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

2. OMB Control Number:
a. **2577-0006**
b. ☐ None

3. Type of information collection: (check one)
- a. New Collection
- b. X Revision of a currently approved collection
- c. Extension of a currently approved collection
- d. Reinstatement, **without change**, of previously approved collection for which approval has expired
- e. Reinstatement, **with change**, of previously approved collection for which approval has expired
- f. ☐ 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. **x** Regular
- b. ☐ Emergency - Approval requested by
- c. ☐ Delegated

5. Small entities: Will this information collection have a significant economic impact on a substantial number of small entities?
☐ Yes **x** No

6. Requested expiration date:
a. **x** Three years form approval date b. ☐ Other (specify)

7. Title:

Public Housing Agency (PHA) Lease and Grievance Requirements

8. Agency form number(s): (if applicable) None

9. Keywords:
Leases for Public Housing tenants, lease and grievance procedures affecting both Public Housing agencies (PHAs) and Public Housing tenants

10. Abstract: The public housing lease and grievance procedures are a recordkeeping requirement on the part of public housing agencies (PHAs) as they are required to enter into and maintain lease agreements for each individual or family that occupies a public housing unit. Also, both PHAs and tenants are required to follow the protocols set forth in the grievance procedures for both an informal and formal grievance hearing.

11. Affected public: (mark primary with "P" and all others that apply with "X")
- a. **X** Individuals or households
- b. Business or other for-profit
- c. Not-for-profit institutions
- e. Farms
- f. Federal Government
- g. **X** State, Local or Tribal Government

12. Obligation to respond: (mark primary with "P" and all others that apply with "X")
- a. Voluntary
- b. **P** Required to obtain or retain benefits
- c. **P** Mandatory

13. Annual reporting and recordkeeping hour burden:
- a. Number of respondents **1,181,986**
- Total annual response **1,359,284**
- Percentage of these responses collected electronically **0**
- b. Total annual hours requested **339,822**
- d. Current OMB inventory **5,671,800**
- e. Difference (+,-) - **5,331,979**
- f. Explanation of difference:
- 1. Program change:
- 2. Adjustment: - **5,331,979**

14. Annual reporting and recordkeeping cost burden: (in thousands of dollars)
- a. Total annualized capital/startup costs 0
- b. Total annual costs (O&M)
- c. Total annualized cost request
- d. Total annual cost requested
- e. Current OMB inventory
- 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
- b. Program evaluation
- c. General purpose statistics
- d. **X** Audit
- e. Program planning or management
- f. Research
- g. **X** Regulatory or compliance

16. Frequency of recordkeeping or reporting: (check all that apply)
- a. **X** Recordkeeping
- b. Third party disclosure
- b. Reporting:
  - 1. On occasion
  - 2. ☐ Weekly
  - 3. ☐ Monthly
  - 4. ☐ Quarterly
  - 5 Semi-annually
  - 6. Annually
  - 7. ☐ Biannually
  - 8. **X Admission to the program, annual reexamination of income.**

17. Statistical methods:
Does this information collection employ statistical methods?
☐ Yes **X** No

18. Agency contact: (person who can best answer questions regarding the content of this submission)
Name: **Salima Appiah-Kubi**
Phone: **(202) 402-6524**

19. Certification for Paperwork Reduction Act Submissions

On behalf of this Federal Agency, 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: X Milan Ozdinec, Deputy Assistant Secretary	Date:
Signature of Senior Officer or Designee: X Colette Pollard, Departmental Reports Management Officer, Office of the Chief Information Officer-	Date:

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.

The Public Housing dwelling lease and grievance procedures are governed by the United States Housing Act of 1937, *Section 6(k)* and *Section 6(l)*:

a. **(Section 6(k)** The Secretary shall by regulation, require each PHA receiving assistance under this Act, to establish and implement an administrative grievance procedure under the tenants will, etc.

b. **(Section 6(l))** Each Public Housing agency (PHA) shall utilize leases which – (1) have a term of 12 months and shall be automatically renewed for all purposes except for noncompliance with the requirements under Section 12(c) (relating to community service requirements; except that nothing in this title shall prevent a resident from seeking timely redress in court for failure to renew based on such noncompliance, etc.

The regulations covering the Public Housing Lease and Grievance Procedure are located at 24 CFR Part 966 – Public Housing Lease and Grievance Procedure, *Subpart A* – Dwelling Leases, Procedures and *Subpart B* – Grievance Procedures and Requirements.

When residents begin to rent and received rental housing assistance they are required to sign a lease and acknowledge the grievance procedures of their understanding of these activities. As a result, the package refers to the information collection outlines what those procedures are, but does not involve collection any of the data that is supplied by these procedures. This package only denotes the procedures that the PHA must follow for these requirements. PHAs do not submit this information to HUD, rather the Department simply requires that PHA leases are consistent with all legal or administrative obligations required by HUD.

Note: Refer to the attached *regulatory* and *statutory* requirements for the lease and grievance procedures. The Department has not changed the regulatory provisions that govern 24 CFR Part 966.

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

The PHA must enter into a lease agreement with each individual or family that occupies a Public Housing unit; and must provide each tenant with an opportunity to request informal settlement of a grievance (24 CFR 966.54) or to obtain a grievance hearing (24 CFR 966.55); and maintain records of the outcome of the hearing. HUD does not provide any lease templates. The PHAs maintain individual lease documents that conform to local law. The PHA is also mandated to collect and gather information pertinent to the lease requirements set forth in 24 CFR Part 966, Subpart A, enter required data into the lease (e.g., parties to the lease), and provide a copy of the lease to the tenant.

