

Supporting Statement OMB 2577-0230
Public Housing Reform Act: Changes to Admission and Occupancy Requirements

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.**

The purpose of this Paperwork Reduction Act submission is to revise a currently approved collection, expiring September 30, 2022, for admission and occupancy policy requirements in the public housing program. The information collection is used to monitor Public Housing Agency's (PHAs) Admission and Continued Occupancy Policies (ACOPs). Statutory and regulatory authority grants PHAs flexibility to structure admission and occupancy policies which the Department of Housing and Urban Development (HUD) utilizes to ensure that PHAs are compliant with statute and regulations, the consolidated Annual Contributions Contract (ACC) and all HUD-approved applications for program funding.

This requirement was established by the Quality Housing and Work Responsibility Act (QHWRA) of 1998 (Title V of the FY 1999 HUD Appropriations Act, Public Law 105-276, 112 Stat. 2518) which amended the United States Housing Act of 1937 (42 U.S.C. 1437, et seq., "the 1937 Act"). The statutory requirement is also codified at 24 CFR Part 903.7 and 960. More recently, the Housing Opportunity Through Modernization Act of 2016 (HOTMA), section 103, creates a new federally mandated policy for the Admission and Occupancy Requirements specific to a limitation on tenancy of over-income families. **Specifically, the content of such policies is generally incorporated into the PHA Plans which are also required to be made available for both public and HUD review under 42 U.S.C. 1437c-1(d), 42 U.S.C. 1437c-1(i)(1) and 42 U.S.C. 1437c-1(i)(5).** Policies with respect to admissions and occupancy establish how PHAs determine initial and continued eligibility, rent determinations, preferences, waiting list practices, and hardship policies. The statutory requirements provide PHAs with flexibility as to how admissions and continued occupancy policies are structured, except for those policies that are prescriptive in nature, such as rent determination.

The information particular to this collection is as follows:

- The organization of the waiting list and how families are selected and offered available units, including any PHA admission preferences, procedures for removing applicant names from the waiting list, and procedures for closing and reopening the PHA waiting list;
- Transfer policies;
- Standards for determining eligibility, suitability for tenancy, and the size and type of the unit needed;
- Procedures for verifying the information the family has provided;

- The method for achieving deconcentration of poverty and income-mixing of public housing developments;
- Waiting list and local admission preferences;
- Self-sufficiency incentives;
- Policies concerning payment by a family to the PHA of amounts the family owes the PHA;
- Annual and interim redeterminations of family income and composition;
- Policies regarding community service requirements;
- Policies and rules about safety and ownership of pets in public housing;
- Occupancy of over-income families;
- Occupancy of police officers to provide security services; and
- Policy on families exceeding the income limit.
- If applicable, the Non-Public Housing Over-Income (NPHOI) lease

The statutory/regulatory authorities that support this occupancy and admission information collection are as follows:

- Section 3- The United States Housing Act of 1937 [42 U.S.C.1437a] Declaration of Policy and Public Housing Agency Organizations;
- Section 5A- The United States Housing Act of 1937 [42 U.S.C. 1437c-1] Public Housing Agency Plan;
- Section 6- The United States Housing Act of 1937 [42 U.S.C. 1437d] Availability of Records;
- Section 16 - The United States Housing Act of 1937 [42 U.S.C. 1437n] Limitation on Public Housing Tenancy for Over-Income Families; and
- 24 CFR 903 Public Housing Agency Plans
- 24 CFR 960 Admission to and Occupancy of Public Housing.

The admission and occupancy policies, regarding over-income families, for the public housing program under the U.S. Housing Act of 1937 Act, as amended by **HOTMA**, are as follows:

Occupancy by police officers and over-income families –A PHA may allow a police officer, who otherwise would not be eligible for public housing, to reside in a public housing unit. Also, a PHA that owns or operates less than 250 units may lease a public housing unit to non-assisted over-income family on a month-to-month basis, but only if there are no eligible families applying for housing assistance for that month.

Income Limitation - The income limitation for continued participation in public housing shall be 120 percent of the median income for the area, with adjustments for smaller and larger families. HUD’s methodology used will factor in local housing market factors such as construction costs and vacancy rates by using the metropolitan

wide FMR to make adjustments for high and low housing costs. Specifically, HUD develops its FMRs annually using survey data of local gross rents paid which are based on local housing market factors, including vacancy rates. HUD will periodically issue notices with the over-income limits for each locality, specifying income limits for each family size. A household must have an income above the limit for two consecutive years before a PHA may take any adverse action such as terminate or raise rents on that household.

