

## SUPPORTING STATEMENT FOR 2015 LIHEAP RECS DATA MATCH

### Specific Instructions

#### A. Justification

##### 1. Circumstances Making the Collection of Information Necessary

The Low Income Home Energy Assistance Program (LIHEAP) block grant (42 U.S.C. 8621) was established under Title XXVI of the Omnibus Budget Reconciliation Act of 1981, Public Law 97-35. The Office of Community Services (OCS) within the U.S. Department of Health and Human Services (HHS), Administration for Children and Families (ACF) administers LIHEAP at the Federal level.

The LIHEAP statute requires the program to collect data on recipient and eligible households, to report to Congress on program impacts annually, to develop performance goals, to ensure that benefits are targeted to those households with the greatest home energy need, and to assure that timely resources are available to households experiencing home energy crises. These specific statutory requirements are as follows:

- Section 2605(b)(5) of the Low Income Home Energy Assistance Act of 1981 (42 U.S. C. §8624(b)(5)), which requires LIHEAP grantees to furnish the highest level of energy assistance to households that have the lowest incomes and the highest energy costs or needs in relation to income;
- Section 2604(c) of the Low Income Home Energy Assistance Act of 1981 (42 U.S. C. §8623(c)), which requires LIHEAP grantees to (1) reserve a reasonable amount of LIHEAP funds for energy crisis intervention; and (2) address such crises within 18 or 48 hours, depending upon the severity of the crisis;
- Section 2610(a) of the Low Income Home Energy Assistance Act of 1981 (42 U.S.C. §8629(a)), which requires HHS to collect specific information on the characteristics of LIHEAP recipient and LIHEAP eligible households within each State. This includes collecting information that is reasonably necessary to carry out the provisions of the LIHEAP statute if that information is not collected by any other agency of the Federal Government; and
- Section 2610(b)(2) of the Low Income Home Energy Assistance Act of 1981 (42 U.S.C. §8629(b)(2)), which requires HHS to annually report to Congress on the impact LIHEAP is making on recipient and income eligible households.

OCS uses of a number of existing data sources to develop information on households that are income-eligible for LIHEAP. These include the following:

- The Department of Energy's Residential Energy Consumption Survey (RECS) (OMB Control Number 1905-0092), which provides the most accurate information available about the demographic, economic, and energy-usage characteristics of U.S. households; and

- State administrative data, which provide the most accurate information about LIHEAP recipient households and which flow into the LIHEAP Household Report (OMB Control No. 0970-0060).

Neither the RECS nor the State administrative data alone provides information about the demographic, economic, and energy-usage characteristics of LIHEAP recipient households. (RECS' LIHEAP reciprocity information is too unreliable for this purpose.) The only data that provides such information is that from the RECS respondents which the State administrative data demonstrates received LIHEAP benefits.

## 2. Purpose and Use of the Information Collection

OCS seeks to collect State administrative data to identify the households in the RECS that are known to have received LIHEAP benefits. It plans to use the data so collected to generate a dataset that shows, of LIHEAP recipient households: (1) the demographic, economic, and energy-usage characteristics presented by the RECS; and (2) information, from the State administrative data, on program participation, program benefits, poverty status, vulnerability status, and (at the States' options) ownership/rentership, type of fuel use, and heat-in-rent.

OCS plans to use the resultant dataset in various analyses that characterize LIHEAP recipient households and that compare recipients to income-eligible non-recipients. Such datasets will allow OCS to study the impact of LIHEAP on income eligible and recipient households in accordance with section 2610(b)(2) of the LIHEAP statute. Such studies will enter into the following publications and analyses:

- The Department's annual *LIHEAP Report to Congress* and *LIHEAP Home Energy Notebook*; and
- Estimates about fuel usage, expenditures, energy burden, and LIHEAP targeting among LIHEAP recipient households.

## 3. Use of Improved Information Technology and Burden Reduction

OCS will make every effort to reduce the burden of this data collection. Based on a preliminary survey, OCS estimates only 24 hours of response burden per respondent. That's because all LIHEAP grantees already compile the required data. They do so to meet HHS' HHR reporting and non-duplication-of-benefit requirements.

State LIHEAP grantees are familiar with the requested data elements and maintain administrative records that contain such elements to (1) manage their programs; complete their HHRs; and (3) complete their annual LIHEAP Performance Data Forms (OMB Control No. 0970-0449).

OCS expects such grantees to use their information technology systems to reduce the burden of providing such data.

#### 4. Efforts to Identify Duplication and Use of Similar Information

The data that OCS is requesting is not available from any source other than LIHEAP grantees (and their sub-grantees), who collect this information for normal program management, federal reporting requirements, and administrative purposes.

