

SUPPORTING STATEMENT FOR PAPERWORK REDUCTION ACT SUBMISSION

Passport Demand Forecasting Study Phase III OMB Number 1405-0177 Form Number SV2011-0010

A. JUSTIFICATION

1. The United States border management community is tasked with the protection of the United States and its territories from foreign threats, the enforcement of immigration and customs laws, and the promotion of economic prosperity for the U.S. and its allies. The Department of State plays a vital role in this community through several offices, including its Bureau of Consular Affairs' Passport Services Directorate (CA/PPT). CA/PPT is primarily responsible for issuing U.S. Passports to U.S. Citizens and U.S. Nationals who apply and meet all requirements. Passport Services assist U.S. Citizens and U.S. Nationals intending to travel internationally by issuing passports and protecting the integrity of the U.S. Passport as proof of U.S. Citizenship at home and around the world.

Section 7209 of the Intelligence Reform and Terrorism Prevention Act (IRTPA), enacted on December 17, 2004, requires the Secretary of Homeland Security (DHS), in consultation with the Secretary of State, to develop and implement a plan to require U.S. Citizens and U.S. Nationals to present a passport and/or other sufficient documentation of identity and citizenship when entering the U.S.

The objective of the statistical data and research sought is to estimate the overall demand for passport books, passport cards, and other potential passport products. Statistical data and information will aid Passport Services in developing demand projections monthly, semi-annually, annually and across multiple years as desired. The data is predicated and populated from ongoing monthly surveys. The surveys will include a nationally representative sample of U.S. citizens and U.S. Nationals age 16 and older.

The statistical data will derive from a data-driven system. The data, research, and study provide Passport Services with a body of continuously updated and reliable statistics. This will be used for purposes of staffing and resource allocation to respond to fluctuations in the number of individuals applying for initial passports and passport cards, renewing existing passports and passport cards, and any future passport products. The monthly survey data and estimates will be incorporated with other external data to further develop modeling and estimation techniques. This will allow Passport Services to better predict demand for passport related products.

2. CA/PPT has an important data requirement to obtain cross-sectional and panel data on issues that focus on, and are related to, travel and passport applications. This data will be used to monitor, assess, and forecast passport demand on a continuous basis for the U.S. population. In support of these efforts, CA/PPT will conduct monthly and incremental forecasts of passport demand nationally. This gathering of data will provide the opportunity to refine volume and timing estimates on demand, and will gauge public reaction to economic and socio-demographic changes.

CA/PPT is faced with the challenge of balancing the level of precision required in any demand estimate with the time and resources that will be required to achieve that level of precision. CA/PPT developed and reviewed several data collection techniques for the purpose of planning future production capacity. CA/PPT determined that primary data collection is the most reliable way to meet its needs. The survey will meet data requirements with enough precision to plan for appropriate staffing and budget for the coming years.

3. In concurrence with the Department of State's endeavor to provide an electronic option for data collections, all Monthly Passport Demand Forecasting studies will be conducted using surveys via mail that will have an identical Internet/Web version containing the same questions for those individuals who prefer to respond via the internet.
4. This collection will not duplicate any other information collection. The Department of State has attempted to establish an accurate demand figure by an extensive review of all known passport statistical databases. There is currently no established method for determining travel patterns other than asking U.S. Citizens or U.S. Nationals directly about their potential traveling behavior or intentions, as well as whether they possess a valid passport product. Because of the lack of existing data, CA/PPT has undertaken several prior surveys, with the initial survey being implemented in July 2005. While those studies were useful at that time for CA/PPT's early planning needs, the results are now dated and have been proven to be unreliable estimates for current and future demand.
5. The collection of information does not impact small businesses or other small entities.
6. Survey data is required in order to establish an accurate estimate of the volume and timing of passport applications for the purpose of monitoring, assessing, and forecasting passport demand on a continuous basis for the U.S. population. Without such information, CA/PPT will not be able to make duly informed decisions on hiring and training staff, or increasing other resources and infrastructure to handle passport demand. If the survey is not conducted, CA/PPT will not have reliable information to make resource-related decisions. This situation could result in the under or over estimation of demand, delayed passport issuance, adverse customer service, and excessive resource allocation, which would waste taxpayer money and Department resources.

