

Paperwork Reduction Act Submission

Please read the instruction before completing this form. For additional forms or assistance in completing this forms, contact your agency's Paperwork Reduction Officer. Send two copies of this form, the collection instrument to be reviewed, the Supporting Statement, and any additional documentation to: Office of Information and Regulatory Affairs, Office of Management and Budget, Docket Library, Room 10102, 725 Seventeenth St. NW, Washington, DC 20503.

1. Agency/Subagency Originating Request: U.S. Department of Housing and Urban Development Office of Public and Indian Housing, Office of Policy, Program, and Legislative Initiatives		2. OMB Control Number: a. 2577-xxx b. <input checked="" type="checkbox"/> None	
3. Type of information collection: (check one) a. <input checked="" type="checkbox"/> New Collection b. <input type="checkbox"/> Revision of a currently approved collection c. <input type="checkbox"/> Extension of a currently approved collection d. <input type="checkbox"/> Reinstatement, without change , of previously approved collection for which approval has expired e. <input type="checkbox"/> Reinstatement, with change , of previously approved collection for which approval has expired f. <input type="checkbox"/> Existing collection in use without an OMB control number For b-f, note item A2 of Supporting Statement instructions.		4. Type of review requested: (check one) a. <input checked="" type="checkbox"/> Regular b. <input type="checkbox"/> Emergency - Approval requested by c. <input type="checkbox"/> Delegated 5. Small entities: Will this information collection have a significant economic impact on a substantial number of small entities? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No 6. Requested expiration date: a. <input checked="" type="checkbox"/> Three years from approval date b. <input type="checkbox"/> Other (specify)	
7. Title: Research Plan for a Study of Rents and Rent Flexibility			
8. Agency form number(s): (if applicable) N/A			
9. Keywords: Housing, research, rent subsidies, public housing, low and moderate income			
10. Abstract: Survey a sample of housing authorities and households recently admitted or on the waiting list for public housing or Housing Choice Vouchers to assess inequities and inefficiencies in the current rent system relating to subsidizing rents, setting rents/payment standards, and verifying income. The information collected will provide the needed information regarding PHA and tenant perceptions of alternative rent structures and their feasibility/practicality of incorporating them at a later date. The information shall be collected, analyzed and evaluated to provide recommendations for effective reforms on topics including but not limited to; setting income eligibility guidelines, reporting tenant income, setting minimum and flat rents, and relating the rents and waiting period of unassisted tenants to rent setting and term limit policy, setting payment standards, and evaluating factors for an allocation formula of incremental vouchers.			
11. Affected public: (mark primary with "P" and all others that apply with "X") a. <input checked="" type="checkbox"/> Individuals or households e. Farms b. Business or other for-profit f. <input checked="" type="checkbox"/> Federal Government c. Not-for-profit institutions g. <input checked="" type="checkbox"/> State, Local or Tribal Government		12. Obligation to respond: (mark primary with "P" and all others that apply with "X") a. <input checked="" type="checkbox"/> Voluntary b. Required to obtain or retain benefits c. Mandatory	
13. Annual reporting and recordkeeping hour burden: a. Number of respondents 1,830 b. Total annual responses 1,830 Percentage of these responses collected electronically 0% c. Total annual hours requested 1,863 d. Current OMB inventory 0 e. Difference (+,-) 1,863 f. Explanation of difference: 1. Program change: 1,863 2. Adjustment:		14. Annual reporting and recordkeeping cost burden: (in thousands of dollars) Do not include costs based on the hours in item 13. a. Total annualized capital/startup costs \$0.00 b. Total annual costs (O&M) \$0.00 c. Total annualized cost requested \$0.00 d. Current OMB inventory \$0.00 e. Difference \$0.00 f. Explanation of difference: 1. Program change: 2. Adjustment:	
15. Purpose of Information collection: (mark primary with "P" and all others that apply with "X") a. Application for benefits e. Program planning or management b. <input checked="" type="checkbox"/> Program evaluation f. <input checked="" type="checkbox"/> Research c. General purpose statistics g. Regulatory or compliance d. Audit		16. Frequency of recordkeeping or reporting: (check all that apply) a. <input type="checkbox"/> Recordkeeping b. <input type="checkbox"/> Third party disclosure c. <input type="checkbox"/> Reporting: 1. <input type="checkbox"/> On occasion 2. <input type="checkbox"/> Weekly 3. <input type="checkbox"/> Monthly 4. <input type="checkbox"/> Quarterly 5. <input type="checkbox"/> Semi-annually 6. <input type="checkbox"/> Annually 7. <input type="checkbox"/> Biannually 8. <input checked="" type="checkbox"/> Other (describe) one-time	
17. Statistical methods: Does this information collection employ statistical methods? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No		18. Agency contact: (person who can best answer questions regarding the content of this submission) Name: Robert Benjamin Phone: (202) 402-4111	

19. Certification for Paperwork Reduction Act Submissions

On behalf of the U.S. Department of Housing and Urban Development, I certify that the collection of information encompassed by this request complies with 5 CFR 1320.9.

