**Supporting Statement for Paperwork Reduction Act Submissions**

**“Public Housing Agency (PHA), Lease Requirements, Recordkeeping Requirements”**

**OMB #2577-0006**

1. **Justification**
2. **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 Public Housing dwelling lease and grievance procedures are governed by the United States Housing Act of 1937, *Section 6(k)* and *Section 6(l)*:

1. **(Section 6(k)** The Secretary shall by regulation, require each PHA receiving assistance under this Act, to establish and implement an administrative grievance procedure under the tenants will, etc.
2. **(Section 6(l))** Each Public Housing agency (PHA) shall utilize leases which – (1) have a term of 12 months and shall be automatically renewed for all purposes except for noncompliance with the requirements under Section 12(c) (relating to community service requirements; except that nothing in this title shall prevent a resident from seeking timely redress in court for failure to renew based on such noncompliance, etc.

The regulations covering the Public Housing Lease and Grievance Procedure are located at 24 CFR Part 966 – Public Housing Lease and Grievance Procedure, *Subpart A* – Dwelling Leases, Procedures and *Subpart B* – Grievance Procedures and Requirements.

When residents begin to rent and receive rental housing assistance, they are required to sign a lease and acknowledge the grievance procedures. As a result, the package refers to the information collection and outlines what those procedures are but does not involve collection by HUD of any of the data that is supplied by these procedures. This package only denotes the procedures that the PHA must follow for these requirements. PHAs do not submit this information to HUD but must maintain it in their records and be able to produce them if requested. The Department simply requires that PHA leases be consistent with all legal or administrative obligations required by HUD.

As a result of the Housing Opportunity through Modernization Act of 2016 (HOTMA), additional conforming regulations were made. PHAs will have to make a few one-time updates to their current leases per the regulations listed below.

1. The lease shall convert to a month-to-month term for families determined to be over income whose tenancy will be terminated in accordance with 24 CFR 960.507(d)(2) as of the date of the notice provided under 24 CFR 960.507(c)(3). PHAs must charge these families, who continue to be public housing program participants, the family’s choice of income based, flat rent, or prorated rent for mixed families during the period before termination.
2. 24 CFR 960.509(a) states that families who will remain as tenants paying the alternative rent must execute the lease for the Non-Public Housing Over-Income (NPHOI) family no later than the earlier of the next lease renewal or 60 days after the third Over-Income (OI) notification as described in 24 CFR 960.507(c)(3). If the family does not execute the lease within this time, the PHA shall terminate the tenancy of the OI family pursuant to 24 CFR 960.507(d)(2).
3. Per 24 CFR 960.509(b), HUD specifies the various provisions that must be in leases for NPHOI families, such as information on who is a party to the lease, how long the lease is for, what the costs covered by the lease are, how the lease is to be renewed or terminated, the tenant’s rent and possible charges, tenant rights for use, the responsibilities of both the PHA and the tenant, repair and access obligations, procedures around lease termination and grievances, and how leases are to be modified.

**Note: Refer** to the attached *regulatory* and *statutory* requirements for the lease and grievance procedures. The Department has not changed the regulatory provisions that govern 24 CFR Part 966.

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

The PHA must enter into a lease agreement with each individual or family that occupies a Public Housing unit (24 CFR 966.4); and must provide each tenant with an opportunity to request informal settlement of a grievance (24 CFR 966.54) or to obtain a grievance hearing (24 CFR 966.55); and maintain records of the outcome of the hearing. Grievance procedures and policies for selecting a hearing officer are included in or incorporated by reference in all tenant leases (24 CFR 966.52 through 966.57). HUD does not provide any lease templates. The PHAs maintain individual lease documents that conform to local law. The PHA is also mandated to collect and gather information pertinent to the lease requirements set forth in 24 CFR Part 966, Subpart A, enter required data into the lease (e.g., parties to the lease), and provide a copy of the lease to the tenant.

Additionally, a key function of the Department is to ensure compliance with its statutory and regulatory requirements. As a result, the Department conducts monitoring reviews to determine whether a PHA has accurately computed tenants’ income and rent, complied with the lease and grievance procedures, and other requirements related to a PHA’s occupancy functions. The PHA is also required to update the lease, for example, if the family composition changes (e.g., addition or deletion of parties to the lease).

1. **Describe whether, and to what extent, the collection of information involves the use of automated, 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 by any consideration of using information technology to reduce burden.**

This does not apply given that automation and technology are not utilized in this information collection requirement. The lease and grievance documents/procedures are not contained in any standardized, automated format. HUD does not have a standardized lease format that it requires PHAs to use. PHAs develop leases that follow 24 CFR part 966, and state and local laws. Additionally, HUD does not provide standardized, automated formats for grievances. Whether or not a grievance is initiated is completely under the purview of the Public Housing tenant; therefore, no standardized format exists.

1. **Describe efforts to identify duplication. Show specifically why any similar information already available cannot be used or modified for use for the purposes described in Item 2 above.**

A Public Housing lease instrument is specific and unique to the tenant’s family composition, whether the family is comprised of a single person or a head(s) of household including household members. A Public Housing lease may be updated because of changes in family composition, changes in the total tenant payment, etc.

