



Monday
December 10, 1979

Part IV—Section D

**Housing and Urban
Development
Department**

Draft Consumer Program

DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT**Office of the Secretary**

[Docket No. N-79-960]

AGENCY: HUD.**ACTION:** Notice Inviting Public Comment on Draft Consumer Program.**DATE:** Comments must be received by March 10, 1980.**ADDRESS:** Comments should be addressed to the Rules Docket Clerk, Office of the General Counsel, Room 5218, U.S. Department of Housing and Urban Development, 451 7th Street, S.W., Washington, D.C. 20410.**FOR FURTHER INFORMATION CONTACT:** Sandra J. Alexander or Kathy Dexter, Office of the Assistant Secretary for Neighborhoods, Voluntary Associations and Consumer Protection, U.S. Department of Housing and Urban Development, Room 4100, 451 7th Street, S.W., Washington, D.C. 20410, (202) 755-0950. This is not a toll-free number.**I. CONSUMER AFFAIRS PERSPECTIVE**

In 1976 the Secretary of the Department of Housing and Urban Development created the Office of Consumer Affairs and Regulatory Functions and delegated primary responsibility for consumer matters within the Department to the Assistant Secretary heading this office. (See 41 Fed. Reg. 19365—May 12, 1976.) The Office of Consumer Affairs and Regulatory Functions was delegated expanded responsibilities in 1977 and was renamed the Office of Neighborhoods, Voluntary Associations, and Consumer Protection (NVACP). Many of the responsibilities outlined in Executive Order No. 12160 are already being performed by the professional staff of consumer affairs personnel currently maintained by the Department under the Assistant Secretary for NVACP.

Staff Location

The consumer affairs staff will continue to be located under the Assistant Secretary for Neighborhoods, Voluntary Associations and Consumer Protection, in the Office of Consumer Affairs and the Office of Policy and Program Development. The Office of Consumer Affairs is divided into four divisions: Housing Counseling Division, Consumer Complaints Division, Consumer Liaison Division and Community Services Division.

Size and Resources

The size of the full-time or part-time professional staff of consumer affairs personnel that will be needed within the Department to serve the full mandates of the Executive Order is not readily ascertainable. The Agency finds that a certain level of expertise is required by each of the divisions under the Office of Consumer Affairs and the Office of Policy and Program Development in order that the responsibilities and obligations outlined by this program can be met. The staffing needs of the Department will be met

through the application of the discretion granted to the Department's Assistant Secretaries to hire staff sufficient to meet their delegated responsibilities.

The effective operation of the *Consumer Complaints Division* depends upon a staff having experience working effectively with individuals, and developing and maintaining consumer complaint systems, including systems for equitably resolving complaints. The staff must also have an ability to monitor the processing of consumer complaints by other HUD Headquarters and field offices and to analyze data gathered by the consumer complaint management system.

The *Consumer Liaison Division* requires a staff possessing familiarity with HUD's organizational structure and major departmental programs, a thorough working knowledge of methods of ascertaining public views, and the ability to analyze and evaluate the views and positions of the public and to summarize them into policy recommendations. Experience is also need in conducting and analyzing extensive studies in the fields of housing, in collecting and evaluating facts, in drawing conclusions, interpreting and applying regulations and policies to programs related to housing issues. The staff will include at least one Housing Specialist, having knowledge about housing policies, programs and organization at the Federal, State and local levels. There will also be at least one Community Development Specialist with knowledge about the community development programs, policies and organizations at the Federal, State and local levels. This division will also include at least one Education Specialist with the capability to develop consumer publications, and interpret regulations. This individual must also be familiar with management information systems.

In order for the *Office of Policy and Program Development* to be effective, its staff members must be familiar with one or more HUD programs, and have the ability to perform systematic and high level analyses of HUD issues, policies, programs, procedures and regulations, from the perspective of the affected consumers. Staff members must have proven high-level writing abilities, knowledge of regulatory program operations, and the ability to articulate and advocate a minority position.

Responsibilities

The Assistant Secretary for NVACP has oversight responsibility, establishes policy direction for and coordinates the Department's consumer activities. The Assistant Secretary will report directly to the Secretary on matters related to this program, and has authority to directly appeal to the Secretary or Under Secretary any determination of agency officials adversely affecting the consumer interest.

The Director of the Office of Consumer Affairs will directly support and assist the Assistant Secretary in meeting his or her responsibilities under this program.