Note: The text of 5 CFR 1320.9, and the related provisions of 5 CFR 1320/8(b)(3), appear at the end of the instructions. The certification is to be made with reference to those regulatory provisions as set forth in the instructions.

The following is a summary of the topics, regarding the proposed collections of information, that the certification covers:

- (a) It is necessary for the proper performance of agency functions;
- (b) It avoids unnecessary duplication;
- (c) It reduces burden on small entities;
- (d) It uses plain, coherent, and unambiguous terminology that is understandable to respondents;
- (e) Its implementation will be consistent and compatible with current reporting and recordkeeping practices;
- (f) It indicates the retention periods for recordkeeping requirements;
- (g) It informs respondents of the information called for under 5 CFR 1320.8(b)(3):
 - (i) Why the information is being collected;
 - (ii) Use of the information;
 - (iii) Burden estimate;
 - (iv) Nature of response (voluntary, required for a benefit, or mandatory);
 - (v) Nature and extent of confidentiality; and
 - (vi) Need to display currently valid OMB control number;
- (h) It was developed by an office that has planned and allocated resources for the efficient and effective management and use of the information to collected (see note in item 19 of the instructions);
- (i) It uses effective and efficient statistical survey methodology; and
- (j) It makes appropriate use of information technology.

If you are unable to certify compliance with any of these provisions, identify the item below and explain the reason in item 18 of the Supporting Statement.

Signature of Program Official:

Date:

X
Bessy M. Kong, Deputy Assistant Secretary for Policy, Program, and Legislative Initiatives

Signature of Senior Officer or Designee:

Date:

X
Lillian Deitzer, PRA Program Manager,
Office of Investment Strategies, Policy, and Management, Office of the Chief Information Officer

Supporting Statement for Paperwork Reduction Act Submissions

A. Justification

1. Explain the circumstances that make the collection of information necessary. Identify any legal or administrative requirements that necessitate the collection. Attach a copy of the appropriate section of each statute and regulation mandating or authorizing the collection of information.

Authorization

This collection is authorized under Title 12 (12 U.S.C. 1701z-1 et seq.) **Research and demonstrations; authorization of appropriations; continuing availability of funds.** The Secretary of Housing and Urban Development is authorized and directed to undertake such programs of research, studies, testing, and demonstration relating to the mission and programs of the Department as he determines to be necessary and appropriate. A copy of the legislation is included.

Focus of Study

This is a study of “Rents and Rent Flexibility in the Public Housing and Voucher Programs” for the Department of Housing and Urban Development’s (HUD) Public and Indian Housing Program (PIH). In order to enable reform of the current rent and rent subsidy system -- the type of reform intended by recent legislative proposals -- this study shall analyze for non-elderly and non-disabled households in the Public Housing and Housing Choice Voucher programs certain problems of the current rent system, analyze the methods and lessons from partial attempts at rent reform under current law, and project possible responses of Housing Authorities to the flexibility and structural reform of proposed legislation.

There are currently three bills in Congress that could change eligibility and income-based rent calculations for the public housing and voucher programs: (1) the Voucher and Rent Simplification Act of 2007, (2) the State and Local Housing Flexibility Act of 2005 or SLHFA; and (3) the Section Eight Voucher Reform Act of 2007 or SEVRA) These bills touch on income determination, family eligibility and the frequency of income reviews.

