

Supporting Statement for Paperwork Reduction Act Submissions 2502-0233

A. Justification

1. This request for OMB review and approval seeks extension of the subject information collection systems. The National Manufactured Housing Construction and Safety Standards Act (42 U.S.C. 5401-5426) established the construction and safety standards for manufactured housing in the United States. 42 U.S.C. 5413, Inspections and investigations for promulgation or enforcement of standards or execution of other duties, prescribes the authority of the Secretary and requires that he shall furnish the Attorney General and, when appropriate, the Secretary of the Treasury, any information indicating noncompliance with such standards for appropriate action. 42 U.S.C. 5413(c)(3) authorizes the Secretary to require reports or answers in writing to specific questions relating to the function of the Secretary under this statute.

HUD regulations for the program are found at 24 C.F.R. 3282.1 through 3282.554. Specific regulations for this collection of information are as follows:

24 C.F.R. Section 3282.362 requires the Production Inspection Primary Inspection Agency (IPIA) to obtain certification labels from the Secretary or the Secretary's agent, requires manufacturers to request certification labels from their IPIAs, and requires the IPIA to replace damaged certification labels.

24 C.F.R. Section 3282.501 authorizes the Secretary to take such actions to oversee the system as the Secretary deems appropriate.

24 C.F.R. Section 3282.552 authorizes the Secretary to establish and impose on manufacturers, dealers, and distributors of manufactured housing such reasonable fees as may be necessary to offset the expense incurred by the Secretary in conducting inspections required by the Act.

24 C.F.R. Section 3282 Sections 552 and 553 require the IPIA to report monthly the number and location of homes manufactured in any factory.

2. This information collection is used in conjunction with labels, which are 2-inch x 4-inch aluminum tags permanently attached to each section of manufactured homes to provide a unique identifying number to each floor produced under the HUD-code. Labels are required by 24 CFR 3282.362(c)(2). Respondents are both approved Production Inspection Primary Inspections Agencies (IPIAs) as described in 24 CFR 3282.362, and producers of manufactured homes as defined in 24 CFR 3282.7. Through HUD's Monitoring and Inspection Contractor, labels are issued to HUD-approved IPIA agencies and label fees are collected. IPIAs in turn issue the labels to manufacturers that they service. The information collected provides the Department with information that will help identify a manufactured home after it leaves the plant. The information will facilitate any recall or safety-related defect campaigns, and provide the data that is needed to pay required fees or credits for program participants in the various states where such homes are produced and shipped.

Form HUD-101, IPIA Request for Labels, is used by the IPIA to obtain certification labels from HUD's monitoring agent. 64% of respondents are state agencies; 36% of respondents are private businesses.

Form HUD-203, Lost Label Report, is used by the IPIA to report any lost labels or labels for salvaged manufactured home units. The information collected here will be used to document such lost labels or labels for salvaged units. This form must be submitted within 5 days of the discovery of missing labels. 64% of respondents are state agencies; 36% of respondents are private businesses.

Form HUD-203B, Damaged Label Report, is used by the manufacturer to return damaged labels to the IPIA, and by the IPIA to assign replacement labels to the manufacturer. 64% of respondents are state agencies; 36% of respondents are private businesses.

Form HUD-301, Request and Payment for Labels, is used by the manufacturer to request and pay for the needed labels. This form is prepared by the manufacturer and submitted with payment to Pay.gov and then a copy of the form and payment receipt is sent by the manufacturer to the IPIA that will provide the aluminum labels. The IPIA then completes the form and provides the information to HUD's Monitoring and Inspection Contactor. The information on the HUD-301 is needed by HUD and HUD's monitoring agency to track the request, approval, and application of authorized labels. 64% of respondents are state agencies; 36% of respondents are private businesses.

Form HUD-302, HUD Manufactured Home Monthly Production Report, is used by manufacturers to provide information to account for the shipment of homes and the calculation of monthly payments to the state agencies as required. 100% of respondents are private businesses.

Form HUD-303, Refunds Due Manufacturer, is used by manufacturer to request a refund for unused labels when a factory closes and has no parent or sister company to take the credit. The IPIA then completes the form and provides the information to HUD's Monitoring and Inspection Contactor. 64% of respondents are state agencies; 36% of respondents are private businesses.

Form HUD-304, Adjustment Report, Monthly Production Report, is used by manufacturers to report any adjustments to previously submitted monthly production reports (HUD 302s). 100% of respondents are private businesses.

The decrease to the labor burden break-down reflects a reduction in the number of manufacturers reporting from 161 to 125. There has been no program, processing, or administrative changes since the previous OMB collection approval. However, this reduction has resulted in a decrease in the number of responses and burden hours reported.