Oversight of the consumer affairs activities within the Department is not the only responsibility of the

Assistant Secretary for Neighborhoods, Voluntary Association and Consumer Protection. The Assistant Secretary will continue to meet his or her delegated responsibilities in the consumer-related subject areas of neighborhood development, public-private partnerships and regulatory enforcement. The Secretary of HUD has determined that these delegated responsibilities are complementary to the consumer affairs function and will not detract from, but will enhance, the Assistant Secretary's ability to represent the consumer interests within the Department.

The Consumer Complaints Division has total responsibility for monitoring and coordinating all consumer complaints activity within the Department. The Consumer Liaison Division acts as liaison between the Department and public and private organizations concerned with consumer matters, and develops an effective means by which consumers can gain access to the Department and communicate their concerns. The Office of Policy and Program Development analyzes and comments upon all proposed and newly drafted final Departmental regulations, major Handbooks, and policy documents, in order to identify and represent the interests and views of the consumers.

The Community Services Division provides technical advice and guidance to designated staff of HUD Regional Offices on the social science aspects of housing management and on planning with people to improve social and economic opportunities and to better the quality of life. The Housing Counseling Division administers a housing counseling grant program. The Counseling division also recruits, trains and certifies community-based public and private non-profit organizations which provide housing counseling services to homebuyers, tenants and homeowners. The Community Services Division and Housing Counseling Division are primarily responsible for program functions which are not related to the consumer affairs responsibilities outlined by this program.

Relationship With Other Consumer Personnel and Agency Operating Units

The Office of the Assistant Secretary for NVACP will also coordinate its oversight responsibility with the activities of the Office of Citizen Participation within the Office of Community Planning and Development. Development of consumer educational and informational materials, and participation in public events will be coordinated with the Office of Public Affairs in the Secretary's Office. Development of an education and training strategy for HUD personnel will be coordinated with the Assistant Secretary for Administration. The Office of the Assistant Secretary for Administration will also support the Office of the Assistant Secretary for NVACP by providing expertise in preparing publications, and preparing presentations and exhibits for the public.

The Department will establish a Consumer Affairs Advisory Council consisting of members from the HUD program offices (of at least Deputy Assistant Secretary

rank), the General Counsel's office, Office of Policy Development and Research and the Office of Public Affairs. The Director of the Office of Consumer Affairs will serve as secretary for the Council. The purpose of the Council is to provide a mechanism through which high level officials of the Department can meet with the Secretary on a regular basis to discuss consumer issues. The regular agenda for the Council meetings will include consumer affairs issues of concern to the public and other Federal, State and local agencies. The Advisory Council will appoint a chairperson, who will serve for a term of one year.

Participation in Development and Review of Agency Rules, Policies, Programs and Legislation

1. Notification Procedure

—The HUD Handbook prescribes a Departmental clearance process for Federal Register documents, work plans and semiannual lists of routine, special and significant rules. The Office of Regulations in the Office of the General Counsel distributes copies of the items subject to Departmental clearance to the Assistant Secretaries and other heads of major organizational units in HUD Headquarters for simultaneous review. The Office of the Assistant Secretary for NVACP will receive all items distributed by the Office of Regulations along with an invitation to participate in the clearance process. The Office of Policy and Program Development will notify the Office of Consumer Affairs and its Division that items have been received by the Assistant Secretary and are available for review by their staffs.

—The Consumer Affairs staff may be invited by various Departmental program offices to participate during the development of rules, policies, programs and legislation.

2. Stage at Which Participation Begins

—Consumer Affairs staff participation takes place during the Departmental clearance process for the following items:

(a) Substantive rules relevant or applicable to the general public which prescribe a penalty or course of conduct; confer a right, privilege, authority, or immunity; or impose an obligation.

(b) Rules of procedure (e.g., description of forms available, places where forms may be obtained, instructions as to the scope and contents of reports).

(c) Statements of general policy or interpretations of general applicability relating to public property, loans, grants, benefits, or contracts.

(d) Advance Notices of Proposed Rulemaking; Task Force charters and Notices of Task Force Meetings.

(e) Descriptions of HUD's central and field organizations (e.g., Delegations or re-delegations of final authority regarding Departmental programs; Orders of Succession; Established places at which, and methods whereby, the public may obtain information, make submittals or requests, or obtain decisions.

(f) Work plans and semi-annual lists of routine, special and significant rules.

