



## DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

[Docket No. FR-5690-N-03]

### Notice of Proposed Information Collection for Public Comment;

#### Section 901 Implementation

**AGENCY:** Office of the Assistant Secretary for Public and Indian Housing (PIH), HUD.

**ACTION:** Notice.

**SUMMARY:** The proposed information collection requirements described below will be submitted to the Office of Management and Budget (OMB) for review, as required by the Paperwork Reduction Act. The Department is soliciting public comments on the subject proposal.

Eligible public housing agencies (PHAs) in areas most heavily impacted by Hurricanes Katrina and Rita will submit a Notice of Intent and Section 901 Fungibility Plan to inform HUD they will exercise funding flexibility and describe how program funds will be used. PHAs will submit quarterly and annual reports on funds utilization.

**DATES:** Comments Due Date: **[Insert date 60 calendar days after date of publication in the Federal Register.]**

**ADDRESSES:** Interested persons are invited to submit comments regarding this revised information collection. Comments should refer to the revised information collection by name/or OMB Control number and should be sent to: Colette Pollard., Departmental Reports

Management Officer, QDAM, Department of Housing and Urban Development, 451 7th Street, SW, Room 4160, Washington, DC 20410-5000; telephone 202-402-3400 (this is not a toll-free number) or email Ms. Pollard at [Colette\\_Pollard@hud.gov](mailto:Colette_Pollard@hud.gov). Persons with hearing or speech impairments may access this number through TTY by calling the toll-free Federal Relay Service at (800) 877-8339. (Other than the HUD USER information line and TTY numbers, telephone numbers are not toll-free.)

**FOR FURTHER INFORMATION CONTACT:** Arlette Mussington, Office of Policy, Programs and Legislative Initiatives, Office of Public and Indian Housing, Department of Housing and Urban Development, 451 7th Street, SW., (L'Enfant Plaza, Room 2206), Washington, DC 20410; telephone 202-402-4109, (this is not a toll-free number). Persons with hearing or speech impairments may access this number via TTY by calling the Federal Relay Service at (800) 877-8339.

**SUPPLEMENTARY INFORMATION:** The Department will submit the proposed information collection to OMB for review, as required by the Paperwork Reduction Act of 1995 (44 U.S.C. Chapter 35, as amended). Division B of the Department of Defense Emergency Supplemental Appropriations to Address Hurricanes in the Gulf of Mexico and Pandemic Influenza Act, 2006 (Section 901 of Public Law No. 109-148, enacted on December 30, 2005), among other provisions, makes emergency supplemental appropriations to address the hurricane devastation in the Gulf of Mexico. Section 901 of this appropriations act authorized PHAs in federally declared disaster areas as a result of Hurricanes Katrina and Rita to combine their Capital Funds (section 9(d) of the United States Housing Act of 1937 (42 U.S.C. 1437 et seq.) (1937 Act)), Operating Funds (section

9(e) of the 1937 Act), and Housing Choice Voucher Funds (section 8(o) of the 1937 Act) to assist families who were displaced by Hurricane Katrina or Rita. HUD determined that this provision permitted PHAs to use these funds interchangeably. In practice, most PHAs used Housing Choice Voucher (HCV) funds for the public housing Capital Fund Program (CFP) purposes, and had up to five years to expend the HCV funds for those uses.

HUD implemented Section 901 through publication in the *Federal Register* on July 28, 2006, of FR-5067-N-01 (Volume 71, Page 42996) entitled *Implementation Guidance for Section 901 of the Emergency Supplemental Appropriations to Address Hurricanes in the Gulf of Mexico, and Pandemic Influenza Act, 2006* (“the Section 901 implementation guidance”). This notice provided guidance on how eligible PHAs should implement Section 901 funding flexibility and report the planned activities, accomplishments, and funds utilization from using this flexibility. HUD subsequently published notice FR-5067-N-04 on December 17, 2008 (Volume 73, page 76673) extending to the PHAs most heavily affected by Hurricanes Katrina and Rita the flexibility to combine funds through calendar year (CY) 2008 and 2009. Additionally, HUD published FR-5067-N-02 on October 30, 2006, (Volume 71, Page 63340) to extend the deadline for submitting fungibility plans to November 21, 2006, and permit combined funds to be used for eligible purposes under the Housing Choice Voucher program.

Section 4803 of the U.S. Troop Readiness, Veterans’ Care, Katrina Recovery, and Iraq Accountability Appropriations Act, 2007 (Public Law No. 110-28 enacted May 25, 2007) extended authority for this flexibility to CY 2006 and 2007.

Section 11003 of the Consolidated Security, Disaster Assistance, and Continuing Appropriations Act, 2009 (Public Law No. 110-329) extended authority for fungibility to CY

2008 and 2009.

This Notice is soliciting comments from members of the public and affected agencies concerning the proposed collection of information to: (1) evaluate whether the proposed collection of information is necessary for the proper performance of the functions of the agency, including whether the information will have practical utility; (2) evaluate the accuracy of the agency's estimate of the burden of the proposed collection of information; (3) enhance the quality, utility, and clarity of the information to be collected; and (4) minimize the burden of the collection of information on those who are to respond, including through the use of appropriate automated collection techniques or other forms of information technology; e.g., permitting electronic submission of responses.

