**SUPPORTING STATEMENT B**
**U.S. Department of Commerce**
**U.S. Census Bureau**
**Survey of Housing Starts, Sales, and Completions (SOC-QI)**
**OMB Control No. 0607-0110**

## B. Collections of Information Employing Statistical Methods

1. **Describe (including a numerical estimate) the potential respondent universe and any sampling or other respondent selection method to be used. Data on the number of entities (e.g., establishments, State and local government units, households, or persons) in the universe covered by the collection and in the corresponding sample are to be provided in tabular form for the universe as a whole and for each of the strata in the proposed sample. Indicate expected response rates for the collection as a whole. If the collection had been conducted previously, include the actual response rate achieved during the last collection.**

   Annually, we sample approximately 19,353 residential buildings. We contact home builders, real estate agents, rental agents, and new homeowners to obtain information about those buildings. The residential buildings for which the respondents are interviewed are selected in two ways.

   First, in a sample of approximately 1,000 of the 20,000 jurisdictions requiring building permits, Field Representatives visit building permit offices at the beginning of each month to list and select a sample of buildings for which permits were issued in the previous month. The basic sampling rate is an overall rate of 1 in 50. Buildings with 1 to 4 units are selected with probability proportional to the number of units; that is, buildings with more units have a greater probability of selection. To equalize the sample size from each permit office, we use variable rate sampling patterns dependent upon the monthly construction activity in a permit office. There are eight sampling patterns with sampling rates ranging from 1 in 25 to 1 in 200. The use of these patterns increases the sample size when the activity is small and decreases the sample size when activity is large. All buildings with five or more units are selected.

   Generally, response rates are about 95 percent or higher for cases eligible for interview during that month.

2. **Describe the procedures for the collection of information including:**

   - **Statistical methodology for stratification and sample selection,**
   - **Estimation procedure,**
   - **Degree of accuracy needed for the purpose described in the justification,**
   - **Unusual problems requiring specialized sampling procedures, and**
   - **Any use of periodic (less frequent than annual) data collection cycles to reduce burden.**

   The Census Bureau is currently scheduled to update the sample design for SOC in January 2027.

The previous sample design was implemented in January 2005. The design of the SOC sample is a stratified multistaged cluster design. It is a sub-sample of the 2020 Current Population Survey (CPS) areas.

In 2020, the CPS strata were defined as counties or groups of counties within each state that were grouped based on labor force characteristics such as number of male and female unemployed, industry and wage variables, and family and housing characteristics. There were 1,983 of these strata. One area from each of these strata was selected by the CPS team, with probability proportional to the number of persons 16 and older, resulting in 863 sampled areas.

These 863 sampled areas were then grouped into 174 strata, according to census division and weighted building permit activity between 2020 and 2023 for single units and multi-units. One area was selected (for SOC by the Construction team) from each of these 174 strata with probability proportional to CPS stratum weights and using a maximum overlap algorithm to maximize overlap with the old SOC sample areas.

Each of the permit-issuing places in the 174 selected areas was assigned to one of six classes based on activity. A systematic sample of these places was selected from each area. Places were selected at different sampling rates in each of the size classes so that larger proportions of the places were selected from the more active size classes. For example, all places in the most active size classes fell into the sample, whereas only an expected one in 25 of the places in the least active size class fell into sample. Approximately 1,000 permit-issuing places were selected. Since the 2004 redesign, the number of permit-issuing places has increased to 1,000 due to division of coverage among permit issuing jurisdictions.

The estimation procedures for all the statistics produced from the SOC are essentially the same. The following is the procedure for housing starts:

The estimation of the housing starts series is a multi-stage process. First, an estimate is made monthly of housing units in buildings for which building permits have been issued in all permit-issuing places. Second, for the buildings selected from the 1,000 permit-issuing places, inquiries are made to the respondents to determine in which month and year the buildings were started. In case the units authorized by permits in a particular month are not started by the end of the month, follow-up is made in successive months until the units are started. From this sample of buildings, ratios are calculated for the estimated number of units in those buildings started to the estimated number of units covered by permits; separate ratios are calculated from permits of the current month and of each preceding month. These ratios, or start rates, are then applied to the appropriate estimate of units authorized by permits provided by the Building Permits Survey and then summed to provide estimates of units started. Third, a factor is applied by region and housing unit size groups to adjust for late reporting or units started before a permit is issued. This factor is estimated monthly based on recent patterns of late reporting.

3. **Describe methods to maximize response rates and to deal with issues of non-response. The accuracy and reliability of information collected must be shown to be adequate for intended uses. For collections based on sampling, a special justification must be provided for any collection that will not yield "reliable" data that can be generalized to the universe studied.**

   To increase response rates, FRs mail a letter and a copy of the questionnaire to the respondent and then attempt to collect the data by telephone or personal interview. If the respondent should have more than one building in sample, the interviewer attempts to gather information for all buildings with one telephone call. If contact cannot be made by telephone, the interviewer will visit the respondent or, if necessary, the building site to obtain the information by observation.

   Field representatives are also encouraged to use online resources to reduce respondent burden and obtain more complete and timely information. If a respondent interview or site visit is not possible, field representatives may use sources such as real estate web sites to search for sales dates, news articles that may note a construction start, and online permit systems for site plans or inspection information that can inform construction progress and building characteristics.

4. **Describe any tests of procedures or methods to be undertaken. Testing is encouraged as an effective means of refining collections of information to minimize burden and improve utility. Tests must be approved if they call for answers to identical questions from 10 or more respondents. A proposed test or set of tests may be submitted for approval separately or in combination with the main collection of information.**

   Field representatives provide informal feedback through correspondence at the time of the monthly data collection and at refresher training sessions regarding question clarification and survey questionnaire alignment.

5. **Provide the name and telephone number of individuals consulted on statistical aspects of the design and the name of the agency unit, contractor(s), grantee(s), or other person(s) who will actually collect and/or analyze the information for the agency.**

   The contact person for questions relating to the statistical aspects of the survey is Ms. Bonnie Kegan, Chief, Construction Surveys Statistical Methods Branch. She can be reached on (301) 763-7639.

   The contact person for questions relating to the collection and analysis of the data is Mr. William M. Abriatis, Chief, Residential Construction Branch. He can be reached on (301) 763-3686.

**Attachments**

A. SOC-QI/SF.1 (Questions asked in electronic questionnaire for single-family houses)

B. SOC-QI/MF.1 (Questions asked in electronic questionnaire for multi-family buildings)

C. SOC-QI.1(L) (letter to new respondents)

D. SOC Public Comments

E. Legal Authority