3. Methods of Participation

—The Office of Regulations will send a copy of the clearance item to the Assistant Secretary for NVACP for review. The Office of Policy and Program Development will examine the clearance item and make recommendations to the Assistant Secretary. The reviewing office may concur without comment, concur with comment, or nonconcur. The Office should nonconcur only if it insists that it cannot approve the clearance items until the substantive concern causing the nonconcurrency is satisfactorily resolved or decided by the Secretary/Under Secretary. The Office would concur with comment if it has editorial suggestions or substantive concerns not sufficiently serious to warrant a nonconcurrency. The Office will have to distinguish between comments which are the basis for nonconcurrency, and those it considers not sufficiently serious to warrant a nonconcurrency. The Office would negotiate directly with the drafting office in an initial attempt to resolve a nonconcurrency.

—The staff may be assigned, either as working staff or as the official consumer representative, to a variety of agency task forces or working groups.

—The staff may meet with key officials to resolve disputes over appropriate program directions.

—The staff may develop and propose program initiatives in response to a perceived consumer need or actual requests for rulemaking by the Department on specific consumer concerns.

—The staff may participate in program reviews or program development when a specific consumer interest is identified.

—The staff may also participate on evaluation panels for research contracts awards on particularly relevant issues.

II. CONSUMER PARTICIPATION

The Department of Housing and Urban Development's Consumer Participation Programs are designed to fulfill the following objectives:

—To provide the public with the opportunity for input into rulemaking and policy or program development;

—To provide consumer educational and informational exchanges;

—To provide technical assistance in the utilization of available program resources; and

—To facilitate the monitoring of program input.

Stage of Agency Decisionmaking Participation Begins

1. Required Procedures—Rules

Departmental procedures as outlined in the HUD Handbook required that before drafting a significant regulation, the drafting office must prepare a work plan which outlines the entire rule formulation process. The drafting office must indicate in its work plan the methods by which it will obtain public participation in the development of the regulation.

—The first step in developing the plan is to identify who should be invited to comment on the regulation. Participants should include:

(a) Those persons and groups to whom the beneficiaries or obligations of the regulation are directed.

(b) Those persons or groups who assist HUD in providing services, such as counseling agencies, or other government agencies.

(c) Interest groups, such as civil rights or consumer organizations.

(d) General purpose state and local governments and national organizations representing those general purpose governments which notified the drafting office of their interest in the regulation following publication of the Semiannual Regulations Agenda.

The drafting office will list the participants in the public participation portion of its work plan. If a participating group is large, the drafting office will identify the method by which it will obtain a representative sample of the group. In reviewing the work plan, Assistant Secretaries or other heads of major organizational units in HUD headquarters may recommend additional participants.

—The principal means of encouraging public participation at the early, pre-drafting stage of rule development is to publish an Advance Notice of Proposed Rulemaking (ANPR) in the Federal Register. The ANPR will briefly outline:

(a) The proposed new program or proposed changes, and why they are needed;

(b) The major policy issues involved;

(c) A request for comments, both specific and general, as to the need for the proposed rule and the provisions that the rule might include;

(d) If appropriate, a list of questions about the proposal that will elicit detailed comments;

(e) If known, an estimate of the reporting and recordkeeping requirements likely to be necessitated by the proposal; and

(f) Where comments should be addressed and the time within which they must be submitted.

The drafting office shall attach the ANPR to the work plan, so that the documents may be reviewed at the same time.

—After the Secretary/Under Secretary approves the work plan and the ANPR, the Office of Regulations will forward the ANPR to the Federal Register for publication. In addition, the drafting office will mail copies of the ANPR to the participants identified in the work plan. If a proposed regulation is subsequently published, the drafting office will mail copies of it to the same participants who received the ANPR.

—An ANPR will be published for each significant regulation, unless the Secretary/Under Secretary grants an exception based upon legitimate and pressing time constraints.

In addition to publishing an ANPR and a proposed regulation, the drafting office may provide for further public participation by one or more of the following methods:

(a) Random or media based surveys;

(b) Panels, conferences, or forums; and

(c) Public hearings.

2. Policies and Programs

The determination of the actual point for consumer participation in general policy and program development not involving rulemaking is left to the discretion of the drafting program office. The public participation components employed by these offices may include consultation with advisory Committees, meetings with representatives of affected consumer groups, and discussions in forums and public hearings.

Avenues of Participation

1. Consumer Forums

Perhaps the most visible mechanism for informing consumers about HUD and soliciting their views on issues and programs has been the Consumer Forums. These forums are designed to encourage a working relationship between HUD's program offices and policymakers and the consumers of the Department's programs. Approximately 100 open consumer forums have been held in the past 12 months, focusing on major, timely issues. The forums are of three types: national, state and local.

