

# Supporting Statement for Paperwork Reduction Act Submissions

## OMB Collection 2502-0233

### A. Justification

1. This request for OMB review and approval seeks extension of the subject information collection systems. The National Manufactured Housing Construction and Safety Standards Act (42 U.S.C. 5401-5426) established the construction and safety standards for manufactured housing in the United States. 42 U.S.C. 5413, Inspections and investigations for promulgation or enforcement of standards or execution of other duties, prescribes the authority of the Secretary and requires that he shall furnish the Attorney General and, when appropriate, the Secretary of the Treasury, any information indicating noncompliance with such standards for appropriate action. 42 U.S.C. 5413(c)(3) authorizes the Secretary to require reports or answers in writing to specific questions relating to the function of the Secretary under this statute.

HUD regulations for the program are found at 24 C.F.R. 3282.1 through 3282.554. Specific regulations for this collection of information are as follows:

24 C.F.R. Section 3282.362 requires the Production Inspection Primary Inspection Agency (IPIA) to obtain certification labels from the Secretary or the Secretary's agent, requires manufacturers to request certification labels from their IPIAs, and requires the IPIA to replace damaged certification labels.

24 C.F.R. Section 3282.501 authorizes the Secretary to take such actions to oversee the system as the Secretary deems appropriate.

24 C.F.R. Section 3282.552 authorizes the Secretary to establish and impose on manufacturers, dealers, and distributors of manufactured housing such reasonable fees as may be necessary to offset the expense incurred by the Secretary in conducting inspections required by the Act.

24 C.F.R. Section 3282 Sections 552 and 553 require the IPIA to report monthly the number and location of homes manufactured in any factory.

2. This information collection is used in conjunction with labels, which are 2-inch x 4-inch metal tags permanently attached to each section of manufactured homes to provide a unique identifying number to each home produced under the HUD-code. Labels are required by 24 CFR 3282.362(c)(2). Respondents are both approved Production Inspection Primary Inspections Agencies (IPIAs) as described in 24 CFR 3282.362, and producers of manufactured homes as defined in 24 CFR 3280. Through HUD's Monitoring and Inspection Contractor, labels are issued to HUD-approved IPIA agencies and label fees are collected. IPIAs in turn issue the labels to manufacturers that they service. The information collected provides the Department with information that will help identify a manufactured home after it leaves the plant. The information will facilitate any recall or safety-related defect campaigns, and provide the data that is needed to pay required fees or credits for program participants in the various states where such homes are shipped.

Form HUD-101, IPIA Request for Labels, is used by the IPIA to obtain certification labels from HUD's monitoring agent. 67% of respondents are state agencies; 33% of respondents are private businesses.

Form HUD-203, Lost Label Report, is used by the IPIA to report any lost labels or salvaged manufactured home units. The information collected here will be used to request such lost labels or salvaged units. This form must be submitted within 5 days of the discovery of missing labels. 67% of respondents are state agencies; 33% of respondents are private businesses.

Form HUD-203B, Damaged Label Report, is used by the manufacturer to return damaged labels to the IPIA, and by the IPIA to assign replacement labels to the manufacturer. 67% of respondents are state agencies; 33% of respondents are private businesses.

Form HUD-301, Request and Payment for Labels, is used by the manufacturer to request and pay for the needed labels. This form is prepared by the manufacturer and submitted with payment to Pay.gov and then a copy of the form and payment receipt is sent by the manufacturer to the IPIA that will provide the physical labels. The IPIA then completes the form and provides the information to HUD's Monitoring and Inspection Contactor. The information on the HUD-301 is needed by HUD and HUD's monitoring agency to track the request, approval, and application of authorized labels. 67% of respondents are state agencies; 33% of respondents are private businesses.

Form HUD-302, HUD Manufactured Home Monthly Production Report, is used by manufacturers to provide information to account for the shipment of homes and the calculation of monthly payments to the state agencies as required. 100% of respondents are private businesses. Revisions were done to this form to incorporate changes to the reporting information by manufacturers in order to be compliant with HUD's On-Site Rule Completion of Construction of Manufactured Homes.

Form HUD-303, Refunds Due Manufacturer, is used by manufacturer to request a refund for unused labels when a plant closes and has no parent or sister company to take the credit. The IPIA then completes the form and provides the information to HUD's Monitoring and Inspection Contactor. 67% of respondents are state agencies; 33% of respondents are private businesses.

Form HUD-304, Adjustment Report, Monthly Production Report, is used by manufacturers to report any adjustments to previously submitted monthly production reports. 100% of respondents are private businesses.

