

**SUPPORTING STATEMENT FOR
PAPERWORK REDUCTION ACT INFORMATION COLLECTION
SUBMISSIONS**

**Private Rental Survey
OMB No. 1084-0033**

Terms of Clearance: None

Justification

1. Explain the circumstances that make the collection of information necessary. Identify any legal or administrative requirements that necessitate the collection.

Public Law 88-459 (Federal Employees Quarters and Facilities Act of 1964) authorized Federal agencies to provide housing for Government employees under specific circumstances. Under the authority of 5 U.S.C. 5911, rent should be collected from Federal employees through payroll deduction for Government-owned quarters. 5 U.S.C. 5911 also required administrative policy and guidelines be drafted, and the Office of Management and Budget subsequently implemented *Circular A-45 (revised November 25, 2019)*, “*Rental and Construction of Government Housing*.” OMB Circular A-45 requires that employee rents be based on “a survey of comparable private rental housing in the nearest established communities throughout the survey region” or appraisals. In addition, “agencies should use the survey method, whenever possible, due to the costs and administrative burdens associated with conducting individual appraisals.”

OMB Circular A-45 also specifies “To avoid duplication and inconsistent (rental) rates, all agencies with housing in a given location should coordinate their survey plans and conduct a single survey applicable to all.” In the early 1980s, the Interior Business Center (IBC, DOI), began a shared federal service to set rental rates for federal housing. The IBC’s *Internet Quarters Management Information System (iQMIS)* is now used by 18 Federal agencies/offices to calculate rent for employees/tenants in approximately 17,000 housing units. iQMIS rental rates comply with the requirements of OMB *Circular A-45*. As a shared service, the IBC can provide A-45-compliant rents at a lower cost to federal agencies than the appraisal method. In addition, rent revenues collected from tenants may be used to pay for the iQMIS shared services instead of appropriated funds from taxpayer dollars.

There are 16 survey regions; each region and community is surveyed every 4 years. (See Attachment A for Survey Regions Map.) Rents are adjusted in the interim years by inflation measures (per Section 7(d)(2)). Currently, the IBC conducts about 4 regional rental market surveys each year, collecting data on about 3,800 private rental comparables each year using forms OS-2000 and OS-2001.

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. Be specific. If this collection is a form or a questionnaire, every question needs to be justified.

In essence, private rental market data collected via forms OS-2000 and OS-2001 are used to statistically determine the “fair market rent” of houses, apartments, mobile homes, and trailer

pads in specific communities, and in specific regions, across the U.S., the Caribbean, Guam, and American Samoa.

The IBC, as part of the shared service to its 18 participating federal agencies/offices, contracts for the collection of private rental market data. The contractor uses OS-2000 and OS-2001 to gather rental market data. The 5-year contract is competitively bid, awarded, and administered by the IBC.

A sampling plan is developed by the IBC, based on the location and types of Government housing in each region. The contractor uses the plan to collect data from property managers of private rental units on forms OS-2000 and OS-2001. (See Attachment B for justification of each question on the survey form.) The data is collected on a voluntary basis from property managers, realtors, landlords, and rental property “multiple listing” providers. Respondents provide the data electronically, through telephone interviews and emails. Property appraisal methods are not used.

The contractor interviews the knowledgeable property manager or landlord to complete most items on the OS-2000 or OS-2001 form. The contractor is free to choose any source that meets the contract specifications. In some cases, the rental data is derived largely from web sites, newspaper ads or leads. In other cases, rental property leads are available from realtors or the local Chamber of Commerce. In larger cities, the requested information may be collected from computer databases containing “multiple listings” for rental purposes.

Rental units that are occupied and have had their rental rates reconfirmed within the past 12 months are acceptable as comparables, as are vacant units currently offered for rental. A unit does not have to be vacant to be included in the survey. All rental samples must reflect the monthly contract rental rate for a one-year lease at a fair market rent. No rentals may be selected from vacation rentals, subsidized housing (i.e., HUD Section 8), where the tenant furnishes some services (i.e., maintenance, repair, custodial services, security, etc.) to the landlord in lieu of rent, or where rent is less than a fair market rate (i.e., a family relationship between landlord and tenant.)

Property managers are frequently realtors or other management companies and may provide data for more than one rental property. For example, the contractor may collect rental data on a one-bedroom apartment, a two-bedroom apartment, and a three-bedroom apartment that exist in the same complex.

