

Supporting Statement
Form C-MH-9A
Manufactured Housing Survey

A. Justification

1. Necessity of Information Collection

The U.S. Census Bureau is requesting a revision of a currently approved collection for the Manufactured Housing Survey (Form C-MH-9A). Manufactured homes provide much of the low-cost new housing in the United States. In 2013, approximately 56,000 new units were placed for residential use, about eight percent of all new single-family housing. Given the size and importance of this component of new housing, the Department of Housing and Urban Development (HUD) has funded this survey conducted by the Census Bureau since the early 1970s. The current survey provides key statistics on the number, sales price, location, and selected characteristics of new manufactured homes placed for residential use. The new methodology will eliminate the follow-up calls to dealers and estimates of placements. Considering current industry practices, placement estimates do not add additional useful information beyond what can be assessed from shipment counts. That is, shipment counts and placement estimates are essentially measuring the same thing.

These statistics, based on data collected by telephone interview from dealers that have received sampled homes, are comparable to those available for conventionally built housing. Statistics on manufactured homes and conventional housing construction are available on the Internet at www.census.gov.

In the “National Manufactured Housing Construction and Safety Standards Act of 1974,” 42 United States Code (U.S.C.) 5401 (see Attachment 1), Congress declared its interest in the safety and durability of manufactured homes. Proper attachment of a manufactured home to the ground is an important component of manufactured home safety and is addressed in Section III, questions 5 and 6 of Form C-MH-9A (see Attachment 2). HUD also uses these statistics to respond to a Congressional mandate in the “Housing and Community Development Act of 1980,” Title 42 U.S.C. 5424 (see Attachment 3), which requires HUD to collect and report manufactured home sales price information for the Nation, Census Regions, States, and selected metropolitan statistical areas, and to monitor whether new manufactured homes are being placed on owned rather than rented lots. Congress also indicated an interest in the form of ownership. Collection of these data is authorized by Title 13, U.S.C., Section 8(b) (see Attachment 4) and Title 12, U.S.C., Section 1701z-1 (see Attachment 5).

Furthermore, the Manufactured Housing Survey serves as the basis for HUD’s mandated indexing of loan limits. Section 2145 (b) of the Housing and Economic Recovery Act (HERA) of 2008 requires HUD to develop a method to annually adjust Title I manufactured home loan limits (see attachment 6). This index is

based on manufactured housing price data collected by this survey. Section 2145 of the HERA of 2008 also amends the maximum loan limits for manufactured home loans insured under Title I. HUD implemented the revised loan limits for all manufactured home loans for which applications are received on or after March 3, 2009 (see Attachment 7).

2. Needs and Uses

The Bureau of Economic Analysis uses the data as an input to the estimates of residential fixed investment.

The HUD's Office of Economic Affairs uses these data to monitor total new housing production and its affordability. The HUD's Office of Manufactured Housing and Construction Standards and the Office of Title I Insurance use the data to monitor and evaluate their programs as they relate to the volume, titling, placement location, quality, and prices of manufactured homes. Also, the figures are used by a variety of private trade associations and businesses for housing market analysis.

The Census Bureau uses the data in the formulation of annual population estimates.

3. Use of Information Technology

Information received is based on data collected by telephone interview from dealers that have received sampled homes. Survey data is captured using the Standard Economic Processing System (StEPS). StEPS is the Census Bureau's generalized automated data collection/processing system developed for numerous economic surveys.

4. Efforts to Identify Duplication

Inquiries of knowledgeable industry sources, such as the Institute for Building Technology and Safety and the Manufactured Housing Institute, indicate that these data are not available elsewhere. Data are available on manufactured home shipments. The shipment series, however, does not provide the data required, such as the number, sales price, and physical characteristics of manufactured homes placed for residential use.

5. Minimizing Burden

Only a sample of the manufactured homes shipped each month is selected for the survey. To reduce the burden for small businesses, the interview is conducted by telephone, the number of questions asked is limited, and the questions asked do not require any additional record-keeping burden.

6. Consequences of Less Frequent Collection

If data were collected less frequently, decisions affecting policy and legislation would be made without current data or would be delayed until the data are available.

7. Special Circumstances

The collection of these data is consistent with the OMB guidelines with the exception of requiring respondent to report information to the agency more often than quarterly and to prepare a written response to a collection of information in fewer than 30 days after receipt. The data are published monthly. Therefore, a quick response is requested to provide timely statistics for analyzing the housing sector of the economy.