Several *national forums* are held annually. They are generally conducted in Washington, D.C. The forums serve as catalysts for discussions on issues of concern to the Department and the public. Staff from the specific programs being discussed are present and take part in discussions with representatives of industry, consumers and government. Assistant Secretaries make presentations at these forums. Occasionally the Secretary and Under Secretary are participants.

—Eighty to ninety *local consumer forums* are planned annually throughout the country by HUD field offices. The intent of these meetings is to inform consumers about HUD programs and solicit their views on program performance. Area Office Managers or Regional Administrators make major presentations at virtually all of these forums. Other HUD field staff serve as panelists and workshop leaders. In addition, there is generally representation on the panels by State and local officials, community organizations, consumers and private business firms involved in HUD programs. Audiences average from 100 to 250 people.

—Approximately fifteen states per year conduct *State Consumer Forums* on behalf of HUD. These forums are structured to pull state and HUD resources together to jointly address, in a public setting, major consumer issues in housing and community development. The state offices involved include housing and community development, urban affairs, housing finance, and consumer affairs.

The state agencies develop the forums to acquaint the public with:

- (a) HUD's programs and personnel;
- (b) City/state/Federal role in housing and community development;
- (c) Ways in which the public can help government meet its needs;

(d) Ways in which the public could provide feedback on the effectiveness of HUD's state and local programs;

(e) Ways in which the Federal, state and local agencies may meet the public's needs;

(f) Community Development Block Grant Entitlement Cities;

(g) Office of Housing Finance;

(h) Consumer Affairs Office;

(i) State Economic Opportunity Office;

(j) State legislative committees that have jurisdiction over HUD issues; and

(k) Consumer, neighborhood and community groups.

They are encouraged, where appropriate, to invite either HUD Area Office Managers, Regional Administrators, or Assistant Secretaries as speakers.

2. Consumer Network

HUD has established a Consumer Network that now numbers approximately 24,000 groups and individuals. It is composed of local consumer and community groups, national organizations, state and local consumer affairs agencies, tenant associations, public housing authorities and other groups or individuals who request that they be listed in the Network. It also includes groups with special concerns, such as women, Spanish-speaking individuals, Indians, the elderly, and coalitions working on specific issues. The Consumer Network is a computerized system with the ability to assemble and update various mailing lists, cross-indexed by consumer interests in Departmental policies or programs. This system has the capacity to limit its distribution to any State or Regional jurisdiction.

3. Consumer Newsletter

A monthly *Consumer Bulletin* is sent to the entire Consumer Network highlighting HUD activities and soliciting comments. A *Consumer Notice* is distributed only to those consumers who have expressed an interest in a specific topic. It announces upcoming consumer forums and provides background material on the issues and programs to be discussed.

4. Mailings

Direct solicitation of comments about major regulations is conducted by sending mailings of published proposed regulations, with a cover letter highlighting the major issues, to various groups and individuals to ensure that they have notice of the proposal and to encourage them to formally comment. These are groups and individuals from the Consumer Network who have indicated an interest in the particular subject matter. Mailings are also made to special consumer groups, such as Hispanics, Indians, and women, on issues directly related to their interests.

5. Informal Working Groups

These small groups of consumers and consumer representatives are brought together to discuss a particular issue. The working groups then prepare papers stating their views and recommended HUD actions.

6. Advisory Committees

When it is desirable that a group of consumers and consumer representatives meet on a regular, long-term basis with HUD staff to discuss a particularly important issue or program, an Advisory Committee is established. This is mandated by the Federal Advisory Committee Act.

Analysis of Consumer Concerns

With regard to rulemaking, the preamble to a final regulation is required by HUD procedures to include an analysis of significant comments submitted to the Rules Docket Clerk. The preamble also explains why comments were or were not adopted. During the clearance process the consumer affairs staff in the Office of Policy and Program Development reviews the preamble to evaluate its adequacy. When the consumer affairs staff identifies an issue which appears to have a negative impact on consumers, or when the commentators raise an issue which the staff determines was not adequately addressed by the responsible program official, then the Assistant Secretary for NVACP nonconcurs on the clearance item. The program office is obligated by HUD procedures to attempt to resolve the nonconcurrence. If NVACP and the Program Office cannot agree on a resolution, the issue may then be escalated to the Under Secretary or the Secretary of HUD for decision.

In addition to the formal rulemaking process, when an issue has been highlighted and consumer views solicited through one of the avenues of participation previously discussed, those views are analyzed, presented to, and discussed with responsible HUD program officials. The objective is to affect current or future rulemaking and program design by insuring that the consumer viewpoint has been presented and considered.