1. **If the information collection impacts small businesses or other small entities describe any methods used to minimize the burden.**

This information collection does not impact small businesses or other small entities.

1. **Describe the consequences of Federal program or policy activities if the collection is not conducted or conducted less frequently, as well as any technical or legal obstacle to reducing burden.**

If the subject collection is not conducted, both the Department and the PHAs will be in violation of Section 6(j) and (k) of the U.S. Housing Act. Upon admission of all Public Housing tenants, PHAs are required to enter into lease agreements with the tenant prior to the tenant occupying a Public Housing unit.

1. **Explain any special circumstances that would cause information to be collected in a manner:**

* 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 the study. **Not Applicable**
* requiring the use of 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; or **Not Applicable**
* 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. **Not Applicable**

1. **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 prior to submission to OMB. Summarize public comments received on cost and hour burden.**

* **Describe efforts to consult with people 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 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.**

HUD published a Notice of Proposed Information Collection for public comments in the *Federal Register*, Volume 89; Number192; Page 80591 on 10/03/24. HUD received no public comments on this Proposed Information Collection.

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

This item does not apply to the subject information collection requirement.

1. **Describe any assurance of confidentiality provided to respondents and the basis for assurance in statute, regulation or agency policy. If the collection requires a system of records notice (SORN) or privacy impact assessment (PIA), those should be cited and described here.**

The information collection requirements pertaining to Public Housing lease and grievance procedures do not contain assurances of confidentiality to the respondents (PHAs). The Privacy Act of 1974 (Pub. L. No. 93-579, 88 Stat. 1896, 5 U.S.C. 552a) protects respondents who meet the information reporting requirements.)

1. **Describe 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 reasons why the agency considers the questions necessary, the specific uses to be made of information, the explanation to be given to people from whom the information is requested, and any steps to be taken to obtain their consent.**

This item does not apply to the subject information collection requirement.

1. **Provide additional 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 of (fewer than 10) 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 the estimated hour 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 be included in Item 13.**

**Total Burden Hours Estimation for Lease and Grievance Processes**

|  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- |
| Information Collection | Number of Respondents | Frequency of Response\* | Responses  Per Annum | Burden Hour Per Response | Annual Burden Hours | Hourly Cost Per Response | Annual Cost |
| Tenant leases and grievance procedures (recordkeeping) | **809,425** | **1.4** | **1,133,195** | **.5** | 566,598**\*** | **$25.97\*\*** | **$14,714,550** |

PHAs are required to prepare a lease for every new admission, to prepare a new lease when the rent and/or the family composition change, etc. The most likely scenario is that the PHA updates the lease, or at a minimum determines whether the lease should be updated during an annual or interim reexamination of income, which when combined with the number of grievances (informal and formal) equates to the following:

\* Calculation: 809,425 households (as of 7/22/2024 per the Public Housing Data Dashboard) x 1.4 median number of new and interim leases + changes + grievances (formal and informal) x 30 minutes (.5 of an hour) median time to complete = 566,598 **total hours.** (<https://www.hud.gov/program_offices/public_indian_housing/programs/ph/PH_Dashboard>)

\*\* Calculation: 566,598, total hours x $25.97 per hour = $ 14,714,550. The hourly rate assumes that the wage for housing authority staff responsible for preparing leases earn the equivalent of the national mean hourly wage for Community and Social Service Specialists, reported by the U.S Bureau of Labor Statistics (BLS) May 2023 Occupational Employment and Wage Statistics report ([[Community and Social Service Specialists, All Other](https://www.bls.gov/oes/2023/may/oes211099.htm))](https://www.bls.gov/oes/current/ones_nat.htm)).

1. **Provide an estimate of the total annual cost burden to respondents or record-keepers 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 like); and (b) a total operation and maintenance purchase of services component. The estimates should consider costs associated with generating, maintaining, and disclosing or providing 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 over which costs will be incurred. Capital and start-up costs include, among other items, preparations for collection information such as purchasing computers and software; monitoring, sampling, drilling and test 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) utilized 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 is estimated to be $14,714,550. This calculation is explained under item 12 above.

1. **Provide estimates of annualized cost to the Federal government. Also, provide a description of the method used to estimate costs, which should include any quantification of hours, operational expenses (such as equipment, overhead, printing, and support staff), and any other expenses 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.**

The subject information collection requirements do not involve any costs to the Federal government because PHAs overseen and prepare Public Housing leases. Also, tenants either make an informal request (orally or in writing) or a formal request for a grievance hearing (always in writing); and PHAs are the entities who have the responsibility for the processing and handling of grievances.

1. **Explain the reasons for any program changes reported in items 12 and 14 of the Supporting Statement.**

This is a reinstatement with change. The increase in annual burden hours and annual cost is due to the increase in the estimated average hours per response from .25 hours to .5 hours. This estimate is based on the one-time updates that will need to be made to the leases.

1. **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 the report, publication dates, and other actions.**

This item does not apply to the subject collection information requirements.

1. **If seeking approval to not display the expiration date for OMB approval of the information collection, explain the reasons that the display would be inappropriate.**

This item does apply to the subject information collection requirements.

1. **Explain each exception to the certification item identified in item 19.**

This item does not apply to the subject information collection requirements.