Limitations - If any family residing in a dwelling unit of public housing whose income for the most recent two consecutive years, as determined by income reviews, has exceeded the applicable income limitation described above, then the PHA shall:

- a. Charge such family as monthly rent an amount equal to the greater of:
 - i. the applicable fair market rental (FMR) for a dwelling unit in the same market area of the same size; or
 - ii. the amount of the monthly subsidy provided for the dwelling unit, from the Operating Fund and Capital Fund used for the unit.

OR

- b. Terminate the tenancy of such family in public housing not later than 6 months after the income determination described above.

Notice - In the case of any family residing in a dwelling unit of public housing whose income for a year has exceeded the applicable income limitation, upon the conclusion of such year the public housing agency shall provide written notice to such family of the requirements above.

Reports on over-income families - Each public housing agency shall:

- a. Submit a report annually, that specifies:
 - i. The number of families residing, as of the end of the year for which the report is submitted, in public housing administered by the agency who had incomes exceeding the applicable income limitation and
 - ii. The number of families, as of the end of such year, on the waiting lists for admission to public housing projects of the agency; and
- b. Make the information reported on the number of over-income families publicly available.

HUD must verify that PHAs establish admissions and occupancy policies/procedures in compliance with the applicable statutory and regulatory requirements. PHAs must supply documentation when HUD conducts on-site monitoring visits and ensure that admissions and occupancy policies are available to the public. HUD may request information in order to respond to Congressional inquiries or respond to public requests under the Freedom of Information Act. For instance, HUD may receive inquiries from applicants

about how a PHA's waiting list is structured and why they have not been selected from the waiting list.

PHAs must establish written policies on admission and occupancy policies, such as how waiting lists are structured and be able to answer questions on the status of applicant requests. PHAs have discretion, with some limitations, to set admissions and occupancy policies under QHWRA and HOTMA, therefore PHA policies/procedures vary from one PHA to another. The format of the required reports on over-income families and waiting list will utilize existing electronic reporting systems to minimize burden.

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 from the current collection.

Admission and occupancy policies are established by the PHA to operate its public housing programs. HUD Field Office staff also use this information in conducting Rental Integrity Monitoring Reviews (RIMS), these on-site reviews test the accuracy of rental subsidies. The information collected under this request requires PHAs to make available its admission and occupancy policies upon request to HUD and public inquiries from tenants, legal-aid services, HUD, and other interested parties informally or through the Freedom of Information Act. Written documentation of policies relating to the public housing program implemented under QHWRA, such as eligibility for admission and continued occupancy and local preferences and rent determination, must be maintained, and made available by public housing authorities. HOTMA now requires written policy regarding over-income families, for public housing.

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 collection of information, largely, does not require the use of automated, electronic, mechanical, or other technological collection techniques or other forms of information technology, however some PHAs post their ACOPs on their Agency website. PHAs are required to make available a written copy of its admission and occupancy policies upon request from HUD or members of the public. For the new reporting requirements, PHAs will be allowed to use income data already submitted in the PIH Information Center (PIC) to report the number of over-income families and HUD will make this information publicly available. This will result in no additional burden. Also, HUD will facilitate making publicly available the number of families on the waiting lists for admission to public housing projects of the agency at least once a year. This new reporting requirement will be minimally burdensome as all PHAs typically include and make public, waiting list data as a part of the Annual PHA Plan process and/or, in the case of Qualified PHAs, the annual public hearing.

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.

This information collection does not duplicate information under any other approved HUD information collections. Admission and Occupancy policy information is unique to each PHA and is specific to the management of its public housing programs.

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.

Small entities are not unduly impacted by this information collection; no collection exceeds statutory requirements; no alternatives for submission exist; and there are no significant economic impacts on a substantial number of entities. Furthermore, under the Housing and Economic Recovery Act (HERA) of 2008, qualified PHAs are exempt from the annual PHA plan submission requirement that incorporates many of the admissions and occupancy policies. Qualified PHAs are those housing authorities (1) with a combined unit total of 550 or less public housing units and/or section 8 vouchers; (2) not designated troubled under section 6(j)(2) of the 1937 Act, the Public Housing Assessment System (PHAS), during the prior 12 months; and (3) not having a failing score under the Section 8 Management Assessment Program (SEMAP) during the prior 12 months. Despite the exemption status, qualified PHAs must still adhere to the annual requirements of holding public hearings regarding changes to the PHA's goals, objectives, and policies; and submitting civil rights certifications.

