

**Supporting Statement for Paperwork Reduction Act Submissions
(Stepped and Tiered Rent Demonstration Evaluation)
(OMB# 2528-xxxx)**

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.**

Section 239 of the Fiscal Year 2016 Appropriations Act, P.L. 114-113 (2016 MTW Expansion Statute), authorizes HUD to expand the Moving to Work (MTW) demonstration program from the current size of 39 Public Housing Agencies (PHAs) to an additional 100 agencies over a period of 7 years. The Statute directs HUD to add new MTW PHAs in cohorts, with each cohort testing a specific policy change so that HUD can conduct a rigorous evaluation of that policy's effects. A copy of the relevant section of law authorizing the Department to undertake "such programs of research, studies, testing, and demonstration relating to the mission and programs of the Department" (12 USC 1701z-1 et seq.) is included as Appendix H.

The second cohort of MTW Expansion PHAs will test alternative ways of setting rents in the public housing and housing choice voucher programs. The traditional rent policy (the Brooke rent) typically sets each household's rent at 30 percent of their adjusted monthly income. This rent policy is administratively complex and burdensome for PHAs and assisted households. The Brooke rent is hypothesized to be a disincentive for households to increase their earnings, as \$100 dollars of increased income would result in \$30 of increased rent.

In this project—the Stepped and Tiered Rent Demonstration (STRD)—PHAs will implement alternative rents that might be easier to administer and might incentivize assisted households to increase their earnings. Five PHAs will implement a stepped rent, under which a household's rent will increase modestly each year regardless of their income. Five PHAs will implement a tiered rent, under which households are assigned to income-based tiers and rents are set based on the tier. Both policies will enable households to increase their income without causing an immediate rent increase. Both policies include hardship provisions to prevent high rent burdens. And both policies include less frequent income reexaminations, to reduce the amount of PHA staff time required to administer the program.

The STRD will be implemented as a randomized controlled trial (RCT); eligible households (limited to non-elderly, non-disabled households) will be randomly assigned to the new rent policy, or to remain on the traditional rent policy. This design is the gold standard for program evaluation and will enable HUD to conclude whether the new rent policies caused any differences observed between the two groups over time. HUD's evaluation is expected to last 6 years.

HUD has contracted with MDRC to carry out the first phase of HUD's evaluation, to launch the STRD and lay the foundation for a long-term evaluation. HUD has also allocated resources to

support software modifications required by the PHAs to implement the STRD Demonstration. This new information collection has the following components, all of which are necessary for the evaluation to succeed:

- The **Baseline Information Form** (BIF, see Attachment A) is a brief (approximately 7 minutes) survey administered to each household that is randomly assigned and consents to participate in the study. The administration of the BIF, and as is shown in Attachment A, is preceded by an introductory script tailored to the person gathering this data. One script is for PHA staff and the other for the survey firm, Decision Information Resources, Inc. (DIR).
- The **Informed Consent Form** (see Attachments B.1 and B.2, one for each rent policy) will be reviewed with the head of household during the study enrollment process and will be used to obtain their consent to engage in the study's data collection activities.
- The **field research data collection guides** for the interviews with PHA staff responsible for implementing the new rent policies are included as Attachments C-F. Each of the interview guides includes slightly different questions, reflecting the different roles played by different staff in the implementation of the rent policies. These interview guides include: PHA Executive Director-Senior Leader Interview Guide (Attachment C), PHA Program Director Interview Guide (Attachment D), PHA MTW Coordinator Interview Guide (Attachment E), and PHA Housing Specialist Interview Guide (Attachment F). These interviews, occurring roughly six months after study enrollment begins, will help HUD and MDRC to determine whether each PHA is implementing the new policy with fidelity to the study design. The interviews will also provide important information about how the new rent policies affect PHA administrative burden.
- A **data extract** that is based on a small subset of data elements captured by the PHAs exclusively for the demonstration, called the "Rent Policy Implementation Data Tracking Tool" (Attachment G lists the items and the information they provide). MDRC will collect these data fields along with MTW Expansion 50058 data, which is collected under OMB control number 2577-0083, directly from PHAs during the early implementation period to ensure that the new rent rules are being implemented correctly and throughout the demonstration to track hardship requests and collect updated contact information for ongoing communications and reminders about the demonstration and for potential follow-up surveys.

