

REQUEST FOR APPROVAL UNDER THE “GENERIC INFORMATION COLLECTION PLAN TO CONDUCT COGNITIVE RESEARCH AND PILOT TESTING” (OMB CONTROL NUMBER: 3170-0055)

PART A. GENERAL INFORMATION

1. Title of the Information Collection (Study): Debt Collection Disclosure Testing Quantitative

Study, Pretesting of Survey Questions

2. Study Abstract:

This project is to pretest a questionnaire that the CFPB plans to use to conduct a larger web-based survey. The CFPB plans to conduct a web-based survey that would test a number of outstanding questions related to the Bureau’s development of disclosures related to debt collection, especially with regard to disclosures around “time-barred” and “obsolete” debt. This survey will test outstanding issues regarding the disclosures on a large sample of consumers possessing a broad range of demographic characteristics, oversampling consumers who are more likely to have experience with debts in collection.

The CFPB will use this information to help assess whether it can improve the clarity of forms used during debt collection to facilitate consumer decision making. Insights from this survey may provide information about the content in disclosures that can be leveraged to inform the development of future consumer disclosures.

The CFPB has retained a contractor to conduct the proposed research; the contractor will subcontract with a survey research firm to assist with administration of the web survey. The study will be conducted in English and will use the subcontractor’s proprietary online panel. The CFPB plans to share aggregated findings from the survey with the public as appropriate, for example, in a future study on debt collection or in connection with any potential rulemakings related to debt collection.

The collection of information under this generic PRA clearance is to pretest the questionnaire before the CFPB conducts this larger web-based survey, with the goal of testing whether participants understand and interpret the proposed survey questions as intended.

3. Type of Collection:

a. Will there be an informed consent? Yes No N/A

b. How will you collect the information? (Check all that apply)

Cognitive Laboratory Study Pilot Testing

Other, Explain _____

c. Will interviewers or facilitators be used? Yes No N/A

4. Personally Identifiable Information:

- a. **Is personally identifiable information (PII) collected?** Yes No
1. **If yes, explain direct identifying PII and/or other PII and relevant uses.**

The subcontractor will use an existing database of individuals who are interested in participating in these types of studies. The contractor will not collect any PII from participants during the pretesting sessions.

- b. **If Yes, is the information that will be collected included in records that are subject to the Privacy Act of 1974?** Yes No Not Applicable

1. **If Applicable, has a System or Records Notice (SORN) been published?**
 Yes No

2. **If Yes, provide SORN title and *Federal Register* citation for the SORN** 77 FR 67802
Title: CFPB.022 - Market and Consumer Research Records

- c. 1. **Has the Privacy Impact Assessment (PIA) been published?**
 Yes No Not Applicable

2. **If Yes, provide link to PIA. If No, please describe that status of the PIA.:**

Consumer Experience Research PIA

http://files.consumerfinance.gov/f/201406_cfpb_consumer-experience-research_pia.pdf

PART B. JUSTIFICATION

1. Purpose of the Study and Intended Uses of the Data:

The purpose of the research study is to pretest the questionnaire before the CFPB conducts a larger web-based survey, with the goal of testing whether participants understand and interpret the questions as intended.

2. Payments or Gifts (Incentives) to Respondents:

Respondents will receive \$75 for completing the interview.

While sessions will last approximately 60 minutes, participants are required to arrive 10 minutes early to sign in, and to ensure sessions begin as scheduled. Upon completion of the session, participants are required to sign out and receive their incentive. Thus, they are in the office for up to 90 minutes. Further, many participants have to travel 30-60 minutes to and from the facility. In our experience, a \$75 incentive for a 60 minute session allows for successful recruitment by reducing the amount of time required to recruit (i.e., it is more difficult and takes longer to recruit participants when we offer a lower incentive) and simultaneously increasing the attendance rate.

When considering the potential estimated time and cost of participating in this test, such costs as childcare, transportation, and potential lost wages could result in a high no show rate. For example, a conservatively estimated childcare cost of \$22.50, transportation cost \$35, and potential lost wages of \$16.50 amounts to an estimated \$74 cost of participation. The basis for our participant cost analysis is outlined below:

Summary of Estimated Participant Costs

- Child Care: \$22.50 (\$10 per hour / per child with up to 1 hour commuting + 1.25 hours at test site = 2.25 hours of child care)
- Transportation: \$35 (2015 Federal mileage rate of 57.5 cents per mile @ an average of 60 miles).
- Lost Wages: \$16.50 (Federal minimum wage of \$7.25 per hour x (1 hour commuting + 1.25 hours at test site) = 2.25 hours of potential lost wages)

Total: \$74 (Estimated participant cost)

Child Care: We have found that nationally the babysitting rate is typically around \$8 - \$12 per hour with an average of \$10 per hour. While some participants will have multiple children who will require childcare, others will have none. Therefore, we are taking a conservative estimate of only one child.