When the regional survey is complete, the IBC receives the rental data in a database format and analyzes it using stepwise multiple regression techniques. Through this process, numerical (dollar) values are derived for the independent variables (i.e., square feet, bedrooms, bathrooms, age, community, etc.) that account for the most variance in the dependent variable (the adjusted contract rent of the private sector housing units in the region). These factors, and their corresponding dollar values, result in a rent “formula” – a regression line that best predicts rent. Regressions are run separately for houses, apartments, and mobile homes. The formulas are then programmed and made available to users in iQMIS and are used to compute the rent, utilities, and related charges for each federal employee housing unit. The regional survey results are also published in a report, made available internally to IBC iQMIS participants.

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 and specifically how this collection meets GPEA requirements.

Some respondents provide electronic files containing their responses to the OS-2000 and OS-2001, rather than a paper copy of OS-2000 or OS-2001. Responses are collected in the contractor's database. About 30% of respondents are updating property data from previous surveys, 60% of respondents are validating published data collected from property tax records, advertisements, public web pages, etc., and only 10% of respondents are completing a new Form OS-2000 or OS-2001, either verbally by telephone or in writing by email. The contractor's data collection methods attempt to reduce the burden on respondents.

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.

The use of the survey method, which relies upon the forms at issue, has dramatically reduced the data collection and analysis required by the appraisal method. For example, the survey method, used for establishing rental charges for about 17,000 Government employee housing units, requires the completion of approximately 3,800 Private Rental Survey forms each year, or 19,000 Private Rental Survey forms over a five-year period. If appraisals were used instead, similar information would be collected by appraisers on a minimum of 34,000 data collection forms over a five-year period, since appraisals require the use of at least two private rental comparables to establish the rental value of one individual unit.

OMB *Circular A-45* prefers regional surveys to appraisals because it offers economies of scale and consistency for employee rental rates. The cost to federal agencies/offices is lower with the shared federal service provided by IBC using the survey method.

There is no alternative source from which the required information can be obtained. Similar information concerning the value of private sector housing bought and sold on the open market is available from such sources at the multiple listing service or county records. However, these sources do not provide usable information on rental property.

In the past, DOI has looked at potential duplication with the Fair Market Rents Program at HUD. The Fair Market Rents Program only covers apartments (not houses, mobile homes or trailer pads) and does not collect necessary data such as square footage, bathrooms, garages, air conditioning, condition assessments, age, and more. Also, the Fair Market Rents Program only covers major metropolitan areas, and therefore does not collect data in most of the communities where Government-owned quarters are located. Most Government quarters are in small, rural communities. This is because the largest rental property owners are the National Park Service, the U.S. Forest Service, the Bureau of Indian Affairs, and the Indian Health Service. These agencies do not own housing in major metropolitan areas.

5. If the collection of information impacts small businesses or other small entities, describe any methods used to minimize burden.

The contractor is permitted to obtain the rental information in any manner they elect, including contacts with property owners, real estate offices, or property managers, and these are frequently small businesses. As participation is totally voluntary, any individual or small business can eliminate the burden by refusing to participate.

Efforts to reduce the burden include a scrutiny to ensure that only information required to estimate and calculate fair market value is collected. Also, if the small business responded four

years prior, the results of that response only need to be updated (i.e., only monthly rental rate needs to be updated.) The forms and questions also reflect several recommendations made over the years by the contractors who gather the data.

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.

In the years between each survey, rents are updated by applying percentage changes in the national Consumer Price Index (CPI). If the collection is conducted less frequently, this could introduce rental distortions that may disadvantage the employees/tenants. Over time, there is a widening disparity between actual community market values and the rents estimated by applying national CPI measures. As this disparity increases, rents become inaccurate and the Government's exposure to tenant appeals increases.

If the collection activity is not conducted at all, there will be no basis for determining open market rental costs and all agencies that rely on this service will suddenly be **out of compliance** with federal regulation OMB *Circular A-45*. A-45 then mandates that Federal agencies use contract or in-house appraisers to gather the same type of rental market data. Using the appraisal methodology will **increase the burden** on the public because appraisers will still need to find applicable rental comparables upon which to base their valuation. In addition, appraisals **increase the costs** to the Government. The survey method is the least burdensome and least costly option.

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 often 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 that 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 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.**

None of the above circumstances apply.

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 in response to the PRA statement associated with the collection over the past three years, 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 three 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.

On August 11, 2022, we published in the *Federal Register* (87 FR 49606) a notice of our intent to request that OMB approve this information collection. In that notice, we solicited comments for 60 days, ending on October 11, 2022. We did not receive any comments in response to that Notice.

