

OMB Control Number: 3170-0001 (incorporating 3170-0052)
Expiration date: 8/31/2022 (3170-0001) and 10/31/2021 (3170-0052)

CONSUMER FINANCIAL PROTECTION BUREAU
SUPPORTING STATEMENT PART A

**TERMS OF CREDIT CARD PLANS SURVEY
AND CONSUMER AND COLLEGE CREDIT CARD AGREEMENTS**

(OMB CONTROL NUMBER: 3170-0001¹)

ABSTRACT: This information collection incorporates two collections of credit card data by the Bureau. Those two information collections are currently approved for use under two separate OMB Control Numbers. OMB Control No. 3170-0052 is being incorporated into OMB Control No. 3170-0001. Once OMB Control No. 3170-0001 is approved and the requirements in 3170-0052 have been incorporated, the Bureau will discontinue OMB Control No. 3170-0052. For the reasons described below, the discontinuation of 3170-0052 and the revision of 3170-0001 will result in a substantial reduction in burden to the regulated industry.

Each control number collects different forms of credit card data from credit card issuers:

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- Section 5 of the Fair Credit and Charge Card Disclosure Act (FCCCA) of 1988² and Section 1100A of the Dodd-Frank Wall Street Reform and Consumer Protection Act (Public Law 111-203), 12 U.S.C. 5112, amending the Truth In Lending Act (TILA) at 15 U.S.C. 1646, *et seq.*, requires the Bureau to collect data on credit card pricing and availability from a sample of at least 150 financial institutions that offer credit cards, through the Terms of Credit Card Plans (TCCP) Survey. The data enables the Bureau present information to the public on terms of credit card plans; and

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- Sections 204 and 305 of the Credit Card Accountability Responsibility and Disclosure Act of 2009 (CARD Act, also amending TILA and other statutes) and implementing regulations at 12 CFR 1026.57(d) and 12 CFR 1026.58 require card issuers to submit to the Bureau:
 - agreements between the issuer and a consumer under a credit card account for an open-end consumer credit plan; and

¹ This information collection request is incorporating the reporting requirements of OMB Control Number 3170-0052. Upon approval of this request for OMB Control Number 3170-0001, CFPB will move to discontinue OMB Control Number 3170-0052.

² The FCCCA was enacted on November 3, 1988, and amends TILA, 15 U.S.C. 1601, *et seq.*, Section 5 of the FCCCA added section 136(b) of TILA (15 U.S.C. 1646(b)). Amendments to Regulation Z implementing the provisions of the FCCCA, were adopted by the Federal Reserve Board on March 30, 1989, with an effective date of April 3, 1989. Creditors were required to comply with the new disclosure rules by August 31, 1989. *See* 54 FR 13855 (Apr. 6, 1989).

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- o any college credit card agreements to which the issuer is a party and certain additional information regarding those agreements.

When combined, these data collections will enable the Bureau to provide Congress and the public with a centralized repository for consumer and college credit card agreements and information regarding the arrangements between financial institutions and institutions of higher education.

JUSTIFICATION

1. Circumstances Necessitating the Data Collection

Terms of Credit Card Plans Survey

The Terms of Credit Card Plans (TCCP) Survey³ was implemented in February 1990 as required by Section 5 of the Fair Credit and Charge Card Disclosure Act (FCCCA) of 1988.⁴ Each respondent provides information about its credit card plan with the largest outstanding number of cards. The FCCCA required the Federal Reserve to collect this information semiannually from the largest 25 issuers of credit cards and at least 125 additional institutions in a manner that ensured both an equitable geographic distribution within the sample and representation of a wide spectrum of institutions. The Federal Reserve was further directed to make the credit card price information for each institution available to the public upon request and to report the information semiannually to Congress.

FCCCA requirements do not specify why the credit card reports are required. In this context, the credit card reports are similar to the Shopper's Guide to Credit that the Federal Reserve prepared as required by law for the Annual Percentage Rate Demonstration Project in 1984 and 1985.⁵

³ When the TCCP Survey data was collected by the Federal Reserve, it was collected through the FR 2572, "Report of Terms of Credit Card Plans," form, which respondents would email to the Federal Reserve. As explained later in this section, the requirement to conduct the TCCP Survey was transferred to the Bureau on July 21, 2011. The Bureau also used the FR 2572 form to collect TCCP Survey data through to the July 21, 2021 TCCP Survey cycle. On August 23, 2021, the Bureau published a notice of technical specifications stating, among other things, that TCCP Survey respondents must use the Bureau's "Collect" website to submit TCCP Survey responses, starting with the Survey cycle beginning on January 31, 2022 and on an ongoing basis. <https://www.govinfo.gov/content/pkg/FR-2021-08-23/pdf/2021-17994.pdf>.

