

PART B

The primary purpose of this collection will be to inform the design and development of mortgage servicing related model forms and disclosures. It is anticipated that a report will be published discussing the methodology and results of the data collection to inform future disclosure design and testing.

The CFPB is using qualitative testing to develop effective model forms and disclosures. It will conduct one-on-one interviews with twelve consumers per round. Based on the data from these interviews, the team will work with ICF to revise the disclosures. The testing will involve one, or, potentially, two rounds in two different locations, approximately one month apart from October through November 2012.

The CFPB anticipates that the participant selection methodology and the materials related to participant recruiting and screening will generally remain the same for each round of testing. The structure of the interview is expected to remain the same for each round, but the specific tasks may differ depending on the stage of development.

1. UNIVERSE AND RESPONDENT SELECTION

The data collected under this clearance will be used to improve disclosure forms and related materials, not to produce estimates about a population. Purposive samples will be drawn in order to ensure the inclusion of a variety of participants, rather than to ensure that the participants are representative of the population.

As discussed below in Part 2, the activities under this clearance will be limited to cognitive interviews. For each round of interviews, a purposive sample of consumers will be recruited locally. Respondents will be recruited by telephone, and the screening process will identify eligible respondents. Eligible respondents will be defined primarily on the basis of their prior mortgage experience (see Recruiting Screener provided with this submission). The results will not be used to make statements representative of the universe of study, to produce statistical descriptions, or to generalize the data beyond the scope of the sample.

In conducting its testing, ICF contracts with research facilities in each location and ensures each facility locates and recruits the appropriate populations. In consultation with the CFPB and OMB, ICF will establish criteria for ensuring diversity on the basis of race/ethnicity, gender, education level, and age, among other factors, to ensure the recruitment of a variety of consumers. However, all of these criteria may not be met in any one 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.

The CFPB plans to conduct each round of testing in a different geographic location. For the consumer testing of mortgage servicing disclosures previously approved by OMB, the CFPB tested in in Towson, Maryland, Memphis, Tennessee metropolitan area, and Los Angeles metropolitan area, respectively. Each of these locations was selected in order to provide diversity among small, medium, and large sized cities, regional geographic diversity, diversity

regarding participant demographic characteristics, economic diversity, and diversity regarding recent mortgage experience. Although testing locations have not been confirmed, the CFPB anticipates that it will select testing locations based on the same guidelines it used previously.

2. METHODS AND PROCEDURES FOR COLLECTING INFORMATION

Data under this clearance will be collected through one-on-one cognitive interviews, as described below.

Recruitment:

ICF 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 provided on the phone. The respondent is given a consent form to read and sign. As set forth in the consent form, the privacy of the respondent's identity will be maintained, except to the extent required by law. This assurance is confirmed orally by the interviewer to the respondent before the interview begins, and the need for videotaping is explained (see Interviewer's Guide provided with this submission).

At the beginning of the interview, respondents are informed that the interview will take no more than 60 minutes and that they can step out or end the interview at any time. They are also informed that staff from the CFPB and ICF will observe the interview from another room. Respondents will be monitored for fatigue by ICF's testing personnel and the CFPB. ICF's testing personnel and the CFPB will keep track of the length of interviews.

Participants in the testing will be shown the sample disclosure notices and forms in question and asked to think aloud as they review them. They will be asked how they would use the information, and what questions they would have. The interviewer will then ask probing questions to ascertain the degree of comprehension.

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. The CFPB will schedule approximately 12 interviews each round to ensure that at least 8-10 interviews actually occur per round.

4. TESTING OF PROCEDURES

Pretesting of data collection materials will be conducted by ICF, using ICF's employees as part of their routine job responsibilities.

5. CONTACTS FOR STATISTICAL ASPECTS AND DATA COLLECTION

Because this data collection involves qualitative testing of a small sample, the CFPB does not expect to use statistical analysis to analyze the data.

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

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