A Consumer Affairs Working Group, consisting of representatives from each program, is designated in each Field Office. This group coordinates the development of a forum and insures that followup activities are carried out. An evaluation report is required after each meeting describing the forum design, audience mix, major issues raised and the recommendations and commitments made. A schedule for resolving issues and fulfilling commitments must be furnished. Periodically, Area Managers, Regional Administrators, and Assistant Secretaries are required to submit status reports to track the progress made in resolving these consumer concerns. Forum participants and others receive a newsletter summarizing the issues and describing the actions that will be taken to implement recommendations made.

Notice to Consumers of Opportunities To Participate in Decisionmaking

Consumer Notices are sent to the members of the previously described Consumer Network to provide information concerning forums, special meetings, newly proposed regulations, and any other significant matters. In addition, the Office of Public Affairs

notifies the local news media each time a Consumer Forum is scheduled.

III. INFORMATIONAL MATERIALS

Agency Information Services

The Department has established on national, regional and area levels special networks of consumers with whom we regularly communicate. The highest priority goes into creating opportunities for two-way communications between consumers and HUD. Consumers are prepared to protect themselves in the marketplace, and to participate effectively as advocates in the HUD policymaking process. In order to accomplish this, the Department prepares informational and educational consumer materials about the Department and its program and encourages the expression of consumer viewpoints through forums, public hearings, seminars, meetings and mailings.

1. Usefulness of Current Material

HUD publications produced by program offices are reviewed for clarity and sensitivity to the consumer viewpoint (by the Consumer Liaison Division) and to identify where new publications are needed. Additionally, summaries of major new program initiatives or revisions are written and sent to consumers by the Consumer Liaison Division. A draft *Consumer's Primer of HUD* has been prepared, which explains how the Department works and its major programs. Brochures with pictures and diagrams explaining the functions of the Office of Consumer Affairs and the procedures for consumer participation have also been prepared. The Office of Public Affairs has developed a booklet entitled *More Than Shelter* which describes HUD's major programs in "Plain English" with photographs for consumers. The Neighborhood Relations Division has also developed a 28-page booklet entitled *Neighborhood Oriented Programs of the Federal Government*, which is a compendium of funding and technical assistance resources for neighborhood organizations. This was published in November 1979.

HUD program offices produce brochures and fact sheets on each program, which are updated periodically. An information book summarizing all HUD programs is produced annually by the Office of Public Affairs. The Office of Policy Development and Research regularly produces studies and reports on HUD programs and policies. These materials are available to the public. Films and slide presentations on HUD programs and consumer participation are carefully developed to avoid any sexual, racial or ethnic bias.

2. Plans for Improvement

Due to inadequacies identified over the past years by HUD staff or by outside groups and individuals, several new materials or methods for communicating with HUD's clientele have been developed for FY 1980. These include:

—A continuation of the FY 1979 initiative *Women and Mortgage Credit Campaign*. This Campaign is specifically designed: (1) to educate women about the availability of credit for home mortgages, and about past and current discriminatory practices; and (2) inform lending institutions about the credit worthiness of women. During FY 1980, the campaign will be brought to women and lending institutions via public service announcements on T.V., radio, and newspapers. The Office of Policy Development and Research monitors this campaign through a contract with an outside consultant.

—The National Association of Housing and Redevelopment Officials (NAHRO) will develop a series of teaching classes for housing authority managers to instruct them on what public housing authorities are doing and should be doing. The classes will include a segment about the special needs of the tenants of public housing.

—The Neighborhood Information Sharing Exchange System began official operations in November, 1979. This computerized system is designed to provide information to neighborhood organizations about neighborhood revitalization programs and activities around the country. It operates outside the HUD Headquarters at K Street, N.W., Washington, D.C., and is maintained by an outside contractor.

—HUD has developed a video film about an energy conservation conference held in 1978. The film is designed to encourage local groups to undertake the same type of conference activity. HUD will develop more of this kind of consumer-oriented films. The energy film, and others not yet developed, will be distributed to HUD Area and Regional Offices and to other Federal Agencies which indicate an interest in the particular consumer item. Also, the availability of the films will be made known through HUD's consumer mailing list as well as through the White House consumer bulletin.

—HUD will begin an experimental project called "Yellow Pages" in five cities in January 1980. In this demonstration, we will place ads directed toward persons who are looking for mortgage money and insurance in the local Yellow Pages. The ads will include a toll free number for consumers to call and is designed to explain the FHA process to consumers. This project results from Department awareness that many or most people do not understand the FHA process. If this demonstration is successful, it will be expanded to other cities.