Additionally, a key function of the Department is to assure compliance with its statutory and regulatory requirements. As a result, the Department conducts *monitoring reviews* to determine whether or not a PHA has accurately computed tenants' income and rent, complied with the lease and grievance procedures, and other requirements related to a PHA's occupancy functions. The PHA is also required to update the lease, for example, if the family composition changes (e.g., addition or deletion of parties to the lease).

3. **Describe whether, and to what extent, the collection of information involves the use of automated, 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 by any consideration of using information technology to reduce burden.**

   This does not apply given that automation and technology are not utilized in this information collection requirement. The lease and grievance documents/procedures are not contained in any standardized, automated format. HUD does not have a standardized lease format that it requires PHAs to use. PHAs develop leases that are in compliance with 24 CFR 966, and state and local laws. Additionally, HUD does not provide standardized, automated formats for grievances. Whether or not a grievance is initiated is completely under the purview of the Public Housing tenant; therefore, no standardized format exists.

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.**

   A Public Housing lease instrument is specific and unique to the tenant's family composition whether or not the family is comprised of a single person or a head(s) of household including household members. A Public Housing lease may be updated as a result of changes in family composition, changes in the total tenant payment, etc.

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

   This information collection does not impact small businesses or other small entities.

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

   If the subject collection is not conducted, both the Department and the PHAs will be in violation of Section 6(j) and (k) of the U.S. Housing Act. All admissions of Public Housing tenants require PHAs to enter into lease agreements with the tenant prior to the tenant occupying a Public Housing unit.

7. **Explain any special circumstances that would cause an information to be collected in a manner:**
   - requiring respondents to report information to the agency more than quarterly;
     Not Applicable
   - requiring respondents to prepare a written response to a collection of information in fewer than 30 days after receipt of it;
     Not Applicable
   - requiring respondents to submit more than an original and two copies of any document ;
     Not Applicable
   - requiring respondents to retain records other than health, medical, government contract, grant-in-aid, or tax records for more than three years;
     Not Applicable

- in connection with a statistical survey, that is not designed to produce valid and reliable results than can be generalized to the universe of the study;
  Not Applicable
- requiring the use of statistical data classification that has not been reviewed and approved by OMB;
  Not Applicable
- 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
  Not Applicable
- requiring respondents to submit proprietary trade secret, 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.
  Not Applicable

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 prior to submission to OMB. Summarize public 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 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 every 3 years – even if the collection of information activity is the same as in prior periods. There may be circumstances that preclude consultation in a specific situation. These circumstances should be explained.**

This Information Collection was announced in the Federal Register, Volume 77; Page 42323 on July 18, 2012. No comments were received.

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

This item does not apply to the subject information collection requirement.

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

The information collection requirements pertaining to Public Housing lease and grievance procedures do not contain assurances of confidentiality to the respondents (PHAs).

11. Describe 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 reasons why the agency considers the questions necessary, the specific uses to be made of information, the explanation to be given to persons from whom the information is requested, any steps to be taken to obtain their consent.

This item does not apply to the subject information collection requirement.

12. **Provide additional estimates of the hour burden of the collection of information. The statement should:**
    - **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 of (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 the estimated hour and explain the reasons for the variance. Generally, estimates should not include burden hours for customary and usual business practices.**
    - **if this request 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-I; and**
    - **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 be included in Item 13.**

Total Burden Hours Estimation for Lease and Grievance Processes

Number of Public Housing Occupied Units	Frequency of Response*	Hours per Response	Total Burden Hours
1,181,986	1.15	.25	**339,821

Number of Respondents
1,181,986

*The PHAs are required to prepare a lease for every new admission, to prepare a new lease when the rent and/or the family composition changes, etc. The most likely scenario is that the PHA updates the lease, or at a minimum determines whether or not the lease should be updated during an annual or interim reexamination of income, which when combined with the number of grievances (informal and formal) equates to the following:

Calculation: 1,181,986x 1.4 median number of new leases + changes+ grievances (formal and informal) x 15 minutes (.25 of an hour) median time to complete = **339,821 total hours

<u>Calculation of Annualized Costs to Respondents for Cost of Burden Hours</u>:

13. **Provide an estimate of 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 like); and (b) a total operation and maintenance 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 collection**

information such as purchasing computers and software; monitoring, sampling, drilling and test equipment; and record storage facilities;

- **If costs 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 collection 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) utilized 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.**

339,821 total hours x $17.11 per hour = $5,814,337. The hourly rate represents an average rate of pay earned by a housing specialist in a PHA, who is responsible for conducting reexaminations of income and preparing leases that reflect the total tenant payment and other elements that include household members, etc.

14. Provide estimates of annualized cost to the Federal government. Also, provide a description of the method used to estimate cost, which should include any 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 subject information collection requirements do not involve any costs to the Federal government because PHAs oversee and prepare Public Housing leases. Also, tenants either make an informal request (orally or in writing) or a formal request for a grievance hearing (always in writing); and PHAs are the entities who have the responsibility for the processing and handling of grievances.

15. Explain the reasons for any program changes reported in items 13 and 14 of the OMB Form 83-1.

The earlier calculation had an overlong estimate for the amount of time needed to complete the form. Also, the previous submission incorrectly included the number of responding PHAs in the calculation and also incorrectly assumed that 100% of households would be reviewing or initiating a lease. The correction of the errors brought the number of burden hours down to 325,046.

16. For collection 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 the report, publication dates, and other actions.

This item does not apply to the subject collection information requirements.

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

This item does apply to the subject information collection requirements.

18. Explain each exception to the certification item identified in item 19.

This item does not apply to the subject information collection requirements.