This new information collection request includes the following data collection instruments and attachments:

- Attachment A: Baseline Information Form
- Attachment B.1: Informed Consent Form- Stepped Rent
- Attachment B.2: Informed Consent Form- Tiered Rent
- Attachment C: Executive Director Interview Guide
- Attachment D: Program Director Interview Guide
- Attachment E: MTW Coordinator Interview Guide
- Attachment F: Housing Specialist Interview Guide
- Attachment G: Rent Policy Implementation Data Tracking Tool
- Attachment H: HUD Statutory Authority to Collect Information

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.

This is a new information collection. The information will be used by HUD, HUD's contractor MDRC, and any other HUD contractor that may be tasked with supporting the long-term evaluation of the STRD. The information will be used to: monitor that the new rent rules are implemented correctly, document baseline conditions prior to implementation of the new rent policies, assess PHA implementation of the new policies, to lay a foundation for the long-term evaluation of the policies' impacts, and to communicate information and reminders about the new rent rules to the households.

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.

Wherever possible, advanced technology will be used in data collection efforts to reduce burden on study participants and on site staff. For the Baseline Information Form, PHA staff or a third-party survey contractor will administer the survey verbally to study participants. The survey will seek to gather data that are not available in agency administrative records. Verbal responses to the survey will be recorded online using a secure, MDRC-developed web-based data collection tool. As back up, if a participant is not able to complete a survey with the PHA staff or with DIR, then DIR will send the participant an electronic link to the web-based data collection tool and the participant can self-administer the survey using the tool. But the primary mode of data collection is expected to be verbal responses recorded by survey facilitators online.

For the interviews with PHA staff, the research team will first seek to conduct data collection in person, recording the interviews for later transcription and analysis. The research team will seek to collect certain information via phone or secure electronic videoconference software (e.g., Zoom for Government), if PHA staff are unavailable for in-person interviews.

Following the launch of the demonstration, for monitoring the implementation of the rent rules by PHA staff, conducting quality checks on the software vendor modifications, and for contacting household for interviews, MDRC will rely on 50058 data collected from all 10 PHAs in the study. In addition, MDRC will work with PHA staff and software vendors to include study-specific fields in the software systems (see Attachment G), which will be then extracted by PHA staff along with other 50058 data and securely transferred to MDRC. All of the research-specific items shown in Attachment G will only be entered once, thus PHA staff burden should be minimal. Running the extracts by PHA staff will be set up so that minimal user intervention is needed. Further, working with the PHAs and software vendors, MDRC will specify the data we will need and the process by which MDRC will request the data. To minimize the burden on PHA staff generating the files for MDRC, file formats that match the files generated for IMS/PIC Modernization reporting will be used.

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.

HUD's evaluation of the STRD will rely heavily on existing administrative data, including: data from HUD's Inventory Management System/Public and Indian Housing Information Center (IMS/PIC), PHA 50058 data, the National Directory of New Hires (NDNH), local Continuum of Care (CoC), and state TANF and SNAP data. MDRC will seek informed consent from study participants to authorize long-term data matching to these administrative data sources. The Baseline Information Form proposed in this information collection would be a brief survey focused on collecting information not otherwise available in administrative data (for example, participants job characteristics and potential barriers to employment).

HUD and MDRC will also utilize available information about the experience of the PHAs implementing the new rent policies. The MTW Supplement to the PHA Plan is a reporting tool HUD has developed to track the activities of PHAs in the MTW Expansion. Information from the MTW Supplement will be used for HUD's evaluation of the STRD. But other important qualitative information can only be obtained directly from PHA staff through semi-structured interviews, as proposed in this information collection. These interviews will, for example, help MDRC assess whether each PHA has implemented the new rent policies correctly with fidelity to the RCT design.

The additional data elements listed in Attachment G that will be collected from the PHAs to monitor implementation of the rent rules are not available in any other form in a consistent manner. Although most fields needed for the research are included in the IMS/PIC Modernization data, other fields such as Research Status, Opt-Out flag, Rent Rule Type, phone number, and hardship requests are not reported to HUD and not available in the IMS/PIC modernization extracts. Without these fields, MDRC would not be able to determine if PHA staff are assigning the correct rent calculation to each study household or implementing the new rent rules correctly, and MDRC would not be able to contact program group household (for follow-up surveys, for example) throughout the study period.

