

**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 target population for the survey is all permit-issuing jurisdictions in the United States. 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 19,425 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 72 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. The response rate goal at the conclusion of the annual survey is 80 percent, which aligns with the response rate goal for the Census Bureau. After conducting the annual survey, the overall response rate for 2011 was about 84 percent.

The universe and monthly sample are updated every 10 years; a new universe and sample will be defined in 2013 for use beginning in 2014.

**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 and members of the Federal-State Cooperative for Population Estimates 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.

All changes to methodology or processing systems are tested. For example, we conducted usability testing of the online questionnaire with a sample of respondents before offering the online questionnaire to all respondents, and documented the results of the testing.

### **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 Ms. Bonnie Kegan, Chief of the Construction Programs Methodology Branch.

She can be reached on (301) 763-7639.

The contact person for questions relating to the collection and analysis of the data is Ms. Erica Filipek, Assistant Division Chief for Construction Indicator Programs in the Manufacturing and Construction Division. She can be reached on (301) 763-5161.

Attachments:

- A. 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 – 2011 Letter for annual survey respondents
- D. C-404-L2 – 2011 Letter for monthly survey respondents not reporting 5 or more months of the year
- E. C-404-L3 – 2011 Letter for monthly survey respondents not reporting 1 to 4 months of the year
- F. C-404-L4 – 2011 Second request to delinquent annual respondents