

**SUPPORTING STATEMENT**  
**U.S. Department of Commerce**  
**U.S. Census Bureau**  
**Housing Vacancy Survey**  
**Office of Management and Budget (OMB) Control No. 0607-0179**

**A. Justification**

**1. Necessity of Information Collection**

The purpose of this request for review is to obtain clearance for the collection of demographic information in the Housing Vacancy Survey (HVS) beginning in September 2017. The current clearance expires August 31, 2017. Title 13, United States Code, Section 182, and Title 29, USC Section 1, authorize the collection of the HVS. The HVS has been conducted since 1956 and serves a broad array of data users as described in section A.2 below.

**2. Needs and Uses**

The U.S. Census Bureau collects the HVS data for a sample of vacant housing units identified in the monthly Current Population Survey (CPS) sample. These data provide the only quarterly statistics on rental vacancy rates and home ownership rates for the United States, the four census regions, inside vs. outside metropolitan areas (MSAs), the 50 States, the District of Columbia, and the 75 largest MSAs. We obtain the rental and homeowner vacancy rate calculations from the data we collect in question >TENUR-scrn< on the CPS instrument, and question >HVSSTA< on the HVS portion of the CPS instrument (see Attachments A and B). Private and public sector organizations use these rates extensively to gauge and analyze the housing market.

In addition, the rental vacancy rate is a component of the index of leading economic indicators published by the Department of Commerce. It is used by the Department of Housing and Urban Development (HUD), Bureau of Economic Analysis (BEA), National Association of Home Builders, Federal Reserve Board (FRB), OMB, Department of Treasury, and the White House Council of Economic Advisers.

Policy analysts, program managers, budget analysts, and Congressional staff use data obtained from the remaining questions that do not deal specifically with the vacancy rate to advise the executive and legislative branches of government with respect to number and characteristics of units available for occupancy and the suitability of housing initiatives. These characteristics are as follows:

HVSYR	-	Year structure built
HVSNUM	-	Units in structure
HVSRM	-	Rooms in unit
HVSBD	-	Bedrooms in unit
HVSPLB	-	Complete plumbing facilities
HVSKIT	-	Complete kitchen facilities
HVSBTH	-	Bathrooms in unit
HVSAC	-	Air conditioning

Public and private sector organizations use data from questions >HVSOC< through >HVSPRC< for evaluating the housing market with regard to supply, cost, and affordability at various points in time. The following questions contain this information:

HVSOC	-	Occupancy status
HVSVAC	-	Duration of vacancy
HVSSTA	-	Vacancy status of unit
HVSRNT	-	Monthly rent asked
HVSUTL	-	Utilities included in rent
HVSCOM	-	Commercial establishment on property
HVSPRC	-	Sales price asked

The Census Bureau produces a press release, "Census Bureau Reports on Residential Vacancies and Home Ownership," on a quarterly basis (Attachment C). In addition, we place the HVS data on the Internet for users to access. The Internet address for the HVS data is <<http://www.census.gov/housing/hvs>>. Several other government agencies use these data on a continuing basis. For example, the BEA uses the HVS data in calculating consumer expenditures for housing as a component of the gross domestic product; the HUD relies on the HVS data to measure the adequacy of the supply of rental and homeowner units and works with the White House in measuring homeownership for minorities. The National Association of Home Builders, the National Association of Realtors, the Federal National Mortgage Association, the FRB, the Home Loan Mortgage Corporation, and the American Federation of Labor-Congress of Industrial Organizations are among the many users in the private sector who routinely use the HVS data in making policy decisions relating to the housing market. In addition, investment firms use the HVS data to analyze market trends and for economic forecasting.

Further evidence of the intense interest from housing analysts and economists on the HVS, is the number of Internet hits. Month in and month out, the HVS is the most visited website for Social Economic and Housing Statistics Division of the Census Bureau, averaging 6,500 visits per month in 2016.

The continuation of the HVS ensures the historical continuity of a data series that began in 1956. If eliminated, both public and private organizations would not have the data to evaluate housing markets with regard to housing vacancies, the level of home ownership, and housing inventory estimates by tenure and vacancy status.

