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

A. Justification

1. Necessity of Information Collection

The U.S. Census Bureau is requesting an extension of a currently approved collection for the Manufactured Housing Survey (Form C-MH-9A). Manufactured housing provide much of the low-cost new housing in the United States. In 2014, more than 64,000 new units were shipped from manufacturing plants to local dealers, with majority of these homes intended for residential use. These homes make up about ten 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 1970's. The survey provides key statistics on the number, sales price, location, and selected characteristics of new manufactured homes placed for residential use. 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 also uses the data in the formulation of annual population estimates.

3. <u>Use of Information Technology</u>

Information received is based on data collected by telephone interview from dealers that have received sampled homes. The 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. <u>Efforts to Identify Duplication</u>

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. <u>Minimizing Burden</u>

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. <u>Consequences of Less Frequent Collection</u>

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. <u>Special Circumstances</u>

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 October 2, 2015, we published a notice in the <u>Federal Register</u> (see Attachment 8) inviting public comments on our plans to submit this request. We received one letter of support from the Bureau of Economic Analysis (see Attachment 9).

9. <u>Paying Respondents</u>

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

10. <u>Assurance for Confidentiality</u>

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. <u>Justification for Sensitive Questions</u>

The survey report form contains no sensitive questions.

12. <u>Estimate of Hour Burden</u>

Survey Frequency	Annual Number of Manufactured Homes	Average Time to Complete	Annual Burden Hours
Monthly	4,860	20 mins.	1,620

The sampling unit is a manufactured home. Once a new manufactured home enters the survey, we contact the dealer or manufacturer 4 months after the shipment date. A sample of 405 new home shipments is selected each month for follow-up. The average time to complete this form is based on the monitoring of the telephone interviews and consultations with survey respondents.

An individual dealer or manufacturer may be contacted several times based on the number of homes 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.

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. <u>Cost to the Federal Government</u>

The total estimated cost of this survey in Fiscal Year 2016 is \$404,000, all borne by the Department of Housing and Urban Development.

15. Reasons for Change in Burden

This collection is a revision of a currently approved collection.

16. <u>Project Schedule</u>

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 four months later and continues through the eighteenth workday. Throughout the processing month, computer edits are performed and edit failures are analyzed and resolved. After the final edits are resolved, the estimation, tabulation, and seasonal adjustment processes are performed. After a final data review, publication tables are prepared and verified. Data is posted to the website at the beginning of the month following data collection.

On a monthly basis, the survey shows average sales price for manufactured homes for residential use, the total homes shipped, and by type: sold and placed for residential use, intended for sale for residential use, and for nonresidential or other use. The website for the survey is

http://www.census.gov/construction/mhs/mhsindex.html.

Annual revised data are published in June of each year. In addition to the monthly-level data categories, the revised annual-level data includes average sales price by state and selected physical characteristics of units placed and sold 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.