or the Borrower may use the sba.gov website. The form is fillable and may be submitted with either an electronic signature or a pen signature if the Borrower chooses to print it out. The completed, signed form is submittable electronically.

2. Use of the Information.

The information collected through SBA Form 3520 is for disaster loan purposes only. It is not used for research or study purposes. SBA uses the Builder's Certification to determine regulatory compliance with 13 CFR 123.800–808. A disaster loan borrower relying on preemption under these provisions is considered in default if they fail to meet the requirements of § 123.805. Pertinent excerpts of 13 CFR 123.803 and 13 CFR 123.805 are attached. This information is not used by other Federal agencies.

3. Use of Information Technology.

SBA Form 3520 is collected electronically. Borrowers who have waited more than 60 days after submitting completed applications to obtain approval from State or local permitting decisions after submitting complete applications may download the Builder's Certification form from either the MySBA Loan Portal within SBA's Unified Lending Platform (the online system used

to offer disaster loans and process disaster loan applications) or from SBA.gov. Once completed, the form may be uploaded directly through the MySBA Loan Portal or emailed to the borrower's assigned Case Manager.

4. Non-duplication.

SBA is collecting this information only from borrowers who are exercising the preemption under § 123.803. This information is voluntary and unique to each disaster applicant. There is no other source of this information.

5. Burden on Small Business.

Small businesses or small entities comprise a portion of respondents for this information collection. The burden applied to small businesses is the minimum possible to show compliance with SBA regulations. SBA estimates that small businesses make up approximately 44 of the 628 estimated responses.

6. Less Frequent Collection.

SBA collects the information on SBA Form 3520 only when a borrower first elects to exercise the preemption authority under 13 CFR 123.803. Under this provision, a borrower may request that SBA temporarily override certain state or local permitting requirements so disaster-related construction can begin without delay. In limited circumstances, a borrower may need to submit the certification more than once (i.e. if the borrower changes builders or has multiple builders) because each builder must independently attest to compliance. Even in these cases, SBA collects the information only as often as necessary to satisfy the regulatory requirements.

Since the certification is used to ensure that the builder will comply with applicable state and local requirements prior to the start of disaster-related activities, including repairs, rehabilitations, replacements, or other activities financed in whole or in part with SBA disaster Loan proceeds, it cannot be collected less frequently without undermining SBA's ability to ensure compliance before work begins.

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 March 4, 2026, at 91 FR 10664. The comment period closed on May 4, 2026, and no comments were received.

9. Gifts or Payment.

There are no payments or gifts to respondents.

#### 10. Privacy & Confidentiality.

The information collected, including any Personally Identifiable Information, 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 Files (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 to 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 Unified Lending Platform (ULP) PIA. The SBA collects controlled personally identifiable information such as the SBA disaster Loan number, borrower's name, damaged property address, builder's name, and builder's business address. Information is collected and maintained on a web-based government system and is not disseminated publicly.

#### 11. Sensitive Questions.

There are no questions of a sensitive nature.

#### 12. Burden Estimate.

The annual number of responses has been determined using the number of Builder's Certification forms after 3 months of collection since SBA began collecting the form on January 29, 2026.

In the 3-month period from January 29, 2026 – April 29, 2026, 157 completed Builder's Certification forms were received.

157 responses in 3 months x 4 = 628 estimated annual responses. It takes an estimated 30 minutes per response.

628 responses x .5 hours (30 minutes) per response = 314 hours

The hourly rate for a person expected to complete this form is \$33.54, the hourly mean wage for all occupations as of May 2025<sup>1</sup>.

The annual cost is calculated below:

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<sup>1</sup> Bureau of Labor Statistics, Occupational Employment and Wages — May 2025 (<https://www.bls.gov/news.release/pdf/ocwage.pdf>).

0.5 hours (30 mins) x \$33.54 per hour = \$16.77 cost per response  
 \$16.77 cost per response x 628 respondents = \$10,531.56.

|                                        | 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 | 628         |                                   |                                         | -5,372                                      |                                              | 6,000               |
| Annual IC Time Burden (Hour)           | 314         |                                   |                                         | -2,686                                      |                                              | 3,000               |
| Annual IC Cost Burden (Dollars)        | \$10,531.56 |                                   |                                         | -243,748.44                                 |                                              | \$254,280           |

| Burden per Response:   |                            |                              |                   |
|------------------------|----------------------------|------------------------------|-------------------|
|                        | Time Per Response          | Hours                        | Cost Per Response |
| Reporting              | 30 minutes                 | .5 Hours                     | \$16.77           |
| Record Keeping         | NA                         | NA                           | NA                |
| Third Party Disclosure | NA                         | NA                           | NA                |
| Total                  | 30 minutes                 | .5 Hours                     | \$16.77           |
| Annual Burden:         |                            |                              |                   |
|                        | Annual Time Burden (Hours) | Annual Cost Burden (Dollars) |                   |
| Reporting              | 314                        | \$10,531.56                  |                   |
| Record Keeping         | NA                         | NA                           |                   |

|                        |     |             |
|------------------------|-----|-------------|
| Third Party Disclosure | NA  | NA          |
| Total                  | 314 | \$10,531.56 |

13. Estimated nonrecurring costs.

There are no additional costs beyond that identified in Item 12 above.

14. Estimated cost to the Government.

628 responses x .5 hours (30 minutes) per response = 314 Agency burden hours

The estimated cost to SBA is based on the salary of a GS-11, Step 1, (\$38.90 per hour for the Dallas/Fort Worth, TX locality), which is representative of an employee performing the review of this information collection. The cost is calculated as follows:

314 hours (Agency burden) x \$38.90 per hour = \$12,214.60 Annual cost to the Government

15. Reasons for changes.

At the time of the emergency OMB approval, SBA relied on estimated responses because the information collection had not yet been implemented. Since then, the agency has received actual submissions. The burden estimates in this extension request have therefore been updated to reflect the number of responses received during the initial implementation period. This results in a program change/adjustment on the burden worksheet, as the revised figures are based on observed data rather than initial estimates.

16. Publicizing Results.

No publication is anticipated.

17. OMB Not to Display Approval.

SBA will display the expiration date.

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

There are no exceptions to the certification statement.

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

This collection of information does not employ statistical methods.