

April 6, 2017

NOTE TO THE REVIEWER OF: OMB CLEARANCE #1220-0141
“Cognitive and Psychological Research”

FROM: Bill Mockovak and Jean Fox
Survey Methodologist/Research
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SUBJECT: Submission of Materials for the *CPI Rental
Question Study*

Please accept the enclosed materials for approval under the OMB clearance package #1220-0141, “Cognitive and Psychological Research.” In accordance with our agreement with OMB, we are submitting a brief description of the research, and the materials to be used in the research.

The maximum number of burden hours is estimated to be 33.

If there are any questions regarding this project, please contact Bill Mockovak at (202) 691-7414 or Jean Fox at (202) 691-7370.

Attachments

I. Introduction and Purpose

The Consumer Price Index (CPI) Housing Survey consists of interviews conducted every six months with approximately 35,000 households. In addition to general questions about housing, the Housing Survey includes two questions about rent (amount of rent and rental period) designed to measure the change in the cost of rent over time.

Previous research has shown that the current Housing Collection Instrument (CI) seems to adequately capture a dramatic change in the rent for a new tenant (who likely has a new lease). However, it does not do a good job capturing a change in rent when the tenant remains the same.¹ Therefore, one purpose of this research is to test whether the addition of a question about the lease date will lead to higher reported rents.

Another issue is that field staff have reported that the current wording of the “rental period” question is confusing. The question currently reads “What is the rental period?” Respondents often confuse the rental period (the amount of time covered by the single rent payment) with the lease period (e.g., one year). A second goal of this research is to study the impact of alternative wording for this question.

A third issue relates to the wording of the rent question itself. The question currently reads “How much rent are you paying for this apartment/house now?” The question is especially confusing at the end of the month, when respondents may be thinking about the rent for the following month, which they may have already paid (internal study by Sangster and Fox). The third goal of this research is to compare the current rent question with the alternative proposed by Sangster and Fox to specify the exact month for the survey, using the wording “What is your rent for <month and year>?”

In summary, the purpose of this research is to compare two current rental questions against proposed alternatives, as well as test new questions about the lease period.

II. Respondents

Two hundred respondents will be recruited using Amazon’s Mechanical Turk (MTurk) testing service. Since MTurk does not allow researchers to target participants who are renters, a two-phase recruiting approach will be used to determine eligibility (see Attachment 1).

First, MTurk testers will be asked to complete a screening task (two questions) that will be used to identify renters and to obtain their worker ID number. Testers will be paid 10 cents for completing this task.

Second, using their worker ID we will send eligible participants (renters) an email through our MTurk account asking them to participate in Phase 2 of the study, which involves asking questions about characteristics of their housing and the amount of rent paid (see Attachment 2). Each participant will be paid \$3.30 in Phase 2. Based on previous OSMR research, we expect that 60 percent of participants who are screened in Phase 1 will participate in Phase 2.

III. Research Design

¹ Ozimek, A. 2014. Sticky Rents and the CPI for Owner-occupied Housing, Active URL: <http://www.econsultsolutions.com/wp-content/uploads/Sticky-Rents-and-the-CPI-for-Owner-Occupied-Housing-2014-1.pdf>

Two hundred eligible respondents (based on the screening) will complete the questionnaire. Half will be randomly assigned to one version of the rent question and half to the other; in addition, half will be randomly assigned (independent of the rent question they receive) to one version of the rental period question and half to the other version of that question. Participants will also see one of two versions of the leasing question. We will evaluate all questions by looking at the time required to complete them, their actual responses, and any input about the difficulty of understanding or responding to the questions.

IV. Burden Hours

Recruitment. Since recruitment is handled by Amazon’s Mechanical Turk, there are no burden hours associated with recruitment. However, the Phase 1 screening is expected to take an average of one minute per screened worker. Since we anticipate screening about 334 MTurk workers to obtain 200 for Phase 2, the estimated burden hours are 6 (334 x 1 min, divided by 60 minutes = 5.57).

