

U.S. Department of Commerce
U.S. Census Bureau
OMB Information Collection Request
Survey of Construction Questionnaire for the Building Permit Official (SOC-QBPO)
OMB Control No. 0607-0125

A. Justification

1. Necessity of the Information Collection

The U.S. Census Bureau is requesting an extension of the currently approved collection for the Survey of Construction Questionnaire for the Building Permit Official (SOC-QBPO). The information collected on the SOC-QBPO is necessary to carry out the sampling for the Survey of Housing Starts, Sales and Completions (OMB number 0607-0110), also known as the Survey of Construction (SOC). Government agencies and private companies use statistics from the SOC to monitor and evaluate the large and dynamic housing construction industry. The SOC and this collection are authorized under Title 13, United States Code, Sections 131 and 182.

The SOC-QBPO is an electronic questionnaire. The field representatives (FRs) either call or visit the respondents to enter their survey responses into a laptop computer using the Computer Assisted Personal Interviewing (CAPI) software formatted for the SOC-QBPO. The overall length of the interview and the size of the sample will not change.

2. Needs and Uses

The Census Bureau FRs use the SOC-QBPO to obtain information on the operating procedures of a permit office. This enables them to locate, classify, list, and sample building permits for residential construction. These permits are used as the basis for the sample selected for SOC. The Census Bureau also uses the information to verify and update the geographic coverage of permit offices.

Failure to collect this information would make it difficult, if not impossible, to accurately classify and sample building permits for the SOC. Data for two principal economic indicators are produced from the SOC: New Residential Construction (housing starts and housing completions) and New Residential Sales. Government agencies use these statistics to evaluate economic policy, measure progress towards the national housing goal, make policy decisions, and formulate legislation. For example, the Board of Governors of the Federal Reserve System uses data from this survey to evaluate the effect of interest rates in this interest-rate sensitive area of the economy. The Bureau of Economic Analysis (BEA) uses the data in developing the Gross Domestic Product (GDP).

The private sector and other data users from Department of Housing and Urban Development (HUD) and the National Association of Home Builders (NAHB) use the information for estimating the demand for housing, building materials and the many products used in new housing and to schedule production, distribution, and sales efforts. The financial community uses the data to estimate the demand for short-term (construction loans) and long-term (mortgages) borrowing.

Information quality is an integral part of the pre-dissemination review of information disseminated by the Census Bureau (fully described in the Census Bureau's Information Quality Guidelines). Information quality is also integral to information collections conducted by the Census Bureau and is incorporated into the clearance process required by the Paperwork Reduction Act.

3. Use of Information Technology

FRs collect the data using CAPI either by phone or in person. If a respondent cannot be reached by phone, the FR will visit the permit office. FRs will provide a printed version of the questionnaire in addition to an introductory letter to new respondents to document the questions that are asked in the interview and to provide the expiration date of the Office of Management and Budget (OMB) approval of the survey. See Attachments A and B

4. Efforts to Identify Duplication

Some duplication exists between the SOC-QBPO and the Form C-411, "Survey of Residential Building or Zoning Permit Systems" (OMB number 0607-0350). The questions related to geographic coverage of the permit jurisdiction are similar to questions on the C-411 form.

The C-411 form provides limited information to maintain the universe for the Building Permits Survey (OMB number 0607-0094) and the SOC. The Census Bureau uses the C-411 to obtain information from state and local building permit officials about changes to legal requirements for issuing building or zoning permits in the local jurisdictions, identify new permit-issuing jurisdictions, and to verify geographic coverage. The C-411 is typically used only once every ten years or when we have reason to believe that changes to permit systems have occurred. In addition to questions about geographic coverage, Form SOC-QBPO asks about the classification of permits for various types of residential buildings, the procedures for permit expiration and the issuance of extensions, the filing system for the permit office, and the availability of the records. This information is all necessary to accurately carry out the sampling of permits for the SOC.

