

BUREAU OF CONSUMER FINANCIAL PROTECTION

**REQUEST FOR APPROVAL UNDER THE
“GENERIC INFORMATION COLLECTION PLAN FOR QUALITATIVE CONSUMER
EDUCATION, ENGAGEMENT, AND EXPERIENCE INFORMATION
COLLECTIONS”**

(OMB Control Number: 3170-0036)

1. TITLE OF INFORMATION COLLECTION:

Consumer Testing of Home Equity Loan Experiences

2. PURPOSE:

The objective for the HELOC interviews is to understand how the HELOC/Home Equity Loan/Second Mortgage on Primary Residence works for consumers and helps them meet their financial goals. To this end, a CFPB vendor will gather input from two groups of consumers with experience with HELOCs, home equity loans, and second mortgages, to shed light on their motivations and information needs.

3. DESCRIPTION OF RESPONDENTS:

Two groups of consumers: those who formerly borrowed against their home equity and have paid it off, and those who still have loans in force.

4. TYPE OF COLLECTION (ADMINISTRATION OF THE COLLECTION INSTRUMENT):

a. How will you collect the information? Check all that apply.

- | | |
|---|---|
| <input checked="" type="checkbox"/> Web-based or other forms of Social Media | <input checked="" type="checkbox"/> Telephone |
| <input type="checkbox"/> In-person | <input type="checkbox"/> Mail |
| <input type="checkbox"/> Small Discussion Group | <input type="checkbox"/> Focus Group |
| <input type="checkbox"/> Other (please explain) <u>Because of COVID-19, where possible,</u> | |

videoconference will be used. Otherwise, interviews will take place by telephone.

b. Will interviewers or facilitators be used?

Yes No Not Applicable

5. FOCUS GROUP OR SURVEY:

If you plan to conduct a focus group or survey, please provide answers to the following questions:

a. Do you have a customer list or something similar that defines the universe of potential respondents and do you have a sampling plan for selecting from this universe?

Yes No Not Applicable

If yes, please provide a description below. If no, please provide a description of how you plan to identify your potential group of respondents and how you will select them.

The vendor's opinion panel of over 30,000 households will be asked to self-identify if they meet the criteria for Group 1 or Group 2. The vendor will balance the demographic composition for each group by gender and educational level when scheduling potential respondents. The vendor will not schedule adults trained in financial services.

Potential respondents will be asked to contact us if the following 3 statements describe their situation, or your situation with a spouse or partner:

- ✓ Own your home
- ✓ [Group 1:] Have a balance on a HELOC/Home Equity Loan/Second Mortgage on Primary Residence [Group 2:] Have paid off a HELOC/Home Equity Loan/Second Mortgage on Primary Residence in the past 5 years
- ✓ Are the primary or co-decision maker in the household for types of financial decisions such as HELOC/Home Equity Loan/Second Mortgage on Primary Residence

TARGET PROFILE CHARACTERISTICS FOR GROUP 1:

- Adults who own their own home
- Homeowners who have a balance on a HELOC/Home Equity Loan/Second Mortgage on Primary Residence
- Primary or co-decision maker in the household for this type of financial decision
- A broad mix of educational levels

About half female and half male participants

TARGET PROFILE CHARACTERISTICS FOR GROUP 2:

- Adults who own their own home
- Homeowners who have paid off a HELOC/Home Equity Loan/Second Mortgage on Primary Residence in the past 5 years
- Primary or co-decision maker in the household for this type of financial decision
- A broad mix of educational levels
- About half female and half male participants

A one-page HELOC definition provided by CFPB will be emailed to each respondent in preparation for the interview.

6. INFORMATION COLLECTION PROCEDURES:

Please summarize the procedures that will be used to collect data from respondents.

Vendor will conduct one-on-one interviews via teleconference or videoconference. Notes will be taken, and audio recordings will be made for the notetakers' reference and given to the Bureau for review.

7. PERSONALLY IDENTIFIABLE INFORMATION:

- a. Is personally identifiable information (PII) collected? Yes No
- 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
- c. Has a System or Records Notice (SORN) been published?
 Yes No Not Applicable
If yes, list the SORN title and Federal Register citation
Title: CFPB.022-Market and Consumer Research Records (83 FR 23435).
- d. If applicable, what is the link to the Privacy Impact Assessment?
https://files.consumerfinance.gov/f/201406_cfpb_consumer-experience-research_pia.pdf

8. INCENTIVES:

- a. Is an incentive provided to participants? Yes No
- b. If yes, provide a statement justifying the use and amount of the incentive **and** the amount or value of the incentive: The vendor may provide an incentive, per their standard relationship with the consumers who participate in their universe of potential respondents. The government is not a party to this incentive nor is billed by the vendor for this amount.

9. ASSURANCES OF CONFIDENTIALITY:

- a. Will a pledge of confidentiality be made to respondents? Yes No
- b. If yes, please cite the statute, regulation, or contractual terms supporting the pledge. N/A

10. JUSTIFICATION OF SENSITIVE QUESTIONS (if applicable): N/A

11. BURDEN HOURS:

Collection of Information	Number of Respondents	Frequency	Number of Responses	Response Time (hours)	Burden (hours)
Both Group 1 and Group 2	15	1	15	1	15
Totals:	15	//////////	15	//////////	15

12. FEDERAL COST: The estimated annual cost to the Federal government is \$ 0 .

13. CERTIFICATION:

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.

CERTIFICATION FOR INFORMATION COLLECTIONS SUBMITTED UNDER A GENERIC INFORMATION COLLECTION PLAN

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

- The collection is voluntary.
- The collection is low-burden for respondents.
- The collection is non-controversial and does not raise issues of concern to other Federal agencies.
- Information gathered will not be used for the purpose of substantially informing influential policy decisions.
- The collection is not statistically significant; the results are not intended to be generalizable beyond the survey population.
- The results will not be used to measure regulatory compliance or for program evaluation.