In addition, for the monitoring of the new rent policies, MDRC is also requesting from PHAs the 50058 fields that the PHAs regularly submit to HUD IMS/PIC Modernization. These data are needed directly from PHAs because the lag between the data being available in the PHA software systems and the data being available to MDRC from HUD can be up to about five months, which does not allow for quality checking and monitoring of the new rent policies in a timely manner. Further, collecting information needed for monitoring implementation from two different data sources (IMS/PIC Modernization and directly from PHAs) would require merging multiple data files and reconciling inconsistencies between sources before performing the quality checks, which can make it more difficult to conduct these checks in a consistent and timely manner, and can add burden to housing agency staff for providing additional information to MDRC to help resolve these discrepancies.

After the quality checks and monitoring is complete, MDRC plans to transition to collecting all 50058 data that is available on the 50058 IMS/PIC Modernization data that will be used for the evaluation directly from HUD instead of the PHAs, with the exception of hardship request and contact data, which will be collected separately from 50058 submissions and will not be submitted to HUD.

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.

This information collection will not affect small businesses. It will only affect PHA staff and individual recipients of HUD housing assistance.

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 STRD data collection aims to collect information only as frequently as needed to achieve the aims of the study. Eliminating any proposed data collection items would compromise the evaluation's ability to address key research questions and monitor the implementation of the rent rules.

Baseline Information Form (Attachment A). The BIF will be conducted only once. These data will be used to describe the sample and to create variables that will be used in the analysis. It is not possible to eliminate this data collection.

Informed Consent Form (Attachments B.1 and B.2). The Informed Consent Form will be reviewed with the head of household during the study enrollment process a single time and will be used to obtain their consent to engage in the study's data collection activities.

Interview guides for the interviews with PHA staff responsible for implementing the new rent policies (Attachments C-F). Semi-structured interviews will be conducted with program staff at two points during the three-year period (2022 to 2024). These interviews will be critical to understand the implementation of each program and its context.

Rent Policy Implementation Data Tracking Tool (Attachment G). MDRC will request three data deliveries from the PHAs during the study enrollment period, which is expected to last one year, as well as two data deliveries in the months immediately following the end of enrollment. These data are essential for the study to confirm that the rent rules were implemented correctly. After the 50058 PHA data described above is collected for quality checks and monitoring the implementation of the new rent rules, MDRC will transition to collecting 50058 IMS/PIC data from HUD biannually.

In addition, MDRC will continue collecting limited data from the PHAs, including hardship requests and contact information, which as noted above, are not available in the 50058 IMS/PIC Modernization data. Hardship request data will be requested biannually beginning during the enrollment period, and the contact data will be requested biannually starting with the second year of the study period.

7. Explain any special circumstances that would cause an information collection to be conducted in a manner:
- requiring respondents to report information to the agency more than quarterly;
 - requiring respondents to prepare a written response to a collection of information in fewer than 30 days after receipt of it;
 - requiring respondents to submit more than an original and two copies of any document;
 - requiring respondents to retain records other than health, medical, government contract, grant-in-aid, or tax records for more than three years;
 - in connection with a statistical survey, that is not designed to produce valid and reliable results than can be generalized to the universe of study;
 - requiring the use of a statistical data classification that has not been reviewed and approved by OMB;
 - 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
 - requiring respondents 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.

The proposed data collection activities are consistent with the guidelines set forth in 5 CFR § 1320 (Controlling Paperwork Burdens on the Public). There are no special circumstances that require deviation from these guidelines. The following below are **“Not Applicable”** to this collection:

- requiring respondents to report information to the agency more than quarterly – **“Not Applicable”**;
- requiring respondents to prepare a written response to a collection of information in fewer than 30 days after receipt of it – **“Not Applicable”**;
- requiring respondents to submit more than an original and two copies of any document – **“Not Applicable”**;
- requiring respondents to retain records other than health, medical, government contract, grant-in-aid, or tax records for more than three years – **“Not Applicable”**;
- in connection with a statistical survey, that is not designed to produce valid and reliable results than can be generalized to the universe of study – **“Not Applicable”**;
- requiring the use of a statistical data classification that has not been reviewed and approved by OMB – **“Not Applicable”**;
- 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 – **“Not Applicable”**; or
- requiring respondents 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 – **“Not Applicable”**.