5. **Minimizing Burden**

Information is collected for 1,017, or 5.0 percent, of the 20,100 permit-issuing places. Furthermore, interviews are conducted only when the place is initially selected for the SOC sample and, thereafter, whenever the permit official or office procedures change, usually once a year.

6. **Consequences of Less Frequent Collection**

Less frequent interviewing would jeopardize the SOC sampling process and accuracy of the statistics that are produced.

7. **Special Circumstances**

The collection of these data is consistent with the Office of Management and Budget (OMB) guidelines.

8. **Consultations Outside the Agency**

We consulted extensively with data users outside the agency to obtain comments regarding the current SOC questionnaire, which uses the SOC-QBPO to carry out the sampling. Consultations with outside consultants were for the purpose of receiving individual opinions and not for the purpose of forming a group opinion. The Census Bureau communicates regularly with survey sponsors from HUD and key data users including the NAHB, BEA, and Harvard University Joint Center for Housing Studies, who provide feedback regarding the SOC.

On October 10, 2019, we published a notice in the Federal Register (Volume 84, No. 197, Pg. 54586-54587) inviting public comments on our plans to submit this request. Six total comments were received during the 60-day comment period. Three comments were irrelevant to the collection.

The fourth comment was received from BEA, which stated that the BEA strongly supports this data collection because the data collected in this survey are crucial to key components of BEA's economic statistics (see Attachment C).

The fifth comment was from a concerned citizen, suggesting that the problem with permitting is that it becomes an obstacle in the construction of a home. The commenter stressed that permitting costs contribute to a large percentage of the cost of a house and believes that the only persons responsible to have a say on home construction should be the landowner, designer and builder. While we appreciate the comment, the content relates to the issuances of building permits in general, not to our actual survey. Local jurisdictions are responsible for issuing and determining the cost of the permit; the Census Bureau does not have a role in that process.

The sixth comment was from an anonymous citizen who supported the collection of information; he/she believed that any burden in the collection should be directly charged to the developers and realtors with no burden on the consumer. He/she supported very high permit prices, with the intention to limit commercial and unnecessary development while preserving building materials and undisturbed land. While we appreciate the comment, the Census Bureau is only collecting data on permits and permit offices. Local jurisdictions are responsible for issuing permits and determining their cost. The Census Bureau would have no authority or mechanism to charge developers or realtors fees for permits local jurisdictions issue.

9. Paying Respondents

The Census Bureau does not pay respondents or provide gifts in return for complying with the survey.

10. Assurance of Confidentiality

The information collected on the SOC-QPBO is not confidential. The letter provided to each respondent and the CAPI QBPO introduction FR script includes a statement, which indicates that the survey is voluntary and that no assurance of confidentiality is offered. See Attachment B.

11. Justification for Sensitive Questions

The SOC-QPBO contains no sensitive questions.

12. Estimate of Hour Burden

Reporting burden is calculated as follows:

Frequency	Total Respondents	Responses per Respondent	Total Annual Responses	Avg. Burden Hour per Response	Total Burden (hours)
Annual	1,017	1	1,017	.25	254

There are 1,017 respondents contacted once a year. Based on our experience and information from the respondents, we estimate that the average time to complete an interview is 15 minutes, resulting in a total annual response burden of 254 hours.

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 office 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. Cost to Federal Government

The total cost in FY 2019 for the Survey of Construction program of which this questionnaire is a part is estimated to be \$8,500,000. Of this amount, \$3,825,000 is borne by the Department of Housing and Urban Development, and \$4,675,000 is borne by the Census Bureau.

15. Reason for Change in Burden

The sample size and the number of burden hours has not changed.

16. Project Schedule

Information collected is used to execute SOC sampling and is not tabulated or published.

17. Request to Not Display Expiration Date

We will continue to display the expiration date on the reference version of the questionnaire mailed to each respondent. See Attachment A.

18. Exceptions to the Certification

There are no exceptions.