—HUD will continue its Supermarket Communications program, under which a contractor to HUD puts informational material in supermarkets around the country on a regular basis.

—The Department will initiate a series of Public Service Announcements (PSA's) for television aimed at informing consumers about such subjects as:

- a. The Real Estate Settlement Procedures Act
- b. Lead-Based Paint Poisoning Prevention
- c. Fair Housing
- d. Housing Counseling

3. Officials Responsible for Consumer Information Program

Each program office has responsibility for developing material relevant to its area. The Office of Public Affairs, which is headed by an Assistant to the Secretary assists in the development of this material in several ways.

First, every publication and proposal by a program office is submitted to the Publications Review Board (Chaired by the Office of Public Affairs) for a determination of its need, whether it duplicates existing material, and whether it should be translated into Spanish. Once the Board so decides, a communication may go forward.

Second, the Office of Public Affairs manages the graphic and visual arts staff for the entire department and therefore assists in illustrating publications.

Third, the Office of Public Affairs can assist a program office financially if the program office lacks funds to support a necessary publication.

4. Manner of Distribution

In addition to the Consumer Bulletins, the Office of Neighborhood Development, under the Assistant Secretary of NVACP, periodically publishes "Alert Memos." The Alert Memos provide updated information on the programs of HUD and other Federal agencies which are relevant and accessible to neighborhood organizations. These memos are sent to an expanding national network of neighborhood organizations and individuals. As of October 1979 the mailing list included 5,600 organizations and individuals.

HUD also has an Information Center in its Headquarters Office where the public can obtain informational materials about programs as well as technical and research publications. Each Area and Regional HUD Office has program material for distribution to the public. Often information about HUD activities of interest to consumers is made available to national magazines and regional and local journals.

Television spots are occasionally used to highlight specific consumer issues. These television spots are often followed-up by newsletters and Consumer Forums. Films and slide presentations are shown at most Consumer Forums. Press conferences are frequently held in conjunction with these meetings and press releases are always prepared and sent to the local news media announcing the meetings. Consumer Forums, public hearings and seminars are preceded by careful background work, such as selected participants and HUD staff researching and writing discussion papers. Packages of informational material about a specific issue or program are distributed at these meetings.

The Product Dissemination and Transfer Division of the Office of Policy Development and Research (PD&R) is responsible for assuring that consumers have access to research products and programs. The consumer population includes state and local public officials, members of the building industry, representatives of

neighborhood organizations, researchers in universities, and consumers. Highlights of the division's dissemination program include:

(a) A computer-based information service, called HUD USER. The data base contains short abstracts on all HUD-funded research. The service assists PD&R in providing the following services on a rapid basis:

(1) Personalized literature searches from the computerized data base to answer consumers' questions.

(2) A semi-annual annotated compendium of research results.

(3) A bi-monthly bulletin announcing the latest PD&R research reports.

(4) A document distribution service which supplies consumers with copies of research results.

(5) Special products including topical bibliographies, brochures and announcements of important future research results.

(b) Publications especially for consumers on selected subjects have been prepared and disseminated. Examples of this type of publication include "The Energy-Wise Home Buyer" and "In the Bank . . . or Up the Chimney?"

(c) The Division also has developed new types of publications which summarize research results (bi-monthly bulletins, flyer, with order forms) which are designed to give the user enough information to decide whether to order the full report.

Information on Agenda of Public Meetings

The program office sponsoring a public meeting is responsible for preparing materials designed to make the meeting comprehensible to the public. Since the purpose and type of meeting may vary, the Department has not prescribed a format for the public meeting materials. The sponsoring office is granted the widest latitude to develop the types of materials which will make the public's involvement in the meeting most beneficial.

Notification of interested persons about the availability of the materials and the distribution of materials is also left to the discretion of the sponsoring officials. In general, the program offices notify the public about public meetings in the same manner that they inform consumers about HUD programs.

IV. EDUCATION AND TRAINING

Areas in Which Training Provided

The Department has a substantial professional staff which has performed most of the activities outlined in this program for several years. It is not anticipated that the Department will need to develop or offer specialized training to existing personnel in consumer participation, complaint handling and preparation of informational and educational materials. Recruiting procedures and on-the-job orientation processes will insure that the professional staff will have the requisite skills to meet their responsibilities under this program.

Responsibility for Educating Staff Members About Consumer Program

The Assistant Secretary for NVACP will coordinate with the Assistant Secretary of Administration and the other program Assistant Secretaries in developing a strategy to educate HUD staff members about the President's Executive Order and about HUD's activities for carrying out its consumer affairs program.