⁴ The FCCCA was enacted on November 3, 1988, and amends the Truth in Lending Act (TILA) (15 U.S.C. 1601 et seq). Section 5 of the FCCCA added section 136(b) of TILA (15 U.S.C. 1646(b)). Amendments to Regulation Z implementing the provisions of the FCCCA were adopted by the Federal Reserve Board on March 30, 1989, with an effective date of April 3, 1989. Creditors were required to comply with the new disclosure rules by August 31, 1989. See 54 FR 13855 (Apr. 6, 1989).

⁵ Board of Governors of the Federal Reserve System, "Annual Percentage Rate Demonstration Project," March 1987.

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Section 1100A of the Dodd-Frank Wall Street Reform and Consumer Protection Act (also known as the Dodd-Frank Act; Public Law 111-203) transferred the requirement to conduct the semiannual TCCP Survey from the Federal Reserve Board to the Bureau on July 21, 2011. The Bureau began to collect this information starting July 31, 2012, and the credit card plan information is now also available at <http://www.consumerfinance.gov/credit-cards/>.

Consumer Credit Card Agreement Quarterly Submission

On July 21, 2011, the Bureau assumed responsibility under the CARD Act for the quarterly collecting of credit card agreements in a publicly available database. Pursuant to 12 CFR 1026.58 and 15 U.S.C. 1632(d)(2)–(3), collection is mandated for all issuers (subject to de minimis exceptions), and the scope of the mandate may require submission of multiple different agreements for each issuer. *See* 15 U.S.C. 1632(d)(2) (“Each creditor shall provide to the Bureau, in electronic format, the consumer credit card agreements that it publishes”) (emphasis added); *id.* at 1632(d)(3) (“The Bureau shall establish and maintain on its publicly available Internet site a central repository of the consumer credit card agreements received from creditors pursuant to this subsection, and such agreements shall be easily accessible and retrievable by the public.”) (emphasis added).

College Credit Card Agreement Annual Submission

This collection is made pursuant to the CARD Act requirement, codified at 12 CFR 1026.57(d); 15 U.S.C. 1637(r). Every year, the CARD Act requires the Bureau to collect agreements in place between credit card issuers and institutions of higher education, as well as certain summary data about the credit cards offered pursuant to these agreements. *See* 15 U.S.C. 1637(r)(2)(A) (“Each creditor shall submit an annual report to the Bureau containing the terms and conditions of all business, marketing, and promotional agreements and college affinity card agreements with an institution of higher education, or an alumni organization or foundation affiliated with or related to such institution, with respect to any college student credit card issued to a college student at such institution.”).

The CARD Act requires the Bureau to submit to Congress, and to make available to the public, an annual report that lists information submitted to the Bureau concerning agreements between credit card issuers and institutions of higher education or certain affiliated organizations. *See id.* 1637(r)(3) (“The Bureau shall submit to the Congress, and make available to the public, an annual report”). Affiliated organizations include fraternities, sororities, alumni associations, or foundations affiliated with or related to an institution of higher education. The Bureau provides this centralized repository on its website and also submits to Congress and publishes an annual report each year based upon the submitted data.

Similar to the consumer credit card agreement collection described above, this responsibility was

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also inherited from the Federal Reserve Board.

2. Use of the Information

Terms of Credit Card Plans Survey

Section 136(b) of TILA, 15 U.S.C. 1646(b), requires the Bureau to “collect, on a semiannual basis, credit card price and availability information, including the information required to be disclosed under section 127(c) of TILA (15 U.S.C. 1637(c)). Section 127(c) requires issuers to disclose, among other things:

- annual percentage rate for purchases (must state if it is a variable rate)
- length of the grace period
- name or description of the balance computation method
- minimum finance charge
- fee for issuance or availability (membership fee)
- fee for late payment
- fee for exceeding credit limit
- transaction fee for purchases
- transaction fee for cash advances.

To report credit card availability information, respondents state whether the credit card plan is available to consumers nationally (in all 50 states and the District of Columbia) or limited to consumers within a specific region or state (such as the issuer’s home state). The majority of respondents offer national plans. The Bureau’s automated system for collecting such submissions, known as Collect, allows respondents to provide information on their most common terms and also collects information on credit card plan enhancements and telephone number for consumer questions.