8. Consultations Outside the Agency

On January 28, 2014, we published a notice in the Federal Register (see Attachment 8) inviting public comments on our plans to submit this request. Only one concern was raised about the changes to the survey. The concern, submitted by the Housing Assistance Council, was mainly about the availability of the placement estimate. HUD met with the Housing Assistance Council on August 7, 2014, to discuss their concerns and to offer reassurance that placement estimates could still be estimated using a revised methodology.

9. Paying Respondents

The Census Bureau does not pay respondents nor provide gifts in return for complying with the survey.

10. Assurance for Confidentiality

The following statement of confidentiality is included in a letter (see Attachment 2) signed by the Director of the Census Bureau that is sent to all participants in the survey, "Your voluntary report to the Census Bureau is confidential by law (Title 13, United States Code). It may be seen only by persons sworn to uphold the confidentiality of Census Bureau information and may be used only for statistical purposes. The law also provides that copies retained in your files are immune from legal process."

11. Justification for Sensitive Questions

The survey report form contains no sensitive questions.

12. Estimate of Hour Burden

Survey Frequency	Annual Number of Manufactured Homes	Average Time to Complete	Annual Burden Hours
Monthly	4,800	20 mins.	1,600

The sampling unit is a manufactured home. Once a new manufactured home enters the survey, we contact the dealer one time to collect information on the status, price and characteristics of the home. Each month, about 400 new homes are added to the survey for a total of 4,800 homes a year. The average time to complete this form is based on the monitoring of the telephone interviews and consultations with survey respondents. It may take several months to make contact with the dealer.

An individual dealer or manufacturer will be contacted one time for each home he/she has in the sample. For respondents who receive many forms, the time required per form is less than the average since they are familiar with the report form. For new respondents, the time required would be longer.

Based on information available from the Department of Labor, Bureau of Labor Statistics, National Compensation Survey, Occupational Wages in the United States: 2013 (Occupational Code: 41-0203; Automobile Dealers: Retail Salesperson), we estimated the average hourly pay for respondents to be \$21.05. Therefore, the total cost to the respondents is \$33,680.

13. Estimate of Cost Burden

We do not expect respondents to incur any costs other than that of their time to respond. The information requested is the type and scope normally carried in company records and no special hardware or accounting software or system is necessary to provide answers to this information collection. Therefore, respondents are not expected to incur any capital and start-up costs or system maintenance costs in responding. Further, purchasing of outside accounting or information collection services, if performed by the respondent, is part of usual and customary business practices and not specifically required for this information collection.

14. Cost to the Federal Government

The total estimated cost of this survey in fiscal year 2014 is \$720,000, all borne by the Department of Housing and Urban Development. The proposed change to the survey data collection methodology is estimated to save up to \$467,000 per year.

15. Reasons for Change in Burden

The burden was decreased due to the reduction in the amount of follow-up calls being made to the dealers, and by a decrease in the number of questions on the survey instrument. Dealers will no longer be contacted each month until the home is placed. Dealers will be contacted once to provide information on the price and characteristics of the home.

16. Project Schedule

The monthly processes begin on the first or second workday of the month with the receipt of the universe file. A fixed sample of manufactured homes is drawn and the sampled homes are matched to dealers. Data collection, via telephone follow-up, begins on the fourth workday for any prior month homes (continuing cases) whose dealers could not be contacted during their first month of processing. Forms for new homes sampled (initials) in a given month are mailed two months after the sample is drawn. This is to give the dealer time to sell the home. Data collection for the new forms begins three workdays after mailing and continues to the sixteenth workday.

Throughout the processing month, computer edits are performed and edit failures are analyzed and resolved. After the final edits are resolved, the estimation and tabulation processes are performed. After a final data review, publication tables are prepared and verified. Data is posted to the website on the sixth workday from the end of the month.

The current monthly statistics obtained from this survey show the number of new homes placed for residential use, the average sales price of these manufactured homes, and the inventory on dealers' lots at the end of the period. The new survey methodology will no longer produce estimates for placements or inventory. The website for the survey is <http://www.census.gov/construction/www/mhsindex.html>.

Annual revised data is currently published in May of each year. The new survey methodology will require the publication date to be later in the year. Data for the two prior calendar years is revised. In addition to the monthly-level price data, the revised annual-level data includes average sales price by state and selected physical characteristics by region.

17. Request to not Display Expiration Date

The expiration date will be printed on the form.

18. Exceptions to the Certification

There are no exceptions.