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 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 preclude consultation in a specific situation. These circumstances should be explained.**

In accordance with 5 CFR 1320.8 (Paperwork Reduction Act of 1995), HUD published a 60-Day Notice of Proposed Information Collection in the Federal Register on November 24, 2021 (Docket No. FR-7041-N-06, pages 67076-67078) related to the data collection activities for the Moving to Work Stepped and Tiered Rent Demonstration Evaluation. The notice provided a 60-day period for public comments, and comments were due January 24, 2022. No comments were received. (See Appendix D for a copy of the Federal Register Notice.)

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

For the Baseline Information Form, all participating households will be asked to complete the survey. This data collection will be incorporated into the enrollment process used by each PHA to document household income and calculate rents (the income examination process). Because the BIF will take approximately 7 minutes and will be incorporated into an existing process that all assisted households experience, the burden it presents is minimal and respondents will not be compensated. MDRC expects most households to complete the Baseline Information Form in this way. However, some households may be pressed for time and may not be able to complete the BIF during their income reexamination. For these initial non-respondents, MDRC will conduct targeted follow-up by phone and will offer a small incentive (\$10) to minimize non-response bias and to compensate respondents for their time.

For PHA staff interviews, staff will be asked to participate in data collection as part of each PHA's overall effort to implement the STRD and support the evaluation. Because interview participation represents a minimal burden and will be both voluntary and connected to each respondent's day-to-day job responsibilities, no compensation will be offered.

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

Because of the nature of the information collected from and about study participants, strict confidentiality procedures will be followed for this evaluation. The information requested under this collection is protected and held confidential in accordance with 5 U.S.C. § 552a (Privacy Act of 1974). As required by 5 U.S.C. 552a (Privacy Act of 1974), HUD will publish a Systems of Record Notice (SORN) in the Federal Register.

Strong confidentiality protections will be implemented to maintain the privacy of respondents in STRD data collection activities, to the extent permitted by law. At enrollment, study participants will review and sign an Informed Consent Form, which will outline the confidentiality protections offered by the study. All PHA tenants will be allowed to opt out of having their personally identifiable data shared with MDRC or its research partners. This Informed Consent Form and review process will be approved by MDRC's IRB and by HUD, and it will protect tenants from having their data disclosed without their knowledge and without any way to prevent that disclosure. (Since random assignment is conducted for all eligible households, regardless of whether they consent to participate in the study, a limited set of identifiers – including name, household ID, SSN and DOB – will be collected from all eligible households to complete random assignment and identify the households in the PHA's housing subsidy software systems.)

All study participants will be informed that any personal information they provide or allow access to for the study will be used only for the evaluation. Individuals will not be identified in prepared reports. All research staff working on the project will be trained to protect private information and will sign a pledge stating that they will keep all information gathered private to the extent permissible by law. All papers that contain study participant names or other identifying information will be kept in locked areas and any computer documents containing identifying information will be protected with a password.

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.

Questions that are potentially of a sensitive nature are minimized on the data collection tools. The Baseline Information Form covers some topics that are generally discussed with (and documented by) PHA agency staff at the time of recertification. For instance, voucher holders are asked to report on employment and income at the time of recertification. However, in addition, the evaluation is interested in documenting additional background characteristics (not collected in routine agency data collection) that may influence participants' response to the alternative rent policy. Thus, it is crucial that HUD and its contracted partner collect the type of information included in the Attachment A. Respondents will be informed by program staff prior to Baseline Information Form data collection that their answers will be kept confidential, that they may refuse to answer any question, that results will only be reported in the aggregate, and that their responses will not have any effect on any services or benefits they or their family members receive. These procedures for consent will be approved by HUD and MDRC's Institutional Review Board.