Reporting Panel

The Bureau follows the selection method the Federal Reserve used to identify the card issuers to which requests to respond to the TCCP Survey are sent, including the 25 largest issuers, by analyzing data on the volume of outstanding credit card receivables that are reported on the Reports of Condition and Income for commercial banks (Call Reports) (FFIEC 031, 051, and 041; OMB No. 7100-0036) and for thrift institutions (OTS Form 1313; OMB No. 1550-0023). Like the 25 largest issuers, the other respondents are chosen by size, but only such that the required diversity of region and type of institution is achieved. The dynamism of the card industry, with trading of card receivables portfolios and entry into and exit from the industry, ensures turnover in the panel.

Typically, about 90 percent of the responses come from commercial banks, with the remainder

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from savings banks, industrial banks, and savings and loans associations.⁶ In January 2013, the Bureau added credit unions to its panel in order to ensure representation of such issuers. The panel is consistent with the criteria of the FCCCA: a reasonable number of creditors of each type, a significant geographic dispersion, and at least 150 card issuers, including the 25 largest issuers.

Time Schedule for Information Collection and Publication

Twice a year, the Bureau collects credit card price and availability information from a sample of card issuers for the TCCP Survey, as of January 31 and July 31. Each respondent must send its data within 10 business days of the as-of date by submitting information electronically via the Bureau's online channel: Collect. Individual respondent data is then published on CFPB's public website. The reports are intended to facilitate credit card shopping by consumers and enhance competition.

Consumer Credit Card Agreement Quarterly Submission

Every quarter, the CARD Act requires the Bureau to collect and post to the Bureau's website credit card agreements from issuers with 10,000 or more accounts. Financial institutions must submit consumer credit card agreements quarterly by the first business day on or after January 31, April 30, July 31, and October 31 of each year, as described in 12 CFR 1026.58.

Consumer agreement submissions generally must reflect the consumer agreements an issuer offered to the public as of the last business day of the preceding calendar quarter. For example, the submission due on January 31, 2014 (the first business day on or after January 31, 2014) must reflect the consumer agreements an institution offered to the public as of December 31, 2013 (the last business day of the fourth calendar quarter).

The Bureau is required by law to make all such agreements "easily accessible and retrievable." They are posted on the Bureau's site: <http://www.consumerfinance.gov/credit-cards/agreements/>. The agreements can be filtered by issuer and the text is fully searchable. This facilitates consumers' ability to find their credit card agreement and compare it to others.

College Credit Card Agreement Annual Submission

⁶ Retailers are excluded since they are not financial institutions and because their card issuance is limited to store-specific cards. The Bureau may add retailers to the panel at its discretion when it deems it appropriate to do so. The TCCP Survey includes credit card banks, such as Discover Bank, which issues the Discover Card, and American Express Centurion Bank (a subsidiary of the American Express Company), which issues the Optima Card. It also includes large consumer finance companies that issue credit cards through banks or thrifts.

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Every year, the CARD Act requires the Bureau to collect the agreements in place between credit card issuers and institutions of higher education, as well as summary data about the credit cards offered pursuant to these agreements.

College agreements must be submitted annually by the first business day on or after March 31 of each year, as described in 12 CFR 1026.57(d). For example, if an institution was a party to a college credit card agreement in effect at any time during calendar year 2021, the agreement and information about that agreement must be sent to the Bureau no later than March 31, 2022.⁷

The agreements between the financial institution and the institution of higher education and information about those agreements are considered nonconfidential. The Bureau will make these agreements and the related information available to the public as part of an annual report.

Agreements between a financial institution and an institution of higher education and information about those agreements are considered nonconfidential because:

- Section 304 of the Credit CARD Act and 12 CFR 1026.57(b) require institutions of higher education to disclose these agreements publicly, and Section 305 of the Credit CARD Act requires the Bureau to submit to Congress and make available to the public an annual report that lists certain information about each agreement submitted.

This information includes:

- the total amount of payments by your institution during the year;
- the specific terms of the agreement under which payments are calculated;
- the number of accounts opened during the year;
- the total number of accounts that were open at the end of the year; and
- a list of agreements terminated during the calendar year including the name, type, and location of the institution of higher education.

This data collection is intended to bring greater transparency to the college and university credit card market. The CARD Act prohibits credit card issuers from extending credit without assessing the consumers' ability to pay, specifically persons under the age of 21. This collection is vital to the ongoing regulatory surveillance of this potentially risky market segment. The collection also provides consumers, including college students, clear and comparable information regarding their credit cards.

