

**Supporting Statement for Surveys of Consumer and
Community Affairs Publications and Resources
(FR 1378; OMB No. 7100- to be assigned)**

Summary

The Board of Governors of the Federal Reserve System (Federal Reserve), under delegated authority from the Office of Management and Budget (OMB) proposes to implement the voluntary Surveys of Consumer and Community Affairs Publications and Resources (FR 1378; OMB No. to be assigned). The Federal Reserve Board would use this collection to seek input from users or potential users of its publications and resources to understand their interests and needs; to inform decisions concerning content, design, and dissemination strategies; to gauge public awareness of its publications and resources; and to assess the effectiveness of its communications with various respondents. These surveys would supplant earlier surveys conducted under the Surveys of Board Publications (FR 1373a,b; OMB No. 7100-0301).¹

The surveys in this collection would be used to gather qualitative and quantitative information directly from users or potential users of its publications and resources, such as consumers (consumer surveys) and stakeholders (stakeholder surveys). Stakeholders may include, but are not limited to, nonprofits, community development organizations, consumer groups, financial institutions and other financial companies offering consumer financial products and services, other for profit companies, state or local agencies, and researchers from academic, government, policy and other institutions. Publications and resources may include reports, brochures, audio and visual content, whether delivered in print, online or through other means.

The frequency of the survey and content of the questions will vary as needs arise for feedback on different resources and from different audiences. The Federal Reserve estimates the FR 1378 may be conducted up to 16 times per year, although the survey may not be conducted that frequently. The annual burden is estimated to be 2,300 hours, based on 16 surveys: 2 quantitative and 4 qualitative consumer surveys, and 6 quantitative and 4 qualitative stakeholder surveys.

Background and Justification

The Federal Reserve Board conducts consumer-focused supervision, research, and policy analysis, as well as implements statutory requirements and facilitates community development. These activities promote a fair and transparent consumer financial services market, including for traditionally underserved households and neighborhoods.

The Federal Reserve produces reports, informational documents, and other content used by consumers and various stakeholders. Through the Federal Reserve Board's public website, printed publications, and other media – such as podcasts, video, and data visualizations – the Federal Reserve shares information on emerging community development, consumer finance, and consumer compliance issues and trends. The Federal Reserve also provides information on

¹ The FR 1373a,b surveys was discontinued effective September 30, 2013.

community development and stabilization practices from across the nation and on tools available to practitioners and policymakers to aid local efforts. The Federal Reserve produces documents summarizing findings from outreach, monitoring efforts, and qualitative and quantitative data collections; from the review of research conducted by outside individuals and organizations; and from applied research using a variety of data sources and methods. Recent examples of publications include “A Perspective from Main Street: Long-Term Unemployment and Workforce Development” released in December 2012 and “Consumers and Mobile Financial Services 2013” released in March 2013.²

Since 2001 the Federal Reserve has used Surveys in Board Publications (FR 1373) to seek feedback from users outside the Federal Reserve System about its publications. More specifically, the Survey of Current Consumer Education Resource Materials (FR 1373a) has enabled the Federal Reserve to 1) conduct periodic reviews and evaluations of consumer education materials and 2) develop and evaluate consumer education materials under consideration for distribution. Under the Dodd-Frank Wall Street Reform and Consumer Protection Act (Dodd-Frank Act), Pub. L. 111–203, 124 Stat. 1376 (2010), consumer rulemaking authority was transferred from the Board to the Consumer Financial Protection Bureau (CFPB) on July 21, 2011. As a part of its mandate, the CFPB is responsible for developing and distributing consumer education materials. While some of the consumer education resources developed by the Federal Reserve Board have remained available on its public website, other items have been transferred to the CFPB or removed. The Federal Reserve has decided not to renew the FR 1373a since it was specifically tied to functions transferred to the CFPB.

Nonetheless, the Federal Reserve Board continues to publish other types of materials to advance the current mission of the Federal Reserve, including reports, informational documents, and other content used by consumers and stakeholders. The Federal Reserve has a similar need to seek input on the effectiveness and utility of these other publications and resources and is proposing this new information collection for this purpose. The Federal Reserve Board would use this collection to seek input from users or potential users of its publications and resources to understand their interests and needs; to inform decisions concerning content, design, and dissemination strategies; to gauge public awareness of its publications and resources; and to assess the effectiveness of its communications with various respondents.

