

DEPARTMENT OF TRANSPORTATION

INFORMATION COLLECTION SUPPORTING STATEMENT

An Analysis of the Use of Waiver Valuations by Federal, State and Local Public Agencies (LPAs): Identifying and Measuring Outcomes That Could Further Streamline Project

OMB Control No. 2125-XXXX.

INTRODUCTION

This is to request the Office of Management and Budget's (OMB) approval for the information collection entitled "An Analysis of the Use of Waiver Valuations by Federal, State and Local Public Agencies (LPAs): Identifying and Measuring Outcomes That Could Further Streamline Project Delivery Supporting Statement." ("National Waiver Valuation Survey")

Part A. Justification

1. Circumstances that make collection of information necessary.

This information collection supports the Department of Transportation's (DOT) accountability strategic goal. The information will help FHWA modernize existing policies and regulations regarding waiver valuations. Waiver valuation is a key component of the "Right of Way Flexibilities" that were an FHWA Every Day Counts (EDC) initiative. Since the "waiver valuation" language was included in 49 CFR Part 24, the extent by which our State Department of Transportation (SDOT) partners have used this "tool" has varied greatly, but its use continues to expand.

The initial intent of the waiver valuation was to help manage costs and increase efficiency in the right-of-way phase of a project by allowing qualified staff, in lieu of licensed or certified appraisers, to establish estimates of just compensation for straightforward acquisitions.

In 2007, FHWA completed and published a research project titled "*Effectiveness and Impacts of FHWA's Implementation of the 49 CFR 24.102(c) (2) Appraisal Waiver.*" That was the first (and only) time since its inception 28 years ago, that the process had been objectively evaluated on a program level.

There is continuing interest in increasing the waiver valuation limits, but little current research has been accomplished which can point to an optimum level that balances risks and rewards effectively while also considering appropriate protections for property owners impacted by Federal-aid projects. This collection of information is necessary to enable the agency to quantify the benefits that can be derived by use of the current waiver valuation regulations and to quantify

benefits that may be derived if the waiver valuation regulation limits were increased. It is the perspective of the FHWA Headquarters Office of Real Estate Services' leadership that the Federal-aid Realty Program could realize significant, tangible benefits through information collection.

2. How, by whom, and for what purpose is the information used.

The FHWA, via an online survey and telephone interviews, will be requesting information from the SDOTs to evaluate the effectiveness of the current waiver valuation regulations defined in 49 CFR Part 24 and to determine the optimal waiver valuation regulation limits. This research will provide a detailed analysis of the current state of the waiver valuation program nationwide. It will identify issues, practices, or misinformation/misunderstanding that limit the implementation of the waiver valuation program and reduce its ability to streamline processes. The research will document how SDOT's use the waiver valuations and how changes in the waiver valuation limits can improve implementation of waivers and enhance savings of administrative costs. The research also will identify additional opportunities for improving the existing processes/practices for waiver valuations that can provide significant savings in time and money and provide greater flexibility to acquiring agencies in delivery of their overall right-of-way acquisition program.

3. Extent of automated information collection.

The first phase of the survey will be conducted electronically. Emails will be sent to SDOT agencies with a link to the electronic survey. A version also will be provided to federal agencies. The electronic survey instrument will let respondents upload documentation and other supporting material. An email invitation will explain the purpose of the survey, explain the type of data needed to answer the survey questions, provide a link to the electronic survey, and instructions for how to respond to the survey. All respondents will receive the electronic version of the survey; they can receive a paper version of the survey on request. The contractor fielding the survey will provide technical support to each respondent to help them answer the survey questions.

The information is being collected through an electronic survey instrument because it is the easiest, least-cost approach for collecting the information. The electronic survey is inexpensive to distribute and track, minimizes the burden on respondents, and facilitates the creation of electronic data sets that will be used to analyze the survey results.

A subset of the initial survey respondents will be chosen for telephone interviews. Between 10 and 20 respondents to the survey will be selected, based on their responses to the survey. The most and least prolific users of waiver valuations will be interviewed. The follow-up questions will be informed by their responses to the survey. A draft of the interview protocol is attached. It will be revised based on the survey responses.

4. Describe efforts to identify duplication.

No similar data are gathered or maintained by the Agency or are available from other sources known to the Agency. The following sections verify that this information collection satisfies the OMB's non-duplication and consultation guidelines and does not duplicate another collection.

To the best of FHWA's knowledge, up-to-date state-by-state information on the current state of the waiver valuation process is not available from any other source. FHWA considered many other specific data collection and research efforts, but while many were topically relevant or similar, none utilized or offered actual survey data. Examples of considered efforts include:

- FDIC's [Interagency Appraisal and Evaluation Guidelines](#) offers information on qualifications for staff to perform waiver valuations.
- NCHRP Report 625: [Procedures Guide for Right-of-Way Cost Estimation and Cost Management](#) provides relevant information on cost estimation and management.
- NCHRP 11-08: [Assessing Practices for Right of Way Acquisition and Reimbursement in Utility Relocations](#) will identify policies, steps, and legislative means that agencies use to secure replacement easements or ROW for utility relocations.
- TxDOT Project: [Synthesis of Best Practices in Right-of-Way Valuations and Negotiations](#) identifies and summarizes best practices, process differences, legal aspects, and influence factors related to right-of-way valuations and negotiations.