3. HUD's monitoring contractor uses an automated system to facilitate this information collection. Ninety-nine percent of respondents are reporting electronically.
4. The information collection is unique to the manufactured housing program and does not duplicate other data gathering methods.
5. The collection of information does not have a significant impact on a significant number of small businesses or entities.
6. Regulations at 24 CFR 3282.362(c)(2) states the inspection agency, at the convenience of the IPIA and the manufacturer, shall continuously provide the manufacturer with a two-to-four week supply of labels. The labels are the means used by HUD to create a unique identification for each section (floor) of a home built under the program and each is tracked by the label number. The construction of the units are also monitored for compliance with the manufactured housing construction and safety standards and ensure adequate quality control is taking place in the production facility. A supply quantity greater than four weeks would tend to diminish quality control effectiveness and may impact the integrity of the program if control of the labels is not tight. Yet, if the labels are not provided, manufacturers cannot produce homes.
7. Monthly reports for joint monitoring fees are required per 24 CFR 3282.552, Manufacturer reports for joint monitoring fees, which states: "For each month, the manufacturer shall submit to the IPIA in each of its manufacturing plants a report that includes the serial numbers of each manufactured home at that plant during

that preceding month, and the State of first location, after leaving the manufacturing plant, of such manufactured homes. The State of first location for the purpose of this report is the State of the premises of the distributor, dealer, or purchaser to whom the manufactured home is first shipped. The report for each month shall be submitted by the tenth day of the following month.”

Form HUD-203, Lost Label Report, must be completed within 5 days of discovery or loss. This requirement is necessary minimize fraudulent use of stolen or otherwise lost labels.

8. The agency notice soliciting comments on the information collection for OMB #2502-0233 was published in the Federal Register on Thursday, September 13, 2012, (Vol. 77, No. 178, page 56671). No comments were received.

HUD consults regularly with the Manufactured Housing Consensus Committee (MHCC) on all matters related to HUD oversight of the manufactured housing.

HUD consults regularly with the Institute for Building, Technology, and Safety (IBTS). IBTS serves as the Department’s monitoring contractor

9. There are no payments or gifts of any kind given to respondents.
10. Section 24 CFR 3282.54 details the requirements to be followed by HUD and its agents in protecting information which falls within the definition of confidential, commercial, or financial information. Only the monitoring agency and HUD receive the completed forms. No additional distribution to the public and to other program participants is made. Therefore any proprietary or commercial information is held in strict confidentiality.
11. There are no questions of a sensitive nature.

12. Estimate of public burden and cost to respondents:

Information Collection	Number of Respondents	Responses per Respondent	Number of Responses	Hours per Response	Total Annual Hours	Hourly Cost	Total Annual Cost
HUD-101 Request for Labels (order control)	15	12	180	0.5	90	\$25	\$2,250
HUD-301 Request and Payment for Labels	125	12	1500	0.5	750	\$25	\$18,750
HUD-302 Manufactured Home Monthly Production Report	125	12	1500	0.5	750	\$25	\$18,750
HUD-303 Refunds Due Manufacturer	40	1	40	0.5	20	\$25	\$500
HUD-304 Adjustment Report	140	8	1120	0.5	560	\$25	\$14,000
HUD-203 Lost Label Report	10	6	60	0.5	30	\$25	\$750
HUD-203B Damaged Label Report	10	6	60	0.5	30	\$25	\$750
Totals	140		4460		2230		\$55,750

The hourly cost is based on an estimate of the average annual salary of industry support staff at \$52, 643 Respondents are manufacturers and approved IPIA agencies. The current number of manufacturing plants that may request labels is 125; and the number of IPIA agencies is 15. There are a total of 140 respondents.

13. There are no costs to the respondents other than those reported in item 12 above.
14. The Government utilizes a contractor to process the forms, and track collected fees and distribute labels tracked by these forms. This contractor is referred to as the “Monitoring Contractor”. The contractor utilizes 1.5 full-time equivalent administrative employees to perform the duties required to administer this fee and label program; all work associated with the fee and label program is essentially processing the form data.

This data is maintained by the contractor utilizing its proprietary computer software program called WebLabels.

There is also minimal cost associated with the WebLabels program that maintains the form data and allows for direct electronic submission of the data. This software is maintained with Helpdesk support and very minimal contact support for periodic enhancements. The support paid by the department to ensure data required by regulation is collected is approximately \$25,000 annually.

Administrative personnel through Monitoring Contractor: \$106,445
(2 employees, 75% of time, at \$71,000 annual rate for each)

Management/reporting/overhead through Monitoring Contractor \$11,440
(2 hours/week, 52 weeks, at \$110/hour)

Allocated contract support for data management cost \$25,000

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Total Annual Cost to the Government \$142,885

Note that this approximately \$142,885 annual cost to the Government to collect and maintain data associated with these forms represents about 4.4 % of the approximately 3.2 million dollars in annual fees collected through these forms (\$142,885/\$3,200,000).

15. There are no program changes since the previous OMB approval of this collection package. The decrease to the labor burden break-down that is itemized above in item #12 reflects a reduction in the number of manufacturers reporting from 161 to 125.

There has been no program, processing, or administrative change since the previous OMB collection approval. However, this reduction has resulted in a decrease in the number of responses and burden hours reported.

16. HUD does not plan to publish the data.

17. HUD is not requesting not to display the expiration date.

18. There are no exceptions to the Certification Statement.

B. Collections of Information Employing Statistical Methods

19. This collection does not use statistical methods.