

SUPPORTING STATEMENT
SURVEY OF HOUSEHOLD USE OF BANKING AND FINANCIAL SERVICES
PART B

B. COLLECTION OF INFORMATION EMPLOYING STATISTICAL METHODS

1. Universe and Respondent Selection

The Census Bureau will conduct the June 2021 Survey of Household Use of Banking and Financial Services (“FDIC supplement”) as a supplement to the Current Population Survey (CPS), for which the universe is expected to be about 130 million U.S. households. From this universe, the Census Bureau selects a statistical sample of approximately 70,000 households each month, of which approximately 59,000 are eligible for the CPS. The Census Bureau actually interviews about 50,000 households each month and will ask these households to participate in the FDIC supplement.

The FDIC supplement represents the seventh administration of this supplement. The survey was first conducted in January 2009 and, starting in 2011, the survey was conducted every other year in June. As in previous survey efforts, the enumeration unit will be the household, and the respondent will be a household member who participates in the financial decisions of the household.

In June 2019, the response rate for the basic CPS was 82 percent. Although all respondents to the basic CPS will be invited to participate in the FDIC supplement at the conclusion of the basic CPS interview, there may not be a qualified household member available to provide responses to the FDIC supplement, and no follow-up interview attempts will be made. In addition, not all of the invited basic CPS respondents will choose to participate in the FDIC supplement. Based on our experience with the previous supplements, we expect about two-thirds of the approximately 50,000 basic CPS respondents to participate in the 2021 FDIC supplement.

The FDIC expects to investigate the potential for nonresponse bias by performing some basic comparisons of the characteristics of the households that provide responses to the FDIC supplement to those that provide responses to the basic CPS but not to the FDIC supplement. For example, a comparison will be made for renter or owner-occupied households to see if the percent of renter-occupied households that responded to the FDIC supplement varied from the corresponding percent of households that did not respond to the FDIC supplement. The same type of comparison may be made for other household characteristics that are available, such as household size (all persons in the housing unit, including unmarried children under 18 years of age) or employment status.

If the FDIC finds that the percent of renter-owned units varies much between respondents and nonrespondents to the FDIC supplement, we will check to see if the answers to survey questions vary by renters versus owners, which would give us a measure of the potential for nonresponse bias. The same type of analysis will be conducted for additional household characteristics that are available.

The 2019 FDIC supplement overall response rate was 55 percent. The FDIC conducted a non-response analysis to determine whether non-response rates varied across household characteristics. To perform the analysis, we implemented a logistic model to examine the probability of supplement response given household characteristics. While the average marginal effects revealed some statistically significant differences in response rates by household characteristic, the magnitudes of these differences were generally small. Additionally, applying household weights will likely help mitigate these differences.

2. Procedures for Collecting Information

The FDIC supplement will be a supplemental survey associated with the CPS in June 2021. Attachment D provides an overview of the CPS sample design and weighting methodology and response rates. As a CPS supplement, the statistical properties of this supplemental survey will be the same as those associated with the CPS itself.

3. Methods to Maximize Response

Response rates and data accuracy for the CPS are maintained at high levels through interviewer instruction, self-study training, and follow-up of refusal interviews with more experienced senior interviewers. Additionally, the Census Bureau closely monitors data output. (Refer to Attachment D for a discussion of the CPS nonresponse.)

4. Testing of Procedures

The 2021 questionnaire retains many of the questions from past surveys that were reviewed and tested by the Census Bureau's Demographic Surveys Division and the Labor Department's Bureau of Labor Statistics. The FDIC continues to build on past survey experience and survey methods to improve the type and quality of data collected. In order to inform the questionnaire writing, the FDIC retained the National Opinion Research Center (NORC) to perform expert review of the questionnaire and to conduct two rounds of cognitive testing of the proposed questionnaire. The testing was conducted in September 2020 and December 2020. The goal of each round of testing was to determine respondents' comprehension of each question, test the flow of the questions, find major recall difficulties, ascertain the sensitivity of any questions, and gauge the operational feasibility of the supplement.

5. Contacts Statistical Aspects and Data Collection

The following Census Bureau staff may be contacted on the statistical data collection and analysis operations:

Statistical Design

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Data Collection/Survey Design

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6. Data Analysis Plan

The main estimates to be prepared from the data collected in the June 2021 Survey of Household Use of Banking and Financial Services will be the number and percentage of households (and persons 16+) that are “unbanked” (i.e., do not have a deposit account at a bank or credit union). These estimates will be prepared for the nation, for states, and for large metropolitan statistical areas (MSAs).

In addition, survey results will be used to analyze the reasons why unbanked households do not have an account, including certain factors (e.g., identification requirements) that prevent unbanked consumers from opening an account. The analysis will examine how households access their bank accounts, whether households use prepaid cards and online payment services (e.g., PayPal), and how households might use such transaction accounts in combination with (or instead of) bank accounts. In addition, the analysis will explore households’ use of non-bank financial transaction products and services, including money orders, money transfer services, and check cashing services. The survey will be used to examine households’ use of certain credit products including credit cards, personal loans and lines of credit, payday loans, pawn shop loans, and auto-title loans. Finally, the analysis will explore how the Coronavirus pandemic may have impacted bank account ownership.

The economic and demographic information included in the CPS will be used to prepare tables that show how households’ use of bank and non-bank financial products and services varies across segments of the U.S. population. For example, the FDIC will produce cross-tabulations that show how bank account ownership differs by households’ demographic and socioeconomic characteristics. Cross-tabulations of survey results will be produced for the nation, for states, and for large MSAs. Please refer to the 2019 How America Banks Report (Attachment

A3.A and A3.B) for examples of the type of analysis that will be performed with the survey data.

ATTACHMENTS

- A1. 2021 FDIC Survey of Household Use of Banking and Financial Services instrument
- A2. Redlined version of the survey instrument highlighting differences relative to the 2019 survey.
- A3 2019 FDIC How America Banks Report
- A4 2019 FDIC America Banks Report - Appendices
- B. Current Population Survey – Advance Letter and Frequently Asked Questions
- C1. Current Population Survey Confidentiality Brochure
- C2. Fact Sheet for the Current Population Survey
- D. Current Population Survey Design and Methodology, October 2019 (available at the following link: <https://www2.census.gov/programs-surveys/cps/methodology/CPS-Tech-Paper-77.pdf>)