Quality is an integral part of the information collected and disseminated by the Census Bureau. All quality reviews are conducted in accordance with the Census Bureau's Information Quality Guidelines and incorporated as part of the clearance process required by the Paperwork Reduction Act.

### **3. Use of Information Technology**

Beginning in January 1994, we began conducting the CPS/HVS using computer-assisted interviewing. One of the main objectives was to keep the respondent burden as low as possible while increasing the quality of the data collected. The HVS is a portion of the automated CPS instrument.

In order to keep the respondent burden as low as possible, while maximizing the relevancy and reliability of the data collected through the redesigned CPS, the Bureau of Labor Statistics, and the Census Bureau engaged in lengthy research and experimental activities. These activities involved cognitive research in laboratory settings, considerable field experimentation with different versions of the survey questionnaire, consultations with various experts, and debriefings of the actual interviews.

### **4. Efforts to Identify Duplication**

There is no other comparable source of quarterly data on national, regional, state, and metropolitan area vacancy rates, home ownership rates, housing inventory estimates, and rent and sales prices of available units.

The Social Economic and Housing Statistics Division of the Census Bureau reviewed many studies and surveys conducted by both government agencies and the private sector that related to the data described in section A.2. The American Housing Survey (AHS) sample collects national and regional data on characteristics of the vacant rental and homeowner inventories but only on a biannual basis. The American Community Survey (ACS) information is tabulated annually, but not quarterly, and due to differences in collection methods, the vacancy rates are not comparable to the HVS. The HVS is the only statistical effort of its type that produces quarterly national estimates of these data on a continuing basis.

A number of questions in this supplement may appear in the ACS and in other demographic surveys. However, the comprehensive set of questions in the HVS does

not duplicate any other single information collection, and ensures the historical continuity of a data series that began in 1956.

5. **Impact on Small Businesses or Other small entities.**

The collection of the HVS data does not involve small businesses or other small entities.

6. **Consequences of Less Frequent Collection**

We conduct the HVS every month in order to produce high quality statistics on a quarterly basis. Less frequent collection would require a significant increase in the CPS sample size to ensure an adequate number of vacant units are identified, or would force us to publish these statistics on a less frequent basis. The demand for housing, as well as selling price and rent asked, changes dramatically with general economic fluctuations. Less frequent publication could hide many of the trends in the housing market that shift over a relatively short period of time. In today's environment, with regard to the mortgage market and housing supply and demand, our current CPS/HVS measurements are as important as ever.

7. **Special Circumstances**

We collect these data in a manner consistent with OMB guidelines with the exception that we conduct the survey more frequently than quarterly. We collect the data monthly because the housing market changes quite frequently; therefore, the most current data are needed to monitor these changes.

8. **Consultations Outside the Agency**

The following person from outside the Census Bureau is involved in continuing consultations:

Shawn Bucholtz  
Director, Housing and Demographic Analysis Division  
Department of Housing and Urban Development  
Washington, DC 20410  
(202) 402-5538

The Housing Statistics Users Group advises the Census Bureau on housing issues on a regular basis. On occasion, this group has met to discuss the HVS. This group has supported the publication of vacancy rates for states and Metropolitan Statistical Areas (MSA) and home ownership rates by age of householder and by family type.

In addition to the above, a statement soliciting comments for improving the CPS data

is prominently placed in all Census Bureau publications that cite the CPS data. We include a similar statement in the technical documentation that accompanies the microdata files. Additionally, we published a notice of our intent to request clearance for the HVS in the December 19, 2016 edition (Vol. 81, No. 243, Page 91902) of the "Federal Register." See Attachment H. We received no comments.

The advance letter (Attachment D) provides respondents with an address at the Census Bureau so that they can submit general comments on the survey, specifically, those regarding respondent burden.

Finally, representatives from other government agencies and the private sector contact the Census Bureau regularly regarding the HVS. Since the HVS is a historical series, it is generally agreed that no major modifications that would weaken long-term comparability should be made to its content. All consultations the Census Bureau engaged in with private sector individuals were on an individual informal basis and not for purpose of forming a group consensus.

#### **9. Paying Respondents**

We do not pay respondents or provide them with gifts.

