

Supporting Statement for Paperwork Reduction Act Submissions

Manufactured Home Construction and Safety Standards Act

Park Model RV Exemption Notice

OMB Control Number: 2502-NEW

A. Justification

1. Explain the circumstances that make the collection of information necessary. Identify any legal or administrative requirements that necessitate the collection. Attach a copy of the appropriate section of each statute and regulation mandating or authorizing the collection of information. Include a statement regarding the changes for this submission.

The National Manufactured Housing Construction and Safety Standards Act (the Act) [42 U.S.C. 5401 et. seq., Public Law 93-383], authorizes HUD to establish construction and safety standards for manufactured homes and to enforce these standards. Each such Federal manufactured housing standard shall be reasonable and shall meet high standard of protection [42 U.S.C. 5403]. The Secretary may by order, amend or revoke any Federal Manufactured Home Construction and Safety Standard established under Section 604 of the Act [42 U.S.C. 5403]. Section 623 of the Act permits any State to assume responsibility for the Federal program within the State, after approval of a State plan of enforcement by the Secretary. Section 614(f) of the Act [42 U.S.C. 5413(f)] requires each manufacturer, distributor, and dealer of manufactured housing to establish and maintain such records and provide such information as the Secretary may reasonably require determining whether the manufacturer is complying with the Standards. These requirements are currently approved under OMB Collection 2502-0253, which expires 01/31/2021.

To carry out its responsibilities under the Act, the Department has issued the Federal Manufactured Home Construction and Safety Standards (the Standards), 24 CFR 3280. The Department has also issued the Manufactured Home Procedural and Enforcement Regulations (the Regulations), 24 CFR 3282, to enforce these standards. The Regulations incorporate an exemption from HUD regulation for recreational vehicles (RV) if they are: built on a single chassis; 400 square feet or less when measured at their largest horizontal projections; self-propelled or permanently towable by a light duty truck; and designed primarily not for use as a permanent dwelling but as temporary living quarters for recreational, camping, travel, or seasonal use.

Through recent rulemaking, HUD is adopting a recommendation of the Manufactured Housing Consensus Committee (MHCC), a Federal Advisory Committee, and is clarifying the definition of recreational vehicle (RV) and modifying it to require certification with either the American National Standards Institute's (ANSI) standard for Park Model Recreational Vehicles (PMRV), A119.5-15 or the National Fire Protection Association's NFPA 1192, Standard on Recreational Vehicles, 2015 Edition. Since Park Model RVs built to ANSI A119.5-15 may exceed the RV exemption's 400 square foot threshold, a manufacturer must post notice in the home that the structure is only designed for recreational purposes and is not designed as a primary residence or for permanent occupancy.

The proposed rule for this requirement published in the Federal Register on February 9, 2016 at 81 Fed. Reg. 6806 included an estimate of the information collection burdens at the time of the publication. In its proposed rule, HUD estimated the burden of information collection in the rule and solicited public comments on that estimate. HUD received several public comments regarding the information collection estimate. One comment stated that HUD's proposed information collection was accurate and necessary to carry out the purposes of the proposed rule. Several others, as part of a letter writing campaign, stated that HUD's proposed collection would not enhance the quality, utility and clarity of the information collected. HUD considered the comments and concludes that the Manufacturer's Notice provides important information to prospective purchases of Park Model RVs that may otherwise be uninformed about the design of Park Model RVs for recreational use and temporary occupancy. HUD's Office of Manufactured Housing routinely receives approximately 4-6 complaints per year on the topic of RVs. In reviewing these complaints, HUD has determined that some come from manufacturers questioning whether a competitor's RV product is exempt from HUD's manufactured housing regulations. These manufacturers may be unsure of the scope of the exemption and feel that the RV in question meets the statutory definition of manufactured housing and does not satisfy the existing RV exemption. Complaints also have been submitted by consumers, who experience difficulty in determining whether their RVs meet the statutory definition of manufactured housing and are suitable for full-time living. The final rule provides both manufacturers and consumers additional clarity to make informed decisions without additional help from HUD. The manufacturer's notice, required for an ANSI-certified PMRVs to be exempt from HUD manufactured housing regulation, imposes a negligible or nonexistent burden on industry and provides informational benefit to consumers. The Recreation Vehicle Industry Association (RVIA) already requires a seal to be affixed to PMRVs meeting the ANSI standard. Recreation Vehicle Industry Association RVIA's own statement in support of this rule indicates that there will be no additional cost as a result of this notice. RVIA's current seal does not satisfy HUD's standard for the manufacturer's notice, however, which provides specific requirements regarding the content and prominence of the notice and which requires the notice to be prominently displayed in the unit and delivered to the consumer before the sale transaction is complete, regardless of whether the transaction occurs online or in-person. Nevertheless, HUD's manufacturer's notice requirement is not burdensome. PMRV manufacturers will satisfy this requirement with two printed sheets of paper per PMRV: one in the kitchen, and one delivered to the consumer before the transaction. These sheets are identical for every PMRV and are not modified between sales. In the case of an online transaction, the seller can deliver the notice to the purchaser by email or include the notice as a document in the transaction process by leaving the notice in the kitchen. HUD did not receive any comments from OMB. In this final rule, HUD updated its information collection analysis based on current RV industry data. Specifically, HUD has confirmed that the number of RV manufacturers that build and ship Park Model RV's, in accordance with ANSI-A119.5-15, total approximately 22 manufacturers and approximately 4,000 units per annum. HUD has also updated the burden estimate necessary for each affected manufacturer to provide 2 copies of the manufacturer's notice (see § 3282.15(c)). In addition, because the requirements and intended purpose of this information is to provide information to potential Park Model RV consumers, it was decided that a new collection,