3. HUD's monitoring contractor uses an automated system to facilitate this information collection. Ninety-eight percent of respondents are reporting electronically.
4. The information collection is unique to the manufactured housing program and does not duplicate other data gathering methods.
5. The collection of information does not have a significant impact on a significant number of small businesses or entities.
6. Regulations at 24 CFR 3282.362(c)(2) states the inspection agency, at the convenience of the IPIA and the manufacturer, shall continuously provide the manufacturer with a two-to-four week supply of labels. The labels are the means used by HUD to create a unique identification for each section of a home built under the program and each is tracked by the label number. The construction of the units are also monitored for compliance with the manufactured housing construction and safety standards and ensure adequate quality control is taking place in the production facility. A supply quantity greater than four weeks would tend to diminish quality control effectiveness and may impact the integrity of the program if control of the labels is not tight. Yet, if the labels are not provided, manufacturers cannot produce the needed homes.
7. The requirement is to explain any special circumstance 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;

**Not Applicable**

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

Monthly reports for joint monitoring fees are required per 24 CFR 3282.552, Manufacturer reports for joint monitoring fees, which states: “For each month, the manufacturer shall submit to the IPIA in each of its manufacturing plants a report that includes the serial numbers of each manufactured home at that plant during that preceding month, and the State of first location, after leaving the manufacturing plant, of such manufactured homes. The State of first location for the purpose of this report is the State of the premises of the distributor, dealer, or purchaser to whom the manufactured home is first shipped. The report for each month shall be submitted by the tenth day of the following month.”

Form HUD-203, Lost Label Report, must be completed within 5 days of discovery or loss. This requirement is necessary to preclude fraudulent use of stolen or otherwise lost labels.

- 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 that can be generalized to the universe of study;

**Not Applicable**

- requiring the use of a 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 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.

**Not Applicable**

8. In accordance with 5CFR 1320.8(d), this information collection soliciting public comments was announced in the Federal Register on November 18, 2015, Volume 80, No. 222, Pages 72096. (0) Comment received.

HUD consults regularly with the Manufactured Housing Consensus Committee (MHCC) on all matters related to HUD oversight of the manufactured housing.

9. There are no payments or gifts of any kind given to respondents.

10. Section 24 CFR 3282.54 details the requirements to be followed by HUD and its agents in protecting information which falls within the definition of confidential, commercial, or financial information. Only the monitoring agency and HUD receives the completed forms. No additional distribution to the public and to other program participants is made. Therefore any proprietary or commercial information is held in strict confidentiality.

11. There are no questions of a sensitive nature.

12. Estimate of public burden and cost to respondents:

Information Collection	Number of Respondents	Responses per Respondent	Number of Responses	Hours per Response	Total Annual Hours	Hourly Cost	Total Annual Cost
HUD-101 Request for Labels (order control)	25.5	12	180	0.5	90	\$23	\$2,070
HUD-301 Request and Payment for Labels	25	12	1500	0.5	750	\$23	\$17,250
HUD-302 Manufactured Home Monthly Production Report	25.5	12	1500	0.5	750	\$23	\$17,250
HUD-303 Refunds Due Manufacturer	25	1	26	0.5	13	\$23	\$299
HUD-304 Adjustment Report	25	8	1000	0.5	500	\$23	\$11,500
HUD-203 Lost Label Report	10	6	708	0.5	354	\$23	\$8,142
HUD-203B Damaged Label Report	15	6	708	0.5	354	\$23	\$8,142
<b>Totals</b>			<b>5622</b>		<b>2811</b>		<b>\$64,653</b>

The hourly cost is based on an estimate of the average annual salary of industry support staff at \$47,800.

Respondents are manufacturers and approved IPIA agencies. The current number of manufacturing plants that may request labels is 125; and the number of IPIA agencies is 15. There are a total of 176 respondents.

13. There are no costs to the respondents other than those reported in item 12 above.

14. The Government utilizes a contractor to process the forms, and collect fees and distribute labels tracked by these forms. This contractor is referred to as the "Monitoring Contractor". The contractor utilizes 1.5 full-time equivalent administrative employees to perform the duties required to administer this fee and label program; all work associated with the fee and label program is essentially processing the form data. This data is maintained by the contractor utilizing its proprietary computer software program called WebLabels.

There is also minimal cost associated with the WebLabels program that maintains the form data and allows for direct electronic submission of the data. This software is maintained with Helpdesk support and very minimal contact support for periodic enhancements. The support paid by the department to ensure data required by regulation is collected is approximately \$25,000 annually.

Administrative personnel through Monitoring Contractor: \$90,000  
(2 employees, 75% of time, at \$65,000 annual rate for each)

Management/reporting/overhead through Monitoring Contractor \$10,400  
(2 hours/week, 52 weeks, at \$100/hour)

Allocated contract support for data management cost \$25,000

Allocated contract and program oversight by HUD \$7,280  
(2 hours/week, 52 weeks, at \$70/hour)

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Total Annual Cost to the Government \$132,680

Note that this approximately \$132,680 annual cost to the Government to collect and maintain data associated with these forms represents about 2.5 % of the approximately 5.4 million dollars in annual fees collected through these forms (\$132,680/\$5,400,000).

15. There are no program changes since the previous OMB approval of this collection package. The decrease to the labor burden break-down that is itemized above in item #12 reflects a reduction in the number of manufacturers reporting from 161 to 125.

There has been no program, processing, or administrative change since the previous OMB collection approval. The actual cost to the Federal government has decreased from the previous submission due to the lower number of respondents and associated burdens.

16. HUD does not plan to publish the data.
17. HUD is not requesting not to display the expiration date.
18. There are no exceptions to the Certification Statement.

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

19. This collection does not use statistical methods.