The major purposes of this study are to analyze problems and identify alternatives associated with the current HUD method in calculating rental assistance for program participants. Historically, HUD has relied upon rigid percentages of reported income to determine eligibility and rent. This methodology has led some to begin considering alternative rent structures that would promote work, provide assistance to more individuals, and reduce administrative workloads. Aspects of this study will examine how alternative rent structures may affect:

- the use, rationale and methods of setting minimum and flat rents and their impact on reported income and earnings;
- the current rents, location and income sources of households not currently assisted (especially those on waiting lists or cut off from closed waiting lists and/or working poor households);
- the setting of payment standards and their impact on gross rents, tenant payments, and HAP costs;
- ways in which the status of the unassisted might influence debate on rental payment and term limits of currently assisted;
- work-capable households and might also influence factors to be negotiated in a formula for incremental vouchers
- an assessment of the reforms of Moving to Work (MTW) Rent demonstrations.

Background

HUD’s Public Housing and Voucher programs are major sources of housing subsidy to over 3 million low and extremely low income households in the United States. In both programs, the tenant payment is predominantly based on 30 percent of the adjusted income -- an income derived from the reported income of the tenant and subject to numerous exclusions and deductions. In the voucher program, because only the tenant is responsible for the portion of any gross rent beyond a payment standard (usually based on some percentage of the Fair Market Rent) and because Housing Authorities in recent years have had considerable flexibility in setting the payment standard relative to Fair Market Rent standards, the payment standard is also an important influence on the subsidy of tenants and on their housing choices.

Though intended to assist tenants by charging a predictable share of their income, the current rental payment system based on a “tax” of 30 percent of adjusted income has been criticized for discouraging work and household stability. Consequently, at the same time, possibly encouraging households to falsify income and assets and to become dependent upon a subsidy system, in turn impeding a return to the private rental market. The income-based system has also become

cumbersome, intrusive, and costly to administer. Certain partial reforms such as allowing worker preferences for eligibility (though still subject to income guidelines) and more thorough checking of income and options for minimum and flat rents and a limited degree of experimentation in MTW (Moving to Work) Demonstration sites have alleviated certain defects of the current rent system but have not been able to stem its pervasive defects. In the voucher program, the constrained HA-specific subsidy system is expected to rein in skyrocketing costs, but if Housing Authorities are to maintain their voucher rolls they shall have to constrain their payment standards as well.

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

This information collection is required of participants and stakeholders in the public housing and housing choice voucher program to use towards determining possible alternative rent structures. The information will be collected through in-person and telephone interviews with PHA staff, tenants that are recent recipients on housing assistance, tenants currently on the wait list, and site visits interviewing key PHA/HA staff. Data collection efforts will be overseen by Abt. Associates. Abt Associations and subcontractors will conduct the interviews, recording responses in written/manual form. This information shall be collected and analyzed in order to evaluate and make recommendations on all facets of reporting tenant income, setting minimum and flat rents, and setting payment standards under current law and under proposed legislation that gives more flexibility to Housing Authorities. The contractor responsible for carrying out this study shall produce a final report of its major findings and recommendations for follow-up research and policy development as a result of those findings.

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, e.g., permitting electronic submission of responses, and the basis for the decision for adopting this means of collection. Also describe any consideration of using information technology to reduce burden.*

The rent survey shall collect information through a review of existing literature, on-site interviews with 6 Housing Authority (HA) staff and local experts from 25 HA site visits, telephone surveys of a sample of housing authority staff from 200 PHAs, and at each of the 25 sites an average of 60 surveys (totaling 1500 nationwide) of households recently admitted to or on the waiting lists for the Public Housing and Housing Choice Voucher programs. The survey and on-site interviews are conducted by interviewers writing data in paper form or CAPI format because this helps to ensure resident and tenant anonymity.

4. *Describe efforts to identify duplication. Show specifically why any similar information already available cannot be used or modified for use for the purposes described in Item 2 above.*

PIH is not aware of any duplication of efforts to collect this data, either within HUD's Office of Policy, Development, and Research, or industry groups. The purpose of the study is to facilitate efforts at rent reform as outlined in proposed legislation.

5. *If the collection of information impacts small businesses or other small entities (Item 5 of OMB Form 83-I), describe any methods used to minimize burden.*

There is no impact to small entities, including small PHAs that administer less than 250 units. This study will cover only PHAs with 500 or more units.

6. *Describe the consequence to Federal program or policy activities if the collection is not conducted or is conducted less frequently, as well as any technical or legal obstacles to reducing burden.*

If this data is not collected there will continue to be a lack of current information for HUD policy-makers to use in setting rent policy to conform with broader rent reforms set forth in current legislative proposals under consideration. If data is not collected, HUD cannot assess the effectiveness of rent and payment standard methods that shape its two largest budgetary programs.