rather than revision or any existing collection would be the most appropriate action.

Therefore, for this new information collection, HUD is identifying the burden hours resulting from the requirement for PMRV manufacturers that produce exempt products to provide specific consumer notifications. HUD has determined that this information collection burden does not fit within other information collections for the Manufactured Housing program. Therefore, this information collection is being submitted as a new collection. This information collection:

- Includes the PMRV manufacturers as respondents (22 PMRV manufacturers building to the A119.5-15 Standard)
- Includes the burden hours associated with the time and cost for delivering a Manufacturer's Notice to prospective consumers prior to the completion of the sales transaction and placing the same notice inside the exempted PMRV. This is estimated at approximately 20 seconds, and involves the time incurred in developing a template notice, using that template to create two copies for delivery and posting in affected PMRVs, as well as having a copy available for the dealer\seller to provide to the purchaser of the unit.

2. Indicate how, by whom, and for what purpose the information is to be used. Except for a new collection, indicate the actual use the agency has made of the information received from the current collection.

Manufacturer's Notice for Exempt PMRVs (see Final Rule) – Park Model Recreational Vehicle (PMRV) manufacturers are responsible for providing two printed sheets of paper per exempted PMRV, one that is placed in plain sight in the exempted RV and a second to be delivered to the prospective purchaser before completion of the sales transaction. These sheets may be identical for every exempted PMRV and would not need to be modified between sales. Should an online transaction take place, the seller could deliver the notice to the purchaser by email or include the notice as a document in the sales transaction process while also providing a notice in the PMRV unit.

3. Describe whether, and to what extent, the collection of information involves the use of automated, electronic, mechanical, or other technological collection techniques or other forms of information technology, e.g., permitting electronic submission of responses, and the basis for the decision for adopting this means of collection. Also describe any consideration of using information technology to reduce burden.

The Regulation requires the notice to be physically placed within the kitchen area of the RV before it leaves the production facility, so that necessary information is readily available to a prospective consumer. There is no technological application for this activity. Should an online sales transaction take place, the manufacturer could deliver the notice to the prospective purchaser by email or include the notice as a document in the sales transaction process documentation in addition to providing the notice in the PMRV.

4. Describe efforts to identify duplication. Show specifically why any similar

information already available cannot be used or modified for use for the purposes described in Item 2 above.

A review of the requirements indicates there is no duplication within the program. Further, the communications and data required do not exist outside the program.

5. If the collection of information impacts small businesses or other small entities (Item 5 of OMB Form 83-I), describe any methods used to minimize burden.

When the Department promulgates its rules for the Standards and the Regulations, the Secretary has consistently found that, in accordance with U.S.C. 605, that impact on small business is insignificant.

6. Describe the consequence to Federal program or policy activities if the collection is not conducted or is conducted less frequently, as well as any technical or legal obstacles to reducing burden.

The statutory and regulatory requirements for this collection are consistent with information collection requirements and the special circumstances identified in 5 CFR 1320.5(d)(2) are not applicable as further addressed below. The Department requires the information to be provided only when a Park Model RV is produced in accordance with ANSI A119-5-15. Without the notices, consumers may not be informed that they are considering purchasing a structure that is not designed for permanent occupancy and is not designed and constructed as a manufactured home regulated by HUD.

