

**SUPPORTING STATEMENT FOR
PAPERWORK REDUCTION ACT SUBMISSION**

FR-3482:

“Requirements for Notification, Evaluation and Reduction of Lead-Based Paint Hazards in Federally-owned Residential Properties and Housing Receiving Federal Assistance”

A. Justification

1. Authority for Information Collections

Sections 1012 and 1013 of the Residential Lead-Based Paint Hazard Reduction Act of 1992, which is Title X of the Housing and Community Development Act of 1992, amended the Lead-Based Paint Poisoning Prevention Act (42 U.S.C. 4822 *et seq.*) and set forth new requirements concerning lead-based paint hazard notification, evaluation and reduction for Federally-owned residential properties and for housing receiving Federal assistance. On September 15, 1999, HUD promulgated regulations at 24 CFR Part 35, Subparts B – R, also known as the Lead Safe Housing Rule, to implement Sections 1012 and 1013. Each HUD program incorporated these regulations by reference into their respective regulations at the same time. HUD received approval for the paperwork requirements of the Lead Safe Housing Rule in ICR No. FR-3482 (OMB Control No. 2539-0009), which was submitted with the final rule. The approval of the current collection expires September 30, 2009.

At this time, HUD requests an extension of this currently approved collection. HUD presents and explains updates and changes to the paperwork burden estimates from those presented in the ICR Supporting Statement that accompanied the final rule (i.e., those in the expired information collection) as modified by the current extension. HUD notes that all of these changes are adjustments to the previously-made burden estimates (i.e., they do not result from program changes).

2. Requirements

For this extension request, the following Lead Safe Housing Rule requirements pertain to paperwork burden: provision of a pamphlet on lead poisoning prevention to tenants and purchasers, provision of a notice to occupants on the results of hazard evaluation and hazard reduction actions, special reporting requirements if there is a child with an environmental intervention blood lead level residing in the unit, record keeping and periodic summary reporting requirements. The requirements are described in the following paragraphs.

a. Lead Hazard Information Pamphlet. The Lead Safe Housing Rule requires a designated party (i.e., residential property owner, housing agency, Federal grantee, tribally designated housing entity or participating jurisdiction, as applicable) to distribute the lead hazard information pamphlet entitled, "Protect Your Family From Lead in Your Home," developed by HUD, the Environmental Protection Agency (EPA), and the Consumer Product Safety Commission, to all purchasers and occupants of pre-1978 housing receiving Federal assistance. This is a statutory requirement (§ 302(a)(1)(A) of the Lead-Based Paint Poisoning Prevention

Act). A pamphlet developed by a State government may be used if it is approved for this use by EPA. The provider and recipient of the pamphlet are stipulated in the relevant subpart of the rule, based upon the type of assistance provided. The rule does not require that the pamphlet be provided if one has already been provided in compliance with the lead-based paint disclosure regulation (at 24 CFR part 35, subpart A), issued jointly by HUD and EPA in 1996, to implement Section 1018 of Title X (42 U.S.C. 4852d).

b. Notice of Evaluation, Hazard Reduction, and Clearance Activities. The Lead Safe Housing Rule requires the provision of notice to occupants of pre-1978 housing receiving Federal assistance describing the nature and scope of any evaluation or hazard reduction activities undertaken. The notice to occupants summarizes the property characteristics and activities applicable to the lead safety requirements. The rule's Section 35.175, Records, requires that a copy of each notice, evaluation, and clearance or abatement report be kept for at least three years, and, for ongoing lead-based paint maintenance and/or reevaluation activities, for at least three years after such activities are no longer required. This is a statutory requirement (§ 302(a)(1)(F) of the Lead-Based Paint Poisoning Prevention Act). For multifamily properties, the rule provides owners an option of whether to distribute such notices to dwelling units or to post them in centrally located places within the property. For this burden estimate HUD is assuming that 25 percent of the multifamily units receive notices through direct distribution and 75 percent receive notice through central posting.

