

US Department of the Treasury

PRA Supporting Statement

Title: Recordkeeping; 21st Century ROAD to Housing Act Prohibition on Large Institutional Investor Purchases of Single-Family Homes

OMB Control Number: 1505-NEW

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PART A. JUSTIFICATION

1. Explain the circumstances that make the collection of information necessary.

Section 1001 of the 21st Century ROAD to Housing Act (Act),¹ enacted on July 11, 2026, is intended to promote homeownership opportunities for American families by prohibiting purchases of single-family homes by large institutional investors,² subject to specified “excepted purchases.” The statute defines “excepted purchase” to include purchases made pursuant to a build-to-rent program, renovate-to-rent program, homeownership program, or program to boost homeownership, among others.³ In appropriate circumstances, these excepted activities can support or increase the nation’s housing supply without reducing the availability of single-family homes for families and other owner-occupants.

The ROAD Act authorizes Treasury, in consultation with the Secretary of Housing and Urban Development, the Director of the Federal Housing Finance Agency, and the Chair of the Securities and Exchange Commission, to issue regulations to carry out the purposes of section 1001, including regulations to “(i) minimize market disruptions upon identifying a risk of material negative impact on the housing market, including an impact on the ability of market participants to dispose of single-family homes in an orderly fashion; and (ii) mitigate, to the extent possible, negative impacts on consumers and communities.”⁴ Treasury’s regulations may not “amend the definitions” of certain terms that are defined in the statute.⁵

The statute’s requirements and prohibitions take effect on the date that is 180 days after the date of enactment of the Act (i.e., on January 7, 2027).

Treasury is issuing the notice of proposed rulemaking to implement the Act (the NPR) in order to promote clarity for market participants and other stakeholders regarding the restrictions in section 1001 of the ROAD Act. In particular, the NPR is intended to clarify the meaning and application of certain terms that are used but not defined in the Act. The NPR clarifies terms used in the statutory definitions of “excepted purchase” and “large institutional investor”: “program,” “build-to-rent program,” “renovate-to-rent program,” “homeownership program,” “program to boost homeownership,” “engaged in the business of,” “passive investor,” “purchase price of the single-family home,” and “structural or core system.” The NPR also clarifies the scope of excepted purchases made pursuant to sections 1001(a)(2)(F), (G), and (H) of the Act, which relate to certain purchases in connection with the satisfaction of debts previously contracted; certain purchases for the purpose of loss mitigation or compliance with servicing or

¹ 42 U.S.C. 19521.

² These and other terms are defined in section 1001(a) of the ROAD Act.

³ See Section 1001(a)(2) of the ROAD Act

⁴ *Id.* at section 1001(b)(4)(A).

⁵ *Id.* at section 1001(b)(4)(B).

investor obligations; and certain purchases from another large institutional investor. Finally, the NPR clarifies the calculation of the maximum civil penalty for a purchase made in violation of the Act by more than one large institutional investor.

The proposed rule is intended to assist market participants and other stakeholders in determining whether particular acquisition structures, contractual arrangements, and purchase programs are consistent with the ROAD Act.⁶

The preamble to the NPR states that Treasury expects a large institutional investor seeking to rely on a program-based excepted purchase to maintain records sufficient to demonstrate that the program was implemented and that relevant purchases were made pursuant to the program. Such records may assist an entity in substantiating, and Treasury in evaluating, whether a purchase qualifies as an excepted purchase. The NPR does not prescribe particular records or a retention period, and the records would not be routinely submitted to Treasury. Treasury expects that most relevant records would be created in the ordinary course of business.

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

The records are intended to assist an entity in substantiating, and Treasury in evaluating, whether a purchase of a single-family home qualifies as an excepted purchase under section 1001 of the Act.

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. Also describe any consideration of using information technology to reduce burden.

The recordkeeping described in this Supporting Statement would be expected to involve the use of electronic submission of responses.

Treasury has designed the recordkeeping requirements to minimize burdens on entities, as most relevant records would be created in the entities' ordinary course of business and the NPR does not prescribe particular records or a retention period.

4. Describe efforts to identify duplication.

The information in the records is not known to overlap with available data already available to Treasury or other relevant federal agencies.

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

The statutory prohibition applies only to large institutional investors. Although some large institutional investors may be small entities, the NPR would primarily relate to compliance review, documentation, and transaction planning. Therefore, Treasury does not expect that the NPR would have a significant economic impact on a substantial number of small entities.