7. Explain any special circumstances that would cause an information collection to be conducted in a manner: (PLEASE ANSWER EACH BULLET SEPARATELY)

* requiring respondents to report information to the agency more often than quarterly;

No, does not apply. Information is not required to be reported directly to the Department on any set frequency as the Notices are required to be provided with each Park Model RV produced.

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

No, does not apply. There are no written response requirements associated with this collection of information required by the respective regulation.

* requiring respondents to submit more than an original and two copies of any document;

No, does not apply. There are (2) copies of the Manufacturer's Notice required to be provided in accordance with the regulation. One copy is to be posted in each Park Model RV and one copy is to be provided to a purchaser in advance of a sales transaction.

* requiring respondents to retain records, other than health, medical, government contract, grant-in-aid, or tax records, for more than three years;

No, does not apply. Records retention is not required as related to the requirement for the Manufacturer's Notice in the associated regulation.

* 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;

No, does not apply. This is not a statistical survey.

* requiring the use of a statistical data classification that has not been reviewed and approved by OMB;

No, does not apply. This is not a statistical survey.

* 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

No, does not apply. There is no pledge of confidentiality applicable to the regulatory requirement for a Park Model RV manufacturer to provide the Manufacturer's Notices.

* 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.

No, does not apply. There is no requirement for submission of trade secrets or other confidential information applicable to the regulatory requirement for a Park Model RV manufacturer to provide the Manufacturer's Notices.

8. If applicable, provide a copy and identify the date and page number of publication in the Federal Register of the agency's notice, required by 5 CFR 1320.8(d), soliciting comments on the information collection prior to submission to OMB. Summarize public comments received in response to that notice and describe actions taken by the agency in response to these comments. Specifically address comments received on cost and hour burden. Describe efforts to consult with persons outside the agency to obtain their views on the availability of data, frequency of collection, the clarity of instructions and recordkeeping, disclosure, or reporting format (if any), and on the data elements to be recorded, disclosed, or reported. Consultation with representatives of those from whom information is to be obtained or those who must compile records should occur at least once every 3 years - even if the collection of information activity is the same as in prior periods. There may be circumstances that may preclude consultation in a specific situation. These circumstances should be explained.

In accordance with 5 CFR 1320.8(d), the agency's notice for public comments regarding the prior information collection was announced in the *Federal Register* on February 9, 2016 at 81 Fed. Reg. 6806.

9. Explain any decision to provide any payment or gift to respondents, other than remuneration of contractors or grantees.

There are no gifts to respondents, or other remuneration of contractors or grantees.

10. Describe any assurance of confidentiality provided to respondents and the basis for the assurance in statute, regulation, or agency policy.

No assurances of confidentiality are provided. No personal information is collected.

11. Provide additional justification for any questions of a sensitive nature, such as sexual behavior and attitudes, religious beliefs, and other matters that are commonly considered private. This justification should include the reasons why the agency considers the questions necessary, the specific uses to be made of the information, the explanation to be given to persons from whom the information is requested, and any steps to be taken to obtain their consent.

There are no questions of a sensitive nature.

12. Provide estimates of the hour burden of the collection of information. The statement should: Indicate the number of respondents, frequency of response, annual hour burden, and an explanation of how the burden was estimated. Unless directed to do so, agencies should not conduct special surveys to obtain information on which to base hour burden estimates. Consultation with a sample (fewer than 10) of potential respondents is desirable. If the hour burden on respondents is expected to vary widely because of differences in activity, size, or complexity, show the range of estimated hour burden, and explain the reasons for the variance. Generally, estimates should not include burden hours for customary and usual business practices.

* If this request for approval covers more than one form, provide separate hour burden estimates for each form and aggregate the hour burdens in Item 13 of OMB Form 83-I.

* Provide estimates of annualized cost to respondents for the hour burdens for collections of information, identifying and using appropriate wage rate categories. The cost of contracting out or paying outside parties for information collection activities should not be included here. Instead, this cost should be included in Item 13.