Description of Information Collection

The surveys in this collection would be used to gather qualitative and quantitative information directly from users or potential users of its publications and resources, such as consumers (consumer surveys) and stakeholders including, but not limited to, nonprofits, community development organizations, consumer groups, financial institutions and other financial companies offering consumer financial products and services, other for profit

² Board of Governors of the Federal Reserve System (2012), “A Perspective from Main Street: Long-Term Unemployment and Workforce Development” (Board of Governors of the Federal Reserve System: Washington, D.C., December), www.federalreserve.gov/communitydev/pdfs/Workforce_errata_final2.pdf; Board of Governors of the Federal Reserve System (2013), “Consumers and Mobile Financial Services 2013” (Board of Governors of the Federal Reserve System: Washington, D.C., March), www.federalreserve.gov/econresdata/consumers-and-mobile-financial-services-report-201303.pdf.

companies, state or local agencies, and researchers from academic, government, policy and other institutions (stakeholder surveys). Participation would be voluntary.

Publications and resources may include reports, brochures, audio and visual content, whether delivered in print, online or through other means. Information gathered may also include: general input on users' interests and needs; feedback on website navigation and layout, distribution channels, or other factors which may affect the ability of users to locate and access content online; and/or the timing and means of delivery of publications.

Qualitative surveys include data gathering methods such as focus groups and individual interviews. Quantitative surveys include surveys conducted online or via mobile device, by phone, or by mail, or a combination of these methods. The Federal Reserve may choose to contract with an outside vendor to conduct focus groups, interviews, or surveys, or may choose to collect the data directly. The Federal Reserve may also work with outside parties when appropriate to identify potential respondents (e.g. networks of community groups or researchers) and to collect data.

As the Federal Reserve's publications and resources continue to evolve, the Federal Reserve may seek input from users or potential users of our publications on questions such as:

- Was the content relevant and of value?
- Was the length and nature of the discussion appropriate and useful for this topic?
- How did the reader access the publication or other content – in hard copy distributed at an event, online, or using a mobile device? If online or through a mobile device, was the document printed for reading, read on a tablet or other e-reader, or read on a computer screen?
- Could the Federal Reserve improve the format and appearance of the print or electronic presentation? This could include the readability of type size or of charts and graphs; organization of information; and ease of locating information through indexing, search tools, and links.
- Was the reader able to use the information to inform their work?

Time Schedule for Information Collection and Publication

The time schedules for the collection and analysis of data and distribution of results for each survey is determined during the planning phase prior to start of the data collection. Before data collection begins, the voluntary respondents would be given an explanation of the purpose of the survey and how the data would be used. Such information may be provided on the survey instrument or through communication from the Federal Reserve or a contractor or partner working with the Federal Reserve. The data may be grouped with responses from other surveys. The Federal Reserve Board does not anticipate releasing or publishing the data, but may share the data with Reserve Banks, contractors, or other outside parties that the Federal Reserve may collaborate with in producing or disseminating publications, or in evaluating the Federal Reserve's communication efforts.

Legal Status

The Federal Reserve Board's Legal Division has determined that the FR 1378 is generally authorized under sections 2A and 12A of the Federal Reserve Act. Section 2A requires that the Board of Governors of the Federal Reserve System and the Federal Open Market Committee (FOMC) maintain long run growth of the monetary and credit aggregates commensurate with the economy's long run potential to increase production, so as to promote effectively the goals of maximum employment, stable prices, and moderate long-term interest rates. 12 U.S.C. § 225a. In addition, under section 12A of the Federal Reserve Act, the FOMC is required to implement regulations relating to the open market operations conducted by Federal Reserve Banks with a view to accommodating commerce and business and with regard to the regulations' bearing upon the general credit situation of the country. 12 U.S.C. § 263. The authority of the Federal Reserve to collect information to carry out the requirements of these provisions is implicit. Accordingly, the Federal Reserve is authorized to collect the information called for by the FR 1378 by sections 2A and 12A of the Federal Reserve Act.

In addition, the Board is responsible for implementing and drafting regulations and interpretations for various consumer protection laws. The information obtained from the FR 1378 may be used in support of the Board's development and implementation of regulatory provisions for these laws. Therefore, depending on the survey questions asked, the FR1378 may be authorized pursuant to the Board's authority under one or more of the following consumer protection statutes: Community Reinvestment Act, (12 U.S.C. § 2905);

- Competitive Equality Banking Act, (12 U.S.C. § 3806);
- Expedited Funds Availability Act, (12 U.S.C. § 4008);
- Truth in Lending Act, (15 U.S.C. § 1604);³
- Fair Credit Reporting Act, (15 U.S.C. § 1681s(e));⁴
- Equal Credit Opportunity Act, (15 U.S.C. § 1691b);⁵
- Electronic Funds Transfer Act, (15 U.S.C. §§ 1693b & 1693o-2);⁶
- Gramm-Leach-Bliley Act, (15 U.S.C. § 6801(b));⁷ and
- Flood Disaster Protection Act of 1973, Section 102 (42 U.S.C. § 4012a).