7. This collection of information is a voluntary survey. Respondents will be informed that the survey information gathered is confidential, and that they may decline to participate. (Names, addresses, and other personal identification information will not be collected.)
8. CA/PPT published a 60-day Notice in the Federal Registry requesting public comments. CA/PPT did receive one comment. The comment was not applicable to the goals that CA/PPT is trying to obtain with this information collection survey.
9. Historically, CA/PPT's forecasting contractor has offered incentives to determine if non-respondents differ, both demographically and in their attitude and behavior, from responders. Gallup Inc., the previous forecasting contractor, offered a \$1 incentive to respond to the survey questions. The forecasting contractor noted that by offering an incentive, the response rate increased by 15% from the control group.
10. Respondents will be told at the onset of the survey that the data will be strictly confidential and that identifying information will not be released outside of the Department. This notice will also be repeated to the respondents prior to soliciting any demographic information. The forecasting contractor will sign statements of confidentiality that they promise not to reveal the results of any survey outside of CA/PPT.

As an additional safeguard, the names of the respondents are not collected. All questionnaires, database entries, and any other records will be identified only by case identification numbers. These procedures ensure that data on individual respondents cannot be traced to their sources.
11. The collection of information does not ask questions of a sensitive nature.
12. The annual burden time for Passport Demand Forecasting Monthly Survey is estimated to be 8,000 hours. Each survey is estimated to take 10 minutes and will be conducted on a monthly basis. 4,000 respondents will be surveyed per month, for an annual total of 8,000 hours.
13. There is no cost burden to respondents associated with this collection.
14. The estimated cost to the Federal Government is \$1,514,132.00 per year for the Passport Demand survey. A breakdown of the estimated cost and time to implement the survey can be found below.

Item	Description	Cost
1	Survey Questionnaire (Mail and Web/Internet)	\$982,100.00
2	Consulting and Management Functions	\$266,284.00
3	Non-Response Bias Study	\$210,000.00
4	Statistical Modeling	\$55,748.00
Total		\$1,514,132.00

Summary of Methodology

The primary mode of data collection will be by mail along with an internet link to the corresponding internet/web version of the surveys that will reflect the same identical questions for those respondents who prefer to respond via the internet. The forecasting contractor will use an Address Base Sampling (ABS) approach to generate a representative sample of the target population (U.S. citizen and U.S. national persons 16 years of age and older) every month. The sample will be created by using the United States Postal Service's (USPS) Second Generation Delivery Sequence File (DSF²) database, which is a service made available through a nonexclusive license agreement with private companies. DSF² is a computerized file that contains all delivery point addresses serviced by the USPS, with the exception of general delivery. Commercial vendors then have the option of joining additional information to the address record from other sources, including surname, age of head of household, income level and other relevant variables. Using this augmented sampling frame, a sample of approximately 16,000 persons will be drawn to complete around 4,000 surveys nationwide every month.

Deliverables

- Survey Questionnaire (Mail and Web/Internet) (English and Spanish)
- Data File
- Monthly Reports
- Meetings and Executive Briefings

Timeframe Required

Four to six weeks following OMB approval for an initial data set; six weeks from the survey start date to complete reporting and briefings.

15. There will be a program burden change of +6,666 hours from the last approved collection due to the increased regularity of surveys and the number of respondents. CA/PPT previously surveyed respondents quarterly, that frequency will increase to monthly surveys to build a model to adjust raw response and better forecast respondent's travel behaviors.
16. The information collected will not be published and is for internal statistical use only. The information collection will be used to establish an accurate estimate of U.S. citizens overall demand for passport books, passport cards, and any other potential passport products. Statistical data and information will aid Passport Services in developing demand projections monthly, semi-annually, annually and across multiple years as desired.
17. The Department of State will display the expiration date for OMB approval on the survey collection instruments.
18. CA/PPT is not requesting any exceptions to the certification statement identified.

B. COLLECTION OF INFORMATION EMPLOYING STATISTICAL METHODS

1. The main objective of this study is to estimate the overall demand for passports and passport cards. The monthly surveys will provide CA/PPT with a body of continuously updated and reliable statistics. The monthly surveys will be crucial to ensuring CA/PPT's ability to reliably determine short (3 months), medium (12 months), and long-term (2-3 years) passport demand on a continuous basis. The potential respondent universe (or the target population) will consist of all U.S. citizen and U.S. national persons (16 years of age or older) living in U.S. households in any of the 50 states and in the District of Columbia.

Gallup or a similar organization will use an Address Base Sampling (ABS) approach to generate a representative sample of the target population (U.S. citizen and U.S. national persons 16 years of age and older) every month. The sample will be created by using the United States Postal Service's (USPS) Second Generation Delivery Sequence File (DSF²) database, which is a service made available through a nonexclusive license agreement with private companies. DSF² is a computerized file that contains all delivery point addresses serviced by the USPS, with the exception of general delivery. Commercial vendors then have the option of joining additional information to the address record from other sources, including surname, age of head of household, income level and other relevant variables. Using this augmented sampling frame, a sample of

approximately 16,000 persons will be drawn to complete around 4,000 surveys nationwide every month.