RECS collects utility consumption and expenditure data for a nationally representative sample of households. OCS investigation has revealed no viable alternative to the RECS to furnish robust information on the home energy needs of LIHEAP recipient households, and to compare how the needs of LIHEAP recipients compare those of income-eligible non-recipient households.

OCS examined other potential options to identify LIHEAP recipients in the 2015 RECS data. RECS does collect information on household income and self-reports on whether respondents participated in energy assistance programs. But, these self-reports can refer to either LIHEAP or unrelated ratepayer-funded programs. Since the number of households that participate in ratepayer-funded programs is substantial and the benefits granted under such programs are quite different from LIHEAP, relying on self-reported data would furnish poor quality data information to address important LIHEAP Performance Measurement issues.

#### 5. Impact on Small Businesses or Other Small Entities

There are potentially two different sources of information for the proposed data collection – State LIHEAP grantees and LIHEAP sub-grantees (i.e., local agencies). In many states, small community-based organizations serve as LIHEAP sub-grantees. In the normal course of service delivery, LIHEAP sub-grantees already are expected to collect information from applicant households and to report those data to the State LIHEAP grantees through automated information systems.

This data collection effort focuses on LIHEAP State grantees, rather than on smaller community-based sub-grantees. This approach avoids placing a burden on small sub-grantees and allows for more efficient data collection that impacts a smaller number of respondents. State LIHEAP Grantees already collect and utilize this data to complete annual reporting requirements for their state LIHEAP program, and they work regularly with OCS and its contractors.

#### 6. Consequences of Collecting the Information Less Frequently

OCS is seeking approval to collect this information only once.

If this information isn't collected then HHS will be less able to study the impact of

LIHEAP on income eligible and recipient households in accordance with section 2610(b) (2) of the LIHEAP statute. It will also be wholly unable to estimate fuel usage, expenditures, energy burden, and LIHEAP targeting among LIHEAP recipient households.

#### 7. Special Circumstances Relating to the Guidelines of 5 CFR 1320.5

No special circumstances apply to this data collection.

OCS won't require respondents to do the following:

- To report such data more often than quarterly;
- To respond to such collection in fewer than 30 days after receipt of the request;
- To submit more than an original and two copies of any document;
- To retain records, other than health, medical, government contract, grant-in-aid, or tax records for more than three years;
- To provide data that isn't designed to produce valid, generalizable results;
- To require the use of a statistical data classification that has not been reviewed and approved by OMB;
- To include a pledge of confidentiality (1) that isn't supported by authority established in statute or regulation; (2) ) that isn't supported by disclosure and data security policies that are consistent with the pledge; or (3) which unnecessarily impedes sharing of data with other agencies for compatible confidential use; or
- To submit proprietary trade secret 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.

#### 8. Comments in Response to the Federal Register Notice and Efforts to Consult Outside the Agency

A 60-day notice was published on pages 79901 and 79902 of the Federal Register on December 23, 2015.

HHS received no comments in response to this notice.

#### 9. Explanation of Any Payment or Gift to Respondents

No payments or gifts of any kind will be provided to respondents.

#### 10. Assurance of Confidentiality Provided to Respondents

OCS assures the strict confidentiality of all LIHEAP data and will protect the information to the extent allowed by Federal law. The use of this data is governed by the confidentiality assurances under which the data were collected from respondents and sub-

grantees. All LIHEAP clients sign authorizations in their LIHEAP applications that allow HHS and its contractors to use data for statistical purposes.

11. Justification for Sensitive Questions

No sensitive questions are asked in this data collection.

12. Estimates of Annualized Burden Hours and Costs

LIHEAP grantees furnished these same data in FY 2010 for the 2009 RECS. Burden estimates were developed by contacting 7 LIHEAP grantees that supplied data in FY 2010 and gathering information on the labor hours associated with that effort. In addition, the discussion with these LIHEAP grantees asked them to project whether there would be any changes in the expected burden because of the development of new information systems. The table below summarizes the estimated burden hours and costs for this data collection. The grantee-reported estimates to comply with the request ranged from 3 hours to approximately 70 hours due to differences in grantee data system structures, staffing, and management.

**Burden Estimates for LIHEAP Recipient Household Administrative Data**

<b>Respondent</b>	<b>Number of Respondents<sup>1</sup></b>	<b>Number of Responses Per Respondent</b>	<b>Average Hour Burden Per Response<sup>2</sup></b>	<b>Total Burden Hours<sup>3</sup></b>	<b>Total Burden Cost<sup>4</sup></b>
<b>Grantees</b>	49	1	24	1,176	\$88,200

<sup>1</sup> This is based on the expected number of states sampled for the 2015 RECS.

<sup>2</sup> This is based on an average of estimates from 7 grantees; includes direct grantee staff hours, as well as hours for grantee contactors/sub-grantees (if applicable).

<sup>3</sup> This is calculated by multiplying the number of respondents, number of responses per respondent, and the average hour burden per response.