Participation in the FR 1378 is voluntary and the information collected on these surveys is not considered confidential. Thus, no issue of confidentiality arises.

³ Although the Dodd-Frank Act (DFA) cut back the Board's authority under the Truth in Lending Act, the Board retains rule writing authority for implementing regulations with respect to auto dealers. DFA § 1100A(7).

⁴ Although the DFA cut back the Board's authority under the Fair Credit Reporting Act, the Board retains rule writing authority for red flags, address changes, and disposal of records. DFA §§ 1002(12)(F) and 1088(a)(2)(D).

⁵ Although the DFA cut back the Board's authority under the Equal Credit Opportunity Act, the Board retains rule writing authority for implementing regulations with respect to auto dealers. DFA § 1085(3).

⁶ Although the DFA cut back the Board's authority under the Electronic Fund Transfers Act, the Board retains rule writing authority for interchange fee regulations and authority to implement regulations with respect to auto dealers. DFA §§ 1075 & 1084.

⁷ Although the DFA cut back the Board's authority under the Gramm-Leach-Bliley Act, the Board maintains the authority to establish appropriate standards for the financial institutions relating to administrative, technical and physical safeguards for certain customer records and information. DFA § 1002(12).

In addition, access to contact information, which is considered Personally Identifying Information (PII) is typically necessary to recruit respondents for the consumer and stakeholder surveys in this collection. Any PII used in recruiting respondents for these surveys would be handled in accordance with Board procedures.

Consultation Outside of the Agency

The Federal Reserve Board may collaborate with Reserve Banks, other federal agencies, contractors, and other outside groups in producing or disseminating publications, and in evaluating the Federal Reserve’s communication efforts. On December 24 2013, the Federal Reserve published an initial notice in the *Federal Register* (78 FR 77680) requesting public comment for 60 days on the proposal to implement the FR 1378. The comment period for this notice expired on February 24, 2014. The Federal Reserve did not receive any comments. On March 10, 2014, the Federal Reserve published a final notice in the *Federal Register* (79 FR 13301); implementing surveys as proposed, effective March 2014.

Sensitive Questions

Respondents may be asked to provide information on their age and gender; information on race, if needed, would be collected under guidelines issued by the OMB. Such information might be needed in a survey in order to assess the extent to which a sample of respondents reflected views from different demographic groups in the population.

Estimate of Respondent Burden

The burden for the FR 1378 collection is estimated to be up to 2,300 hours annually as shown in the following table. It is anticipated that the information collection would involve as many as 16 surveys, although the surveys may not be conducted that frequently. The burden estimates shown in the table below are based on the average number of responses anticipated. This represents less than 1 percent of total Federal Reserve System annual paperwork burden.

	<i>Estimated number of respondents</i>	<i>Estimated annual frequency</i>	<i>Estimated average time per response</i>	<i>Estimated annual burden hours</i>
<i>Consumer surveys:</i>				
Quantitative surveys	1,000	2	.25 hours	500
Qualitative surveys	50	4	1.5 hours	<u>300</u>
				800
<i>Stakeholder surveys:</i>				
Quantitative surveys	800	6	.25 hours	1,200
Qualitative surveys	50	4	1.5 hours	<u>300</u>
				1,500
<i>Total</i>				<u>2,300</u>

The estimated cost for survey participation to consumers is \$18,400 and to stakeholders is \$74,850. The total cost to respondents is estimated to be \$93,250.⁸

Estimate of Cost to the Federal Reserve System

The Federal Reserve may incur costs for contractual services for a firm to implement the data collection portion of the survey, and for any payment or gift made to respondents for the sole purpose of increasing response rates. The annual cost to the Federal Reserve System of such expenses for this information collection is estimated to total up to approximately \$300,000, based on estimates from other surveys.⁹

⁸ Total cost to the public was estimated using the following formula: percent of staff time, multiplied by annual burden hours, multiplied by hourly rate (30% Office & Administrative Support at \$18, 45% Financial Managers at \$59, 15% Lawyers at \$63, and 10% Chief Executives at \$85). Hourly rate for each occupational group are the (rounded) mean hourly wages from the Bureau of Labor and Statistics (BLS), Occupational Employment and Wages 2012, www.bls.gov/news.release/ocwage.nr0.htm. Occupations are defined using the BLS Occupational Classification System, www.bls.gov/soc/. The average consumer cost of \$23 is estimated using data from the BLS Economic News Release (USDLE-12-0549)).

⁹ Cost estimate is based on recent contracting costs for internet panel surveys of consumers, in addition to previous qualitative consumer testing contracts for disclosure development. Some studies may not involve the use of outside vendors, and would not incur these contracting costs.