

PART B

1. UNIVERSE AND RESPONDENT SELECTION

Research covered under this generic clearance will vary with regard to the universe and respondent selection. The data collected will be used to improve disclosure forms and related materials, not to produce estimates about a population. Convenience samples and purposive samples will be drawn in order to interview a variety of people, rather than a probability sample of the population.

The qualitative research is expected to include mortgage industry members as participants to access their perspective and knowledge in using the disclosure forms and communicating the information to consumers. For example, loan officers at financial institutions or mortgage loan brokers may be recruited to participate in the cognitive testing. This is particularly likely in connection with the development of instructions for the disclosure forms. Lender usability testing may be conducted to learn how the disclosures work when integrated into lenders' existing protocols and practices. As discussed below in Part B.2, the activities under this clearance will be limited to cognitive interviews and labs, focus groups, and public online feedback that involve samples of self-selected consumers and industry, particularly through the internet channel. The qualitative testing will involve convenience samples recruited locally for each round of qualitative testing, with participants selected to include specific characteristics related to certain products. For most of the research activities, respondents will be recruited by telephone. Initial screening of volunteers will be done to identify eligible respondents. Eligible respondents are defined in relation to each set of research questions, and may relate to homebuying experiences, mortgage loan experience, or other requirements. Results will not be used to make statements representative of the universe of study, to produce statistical descriptions (careful, repeatable measurements), or to generalize the data beyond the scope of the sample.

In conducting its testing, the Contractor contracts with research facilities in each specified location and ensures each facility locates and recruits the appropriate populations. In addition, the Contractor will make final decisions with the CFPB on the most important population demographics to capture based on the research questions. Demographics to be considered include geographic location, metro/micropolitan city size, age, ethnic and racial diversity, education, income, gender, and marital status.

The Contractor typically looks for a mix of participants and characteristics and does not expect to meet all of the criteria in any one site or single round of data collection. Patterns will be tracked across sites and collections with later sites recruiting for characteristics that have not previously been filled. Sites will be selected that provide diversity among small, medium, and large sized cities, as well as geographic diversity.

2. METHODS AND PROCEDURES FOR COLLECTING INFORMATION

Data collection methods and procedures will vary with the different activities being undertaken to develop, evaluate, and improve the disclosure form and any related materials. The CFPB expects to use a variety of methodologies for these collections.

One-on-One Interview Method

Recruitment:

The external contractor will generally recruit respondents through telephone calls. In most cases, the CFPB will provide criteria to select appropriate respondents. Participation is voluntary. If the respondent possesses the desired characteristics, a time for the testing is scheduled.

Interview:

Once an interview is scheduled, it is the responsibility of the respondent to travel to the interview site. When the respondent arrives, he or she will complete a questionnaire to confirm the information received on the phone. The respondent is given an assurance of privacy to read, which states that, to the extent permitted by law, the privacy of the respondent's identity will be maintained. This assurance is confirmed orally by the interviewer to the respondent and the need for audio taping is explained.

Interviews typically last 90 minutes. At the beginning of the interview, respondents are informed that the interview will take no more than 90 minutes, that they will be provided with a 5 minute break in the middle of the interview, and that they can step out or end the interview at any time. Respondents will be monitored for fatigue by the contractor's testing personnel and the Bureau. The contractor's testing personnel and the Bureau will keep track of the length of interviews.

The specific activities are determined by the hypotheses to be tested. The most commonly used methods include concurrent think-aloud interviews and focus group interviews. In one-on-one think aloud interviews, respondents are asked questions pertinent to the disclosure form in question and are asked to think aloud about how they would use the disclosure and what questions they would have. The interviewer usually probes extensively to ascertain the degree of comprehension.

Focus group interviews usually consist of 6-10 people per group. In these small group sessions, respondents are again asked questions pertinent to the disclosure form or other aspects of the mortgage loan origination experience and are asked to respond openly to each based on their individual experience and perspective. The moderator tries to involve everyone in each question to better understand attitudes, opinions, and concerns.

Debriefing:

All respondents are debriefed. This procedure reiterates the purpose of the project and answers respondents' questions about the study.

Internet Collection Method

Internet feedback:

The CFPB may engage the public to obtain feedback before formal notice and comment of the proposed rule. The collection of additional data from the public before notice and comment, such as through a website on the internet, allows the Bureau to obtain a wide variety of perspectives, in addition to the formal qualitative testing. This will enable consumers, industry, and other stakeholders to track the CFPB's progress and better understand the process.

Data collection using the internet at different times during the development and evaluation of the disclosure form may include answering comprehension questions, identifying sections of the form on which visitors want to comment, prioritizing information on the form, or identifying missing information.

3. METHODS TO MAXIMIZE RESPONSE

To reduce the number of no-shows, scheduled volunteers will be sent a reminder letter giving the time of the interview or focus group and directions to the testing site. They will also receive a reminder telephone call prior to their scheduled time. In the initial collection, "floaters" will be used to ensure that an appropriate number of participants are available for the testing. These individuals agree to come to the testing site for several hours to be available if other participants do not show.

4. TESTING OF PROCEDURES

Pretesting of data collection materials is conducted by the Contractor, using contractor employees as part of their routine job responsibilities.

5. CONTACTS FOR STATISTICAL ASPECTS AND DATA COLLECTION

The contact person for questions regarding any statistical aspects employed or data collection procedures used will be provided to OMB before any quantitative testing.

Administrative questions regarding the CFPB use of this generic clearance should be directed to:

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