The primary mode of data collection will be by mail, however, Gallup or a similar organization will send out surveys via mail along with an internet link to the corresponding internet/web version of the surveys that will reflect the same identical questions for those respondents who prefer to respond via the internet. The survey will contain distinct variables to answer questions covering passport demand (books and cards), other topics of interest such as:

- interest in making an appointment to go in person to a local Passport Agency to complete a passport application;
 - non-international travel use of passports;
 - knowledge and impact of Real ID; and
 - other socio-demographic variables of interest to CA/PPT.
2. The methodology used for the collection of information in the Monthly Passport Demand Forecasting Studies will be based on Address Base Sampling (ABS) through the use of the United States Postal Services Second Generation Delivery Sequence File (DSF²) database. The DSF² database is useful with Address Base Sampling (ABS) as an alternative design to Random Digit Dialing (RDD) telephone surveys. Address Base Sampling (ABS) is a cost efficient alternative to RDD ensuring better coverage (covering about 98 percent of U.S. households) and is of comparable speed and efficiency.

According to the United States Postal Service, The Delivery Sequence File (DSF²) is a service made available through a nonexclusive license agreement with private companies. The Delivery Sequence File (DSF²) is a computerized file that contains all delivery point addresses serviced by the USPS, with the exception of general delivery. On the file, each delivery point is a separate record that conforms to all USPS addressing standards. Each record contains the ZIP+4 code, carrier route code, delivery sequence, delivery type, and seasonal delivery information. The nonexclusive licensees offer this service to the mailing industry by comparing a mailer's address list against the DSF using USPS-approved Coding Accuracy Support System (CASS) address-matching software. The results of a match or no-match situation are conveyed via a series of footnote codes.

DSF² provides mailers with the following:

- Address validation
- Address standardization
- ZIP+4 coding
- Carrier route coding
- Delivery sequence

- Detection of addresses that are potentially undeliverable for reasons other than a change of address (nixies)
- Cost savings through improved address list quality
- Delivery-type code that indicates business or residential
- Seasonal delivery information

Commercial vendors then have the option of joining additional information to the address record from other sources, including surname, age of head of household, income level and other relevant variables. At the first stage of sampling, the monthly sample (of approximately 16,000 households) for this study will be drawn from this augmented database as the sampling frame. This sample will be a nationwide simple random sample and is, therefore, expected to represent different demographic subgroups roughly in the same proportion they are represented in the target population. However, if response rates differ significantly by subgroups, it may become necessary to oversample certain subgroups with relatively low response rate (for example, younger persons or specific ethnic/racial groups). Available information on the sampling frame will allow such oversampling as part of the ABS (Address Based Sampling) approach. Once the first stage sample of households is selected, the second stage sampling will involve selection of one eligible (16 years of age or older) person from the selected household using the “most recent birthday” method.

As mentioned before, an initial sample size of 16,000 persons will be selected to generate about 4,000 completed surveys per month based on an anticipated overall response rate of 25 percent. Gallup previously tested the impact of monetary incentives (\$1.00 in the mailing) on mail survey response rates. Sampled persons were randomly assigned to the incentive or control group and a total of 6,600 surveys were completed. It was found that the overall response rate was significantly higher (25 percent) for the incentive group as compared to that of the control group (12 percent). The incentive was not found to have any adverse effect on sample representativeness. In view of these findings and the overall objective of maximizing response rate, the plan is to include a \$1 incentive in the mailing for the monthly surveys.

To achieve a high level of confidence on survey based estimates, an estimated 48,000 survey respondents (4,000 x 12) will have data collected annually. Each survey is estimated to be no more than 10 minutes in length, including any screening for qualification. Based on the time to conduct an interview and the total number of interviews (48,000), the hourly burden time for the responding public to complete the Passport Demand Forecasting survey is estimated to be 8,000 hours.