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.

Any reduction to this collection requirement would violate QHWRA and HOTMA and weaken a PHA's ability to withstand legal challenges, including fair housing issues, with respect to their admissions and occupancy policies and procedures. Furthermore, reduction of this collection requirement would reduce the public's access to information directly related to the access and procurement of public benefits

7. Explain any special circumstances that would cause an information collection to be conducted in a manner:

- **requiring respondents to report information to HUD more than quarterly;**

PHAs are not required to report this information more than quarterly.

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

Respondents are not required to prepare a written response related to the collection fewer than 30 days after receipt.

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

Respondents are not required to submit either original documents or copies of the originals.

- **requiring respondents to retain records, other than health, medical, government contract, grant-in-aid, or tax records, for more than three (3) years.**

Respondents are not required to maintain records related to admissions and occupancy 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:**

This collection of information is not a statistical survey.

- **That includes a pledge of confidentiality that is not supported by authority established in statute or regulations, that is not supported by disclosure and data security policies that are consistent with the pledge, or which unnecessarily impedes sharing data with other agencies for compatible confidential use; or**

This is not applicable to this collection.

- **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.**

PHAs are not required to submit proprietary trade secrets or other confidential information.

- 8. If applicable, provide a copy and identify the date and page number of publications 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.**

This information collection was announced in the *Federal Register*, Volume 87; No. 168, Page 53482, on August 31, 2022. The public was given until October 31, 2022,

to submit comments on the Proposed Information Collection. HUD received no public comments on this Proposed Information Collection.

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

There are no payments or gifts provided to respondents.

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

There are no assurances of confidentiality provided or needed for this collection.

11. Provide additional justification for any questions of a sensitive nature, such as 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.

The collection does not involve any questions of a sensitive nature.

12. Provide estimates of the hour burden of the collection of information:

The average number of hours per year to complete this information is 24 hours. Larger PHAs will spend more hours and smaller PHAs will spend less. This estimate is based on a reasonable amount of time for reviewing admissions and occupancy policies in compliance with QHWRA and HOTMA.

Information Collection	Number of Respondents	Frequency of Response	Responses Per Annum	Burden Hour Per Response	Annual Burden Hours	Hourly Cost Per Response	Annual Cost
Changes to Admission and Occupancy Requirements	2,774	1	2,774	24	66,576	\$18.21*	\$1,212,349

*Average hourly PHA salary was based on data found on [payscale.com](https://www.payscale.com/research/US/Industry=Public_Housing_Program/Hourly_Rate) as of 5/16/2022 (https://www.payscale.com/research/US/Industry=Public_Housing_Program/Hourly_Rate)

13. Provide an estimate for the total annual cost burden to respondents or record keepers resulting from the collection of information.

There are no other costs associated with this collection of information other than what is reported in Item 12 above.

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, operations 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.

There is no additional cost to HUD for the collection of this information.

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

Adjustments made to this collection reflect changes in calculations based on the total number of current, active public housing agencies (PHAs) to date and to the hourly cost per response estimate. The number of active public housing agencies has changed from 2,897 to 2,774 since the last approved information collection request. In general, the number of PHAs can fluctuate due to many factors, including but not limited to the merging of two or more PHAs or the termination of the public housing programs due to the Rental Assistance Demonstration. The estimate for the total annual cost burden to respondents was also increased due to an increase in the hourly cost per response estimate. This was previously incorrectly reported as \$4.80 per response in the last approved request.

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 information, completion of report, publication dates, and other actions.

The information collected by PHAs will not be published beyond what is typically done by each PHA as a part of their Annual PHA Plan or, in the case of Qualified PHAs, their annual public hearing process. The new requirements of HOTMA requires that PHAs make the information reported on the number of over-income families “publicly available.” To ensure PHA compliance with this requirement, HUD will make all over-income information reported by PHAs publicly available.

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 collection of information will not be recorded on any HUD form. As such, it is not necessary to display the assigned OMB number and expiration date.

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

There are no exceptions to the certification statement.

B. Collections of Information employing Statistical Methods.

Not applicable.