5. Efforts to minimize the burden on small businesses.

This information collection does not involve small businesses.

6. Impact of less frequent collection of information.

The information will be collected one time only. This collection of information is necessary to enable the Agency to quantify the benefits that can be derived by use of the current waiver valuation regulations and to quantify benefits that may be derived if the waiver valuation regulation limits were increased. The analysis cannot be completed without the information collected by the survey.

7. Special circumstances.

This information collection does not:

- Require respondents to report information to the agency more often than quarterly
- Require a written response to a collection of information in fewer than 30 days after receipt of it
- Require respondents to submit more than an original and two copies of any document
- Require respondents to retain records for more than three years
- Rely on a statistical sample; it is conducting a census and is collecting information from

all relevant SDOTs and federal agencies.

- Require the use of a statistical data classification that has not been reviewed and approved by OMB
- Promise that the data requested will be kept confidential.
- Request proprietary trade, secret, or other confidential information.

There are no special circumstances associated with this information collection.

8. Compliance with 5 CFR 1320.8.

The FHWA published a 60-day Federal Register notice regarding the renewal of this information collection on February 7, 2019, Vol. 84, No. 26, page 2661. No comments were received.

9. Payments or gifts to respondents.

No payments or gifts will be provided to respondents.

10. Assurance of confidentiality.

FHWA is not providing assurance of confidentiality.

11. Justification for collection of sensitive information.

None of the information collected is of sensitive or private nature.

12. Estimate of burden hours for information requested.

Each State, the District of Columbia, Guam, Puerto Rico, and the US Virgin Islands are requested to provide information, for a total of 54 respondents. The number of burden hours (professional and clerical staff) per respondent for preparation of the data required to answer the survey and to fill out the questionnaire is 4 hours. The total burden for State respondents is estimated to be 216 burden hours (4 burden hours per respondent times 54 respondents). This burden consists of staff time of each respondent to the information requested by the survey (up to 3 hours) and the time to fill in the survey instrument (up to 1 hour).

States & US Territories		Labor hours per respondent		Total Burden Hours
54	X	4	=	216

Since this is a one-time survey, this is the total burden. The annual time burden would be 216 divided by 3, for 72 hours.

The survey should require no costs to the agencies responding, other than the time needed to respond to the survey. Respondents will be asked to answer the survey one time. We use the average of the Bureau of Labor Statistics' median hourly rates for [General and Operations Managers](#) (\$48.27), [Civil Engineers](#) (\$41.65), and [Management Analysts](#) (\$40.20), rounded up to the nearest whole dollar (\$43). The fully loaded wage rate, including benefits, is \$63, using a loading factor of 1.46.

The total hourly burden and costs are shown below.

	State Departments of Transportation
Hours	216
Direct Labor Costs	\$13,560
Overhead (20%)	\$2,712
Total	\$16,273

13. Estimate of total annual costs burden.

This is a one-time data collection effort. There are no additional burdens, other than those described above.

14. Estimates of costs to the Federal Government.

Federal and contractor costs are based on the estimated level of effort required to complete the data collection, multiplied by the hourly rate of the contractor staff.

The cost to the Federal Government consists of the staff time and related expenses for the development of the survey instrument and outreach to SDOTs to encourage their participation in the survey. It is assumed FHWA staff have already and will spend 50 hours on development of the survey instrument, coordination with OMB and outreach to SDOTs to encourage their participation in the data collection. Hourly costs are \$62 and overhead is assumed to be 20 percent. The loading factor for fringe benefits is assumed to be 1.46. The fully loaded hourly rate is \$109. The cost is:

50 FHWA Headquarters Staff Hours @ \$109 per hour = \$5,431.

Contractors will support the federal government's data collection effort. Contractors will develop the survey instrument, deliver the survey, and collect the data. In summary:

Cost Component	Federal Agency Costs	Contractor Costs	Total
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Direct salary and fringe	\$4,526	\$58,000	\$62,526
Overhead	\$905	\$20,000	\$20,905
<i>Total cost:</i>	\$5,431	\$78,000	\$83,431

The annual costs would be divided by 3, for an annual cost of \$27,810.

15. Explanation of program changes or adjustments.

There are no program changes or adjustments.

16. Publication of results of data collection.

The data will be collected 2019 and published in 2020. The survey and interview results will be published in a technical report and PowerPoint presentation. The report will summarize the responses to the survey questions. Complex analytical techniques will not be used.

17. Approval for not displaying the expiration date of OMB approval.

Approval for not displaying the expiration date is not being requested.

18. Exceptions to certification statement.

There are no exceptions to the certification statement for this information collection.