c. Child with an Environmental Intervention Blood Lead Level. For four types of housing assistance programs, the Lead Safe Housing Rule requires that additional evaluation and hazard reduction activities be conducted when a child under 6 years old residing in the assisted property is identified as having an environmental intervention blood lead level. (The term "environmental intervention blood lead level" (EIBLL) is defined in the rule (24 CFR 35.110). The related term "elevated blood lead level," or "EBL," is a general term that includes lower blood lead levels.) As part of these activities, the designated party is required to report the name and address of a child with an environmental intervention blood lead level to the State or local health agency, if the case was originally reported to the owner by a source other than the public health department. The purpose of this requirement is to assure that health departments are informed of lead-poisoned children and can perform followup investigations and case management.

d. Recordkeeping and Periodic Summary Reporting Requirements. Under the Lead Safe Housing Rule, designated parties are responsible for keeping a copy of each notice, evaluation, clearance, or abatement report for at least three years. If ongoing lead-based paint maintenance and/or reevaluation is required, such records must be kept and made available for HUD review until at least three years after such ongoing activities are no longer required, Section 35.175. In order to ensure proper use of housing assistance funds, the HUD funding offices collect summary information on performance of lead hazard evaluations and, if hazards are identified, lead hazard reduction actions.

3. Methods for Conducting Information Collections

The methods for conducting the required information collections are described below:

a. Notice of Evaluation, Hazard Reduction, and Clearance Activities. The notification requirements of 42 U.S.C. 4822(a)(1)(F) do not specify the manner in which the notices must be distributed. The rule provides the option of "posting and maintaining it in centrally located common areas" or "distributing it to each occupied dwelling unit affected." (24 CFR 35.125(c)(4)).

b. Hazard Reduction Plan. The rent adjustment requests submitted by multifamily rental property owners for reimbursement under the Department's Section 8 programs are not automated. Because the hazard reduction plan is part of an owner's rent adjustment request, the plan will be submitted in the same format as the rest of the rent adjustment request. The rule does not specify how the certification requirement for owners who do not need a rent adjustment to complete lead hazard reduction activities must be provided to the Department. Typically, such certifications are written by the Department and signed by the property owner.

c. Child with an Environmental Intervention Blood Lead Level (EIBLL). Again, with the requirement that a residential property owner, PHA or Federal grantee report the address of a child residing in housing assisted by a covered program who is identified as having an EIBLL to the State or local health agency, HUD did not specify how reports shall be made. HUD intended to leave format and distribution up to the property owners, PHAs and Federal grantees, depending upon their electronic capabilities and those of the State or local health agency in their community.

d. Summary Information on Performance of Lead Hazard Evaluation and Reduction Actions. Under their individual assistance programs, the Department's offices that provide assistance for target housing are responsible for ensuring that the requirements of the rule for lead hazard evaluation and, if hazards are identified, hazard reduction, are met. Again, HUD did not specify in the rule how reports shall be made. Typically, the reporting on lead actions is through the Department's program reporting systems. The Department has established a model set of tracking questions, found in:

Form HUD-96017, Lead Accomplishments Tracking System

The existing regulatory information collection requirement is for the records of evaluation and hazard reduction to be generated and retained; the revised information collection requirement would also cover preparing brief numerical summaries of the presence of these records (e.g., how many lead-based paint inspections were conducted, how many clearance examinations were conducted at the end of lead hazard control activities, etc.), and providing them to the Department. This form is simply an arithmetic count of the various records that are required to be created, maintained, and retained.

4. Nonduplication

The Lead Safe Housing Rule repealed and replaced all of HUD's previous (i.e., pre-1999) lead-based paint requirements (including the collection of information) for the disposition of

federally-owned housing and for housing receiving Federal assistance, thereby eliminating the possibility of duplicative information collections.

5. Burden on Small Entities

The information collection requirements of the rule do not have a significant impact on residential property owners, PHAs or Federal grantees. Further, the information collection requirements of the proposed rule are not overly burdensome and do not discourage small entities from applying for Federal housing assistance. As indicated below, the Lead Safe Housing Rule has 63,637 respondents, some of them other-than-small businesses (e.g., State and local governments, and large businesses), and the average burden per respondent is 2.6 hours.