3. Assurances of Confidentiality and Justification for Sensitive Questions:

Information collected on behalf of the Bureau by ICF will be treated in accordance with the System of Records Notice ("SORN"), [CFPB.022-Market and Consumer Research Records SORN, 77 FR 67802](#). This information will not be disclosed as outlined in the Routine Uses for the SORN. Direct identifying information will only be used by ICF to facilitate the study and will be kept private except as required by law.

The pre-screen questionnaire asks whether respondents have had experience(s) with debt collection, which would generally be considered sensitive. These questions are necessary to pretest the survey with respondents who both do and do not have prior debt collections experience. Additionally, the survey

instrument asks about respondents' experience with debt collection and general financial situation, which are necessary to analyze whether consumers' financial situation influences their understanding of the disclosures.

4. **Estimated Burden of Information Collection:**

Information Collection	No. of Respondents	Frequency (Response per Respondent)	Total Annual Responses	Average Response Time (hours)	Total Burden Hours
Screeners	85	1	85	.1	9
One-on-one cognitive testing	40	1	40	1	40
Totals:	85*	-----	125	-----	49

*those selected for a one hour interview are a subset of those screened

5. **Federal Costs (estimated annual cost to the Federal government):**

\$ 14,432

PART C. STATISTICAL METHODS

1. Respondent Universe and Selection Methods:

Participants would come from the subcontractor's existing list of individuals interested in participating in these types of studies. Recruiters would call individuals from this list and ask screener questions, including questions about experience with debt collection, to ensure we test questions with people with and without debt collection experience. We will also aim for diversity in terms of race, ethnicity, gender, age, and education.

2. Information Collection Procedures:

Information from this study would be collected from one-on-one cognitive interviews with individuals pretesting the survey instrument, with the goal of ensuring that participants understand and interpret the questions as intended. Moderators will use the attached cognitive interview protocol to go through the survey with participants and ask questions to understand how participants interpret the survey questions.

The contractor will conduct three testing rounds with 8-16 participants per round. Between these rounds, the contractor and the CFPB team will have the opportunity to change language in the survey questions if participants have trouble interpreting the questions as intended. This will allow us to test whether new language might improve comprehension of the survey.

After the cognitive interviews are complete, our contractors will write a report summarizing them and provide advice on possible changes to survey questions that could improve comprehension of the questions.

3. Testing of Procedures or Methods:

This project is to pretest the questionnaire before the CFPB conducts a larger web-based survey, with the goal of testing whether participants understand and interpret the proposed survey questions as intended.

4. Contact Information for Statistical Aspects of the Design:

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202-435-7282

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Senior Economist
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PART D. CERTIFICATION PURSUANT TO 5 CFR 1320.9, AND THE RELATED PROVISIONS OF 5 CFR 1320.8(b)(3) :

By submitting this document, the Bureau certifies the following to be true:

- (a) It is necessary for the proper performance of agency functions;
- (b) It avoids unnecessary duplication;
- (c) It uses plain, coherent, and unambiguous terminology that is understandable to respondents;
- (d) Its implementation will be consistent and compatible with current reporting and recordkeeping practices;
- (e) It indicates the retention period for recordkeeping requirements;
- (f) It informs respondents of the information called for under 5 CFR 1320.8(b)(3):
 - (i) Why the information is being collected;
 - (ii) Use of information;
 - (iii) Burden estimate;
 - (iv) Nature of response (voluntary);
 - (v) Nature and extent of confidentiality; and
 - (vi) Need to display currently valid OMB control number;
- (g) It was developed by an office that has planned and allocated resources for the efficient and effective management and use of the information to be collected;
- (h) It uses effective and efficient statistical survey methodology; and
- (i) It makes appropriate use of information technology.

PART E. CERTIFICATION FOR INFORMATION COLLECTIONS SUBMITTED UNDER A GENERIC INFORMATION COLLECTION PLAN

- (a) The collection is voluntary.
- (b) The collection is low-burden for respondents and low-cost for the Federal Government.
- (c) The collection is non-controversial and does not raise issues of concern to other federal agencies.
- (d) The collection is not intended to be published to the public as an official government statistic to be externally valid and representative of a population of interest. The results are intended to be internally valid, not necessarily externally valid.
- (e) Information gathered will not be used for the purpose of substantially informing influential policy decisions.
- (f) The collection is targeted to the solicitation of opinions from respondents who have experience with the topics or issues being studied.
- (g) The results will not be used to measure regulatory compliance or for CFPB program performance evaluation.
- (h) The results are not intended to be generalizable or otherwise draw inferences beyond the survey population.