This proposed monthly sample size of 4,000 completed surveys will ensure reasonable precision for survey-based estimates at the national level as well as for different subgroups of potential interest. For the estimation of an unknown population proportion (for example, proportion applying for new passports), the sampling error associated with estimates based on a sample size of 4,000, ignoring design effect, is about $\pm 1.5\%$ at the 95% level of confidence. Even after taking into account an anticipated design effect of about 1.5, the sampling error is not likely to exceed $\pm 2\%$. It may also be noted that this is

based on the most conservative assumption that the unknown population proportion is around 50 percent and hence the actual sampling error for most estimates based on similar sample sizes are likely to be even lower. At the subgroup level, the precision will obviously depend on the sample size (number of completed surveys). For any subgroup with a sample size of 1,000, for example, and an anticipated design effect of about 1.5, the sampling error is not likely to exceed $\pm 3.8\%$.

The sample data will be weighted to minimize bias associated with the monthly estimates. In order to adjust for unequal selection probabilities and non-response, it will be necessary to use appropriate weighting procedures to generate unbiased estimates. The first stage of weighting to correct for unequal selection probability will involve weighting each case by the 'number of eligible (16 years of age or older) persons' in the selected household. This number may be truncated (at 3, for example) to avoid extremely large weights. If oversampling of certain subgroups is used, appropriate weighting adjustments will be carried out to compensate for unequal selection probability resulting from disproportional sample allocation across suitably defined strata. At the next stage, post-stratification weighting will be carried out to project the sample results to known characteristics for the target population. The target data for post-stratification weighting for demographic variables may be derived from the latest Census or CPS estimates. The following demographic variables (along with their categories) may be used for post-stratification adjustments:

- Race: White Only, Black Only, Other
- Region by Gender by Age: Four Census Regions; Male/Female; 16-34, 35-44, 45-54, 55+
- Ethnicity: Hispanic/Non-Hispanic
- Education: Less than college, Some college, and College grad

The post-stratification weighting process will be iterative and will be repeated using combing algorithms until all weighted numbers are reasonably close to their corresponding targets. Finally, some trimming of weights may become necessary to avoid extreme weights and its effect on variance of estimates.

3. To maximize coverage of the target population, the contractor will use the Delivery Sequence File (DSF²) database for Address Base Sampling. The Delivery Sequence File (DSF²) contains all delivery point addresses serviced by the USPS, with the exception of general delivery. On the file, each delivery point is a separate record that conforms to all USPS addressing standards.

Gallup or a similar organization will then have to purchase additional information to the address record from other sources and attach to the address such as: last name, age of head of household, and income level. The use of Address Base Sampling will ensure that the survey reaches the appropriate audience and leverage the best research method to obtain responses for the given survey topic. When used in conjunction with mail surveys, the DSF² provides survey researchers with the advantages of cost effective sampling

designs as well as a means of reducing survey non-response and reaching cell phone-only households and households without telephones which are missed by RDD designs.

To examine the potential for nonresponse bias, Gallup or a similar organization will conduct a nonresponse bias study for the monthly surveys and complete up to 400 interviews semiannually for up to 800 surveys annually. The contractor will use mail and telephone for the data collection mode. For the mail portion, they will use an approach similar to the monthly survey protocol described above. For the telephone portion, a seven-call design will be employed where telephone interviewers will make up to seven calls to contact and complete a telephone interview.

The questionnaire for the nonresponse follow-up study will include a selected subset of questions from the main monthly Passport study. The analysis plan for the nonresponse bias study will include comparing the respondents and the non-respondents on key variables including demographic and attitudinal/behavioral questions and examining the nature of nonresponse pattern and its effect on the demand estimates. In order to ensure cooperation from the non-respondents, the Contractor will offer all sample members (for the non-response follow-up study) a \$10 cash incentive to complete the telephone interview.

4. Survey questionnaires and procedures will be tested in several ways. The questionnaire will be internally pre-tested by Department of State and Gallup or a similar organization's personnel for timing, content and clarity. Gallup has previously conducted a review of the questionnaire using cognitive testing methods (viewing the respondent as he or she answers questions, follow-up probing questions to ensure understanding as intended of the questions, etc.) involving nine or fewer participants to examine the comprehensibility, structure and order of survey items.

Gallup or a similar organization will also engage in a formal pre-test of the survey instrument, to be conducted with a sample of 50 households to confirm that the screening questions and procedures, as well as all items in the survey questionnaire are working as intended. Although the pre-test will be designed as a confirmatory procedure, if any issues are uncovered with survey instructions, item wording, or response categories during the process, revisions will be proposed and incorporated into the final survey materials upon receipt of agency approval.

5. Gallup previously developed the survey design and Gallup, or another contractor, will be responsible for collecting, processing, and analyzing the data and presenting findings to CA/PPT. The following individuals were consulted in developing the survey design, the sampling plan, and statistical aspect of the study.

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