Information Collection	Number of Respondents	Frequency of Response	Responses per Annum	Burden Hour Per Response	Annual Burden Hours	Hourly Cost Per Response ¹	Annual Cost
Manufacturer's Notice for	22	181.818182	4,000	0.005556	22.224000	55	\$1,222.32

Information Collection	Number of Respondents	Frequency of Response	Responses per Annum	Burden Hour Per Response	Annual Burden Hours	Hourly Cost Per Response ¹	Annual Cost
Exempt PMRVs				(20 seconds)			
TOTALS	22		4,000		22.224000	55	\$1,222.32

¹ The wage rate is determined at a fully burdened hourly rate of \$55.00 per hour, determined from a \$37.67 raw labor rate per hour x 1.46 burden multiplier.

13. Provide an estimate for the total annual cost burden to respondents or recordkeepers resulting from the collection of information. (Do not include the cost of any hour burden shown in Items 12 and 14).

There are no recordkeeping, capital, start-up or maintenance costs associated with this information collection.

14. Provide estimates of annualized costs to the Federal government. Also, provide a description of the method used to estimate cost, which should include quantification of hours, operational expenses (such as equipment, overhead, printing, and support staff), and any other expense that would not have been incurred without this collection of information. Agencies may also aggregate cost estimates from Items 12, 13, and 14 in a single table.

Annual Cost to the Federal Government

Item	Cost (\$)
Contract Costs: HUD administers a monitoring and inspection services contract that is used to monitoring compliance levels for all manufactured home program stakeholders (manufacturers, state partners, inspection agencies, and design review agencies. HUD does not regulate or otherwise oversee Park Model RV manufacturers.	\$0
Staff Salaries*	\$0
Facilities [cost for renting, overhead, etc. for data collection activity]	\$0
Computer Hardware and Software [cost of equipment annual lifecycle]	\$0
Equipment Maintenance [cost of annual maintenance/service agreements for equipment]	\$0
Travel for HUD staff	\$0
Printing [number of data collection instruments annually]	\$0
Postage [annual number of data collection instruments x postage]	\$0
Other	\$0
Total	\$0

* Note: The "Salary Rate" includes a 1.46 multiplier to reflect a fully-loaded wage rate.

15. Explain the reasons for any program changes or adjustments reported in Items 13 or 14 of the OMB Form 83-I.

This is a new information collection package.

Through recent rulemaking, HUD is adopting a recommendation of the Manufactured Housing Consensus Committee (MHCC), a Federal Advisory Committee, and is clarifying the definition of recreational vehicle (RV) and modifying it to require certification with either the American National Standards Institute's (ANSI) standard for Park Model Recreational Vehicles (PMRV), A119.5-15 or the National Fire Protection Association's NFPA 1192, Standard on Recreational Vehicles, 2015 Edition. Since Park Model RVs built to ANSI A119.5-15 may exceed the RV exemption's 400 square foot threshold, a manufacturer must post notice in the home that the structure is only designed for recreational purposes and is not designed as a primary residence or for permanent occupancy.

The proposed rule for this requirement published in the Federal Register on February 9, 2016 at 81 Fed. Reg. 6806 included an estimate of the information collection burdens at the time of the publication. The Department did not receive any substantive comment from either the public or the from OMB regarding the proposed information collection or burden estimates included in the proposed rule. More recent discussion with the RV Industry Association has informed this information collection burden estimate as the number of RV manufacturers building Park Model RVs has increased slightly since the proposed rule.

Therefore, for this submission of this new information collection, HUD is identifying the burden hours resulting from the requirement for PMRV manufacturers that produce exempt products to provide specific consumer notifications. HUD has determined that this information collection burden does not fit within other information collections for the Manufactured Housing program. Therefore, this information collection is being submitted as a new collection. This information collection:

- Includes the PMRV manufacturers as respondents (22 PMRV manufacturers building to the A119.5-15 Standard)
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16. For collections of information whose results will be published, outline plans for tabulation and publication. Address any complex analytical techniques that will be used. Provide the time schedule for the entire project, including beginning and ending dates of the collection of information, completion of report, publication dates, and other actions.

The results of the information collection will not be published.

17. If seeking approval to not display the expiration date for OMB approval of the

information collection, explain the reasons that display would be inappropriate.

HUD will display the expiration date for OMB approval of this information collection.

18. Explain each exception to the certification statement identified in Item 19, "Certification for Paperwork Reduction Act Submissions," of OMB Form 83-I.

HUD does not request an exception to the certification of this information collection.

B. Collections of Information Employing Statistical Methods.

There is no statistical methodology involved in this collection.