

# **Supporting Statement for Paperwork Reduction Act Submissions**

## **Generic Customer Satisfaction Surveys**

### **Physical Inspection Pilot Program – Solicitation of Interest (Survey)**

**OMB Control Number 2535-0116**

#### **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 White House Domestic Policy Council established the Rental Policy Working Group, which includes the Departments of Treasury, Agriculture, and Housing and Urban Development, to better serve low-income families while reducing the burden on affordable housing developers and owners. As part of this effort, a pilot program was initiated in 2010 to reduce the number of duplicative federal inspections conducted on multifamily rental properties that have more than one source of federal funding. While HUD (see Exhibit A - 24 CFR Part 5 for HUD inspection requirements) and USDA (see Exhibit B - 7 CFR 3560.103 for USDA inspection requirements) conduct their own inspections, the Treasury's low income housing tax credit program requires state housing finance agencies to conduct property inspections and submit the results to the IRS (see Exhibit C - 26 CFR 1.42-9 for IRS inspection requirements). During 2012 and 2013, six states' HFAs were selected for participation in a limited scope pilot. For 2014, the working group is planning to expand the pilot program to include additional states.

This collection would assist the working group in better understanding the capabilities of state agencies to conduct inspections and their level of interest in participating in an expanded pilot. While candidates to join the pilot could be selected through limited private contact, this survey creates a more even playing field for states who may wish to participate rather than favoring those states which may have heard about the program through other means. The responses will also be used by the working group to refine our communications, outreach, and training approaches. The working group has received positive feedback from states that the collaboration it facilitates is valuable and is something that they actively seek to participate in.

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 is an existing pilot program currently involving less than ten respondents. This information will primarily be used by the working group to improve the administration of the pilot. It will also allow the working group to identify states that might be interested in participating in an

expanded 2014 pilot. This information will not be distributed beyond the working group, nor will it be used for any other purpose.

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.

This survey will be distributed electronically, and states will respond via e-mail. State HFAs have previously expressed a preference for communicating with the working group via email.

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.

This information is not currently available from another approved collection. HUD, Treasury, and USDA do not collect this information.

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.

N/A

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.

This will be a one-time collection of information. Without this collection, administrative efficiencies and improvements to the pilot may not be realized. The working group will be unable to target limited training, outreach, and technical assistance resources to those areas with greatest need. Additionally, if interested states cannot be identified and included in the pilot, the number of duplicative physical inspections will not be reduced and the associated cost savings will not accrue to property owners, states and the participating Federal agencies.

7. Explain any special circumstances that would cause an information collection to be conducted in a manner:

\* requiring respondents to report information to the agency more often than quarterly;

N/A

\* requiring respondents to prepare a written response to a collection of information in fewer than 30 days after receipt of it;

In order to provide the states the optimal opportunity to participate in the pilot, the working group would like to identify any additional states and areas of concern no later than October

2013. This will allow the working group to determine the properties to be inspected and schedule any training sessions or technical assistance in advance of the first inspection. Depending upon various factors surrounding when this survey is able to be sent to the states, this may require a response in less than 30 days. The working group believes that the short length of the survey and the nature of the questions being asked would allow respondents to prepare a written response in 2 to 3 weeks.

\* requiring respondents to submit more than an original and two copies of any document; \* requiring respondents to retain records, other than health, medical, government contract, grant-in-aid, or tax records, for more than three years;

N/A

\* 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;

N/A

\* requiring the use of a statistical data classification that has not been reviewed and approved by OMB;

N/A

\* 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

N/A

\* 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.

N/A

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.

N/A

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

None will be provided.

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

N/A

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.

N/A

12. Provide 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 (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.

Number of Respondents	Number of Responses	Hours per Response	Hourly Rate	Total Burden Hours	Total Cost
70	70	.25	\$47.74	17.5	\$835.45

Assumptions:

- It is estimated that completing the survey will take one hour.
- Because it is estimated that an executive director or equivalent will complete the survey, the hourly rate is based on a GS-15 Step 1 from the OPM Salary Table 2013-GS.
- While there are currently 55 primary states and territories with housing finance agencies, some states have more than one agency within their jurisdiction.

- This will be a one-time survey and no estimate of frequency or annual hour burden is included beyond the initial request.

\* 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-I.

N/A

\* 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.

See chart above.

13. Provide an estimate for the total annual cost burden to respondents or recordkeepers 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.

N/A

\* 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.

N/A

\* 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.

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 expected cost to the federal government includes the time to collect, review, and tabulate the results of the stakeholder survey electronically. This effort is expected to take 20 minutes per response. The hourly rate for completing these tasks is based on a GS-13 Step 1 from the OPM Salary Table 2013-GS.

Number of Responses	Hours per Response	Hourly Rate	Total Burden Hours	Total Cost
70	.33	\$34.34	23.1	\$794

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 non- substantial change request for a currently approved generic collection. The Rental Policy Working Group (RPWG) is expanding the pilot in 2014 and seeks additional housing agencies to join those currently participating. Additionally, this working group is in the process of evaluating and enhancing some of the technologies used in this program with hope of streamlining and expanding the sharing of inspection reports next year.

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.

N/A

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.

N/A

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

N/A

**B. Collections of Information Employing Statistical Methods**

The agency should be prepared to justify its decision not to use statistical methods in any case where such methods might reduce burden or improve accuracy of results. When Item 17 on the Form OMB 83-I is checked, "Yes," the following documentation should be included in the Supporting Statement to the extent that it applies to the methods proposed:

1. Describe (including a numerical estimate) the potential respondent universe and any sampling or other respondent selection methods to be used. Data on the number of entities (e.g., establishments, State and local government units, households, or persons) in the universe covered by the collection and in the corresponding sample are to be provided in tabular form for the universe as a whole and for each of the strata in the proposed sample. Indicate expected response rates for the collection as a whole. If the collection had been conducted previously, include the actual response rate achieved during the last collection.

N/A

2. Describe the procedures for the collection of information including:

- \* Statistical methodology for stratification and sample selection,
- \* Estimation procedure,
- \* Degree of accuracy needed for the purpose described in the justification,
- \* Unusual problems requiring specialized sampling procedures, and
- \* Any use of periodic (less frequent than annual) data collection cycles to reduce burden.

N/A

3. Describe methods to maximize response rates and to deal with issues of non-response. The accuracy and reliability of information collected must be shown to be adequate for intended uses. For collections based on sampling, a special justification must be provided for any collection that will not yield "reliable" data that can be generalized to the universe studied.

N/A

4. Describe any tests of procedures or methods to be undertaken. Testing is encouraged as an effective means of refining collections of information to minimize burden and improve utility. Tests must be approved if they call for answers to identical questions from 10 or more respondents. A proposed test or set of test may be submitted for approval separately or in combination with the main collection of information.

N/A

5. Provide the name and telephone number of individuals consulted on statistical aspects of the design and the name of the agency unit, contractor(s), grantee(s), or other person(s) who will actually collect and/or analyze the information for the agency.

N/A