The IBC Quarters Program has contacted respondents of the various surveys, but without much success. Inquiries go unanswered, perhaps due to email fatigue. Respondents rarely remember the amount of time required (burden.) We attribute this to the fact that it takes so little time to provide the information requested, and the fact that OS-2000 or OS-2001 are not physically completed by participants because data is collected electronically or verbally. We therefore rely on the contractor performing the survey to provide burden data. Delta-21 Resources, Inc., a contracting company, has conducted these surveys and has collected thousands of comparables. Three current Delta-21 personnel who have extensive experience conducting the rental survey independently estimate that OS-2000 requires an average of 6 minutes to complete, and the OS-2001 requires an average of 4 minutes to complete.

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

No payments or gifts are, or will be, provided to respondents.

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

We provide the contractors with a letter of introduction, explaining the purpose and use of the voluntary survey (see Attachment C). The contractor provides an introduction to each respondent and explains that their responses will be kept confidential and will only be used for Government employee rent-setting purposes. Respondents can choose to remain anonymous. There is no requirement for anonymity of regional rental survey data in law, but when survey data is released for specific purposes by IBC, anonymity is maintained – no respondent information, rental unit addresses, or other unit identifiers are included.

While limited Personally Identifiable Information (PII) may be gathered as part of the survey, it is only used for follow-up purposes by Government employees. No sensitive PII is collected. The system that stores the PII is not used to retrieve any individual's information by a personal identifier, so a System of Records Notice (SORN) is not required, however; a Privacy Impact Assessment is performed on all systems every three years so the need for a SORN is re-evaluated on a periodic basis.

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.

No sensitive personal information is requested. Respondents often refuse to provide the unit owner's address or telephone number, but this does not invalidate the data collected.

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.**
- * 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.**

Forms OS-2000 and OS-2001 are completed by respondents using spreadsheets, emails, and phone interviews – not by U.S. mail. The estimated response time (burden) is therefore based upon the contractor's experience in collecting several thousands of responses. The contractor estimates that 6 minutes are typically required to complete OS-2000, and 4 minutes are typically required to complete OS-2001. Since the contractor has many years of experience collecting the forms, and is paid for each form completed, not by the hour, the IBC is confident in the contractor's estimate of burden per form.

The aggregate annual burden of collection varies greatly from year to year because the number of survey forms specified in the Sample Plan varies from region to region. Each region is surveyed only once every four years, therefore, the number of forms required will also vary from year to year.

Since many respondents are property managers, they may provide OS-2000 or OS-2001 form data on more than one property.

Annual Data Collection Forms Estimate

	OS-2000	OS-2001	Total
FY 2022 (Idaho/Montana, Plains, Alaska, North Central, Guam Regions)	3,700	373	4,073
FY 2023 (Arizona/Nevada, Oregon/Washington, Northeast Regions)	4,000	201	4,201
FY 2024 (Southeast, Mid-South, New Mexico, American Samoa Regions)	4,100	384	4,484
FY 2025 (Hawaii, Caribbean, California, Colorado/Utah/Wyoming Regions)	3,140	478	3,618
AVERAGE ANNUAL	3,735	359	4,094

The number of responses (“Sample Size”) required for a given survey region fluctuates every four years, due to the number, types, and locations of government housing units, which determine the number of communities to be surveyed.

- * If this request for approval covers more than one form, provide separate hour burden estimates for each form, and aggregate the hour burdens.

	Avg. No. of Individual Respondents	Avg. No. of Responses per Respondent [1]	Avg. Total Annual Responses	Time per Response	Total Burden Hours
OS-2000	1,598	1.99	3,180	6 min.	318
OS-2001	285	1.26	359	4 min.	24
Total	1,883		3,539		342

¹[1] The Frequency of Response for both OS-2000 and OS-2001 may range from 1 to 22 per respondent, averaging 1.99 per respondent.

The annualized average cost to all (aggregate) respondents is **\$15,086** (rounded) (\$44.11 x 342 hours). Bureau of Labor Statistics “[Economic News Release](#)” (Table 1. National employment and wage data from the Occupational Employment Statistics survey by occupation, May 2021) lists the mean hourly rate for “*Property, Real Estate, and Community Association Managers*” as \$33.67. In accordance with Bureau of Labor Statistics (BLS) News Release [USD-19-1002](#), September 20, 2022, Employer Costs for Employee Compensation—June 2022, we multiplied the hourly rate by 1.31 to account for benefits resulting in a fully burdened hourly rate of \$44.11.