Data Collection. It is estimated that respondents will spend an average of 8 minutes completing the instrument. The burden hours are estimated to be 27 (8 min x 200 respondents, divided by 60 min = 26.7 or 27 hours), and the total burden hours will be 33 (6 + 27).

V. Payment to Respondents

Each Phase 1 respondent will be paid 10 cents. We estimate that we will need to screen 334 participants in Phase 1 to obtain 200 participants for Phase 2. Each Phase 2 respondent will be paid \$3.30. Phase 1 and Phase 2 costs are shown below:

• Phase 1	\$ 33.40
• Phase 2	<u>660.00</u>
Total	\$693.40

V. Data Confidentiality

BLS will not provide a guarantee of confidentiality. The following statement will be provided to respondents:

This survey is being administered by Qualtrics and resides on a server outside of the BLS Domain. The BLS cannot guarantee the protection of survey responses and advises against the inclusion of sensitive personal information in any response.

VI. Attachments

- Attachment 1 – Phase 1 and Phase 2 Protocol for Recruiting Renters
- Attachment 2 – Questions for Phase 2 Survey

Attachment 1- MTurk Recruiting Protocol

Phase 1

The purpose of this task is to identify workers who are renters, so that they can be asked to complete a follow-up 6-8 minute survey about housing characteristics and the amount of rent paid.

1. Do you currently rent an apartment, home, or some other type of structure?
 - Yes
 - No

2. (If yes) What is your worker ID? (We will use your ID to contact you for the follow-up survey)
Worker ID: _____

Phase 2

Hello,

We are contacting you because about one week ago you completed a short task that identified you as a renter.

We are inviting you now to participate in a follow-up survey about your rental apartment/home and the amount of rent you pay. The questions you will be answering are being tested as part of a survey for the Bureau of Labor Statistics, which is part of the Department of Labor. You will receive \$3.30 for your participation. The questions should take no longer than 8 minutes to complete. You will have five days to complete the survey.

If you are interested in completing this follow-up survey, please click on the link below to access the survey:

- Insert Link to Survey -

Please let me know if you have any questions or need clarification about the task.

Attachment 2 - Current Housing Questions, Including Current Questions about Rent

(Note: Each question will appear on a separate Web page)

Introduction

The first question on each page is the survey question of interest. Please answer that question.

If the first question is difficult or hard to answer, please check the appropriate box in the second question below. Otherwise, leave the second question blank.

We are collecting this information under OMB Control Number 1225-0141 (Expiration: April 30, 2018). Without this currently approved number, we could not conduct this survey. This survey is being administered by Qualtrics and resides on a server outside of the BLS Domain. The BLS cannot guarantee the protection of survey responses and advises against the inclusion of sensitive personal information in any response.

1. Are you renting a house, an apartment, or something else?

- House
- Apartment
- Something else

Was this question

- Difficult to understand
- Difficult to answer

Note: the response to this question will determine the fill regarding the type of unit in subsequent questions. The responses will fill as follows:

- House – “house”
- Apartment – “apartment”
- Something else – “unit”

2. When did the person who lives here the longest move in?

- Month:
- Year:

Was this question

- Difficult to understand
- Difficult to answer

<p>3. Is this {house/apartment/unit} owned or operated by a government agency?</p> <p><input type="radio"/> Yes</p> <p><input type="radio"/> No</p> <p>Was this question</p> <p><input type="checkbox"/> Difficult to understand</p> <p><input type="checkbox"/> Difficult to answer</p>	
<p>4. Is this {house/apartment/unit} the primary residence of at least one of the occupants?</p> <p><input type="radio"/> Yes</p> <p><input type="radio"/> No</p> <p>Was this question</p> <p><input type="checkbox"/> Difficult to understand</p> <p><input type="checkbox"/> Difficult to answer</p>	
<p>5. Is anyone living in this {house/apartment/unit} a relative of the landlord?</p> <p><input type="radio"/> Yes</p> <p><input type="radio"/> No</p> <p>Was this question</p> <p><input type="checkbox"/> Difficult to understand</p> <p><input type="checkbox"/> Difficult to answer</p>	
<p>6. (Respondents will get one of the two options below)</p>	
<p>a. How much rent are you paying for this {house/apartment/unit} now?</p> <p>Was this question</p> <p><input type="checkbox"/> Difficult to understand</p> <p><input type="checkbox"/> Difficult to answer</p> <p><If difficult> Please explain what was difficult.</p>	<p>b. How much is your rent for <month>?</p> <p>Was this question [Skip to 9 if neither answer is selected]</p> <p><input type="checkbox"/> Difficult to understand</p> <p><input type="checkbox"/> Difficult to answer</p> <p><If difficult> Please explain what was difficult.</p>
<p>7. (Respondents will get one of the two options below)</p>	

<p>a. What period of time does that rent cover?</p> <ul style="list-style-type: none"> <input type="radio"/> One month <input type="radio"/> Two weeks <input type="radio"/> One week <input type="radio"/> Other – please describe <p>Was this question</p> <ul style="list-style-type: none"> <input type="radio"/> Difficult to understand <input type="radio"/> Difficult to answer <p><If difficult> Please explain what was difficult.</p>	<p>b. What is the rental period?</p> <ul style="list-style-type: none"> <input type="radio"/> Monthly <input type="radio"/> Bi-weekly <input type="radio"/> Weekly <input type="radio"/> Other – please describe <p>Was this question</p> <ul style="list-style-type: none"> <input type="radio"/> Difficult to understand <input type="radio"/> Difficult to answer <p><If difficult> Please explain what was difficult.</p>
<p>8. How many of each of the following rooms does this {house/apartment/unit} have?</p> <ul style="list-style-type: none"> <input type="checkbox"/> Bedrooms <input type="checkbox"/> Full baths <input type="checkbox"/> Half baths <input type="checkbox"/> All other rooms <p>Was this question</p> <ul style="list-style-type: none"> <input type="radio"/> Difficult to understand <input type="radio"/> Difficult to answer 	
<p>9. When was this structure built?</p> <ul style="list-style-type: none"> <input type="radio"/> 2011-present <input type="radio"/> 2001-2010 <input type="radio"/> 1991-2000 <input type="radio"/> 1981-1990 <input type="radio"/> 1971-1980 <input type="radio"/> 1961-1970 <input type="radio"/> 1951-1960 <input type="radio"/> 1900-1950 <input type="radio"/> Before 1950 <input type="radio"/> Don't know <p>Was this question</p> <ul style="list-style-type: none"> <input type="radio"/> Difficult to understand <input type="radio"/> Difficult to answer 	

10. Does the landlord provide free off-street parking?

- Yes
- No

Was this question

- Difficult to understand
- Difficult to answer

<If difficult> Please explain what was difficult.

11. (Respondents will get one of the two options below)

If you have a current lease, how long is it?

- Month-to-month
- 6 months
- 12 months
- 24 months
- No lease
- Other, please describe

Was this question

- Difficult to understand
- Difficult to answer

<If difficult> Please explain what was difficult.

Do you have a lease or other rental agreement?

- Yes
- No
- Don't know

Was this question

- Difficult to understand
- Difficult to answer

<If difficult> Please explain what was difficult.

<If yes> How long is the current lease agreement?

- Month-to-month
- 6 months
- 12 months
- 24 months
- No lease

Other, please describe

Was this question

- Difficult to understand
- Difficult to answer

<If difficult> Please explain what was difficult.

12. <if there is a lease>

When did the current lease start?

Month:

Year:

Was this question

Difficult to understand

Difficult to answer

<If difficult> Please explain what was difficult.

13. Did the questions successfully capture key facts about your rental and leasing arrangements? If not, please describe what we missed.

Yes, the questions worked well

No, the questions missed some important information – please explain

14. Please share any other comments you have about the questions in this survey.

15. Thank you.