6. Consequences to Federal Program or Policy Activities

If HUD did not conduct the above-mentioned information collections, it would fail to comply with the Residential Lead-Based Paint Hazard Reduction Act of 1992, specifically, its sections 1012 and 1013. To conduct the information collections with less frequency would directly jeopardize the health and safety of families living in housing receiving Federal assistance. For example, provision of the EPA lead information pamphlet is critical to educating tenants and owner-occupants living in housing constructed before 1978 about the potential dangers of lead-based paint hazards. In HUD-assisted dwelling units where lead-based paint hazard evaluation activities have occurred, tenants must be notified of the outcome of the evaluation as soon as possible in order to ensure their protection from potential hazards. Where a child under 6 years old residing in certain categories of assisted property is identified as having an environmental intervention blood lead level, additional evaluation and hazard reduction activities must be conducted; the reporting ensures that HUD program staff are aware of the case and can provide technical support as needed or requested.

7. Special Circumstances for Information Collections

There are no special circumstances that would cause the information collection to be conducted in a manner that was contrary to the general information collection guidelines provided by OMB.

8. Public Input on Information Collection Requirements

On March 27, 2009, HUD invited comments from the public through May 26, 2009, regarding this information collection request (Notice of Proposed Information Collection: Comment Request; *Federal Register*, volume 74, number 58. No comments were received.

9. Payment or Gifts to Respondents

HUD will make no payments or gifts to respondents.

10. Confidentiality

No assurance of confidentiality is made.

11. Collection of Sensitive Information

No questions of a sensitive nature were posed in the information collections.

12. Hour Burden Estimate

As noted above, HUD has updated and revised the paperwork hour burden estimates for this collection. HUD notes that these updates and changes to the paperwork burden estimates are the results of new estimations of burden or costs, a better understanding of the respondent universe, and information on how the rule is being implemented. The total number of respondents is 63,637, the number of unique properties covered by the rule (for conservative estimating purposes, the estimate assumes each property is owned by a unique respondent) with varying numbers based on the specific requirement (pamphlet, notice of reevaluation, notice of reduction or clearance, recordkeeping, and EIBLL report). The frequency of response is not always a whole number because there are both single family and multifamily properties. The burden is based on the time to handle a form document that has very few entries, except in the case of a lead-poisoned child, which can become complicated. The hourly labor cost for simply giving someone a pamphlet, putting something in a file or retrieving something from a file and sending summary information from it to the Department is rated at \$10 per hour, while processing notices as well as cases of lead-poisoned children is valued at \$16 per hour. The revised hour burden estimates are presented in Exhibit 1.

13. Cost Burden Estimate

As noted above, HUD has updated and revised the paperwork cost burden estimates. HUD notes that these updates and changes to the paperwork burden estimates are the results of new estimations of burden or costs, a better understanding of the respondent universe, and information on how the rule is being implemented. Startup costs were eliminated for the current collection, recognizing that the rule had been in effect for six years; this condition continues to apply, with the rule being in effect now for nine years. The costs for pamphlets, paper, copies, file folders, and mailing are reflected in the cost burden estimates for each requirement. The revised cost burden estimates are presented in Exhibit 1.

14. Costs to the Federal Government

None; all costs are described in 12 and 13, above.

15. Reasons for Program Changes or Adjustments

This is an extension with adjustments to the currently approved collection.

HUD presents and explains updates and changes to the paperwork burden estimates. Further, HUD notes that there have not been any material changes to the rule's paperwork requirements since promulgation.

There are several reasons for the updates and changes in the paperwork burden estimates. In estimating the burden estimate for these requirements, wherever possible HUD updated the assumptions that were developed for the Regulatory Impact Analysis (RIA) that accompanied the final rule and were used in the currently approved collection. For this submission, HUD has updated some of these estimates to account for inflation and for the reports of evaluation, clearance or abatement, and periodic summary reporting, as noted below.

a. Pamphlet. The provision of disclosure pamphlets under the Lead Safe Housing Rule has been eliminated in recognition of the fact that all tenants and purchasers will have received the pamphlet in compliance with the HUD/EPA lead-based paint disclosure rule (24 CFR 35 subpart A), which became effective in 1996. The Lead Safe Housing Rule provides “that the designated party need not provide a lead hazard information pamphlet if the designated party can demonstrate that the pamphlet has already been provided in accordance with” the disclosure rule (24 CFR 35.130). The information collection burden for the jointly-issued disclosure rule is covered by OMB’s approval number 2070-0151, issued to the EPA.

b. Notices. The primary factors affecting a change in the burden estimate for the notice requirement:

The cost burden reflects increases in labor rates and prices for materials (e.g., paper, printing, postage).