This Notice also lists the following information:

***Title of Proposal:*** Public and Indian Housing, Section 901 Notice of Intent and Fungibility Plan, Quarterly Reports, and Final Report;

***OMB Control Number:*** 2577-0245.

***Description of the need for the information and proposed use:*** The Notice of Intent is necessary for HUD to be informed about which eligible PHAs elect to invoke the funding flexibility authorized by section 901 of the Emergency Supplemental Appropriations (Public Law 109-148). The Fungibility Plan and Reports are necessary for HUD to know how eligible

PHAs plan to reallocate and spend these funds, the rate such funds are obligated and expended, and the results in using this funding flexibility. Fungibility Plans proposing to use Section 901 flexibility and funding to develop new housing units under Capital Fund mixed-finance uses or for development of HCV project-based units were required to include new development proposals following the format required by 24 CFR 941.606 or mixed-finance rules as appropriate. Fungibility Plans proposing to use Section 901 flexibility to pay for public housing renovations were required to submit CFP Annual Statements identifying work items and costs. These collections are approved under separate OMB numbers. Under Section 901, funds from one of the programs identified above could be used for another program's purposes, but were required to follow the rules of the program in which the funds would be used. HUD has not received any new Section 901 Fungibility Plans since 2009, which was the last year Congress extended this funding flexibility to address the impacts of Hurricanes Rita and Katrina. Some PHAs have used the fungibility plan format to submit revisions to their originally approved plans.

***Agency form numbers, if applicable:*** None.

***Members of affected public:*** Eligible Public Housing Agencies in the areas most heavily impacted by Hurricanes Katrina and Rita.

***Estimation of the total number of hours needed to prepare the information collection including number of respondents, frequency of response, and hours of response:***

Notification of Intent and Fungibility Plan. This is a one-time submission estimated to take 40 hours for each of up to twelve eligible PHAs that submitted plans from 2006 through 2009. PHAs may also use this format to request HUD approval for subsequent plan revisions. The original burden estimate for this information collection was 6,624 hours assuming all ninety-six PHAs in the areas impacted by Hurricanes Katrina and Rita would opt to use it. A later burden estimate of 1,248 hours was submitted, when in 2006, only eight out of ninety-six eligible PHAs submitted plans to use Section 901 flexibility. In 2007, seven out of the eight 2006 PHAs and one new PHA submitted plans to use Section 901 flexibility. In 2008, seven out of the nine 2006 and 2007 PHAs and three new PHAs submitted plans to use Section 901 flexibility. Ten or fewer respondents have submitted plans to use Section 901 flexibility each year. One PHA submitted a plan in 2009, the last year in which Section 901 funding flexibility was available. As a result, the estimate of burden hours for new fungibility plans has been removed.

A total of ten different PHAs have been approved to use and must report the results of Section 901 flexibility. A new estimate of burden for Section 901 Notifications of Intent and Fungibility Plans or revisions, and subsequent periodic reporting is 1,680 hours based on requirements for 10 PHAs to prepare and submit these documents.

Quarterly Progress Reports of Obligations and Expenditures for Section 901 Designated Funds and Activities. In order to permit HUD to adequately monitor PHA progress in carrying out Section 901 approved activities and obligating and expending Section 901 approved funds in a timely manner, PHAs will report the amount of Section 901 funds obligated and expended for each approved activity for the quarterly reporting period, and the outstanding balance of unexpended Section 901 funds. Response time per quarterly report, including the time to

research records containing documentation needed to prepare the quarterly reports is estimated to average sixteen hours for each of the PHAs with approved Section 901 plans. The actual amount of time depends on the level of funding used for other purposes and the complexity of the activities involved, such as development of new construction housing or repairs made to housing units damaged as a result of the hurricanes. Reports will be submitted by each PHA four times per year for five consecutive years for each calendar year of funding. Section 901 PHAs have five years to expend funds designated for Section 901 flexibility for a given calendar year (2006, 2007, 2008, and/or 2009). Total annual reporting burden for ten PHAs to submit quarterly reports of their progress in carrying out Section 901 approved activities and rates of obligations and expenditures for CY 2006, 2007, 2008, and 2009 funding is estimated at 640 hours.

Annual Report. Annual reports will address: (1) PHA progress and results in carrying out Section 901 activities, (2) the amount of program funds approved under Section 901 flexibility for other program uses, (3) the amount of funds obligated during the year and cumulatively for Section 901 approved activities, and (4) the amount of funds expended annually and cumulatively for Section 901 approved activities. These reports are expected to address progress-to-date during the five year expenditure period for initiating and getting Section 901 activities under-way, and reporting on challenges or unforeseen obstacles.

Final Report. This is a one-time submission estimated to take forty hours for each of up ten PHAs, including the Housing Authority of New Orleans, for a total reporting burden of 400 hours. The final report is expected to address all programmatic and financial matters pertinent to Section 901 implementation, including the PHA's performance in carrying out all approved

Section 901 activities, including but not limited to public housing redevelopment and capital improvements, public housing mixed-finance development, affordable housing development coupled with use of project-based vouchers, homeownership development and incentives, property acquisitions, and re-occupancy programs; in addition to accounting for the final obligation and expenditure of Section 901 designated funds and remaining balances.

*Status of the proposed information collection:* Extension of a previously approved collection.

**Authority:** Section 3506 of the Paperwork Reduction Act of 1995, 44 U.S.C. Chapter 35, as amended.

Dated: February 14, 2013

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Merrie Nichols-Dixon, Deputy Director for  
Policy, Programs, and Legislative Initiatives

[FR Doc. 2013-04310 Filed 02/25/2013 at 8:45 am; Publication Date: 02/26/2013]