Method of Education

HUD will conduct briefing sessions, including a slide show for all of the Assistant Secretaries' offices within HUD. These briefings will explain the Executive Order, HUD's policy and program response and the implementation strategy.

The Assistant Secretary for NVACP will provide the Secretary's Principal Staff a short summary of the Executive Order and the proposed plans at Principal Staff Meeting.

The staff of the Office of Consumer Affairs in conjunction with the Office of Public Affairs will prepare a video cassette film and a slide presentation about the Executive Order, the new Federal policy and HUD's programs and policies developed in response to the Order. The audiences will include:

- a. Regional Administrators and Area Managers
- b. Headquarters and Field Staff
- c. Neighborhood and Consumer Affairs Representatives
- d. HUD's consumers

A special briefing will be held at the HUD Executive Management Review meeting (an internal management meeting) in which Regional Administrators, Area Managers and Assistant Secretaries meet to discuss program and policy implementation strategies.

A course will be developed in conjunction with the Department's Division and offered as part of HUD's annual curriculum.

Field training programs in Columbia, Maryland, will include a module on Executive Order No. 12160 and HUD's Consumer Program. The NVACP Management Training Program, which will be held in December 1979, and the Citizen Participation training sessions (CPD) will have a specific section on this subject.

Selecting Consumers and Organizations To Receive Assistance

Procedures may be established which specify certain periods during the administrative process when citizens may affect the decisionmaking process. The Department will review several approaches for providing assistance to consumers and their organizations which would encourage their participation and enhance the effectiveness of their input.

HUD personnel currently answer technical and procedural questions, and assist consumers and groups in the preparation of applications, forms and other documents.

The Department also has a Technical Assistance Program which is designed to transfer skills and

knowledge in planning, developing, and administering the Community Development Block Grant program to eligible applicants who have a need for this assistance.

V. COMPLAINT HANDLING

The Division of Consumer Complaints, within the Office of Consumer Affairs, has total responsibility for monitoring and coordinating all consumer complaint activity within the Department. A network of consumer complaint coordinators is in place to assure compliance with the prescribed procedures by all 52 HUD field offices as well as every major Headquarters Assistant Secretary's Office. Consumer complaint coordinators report to the Division of Consumer Complaints through written analysis as well as regular telephone communication.

The overall purpose of HUD's consumer complaint system is:

- To assure that all consumer complaints receive timely and responsive replies;
- To provide decision-makers at HUD with up-to-date information about areas of frequent consumer concern;
- To put the consumer complaint data to practical use in assessing the impact of HUD policies and programs.

Since 1977 the Division has functioned under provisions of the HUD Handbook which establishes its explicit roles in the monitoring of all complaints. These provisions are currently being revised to further strengthen the role of the Division of Consumer Complaints.

Agency Interest In and Methods for Filing

Realizing that many consumers are: (1) unaware of the Departmental Consumer Complaints System, (2) unaware of the proper way to file a complaint to get timely and quality action, and (3) unaware of what the Department is capable of doing for consumers, the Division of Consumer Complaints has instituted an intensive public awareness program.

—The Division has developed a "How to Complain Guide," which outlines how and where to send complaints relating to a wide variety of housing matters.

—On a regular basis, the Division puts out press releases on the current, most common complaints to increase awareness about problems and solutions.

—The Division writes, revises and issues HUD publications based on complaint activity.

Format for Logging Complaints

According to the requirements of the Departmental Consumer Complaint Handling System, all complaints received (by letter, telephone and walk-in) must be accurately logged. Information on these logs must include name, address, date of receipt, HUD program category of complaint, the nature of the complaint, and the date when all remedies within HUD's jurisdiction have been exhausted and the consumer has been so advised.

Response Procedure

Since the staff of HUD field offices are more aware of local and state resources available to consumers in their areas, they are usually assigned responsibility for providing a reply to clearly local complaints. When a letter is referred to the field an interim letter is sent to the consumer explaining the referral, along with the name, address and telephone number of a contact and a date for the next response.

If a complaint is determined not to be within HUD's jurisdiction, every effort is made to find another agency that can provide assistance. The complaint is directly referred to the other agency and a response explaining this referral is sent to the consumer.

Evaluation of Complaint-Handling System

As part of the monitoring responsibility of the Division of Consumer Complaints, a Department-wide automated tracking system will be put in place in FY 81.

A formal monitoring process is being implemented to insure that a workable system for recording and reporting complaint data is operational in Headquarters and field offices. Final reports are written up and submitted to the Regional Administrators or Assistant Secretaries as applicable.