However, these increases are offset by recognizing that a single posting is required for each property, regardless of the number of housing units. The number of units requiring hazard reduction is estimated using information from the 2002 National Survey of Lead and Allergens in Housing conducted by the Department.

c. Reporting of children with environmental intervention blood lead levels. The primary factors affecting a change in the burden estimate for the reporting requirement:

Startup costs have been eliminated, recognizing that the Rule has been in effect for six years.

The number of affected properties has been revised downward reflecting the smaller number of properties that are actually covered by the Rule.

The cost burden reflects increased labor rates and prices for materials (e.g., paper, printing, postage) since the original and 2002 renewal estimates.

This estimate is offset by the reduction in the number of child poisonings per the Centers for Disease Control and Prevention’s most recently published data, on the “Number of Children Tested and Confirmed EBLs by State, Year, and BLL Group, Children < 72 Months Old” (www.cdc.gov/nceh/lead/surv/database/State_Confirmed_byYear_1997_to_2006.xls).

d. Record keeping and periodic summary reporting requirements. The primary factors affecting a change in the burden estimate for the recordkeeping requirement:

The recordkeeping estimate reflects reports of reevaluations, hazard reductions, and clearance. The number of reports are expected to be substantially smaller due to compliance with the evaluation requirement of this rule, but are offset in part by need for biennial reevaluations that have shorter reports. The HUD program offices collect summary information on performance of lead hazard evaluations and, if hazards are identified, lead hazard reduction

actions through their program reporting systems or in stand-alone reporting systems, in support of quarterly Management Plan reporting; the burden estimate conservatively estimates that the owners are providing this information at that time, i.e., that they have not already provided it to the applicable program office. No additional information is collected at that time; the owners use the records they are already keeping (or HUD staff uses information it has already collected, for which there would be no additional burden on the owners).

The cost burden reflects increases in labor rates and prices for materials (e.g., paper, printing, postage) since the current (2006) renewal estimates.

16. Publication of Information Collections

No reports based on the information collections in the Lead Safe Housing Rule will be published. The program summary information reports will be used for analytical purposes, e.g., assessing the thoroughness of implementation of the Lead Safe Housing Rule, or assessing the fraction of housing that has certain lead hazards, such as deteriorated paint or deteriorated paint known to be lead-based paint (the former of which is presumed, and the latter of which is known, to be a hazard to children), for use in improving program monitoring effectiveness.

17. Display of Expiration Date

HUD expects to fully comply with the requirement to display a valid OMB control number for this information collection.

18. Exceptions to the Certification Statement

HUD expects to fully comply with the Certification for Paperwork Reduction Act Submissions (OMB 83-I).

[Note: Part B of the ICR Supporting Statement does not apply to this information collection.]

Exhibit 1. Hour and Cost Burden Estimate

Requirement	Items	Hours	Total Cost	Labor Cost	Startup Cost	O&M Cost
Notice of Evaluation	365,527	79,023	\$1,042,372	\$535,761	\$481,024	\$25,587
Notice of Reduction	242,543	25,455	\$398,721	\$276,510	\$73,702	\$48,509
Summary Reporting	254,548	27,555	\$305,458	\$280,003	\$0	\$25,455
Recordkeeping	608,070	20,066	\$490,622	\$226,250	\$0	\$264,372
EIBLL Reporting	3,453	15,645	\$206,334	\$204,469	\$0	\$1,865
Total	1,474,142	167,744	\$2,443,507	\$1,522,993	\$554,726	\$365,788

Total cost: \$2,443,507
Total hours 167,744
Total respondents 63,637
Hours/Respondent 2.6