

SUPPORTING STATEMENT – PART B
U.S. Department of Commerce
U.S. Census Bureau
Report of Building or Zoning Permits Issued
for New Privately-Owned Housing Units (C-404)
OMB Control Number 0607-0094

B. Collection of Information Employing Statistical Methods

1. Description of Universe and Respondent Selection

The sample of about 8,200 permit-issuing places was selected in 2003 from a universe of about 19,450 places to provide monthly estimates of construction authorized by building permits. In addition, about 625 of the non-sampled places were asked to report monthly because of the cooperative agreements we have with several state agencies. Due to the mergers of a few local building permit jurisdictions, the current universe includes about 19,375 jurisdictions.

All places in the consolidated metropolitan statistical areas and selected metropolitan statistical areas were selected with certainty. The remaining places were stratified by state, into two strata based on the number of housing units authorized in 2000, 2001, and 2002. In each state, all places that authorized housing units during the period greater than or equal to a predetermined number of units were selected with certainty. The other places were selected at the rate of 1 in 10. We multiply data for the certainty places by 1 and data for the noncertainty places by 10 to generate monthly estimates for states and the United States. The monthly response rate is about 67 percent.

The remaining places are canvassed annually. At the end of the year, nonrespondents to the monthly survey are also asked to provide any missing data. The data from the annual respondents are combined with the data from the monthly respondents to produce an annual total. After conducting the annual survey, the overall response rate for 2008 was about 82 percent.

2. Statistical Methodology - Estimation Procedures

Monthly estimates are produced by tabulating data weighted by the inverse of the probability of selection of the permit-issuing place for the monthly sample. Places with extreme numbers of weighted housing units are designated as outliers and receive a weight reduction designed to minimize mean squared error. The weight for all places for annual estimates is one.

When a report is not received, missing housing unit data are either obtained by using permits listed for Census Bureau's Survey of Construction (SOC) or are

imputed. Data from the SOC are available for only about 900 permit offices for which Census Bureau field representatives list and sample the permits to be followed up to determine when the units are started, completed, and sold. For places not in the SOC, imputations are used. Imputations are based on the assumption that the ratio of current month authorizations to those of a year ago should be the same for reporting and nonreporting places.

3. Efforts to Maximize Responses

We send form letters (Attachments C-F) and additional survey forms as part of the annual survey to delinquent monthly and annual respondents. We also periodically contact nonrespondents by telephone or email to solicit their participation, and we contact higher-level government agencies to request responses from their jurisdictions. We also ask State Data Centers for their assistance with name and address updates as well as help obtaining data for prior time periods for places that are currently delinquent to the survey.

4. Tests of Methods

We completed an evaluation of the BPS as required by the Statistical Policy Directive on Compilation, Release, and Evaluation of Principal Federal Economic Indicators; this evaluation was submitted to the OMB in August 2008.

The methodology and basic content of the survey have not changed for many years, so other tests of methods have not been conducted for some time. However, we plan extensive testing of the web-based questionnaire that we are currently developing using the Census Bureau's "Centurion" Internet reporting system. This will include thorough in-house testing as well as visits to a very small cross-section of respondents to conduct usability testing. The Internet reporting system is scheduled to be operational in 2010.

5. Contacts

The Manufacturing and Construction Division plans and coordinates the survey. This includes the design of the reporting forms, sample selection, instructions for collecting and editing the information, preparation of table formats, and tabulation and release of the data.

The contact person for questions relating to the statistical aspects of the survey is Mrs. Amy Newman Smith, Chief of the Construction Programs Methodology Branch. She can be reached on (301) 763-6595.

The contact person for questions relating to the collection and analysis of the data is Mrs. Erica Filipek, Chief of the Residential Construction Branch. She can be reached on (301) 763-5161.

Attachments:

- A. Proposed updated version of Form C-404, "Report of Building or Zoning Permits Issued for New Privately-Owned Housing Units"
- B. Letter of support from the Bureau of Economic Analysis
- C. C-404-L1 – 2008 Letter for annual survey respondents
- D. C-404-L2 – 2008 Letter for monthly survey respondents not reporting 5 or more months of the year
- E. C-404-L3 – 2008 Letter for monthly survey respondents not reporting 1 to 4 months of the year
- F. C-404-L4 – 2008 Second request to delinquent annual respondents