Every field office has a management goal, submitted by the Division of Consumer Complaints and approved by the Secretary, for resolving 95% of the consumer complaints received by the Department within 30 calendar days. This is closely monitored through a computerized system. Offices that fall below this goal are highlighted in monthly Secretarial meetings.

The importance of being timely and responsive to complaints is stressed to all HUD employees by the Division of Consumer Complaints, Consumer Complaint Coordinators, and Principal Staff. The Division of Consumer Complaints is now developing several methods to teach employees how to be responsive. A guidance manual is now being printed which outlines exactly what is expected of complaint handlers at each step of the complaint handling process. Plans are underway to develop a video package on complaint handling to be shown in every Area Office. Specific guidelines for complaint handlers are also highlighted in the Handbook.

By the 15th of every month each field and Headquarters office is responsible for submitting a statistical report on complaint activity for the previous month. These figures are categorized by HUD program category. The Division of Consumer Complaints then combines the individual reports into one monthly consumer complaint report.

On a quarterly basis each office is responsible for submitting a narrative analysis of the complaint activity during the previous 3-month period.

The quarterly narrative reports are thoroughly analyzed and a consolidated feedback report is developed which is sent to key HUD officials as well as all field offices.

The Division of Consumer Complaints highlights significant consumer complaint issues each month.

The issues are written in an issue-problem-recommendation style. The Secretary/Under Secretary's office is supportive of the consumer complaint handling system and operations and uses its authority to assure follow through by HUD offices. If program offices do not follow through on recommendations, they are required by the Secretary or Under Secretary to explain why the suggestions are not feasible.

On a regular basis the Division of Consumer Complaints surveys consumers who have written to the Department. The survey responses are analyzed to determine what the Department can do to be more effective. The analyses are sent to the program offices along with recommendations.

VI. OVERSIGHT

The Assistant Secretary for Neighborhoods, Voluntary Associations and Consumer Protection will have authority to exercise policy direction for, and coordination and oversight of, HUD's consumer activities under the terms of this program. The Assistant Secretary will continue to report directly to the Secretary and will regularly apprise the Secretary of the potential impact on the consumers of particular policy initiatives under development or review within the Department.

The Assistant Secretary will receive substantial support and direct assistance from the Director of the Office of Consumer Affairs (a career professional) in meeting his or her oversight responsibilities.

Authority: Executive Order 12160 (44 Fed. Reg. 55787—September 28, 1979).

Issued at Washington, D.C., December 4, 1979.

Moon Landrieu,

Secretary of Housing and Urban Development, Washington, D.C.

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Form Approved:
OMB No. 116S79021**CONSUMER RESPONSE FORM FOR EXECUTIVE ORDER 12160**

Dear Consumer:

The _____ (agency) wants to make its consumer program better and more responsive to you, the consumer. We would like your thoughts and suggestions for improving our proposed consumer program. Please help us by answering the following questions:

1. Which of the following statements best describes your interest in our consumer program?
 - I am interested in it as an individual consumer.
 - I am concerned about it, because I represent a public interest consumer group.
 - I am concerned about it, because I represent a private company or organization.
2. After reading about our consumer program, do you think you understand how it works?
 - Yes, it is clear and I understand it.
 - Yes, I understand most of it.
 - No. Much of it is not clear to me.
3. Part of our consumer program sets up ways for consumers to help us make policies and rules. Do you feel our program makes it easier for you to participate?
 - Yes.
 - No. Why? _____
4. Our proposed consumer program outlines how we plan to get information out to consumers. How adequate do you think our plan is?
 - It seems adequate.
 - It is not adequate. Why? _____
5. We want to make it easy for consumers to bring their problems to our attention. Our proposed program tells how we intend to handle complaints from consumers. How good is our plan?
 - Adequate.
 - Not adequate. Why? _____
6. After reading our proposed consumer program, do you know whom or which office in _____ (agency) to contact if you have:
 - A complaint? Yes. No.
 - A general question about the agency? Yes. No.
 - A question about how to take part in agency proceedings? Yes. No.
7. Do you know who or which office in _____ (agency) speaks for the consumer? Yes. No. Any suggestions for improvement? _____
8. Do you have any suggestions for improving our consumer program?
 - No.
 - Yes, in the following areas:
 - Consumer participation _____
 - Informational materials _____
 - Complaint handling _____

9. Other comments or suggestions? (Use additional pages, if necessary.)

(Your name)

(Your address)

(City, state, zip)

**SEND THIS FORM DIRECTLY TO THE AGENCY PROPOSING THE PROGRAM ON
WHICH YOU ARE COMMENTING**

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