<sup>4</sup> This is calculated as the total burden hours multiplied by a \$75 per hour wage rate. This wage rate was estimated based on publically available information on grantee staff wage rates.

13. Estimates of Other Total Annual Cost Burden to Respondents and Record Keepers

The data collection procedures utilize existing systems and should not require any new capital expenditures by grantees.

14. Annualized Cost to the Federal Government

Federal Government Staff and Contractor tasks associated with the collection of these data include:

- Grantee Notification & Monitoring – Notifying grantees of the data collection and monitor progress of the data collection effort;

- Data Collection – Collecting the data from grantees; and
- Data Review and Analysis – Reviewing submitted data, working with grantees to verify the submitted data, and conducting analysis of the data to prepare administrative data variables and append them to the RECS data file.

The table below furnishes information on the estimated Federal Staff hours and costs associated with each task:

**Annual Federal Staff Hours and Costs**

<b>Task</b>	<b>Number of Hours</b>	<b>Rate</b>	<b>Total Cost</b>
Grantee Notification & Monitoring	50	\$68/hour	\$3,400
Data collection	20	\$68/hour	\$1,360
Data Review and Analysis	100	\$68/hour	\$6,800
Non-Labor Costs (Phone, Fax, And Copying)			\$100
<b>Grand Total:</b>			<b>\$11,660</b>

The sources of the Number of Hours, Rate, and Non-Labor Cost estimates are off-hand estimates from Peter Edelman

The table below furnishes information on the estimated Federal Contractor Staff hours and costs associated with each task:

**Annual Federal Contractor Staff Hours and Costs**

<b>Task</b>	<b>Number of Hours</b>	<b>Average Rate</b>	<b>Total Cost</b>
Data Collection	698	\$95.24	\$66,478
Data Review and Analysis	962	\$86.65	\$83,360
<b>Grand Total:</b>			<b>\$149,838</b>

Total estimated costs to the Federal government are **\$161,398**.

15. Explanation for Program Changes or Adjustments

This is a new project.

16. Plans for Tabulation and Publication and Project Time Schedule

The household-level data collected for this effort will be kept confidential to protect client privacy and confidentiality. That data will only be used to identify which

respondents in the RECS are LIHEAP recipients.

The LIHEAP recipient data will be collected from grantees during the period that starts immediately after OMB’s approval and ends three months thereafter. However, the data will not be published until the 2015 RECS data file is complete. The final RECS public use microdata file is not expect to be released until at least the summer of 2017. Based on that publication schedule, the RECS data file with the appended LIHEAP administrative data will first be available for use in the summer or fall of 2017.

The aggregate data generated from RECS for the confirmed LIHEAP recipient population will be included in the LIHEAP Home Energy Notebook and the LIHEAP Report to Congress to furnish information to Congress on the LIHEAP recipient population. The data will also be used to support special studies and analyses of the LIHEAP program.

Activity*	Estimated Date**
LIHEAP Home Energy Notebook - Section II: Home Energy Data	June 2018
LIHEAP Home Energy Notebook - Section IV: Federal LIHEAP Targeting Performance	June 2018
LIHEAP Home Energy Notebook - Section V: Special Study of Energy Insecurity of Low-Income and LIHEAP Recipient Households***	June 2018
LIHEAP Home Energy Notebook - Appendix A: Home Energy Estimates	June 2018
LIHEAP Report to Congress - Part II: Home Energy Data	September 2018

\* The activity depends upon the execution of the government’s plan to revise the LIHEAP Report to Congress and the LIHEAP Home Energy Notebook.

\*\* Publication is dependent upon the Department’s clearance process.

\*\*\* This is the preliminary planned Special Study topic.

17. Reason(s) Display of OMB Expiration Date is Inappropriate

Non-applicable.

18. Exceptions to Certification for Paperwork Reduction Act Submissions

None.

**B. Statistical Methods (used for collection 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 16 is checked "Yes," the following documentation should be included in the supporting statement to the extent that it applies to the methods proposed:**

1. Respondent Universe and Sampling Methods

This is not applicable. The reason for this non-applicability is the fact that HHS won't employ any statistical methods for this effort. That's because the household-level data that HHS plans to request of LIHEAP recipients in RECS sampled areas is needed to successfully identify all potential recipients that participated in the RECS.

2. Procedures for the Collection of Information

This is not applicable for the reason given in the response to Question B.1.

3. Methods to Maximize Response Rates and Deal with Nonresponse

This is not applicable for the reason given in the response to Question B.1.

4. Test of Procedures or Methods to be Undertaken

This is not applicable for the reason given in the response to Question B.1.

5. Individuals Consulted on Statistical Aspects and Individuals Collecting and/or Analyzing Data

This is not applicable for the reason given in the response to Question B.1.