7. *Explain any special circumstances that would cause an information collection to be conducted in a manner: 1) requiring respondents to report information to the agency more often than quarterly; 2) requiring respondents to prepare a written response to a collection of information in fewer than 30 days after receipt of it; 3) requiring respondents to submit more than an original and two copies of any document; 4) requiring respondents to retain records, other than health, medical, government contract, grant-in-aid, or tax records, for more than three years; 5) 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; 6) requiring the use of a statistical data classification that has not been reviewed and approved by OMB; 7) 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 8) 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.*

No such special circumstances exist. If secondary data already collected are used, the contractor is directed to identify their sources and methods of transcription and indicators of their reliability and validity for the specific ways in which they shall be used. HUD will supply income and rent household-level and HA-level data from HUD data systems.

Professional interviewers who live in or near the communities where the interviews will take place will conduct the interviews. The Abt Survey group will recruit interviewers from a network of professional interviewers that have proven themselves on previous surveys. In some areas, they will need to recruit and rigorously screen new interviewers, as they have done for many other national surveys. Prior to the start of the survey, interviewers will be brought together in a central location for two days of in-person training on conducting interviews on CAPI, tracking respondents, avoiding refusals, responding to questions asked by respondents, maintaining data security, documenting survey attempts, and submitting completed surveys.

8. *If applicable, provide a copy and identify the date and page number of publication in the Federal Register of the agency's notice, required by 5 CFR 1320.8(d), soliciting comments on the information collection prior to submission to OMB. Summarize public comments received in response to that notice and describe actions taken by the agency in response to these comments. Specifically address comments received 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, the clarity of instructions and recordkeeping, disclosure, or reporting format (if any), and on the data elements to be recorded, disclosed, or reported. Consultation with representatives of those from whom information is to be obtained or those who must compile records should occur at least once every 3 years - even if the collection of information activity is the same as in prior periods. There may be circumstances that may preclude consultation in a specific situation. These circumstances should be explained.*

In accordance with 5 CFR 1320.8 (Paperwork Reduction Act of 1995), HUD published a Notice of Proposed Information Collection in the *Federal Register* announcing the agency's intention to request an OMB review of data collection activities for the Rent Study. The notice was published on 02-27-2008. A copy of this notice is included with this Information Collection Request (ICR). HUD's contractor, Abt Associates, Inc, developed these data collection instruments with input from Office of Public and Indian Housing (PIH) staff. HUD received 1 response to this notice from the National Low Income Housing Coalition dated April 28, 2008. Their response indicated three concerns about the study including: interviewing current and prospective landlords, interviewing longer term residents, and publication of the results. HUD responded on May 8, 2008 stating that HUD plans to interview at least one current/prospective landlord at each of the 25 site visits. Due to sampling size limitations HUD wanted to focus interviews on those with the most recent experiences with administration of the program, however HUD agreed to attempt to interview longer term tenants at housing authorities with long standing alternative rent structures in place. Lastly, HUD intends to make the results of the study available to the public once the contractor submits the report and HUD has reviewed it.

9. *Explain any decision to provide any payment or gift to respondents, other than remuneration of contractors or grantees.*

Not Applicable.

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

Information collected from participants will be used only for the purposes of this research.

Records maintained on individuals

(e) Agency requirements.—Each agency that maintains a system of records shall—

(10) establish appropriate administrative, technical, and physical safeguards to insure the security and confidentiality of the records and to protect against any anticipated threats or hazards to their security or integrity which could result in substantial harm, embarrassment, inconvenience, or unfairness to any individual on whom information is maintained.

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. This justification should include the reasons why the agency considers the questions necessary, the specific uses to be made of the information, the explanation to be given to persons from whom the information is requested, and any steps to be taken to obtain their consent.*

No such information is sought through this rent study.

12. *Provide estimates of the hour burden of the collection of information. The statement should: 1) Indicate the number of respondents, frequency of response, annual hour burden, and an explanation of how the burden was estimated. Unless directed to do so, agencies should not conduct special surveys to obtain information on which to base hour burden estimates. Consultation with a sample (fewer than 10) of potential respondents is desirable. If the hour burden on respondents is expected to vary widely because of differences in activity, size, or complexity, show the range of estimated hour burden, and explain the reasons for the variance. Generally, estimates should not include burden hours for customary and usual business practices, 2) If this request for approval covers more than one form, provide separate hour burden estimates for each form and aggregate the hour burdens in Item 13 of OMB Form 83-1, and 3) Provide estimates of annualized cost to respondents for the hour burdens for collections of information, identifying and using appropriate wage rate categories. The cost of contracting out or paying outside parties for information collection activities should not be included here. Instead, this cost should be included in Item 13.*