⁶ Section 1001(c)(8) of the Act requires a large institutional investor to submit an annual notice to the Department of Housing and Urban Development (HUD) with certain information about single-family homes over which the large institutional investor has direct or indirect investment control. HUD will prescribe the form and manner of that notice, which this proposed rule does not address.

6. Describe the consequences to a Federal program or policy activities if the collection were not conducted or was conducted less frequently, as well as any technical or legal obstacles to reducing burden.

If records as described in the NPR are not retained, it would materially impair an entity's ability to substantiate, and Treasury's ability to evaluate, whether a purchase of a single-family home by that entity qualifies as an excepted purchase. As a result, the entity would be subject to substantial legal uncertainties regarding potential enforcement actions, and Treasury's ability to identify statutory violations without commencing a legal enforcement action could be impaired.

7. Explain any special circumstances that would cause an information collection to be conducted in a manner: (a) requiring respondents to prepare information to the agency more often than quarterly; (b) requiring respondents to prepare a written response to a collection of information in fewer than 30 days after receipt of it; (c) requiring 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; (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; (f) requiring the use of 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; or (h) requiring respondents to submit proprietary trade secrets, 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.

There are no special circumstances that require the collection to be conducted in a manner inconsistent with OMB guidelines.

8. Summarize public comments received in response to the Federal Register notice requesting public comments and describe actions taken by the agency in response to these comments, particularly comments 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, clarity of instructions and record keeping, disclosure, or reporting format (if any), and on the data elements to be recorded, disclosed, or reported.

This Supporting Statement accompanies an NPR. Accordingly, Treasury has not yet received comments on the recordkeeping.

Consistent with 5 CFR 1320.8(d), Treasury is soliciting public comment regarding all aspects of the information collection, including (i) whether the collection of information is necessary for the proper performance of Treasury's functions, including whether it has practical utility; (ii) the accuracy of Treasury's burden estimate, including the validity of the methodology and assumptions used; (iii) ways to enhance the quality, utility, and clarity of the information; and (iv) ways to minimize the burden of the collection on respondents, including through the use of automated collection techniques or other forms of information technology.

9. Explain any decision to provide any payment or gift to respondents.

No payment or gifts will be made to any respondents.

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

Relevant information will be kept confidential to the extent appropriate and consistent with the Freedom of Information Act and other applicable laws.

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.

No sensitive questions will be asked.

12. Provide estimates of the hour burden of the collection of information. Also provide estimates of annualized cost to respondents for the hour burdens.

The NPR estimates as follows:

Estimated number of respondents: 100 to 300

Estimated frequency of response: Periodically

Estimated number of annual responses: 100 to 300

Estimated time per response: One hour

Estimated total annual burden: 100 to 300 hours

The proposed rule does not prescribe particular records or a retention period, and the records would not be routinely submitted to Treasury. Treasury expects that most relevant records would be created in the ordinary course of business.

Using the average of the 100 to 300 ranges above, the estimated annual burden is therefore no more than:

<i>Estimated number of respondents</i>	<i>Estimated frequency of response</i>	<i>Estimated average hours per response</i>	<i>Estimated annual burden hours</i>	<i>Estimated burden cost to respondent</i>
200	Periodically	1	200	\$36,772

The estimated hourly labor cost is based on the salary of a GS-15, Step 5 Federal employee in the Washington, D.C. locality pay area, which is comparable to the compensation of personnel expected to conduct the recordkeeping. The hourly wage is approximately \$91.93. Consistent with Federal regulatory analyses, the estimated total labor cost, including fringe benefits and overhead, is \$183.86 per hour.

13. Provide an estimate for the total annual cost burden to respondents or record-keepers not included in Item 12 and Item 14.

Treasury expects that any non-labor costs associated with the recordkeeping will be minimal.

14. Provide estimates of annualized costs to the Federal Government.

Treasury expects to use existing IT infrastructure for its responsibilities under section 1001 of the Act. Treasury does not currently have sufficiently precise information to estimate total annual Federal implementation costs but expects such costs to consist primarily of personnel expenses associated with carrying out Treasury's statutory responsibilities under section 1001.

15. Explain the reasons for any program changes or adjustments.

This is a request for a new OMB Control Number in connection with the NPR.

16. For collections of information whose results will be published, outline plans for tabulation and publication. Provide the time schedule for the entire project.

The information is not anticipated to be published.

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

No such approval is sought.

18. Explain each exception to the certification statement.

There are no exceptions.

PART B. COLLECTIONS OF INFORMATION EMPLOYING STATISTICAL METHODS

This collection does not employ statistical methods.