13. Provide an estimate of the total annual non-hour cost burden to respondents or recordkeepers resulting from the collection of information. (Do not include the cost of any hour burden already reflected in item 12.)

- * **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 and purchase of services component. The estimates should take into account costs associated with generating, maintaining, and disclosing or providing the information (including filing fees paid for form processing). Include descriptions of methods used to estimate major cost factors including system and technology acquisition, expected useful life of capital**

Avg. No. of Responses per Respondent [1]

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.

The total annual cost burden of our data collection requires no capital, start-up, or O&M costs to respondents. The data is already known and/or documented by respondents – either rental property records kept by property management officials and landlords in their normal course of business, or personal knowledge. The data is collected on a strictly voluntary basis and requires no one to keep rental records that are not already kept as part of their normal business practices. Therefore, respondents' operation and maintenance costs are not affected by this data collection effort.

There are no costs to respondents or record-keepers of contracting out information collection services. The data is already known and/or documented by respondents, either rental property records kept by property management officials and rental landlords in their normal course of business, or personal knowledge. The data is collected on a strictly voluntary basis and requires no one to keep rental records that are not already kept as part of their normal business practices.

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.

The annual cost to the IBC of collecting the private rental market information is based on the most recent successful competitive bid by a contractor to provide such services. The contract is bid once every five years, with a base year and four option years. The annual cost varies from year-to-year based on the number of rental comparables (forms) specified in the sample plan for each survey region.

We used Office of Personnel Management Salary [Table 2022-DCB](#) to determine an average hourly wage for a GS-13, step 5 (\$58.01). In accordance with BLS News Release [USDL-19-1002](#), September 20, 2022, Employer Costs for Employee Compensation—June 2022, we multiplied the hourly rate by 1.31 to account for benefits, resulting in a total hourly cost factor of \$75.99.

Over the current four-year regional rental survey cycle, the contractual cost to the Government is approximately:

FY 2022 (Idaho/Montana, Plains, Alaska, North Central, Guam Regions)	\$103,000
FY 2023 (Arizona/Nevada, Oregon/Washington, Northeast, American Regions)	\$110,500
FY 2024 (Southeast, Mid-South, New Mexico, American Samoa Regions)	\$106,500
FY 2025 (Hawaii, Caribbean, California, Colorado/Utah/Wyoming)	\$80,800
Average Annual Data Collection - Contract Cost	\$100,000
Annual Data Analysis - Government Cost (GS 13-5, 320 hours)	\$24,317
Total Annual Data Collection & Analysis Total	\$124,317

These data collection and analysis costs are shared by the 18 Federal agencies that use IBC and iQMIS to provide rent-setting services in compliance with OMB Circular A-45.

15. Explain the reasons for any program changes or adjustments in hour or cost burden.

Hourly labor and benefit costs increase annually due to inflation. The hour and cost burden has remained stable since FY 2017. The cost to the government of the data collection effort is competed every five years, therefore costs may increase in FY 2027.

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 stepwise regression analysis of private rental market survey data (base rent tables by housing type, size, and age) are published in Regional Rental Survey Reports and programmed into the iQMIS rent-setting application. Reports **do not include individual survey response data**; this data is confidential and is used only for contractual verification and statistical regression purposes. Regional Rental Survey Reports are published for participating agencies and offices only.

Three or four Regions are surveyed each year, typically between January and August. The contractor collects OS-2000 and OS-2001 survey data in communities in one survey region, according to the sample plan provided by the IBC, typically over a 90-day period. The contractor performs data validation, error-checking and other follow up activities, then transmits their final data to the IBC. The IBC then reviews the data for compliance with the contract, analyzes the data, performs a statistical regression to determine rental algorithms for houses, apartments, mobile homes and trailer pads, programs the formulas into iQMIS, and completes a draft Regional Rental Survey Report. This requires up to 60 days. The draft Regional Report is then submitted to DOI's Office of Acquisition and Property Management for review and final approval. This requires another 30 days. After final approval, the Regional Report is released to iQMIS clients, along with reports of estimated impacts to rental rates for government-owned housing units. So, the completion of one Region (from beginning to end) requires 180 days. All Surveys are due to the government by October. The new government rental rates for all surveyed Regions are tested during November and released to iQMIS clients in December. Federal employees/tenants are notified of their new rental rates, which become effective in March, as required by OMB *Circular A-45*.

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 Private Rental Survey forms will display the expiration date for OMB approval of the information collection.

18. Explain each exception to the topics of the certification statement identified in "Certification for Paperwork Reduction Act Submissions."

There are no exceptions to the certification statement.