#### **10. Assurance of Confidentiality**

The respondents for units eligible for the HVS may have already received the respondent letter for CPS (see Attachment D) and will additionally receive a fact sheet (see Attachment E) which explains that the HVS is part of the monthly CPS, in addition to providing other information about the survey. Interviewers provide the pamphlet, "The U.S. Census Bureau Respects Your Privacy and Keeps Your Personal Information Confidential," to households whenever necessary (see Attachment F). All information given by respondents to Census Bureau employees is held in the strictest confidence as guaranteed by Title 13, United States Code, Section 9. Each interviewer has taken an oath to this effect and is subject to a jail penalty and/or a fine if he/she discloses any information. Per the Federal Cybersecurity Enhancement Act of 2015, all data are protected from cybersecurity risks through screening of the systems that transmit data. The pamphlet on privacy is currently being updated to reflect this new process and will be used upon the approval and depletion of current pamphlets.

#### **11. Justification for Sensitive Questions**

We do not ask sensitive questions in the HVS.

#### **12. Estimate of Hour Burden**

The estimated respondent burden is 4,200 hours. Based on the last year of data collection, approximately 84,000 households completed the HVS each year with each household interview, on average, being 3 minutes. The estimated total annual respondent cost burden based on these hours is \$108,864.<sup>1</sup>

### 13. **Estimate of Cost Burden**

There are no costs to the respondents other than that of their time to respond.

### 14. **Cost to Federal Government**

The total estimated cost to the federal government for the HVS in FY 2018 is \$734,000. The cost is borne entirely by the Census Bureau. This cost includes all steps in the survey life cycle including but not limited to data collection, processing of the data, review and analysis of the data and reporting to the public.

### 15. **Reasons for Change in Burden**

The burden hours have been reduced due to the smaller sample size based on the change in the number of qualifying vacant households and hence fewer interviews. The burden hours estimated in 2014 was 4,317 and the burden hours estimate in 2017 is also 4200.

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<sup>1</sup> Estimates of the total annual respondent cost for the collection of information use the appropriate wage rate categories. For individuals, the wage rate is \$25.92 (Oct 2016) per hour. This is based on the average hourly earnings for employees as reported by the Bureau of Labor Statistics (<http://www.bls.gov/news.release/realer.t01.htm>).

## 16. Project Schedule

<b><u>HVS QUARTERLY DATA</u></b>	
<b><u>Activity</u></b>	<b><u>Time Frame</u></b>
Conduct Interviews	Monthly, Starting Sunday on the week containing the 19th
Produce Tabulations	Three Weeks After Interviewing for Quarter
Complete and Release an Advanced Press Release Containing: <ul style="list-style-type: none"> <li>□ Quarterly Rental and Homeowner Vacancy Rates</li> <li>□ Housing Inventory Estimates</li> <li>□ Homeownership Rates</li> </ul>	Within 19 Working Days of End of Quarter
Place HVS Data On Our Internet Web Site	Within 19 Working Days of End of Quarter

<b><u>HVS YEARLY DATA</u></b>	
<b><u>Activity</u></b>	<b><u>Time Frame</u></b>
Publish Annual HVS on the Internet. We show: <ul style="list-style-type: none"> <li>□ Vacancy and Homeownership Rates for:               <ol style="list-style-type: none"> <li>1. United States</li> <li>2. Regions</li> <li>3. The 50 States</li> <li>4. District of Columbia</li> <li>5. Selected MSAs</li> </ol> </li> <li>□ Homeownership Rates by:               <ol style="list-style-type: none"> <li>1. Age of Householder</li> <li>2. Family Status for the United States and Regions</li> <li>3. Race and Ethnicity</li> </ol> </li> <li>□ Detailed Characteristics with Historical</li> </ul>	Published in February every year.

Data of Vacant Units	
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**17. Request to Not Display Expiration Date**

The HVS is administered as part of the CPS monthly interview. However, the HVS, as well as all CPS supplements, bears an OMB control number and expiration date which is different from the basic CPS interview. The OMB control number and expiration date for the CPS basic interview is included in the advance letter we give respondents (see Attachment D). Because of these complexities and the anticipated respondent confusion involved with expressing a separate control number and expiration date to respondents for the supplement questions when the control number and expiration date for the CPS basic interview is already present, we do not wish to display the OMB control number and expiration date for the HVS.

**18. Exceptions to the Certification**

There are no exceptions to the certification.