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 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; and**
- 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.**

Exhibit A. Burden Estimates for Enrollment and Implementation Research Activities

Information Collection	Number of Respondents	Frequency of Response	Responses Per Annum	Burden Hour Per Response	Annual Burden Hours	Hourly Cost Per Response	Annual Cost
Baseline Information Form (household survey) (Attachment A)	24,000	1	24,000	.12	2,880	\$9.43 ¹	\$27,158.40
Stepped Rent Informed Consent Form (Attachment B.1)	7,000	1	7,000	.18	1,260	\$9.43 ¹	\$11,881.80
Tiered Rent Informed Consent Form (Attachment B.2)	17,000	1	17,000	.18	3,060	\$9.43 ¹	\$28,855.80
PHA Executive Director-Senior Leader Interview Guide (Attachment C)	10	1	10	.75	7.5	\$59.86 ²	\$448.95
PHA Program Director Interview Guide (Attachment D)	20	1	20	1.5	30	\$44.24 ²	\$1,327.20
PHA MTW Coordinator Interview Guide (Attachment E)	10	1	10	.75	7.5	\$44.24 ²	\$331.80
PHA Housing Specialist	60	1	60	1.5	90	\$25.64 ²	\$2,307.60

¹ Households in the STRD will range widely in employment position and earnings. We have estimated the average prevailing minimum hourly wage across the ten STRD sites at \$9.43.

² For program staff participating in interviews, the estimate uses the mean hourly wages of selected occupations (classified by Standard Occupational Classification (SOC) codes) was sourced from the Occupational Employment Statistics from the U.S. Department of Labor's Bureau of Labor Statistics. Potentially relevant occupations and their median hourly wages in the "Local Government, excluding Schools and Hospitals" industry are:

Source: Occupational Employment Statistics, accessed online December 20, 2021 at http://www.bls.gov/oes/current/oes_stru.htm

Interview Guide (Attachment F)							
Rent Policy Implementation Data Tracking Tool (Attachment G)	10	1	10	9	90	\$25.64 ²	\$2,307.60
Total	48,110				7,425		\$74,619.15

13. Provide an estimate of 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).

- **The cost estimate should be split into two components: (a) a total capital and start-up cost component (annualized over its expected useful life); and (b) a total operation and maintenance purchase of services component. The estimates should take into account costs associated with generating, maintaining, and disclosing or providing the information. Include descriptions of methods used to estimate major cost factors including system and technology acquisition, expected useful life of capital equipment, the discount rate(s) and the time period over which costs will be incurred. Capital and start-up costs include, among other items, preparations for collecting information such as purchasing computers and software; monitoring, sampling, drilling and testing equipment; and record storage facilities;**
- **If cost estimates are expected to vary widely, agencies should present ranges of cost burdens and explain the reasons for the variance. The cost of purchasing or contracting out information collection services should be a part of this cost burden estimate. In developing cost burden estimates, agencies may consult with a sample of respondents (fewer than 10) utilize the 60-day pre-OMB submission public comment process and use existing economic or regulatory impact analysis associated with the rulemaking containing the information collection, as appropriate.**
- **generally, estimates should not include purchases of equipment or services, or portions thereof made: (1) prior to October 1, 1995, (2) to achieve regulatory compliance with requirements not associated with the information collection, (3) for reasons other than to provide information or keep records for the government, or (4) as part of customary and usual business or private practices.**

There will be no cost burden to respondents resultant to the data collection from the BIF or the PHA interviews.

14. Provide estimates of annualized cost 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 also may aggregate cost estimates from Items 12, 13, and 14 in a single table.

The total cost to the federal government for the STRD Study is \$5,653,240. Included in this budget are costs associated with preparation for random assignment including costs associated with

adjusting public housing authority's management information systems, administrative data collection, qualitative data collection, data processing and analysis, and reports and deliverables. The baseline data collection portion of this budget is \$1,546,651.

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

This submission is a new request for approval.

16. For collection 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.

Using various data sources, MDRC will develop three reports during Phase 1 of the evaluation.

Report Schedule

DELIVERABLE	SCHEDULE
Interim Report 1	2/15/23
Interim Report 2	3/27/24
Final Implementation Report	7/10/25

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.

The expiration date for OMB approval will be displayed on any forms completed as part of the data collection.

18. Explain each exception to the certification statement identified in item 19.

No exceptions are necessary for this information collection.