PUBLIC HOUSING AUTHORITY (PHA)/HOUSING AGENCY (HE) AND HOUSEHOLD BURDEN HOURS AND ANNUALIZED COSTS							
BURDEN HOURS						ANNUALIZED COSTS	
	Number of Respondents Initially Contacted	Frequency of Responses	Expected Number of PHA/HA Contacts/ Households/ Responding	Expected Average Response Time(Hours)	Total Annual Burden Hours	Estimated Hour Cost	Total Annual Cost
PHA/HA Telephone Survey	200	Two contacts	180	1	360	\$30.64	\$11,030
Site Visits of 25 PHAs to Interview:							
In-person interview	110	One contact	110	1	110	\$30.64	\$3,370.40
In-person interview and follow-up call	40	Two contacts	40	1	80	\$30.64	\$2,451.20
Household Members (some follow-up required)	1,575	1,275 (One contact) 300 (Two contacts)	1,250 (one contact) 250 (two contacts)	3/4	1312.5	\$0	\$0
TOTALS	1,925		1,830	3/4 to 1	1862.5		\$16,851.60

The estimated annualized cost to PHAs/HAs is based on the 2006 general pay schedule for a GS-11, Step 5, rate that is \$30.64 per hour. There is no cost to household respondents.

Site visits will include face-to-face interviews with up to six persons each and lasting up to 1 hour each.

13. Provide an estimate for the total annual cost burden to respondents or record-keepers resulting from the collection of information. (Do not include the cost of any hour burden shown in Items 12 and 14). The cost estimate should be split into two components: (a) a total capital and start-up cost component (annualized over its expected useful life) and (b) a total operation and maintenance and purchase of services component. The estimates should take into account costs associated with generating, maintaining, and disclosing or providing the information. Include descriptions of methods used to estimate major cost factors including system and technology acquisition, expected useful life of capital equipment, the discount rate(s), and the time period over which costs will be incurred. Capital and start-up costs include, among other items, preparations for collecting information such as purchasing computers and software; monitoring, sampling, drilling and testing equipment; and record storage facilities. If cost estimates are expected to vary widely, agencies should present ranges of cost burdens and explain the reasons for the variance. The cost of purchasing or contracting out information collections services should be a part of this cost burden estimate. In developing cost burden estimates, agencies may consult with a sample of respondents (fewer than 10), utilize the 60-day pre-OMB submission public comment process and use existing economic or regulatory impact analysis associated with the rulemaking containing the information collection, as appropriate. Generally, estimates should not include purchases of equipment or services, or portions thereof, made: (1) prior to October 1, 1995, (2) to achieve regulatory compliance with requirements not associated with the information collection, (3) for reasons other than to provide information or keep records for the government, or (4) as part of customary and usual business or private practices..

See table in Item 12 above.

14. Provide estimates of annualized costs to the Federal government. Also, provide a description of the method used to estimate cost, which should include quantification of hours, operational expenses (such as equipment, overhead, printing, and support staff), and any other expense that would not have been incurred without this collection of information. Agencies may also aggregate cost estimates from Items 12, 13, and 14 in a single table.

The direct and indirect costs for a contractor to collect, analyze, and provide this information for the Office of Policy, Program, and Legislative Initiatives are \$2,344,703. This procurement was awarded on a competitive basis (full and open competition) and the total negotiated firm & fixed price of the contract is \$2,344,703. This includes the costs of: 1) research design, 2) development of questionnaires and survey instruments, 3) collection of data, 4) data analysis, 5) case studies and reports, 6) travel, 7) final analysis reports and meetings, 8) database files, and 9) policy reports.

15. Explain the reasons for any program changes or adjustments reported in Items 13 or 14 of the OMB Form 83-I.
This is a new collection.

16. For collections of information whose results will be published, outline plans for tabulation and publication. Address any complex analytical techniques that will be used. Provide the time schedule for the entire project, including beginning and ending dates of the collection of information, completion of report, publication dates, and other actions.

There is no plan for publication beyond an internal report to the Agency.

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

Not applicable.

18. *Explain each exception to the certification statement identified in Item 19, "Certification for Paperwork Reduction Act Submissions," of OMB Form 83-I.*

Not applicable.