The college credit card data is posted at <http://collect.consumerfinance.gov/>

3. Use of Information Technology

⁷ Because the collections requires certain information that spans the full calendar year, issuers are further unable to make this submission prior to January 1, meaning that issuers essentially have a three-month window in which to make this submission each year.

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Terms of Credit Card Plan Survey

In July 2018, the Bureau began allowing TCCP Survey responses to be submitted on a voluntary basis through its online channel “Collect.” Respondents were also able to submit TCCP Survey responses on FR 2572 forms through email. About 60 percent of respondents submitted the survey via Collect, and burden to respond decreased by about one-third. For the January 2021 survey cycle, the Bureau received 83% of responses via Collect, further reducing the burden to respond. On average, email submissions using the FR 2572 form took 15 minutes while issuers using Collect were able to submit in 10 minutes, on average. On August 23, 2021, the Bureau published a notice of technical specifications stating that respondents must use Collect to make TCCP Survey submissions beginning with the Survey cycle beginning on January 31, 2022 and for future Survey responses going forward. Based on the information described above about the January 2021 survey, moving the submission process entirely to Collect will reduce the submission burden for the remaining 17% of submissions previously occurring via email.

Consumer Credit Card Agreement Quarterly Submission

Submissions of college credit card agreements and information have been made via email to a dedicated Bureau inbox created for that purpose. The notice of technical specifications published by the Bureau on August 23, 2021 states that issuers must submit agreements exclusively via Collect, starting with the submissions for the fourth quarter of calendar year 2021 that are due on January 31, 2022, to continue on an ongoing basis.⁸

College Credit Card Agreement Annual Submission

Submissions of college credit card agreements and information have been made via email to a dedicated Bureau inbox created for that purpose. In certain cases issuers also request to submit information via compact disc or secure FTP, which the Bureau accommodates. The notice of technical specifications published by the Bureau on August 23, 2021 states that these submissions must be made exclusively via Collect, starting with the submissions that are due March 31, 2022 and going forward.

4. Efforts to Identify Duplication

This data is not otherwise available from any other source.

5. Efforts to Minimize Burdens on Small Entities

The Bureau is required by the FCCCA to populate a sample from both an equitable geographic

⁸ Issuers will be making credit card agreement submissions for the third quarter of 2021 that are due on November 1, 2021 (the first business day after October 31, 2021, which is a Sunday) through email to the Bureau.

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distribution and representation of a wide spectrum of institutions. Therefore, some small entities are included in the panel by necessity. The Bureau has endeavored to make this collection minimally burdensome to all institutions, and does not expect that small entities experience excess burden compared to large institutions.

6. Consequences of Less Frequent Collection and Obstacles to Burden Reduction

Terms of Credit Card Plan Survey

To meet statutory requirements, the Bureau is required to collect the data twice a year and make the information available to Congress and the general public. Without this data the public would be hindered in their ability to comparison shop for credit cards and competition would thereby be harmed.

Credit Card Quarterly Agreement and College Credit Card Annual Agreement Submission

To meet statutory requirements, the Bureau is required to collect these data quarterly and annually and make the information available to the Congress and the general public. Failing to do so, or doing so in a way that fails to meet the Bureau's statutory obligation, would risk thwarting the clear and explicit intent of Congress. Further, without the Bureau's collection of these data, Congress and the public would generally not have access to this information. In such a case the public would be hindered in their ability to comparison shop for credit cards and the market for credit cards would be worse-understood by consumers, consumers' agents and representatives, and consumer advocates, and competition would thereby be harmed.

7. Circumstances Requiring Special Information Collection

This collection of information is consistent with the applicable guidelines contained in 5 CFR 1320.5(d)(2), demonstrating that the information collection is necessary to satisfy statutory requirements. The Bureau notes that it requests entities to respond within 10 business days in order that it can provide information in its entirety to the general public in a timely fashion. However, the Bureau appreciates that this is not always possible for all institutions to comport with OMB rules regarding information collections within this timeframe. As such, an entity has up to 30 days to make the required response.

8. Consultation Outside the Agency

In accordance with 5 CFR 1320.8(d)(1), the Bureau published a notice in the *Federal Register* allowing the public 60 days to comment on the proposed renewal of the Form FR 2572. In accordance with 5 CFR 1320.5(a)(1)(iv), the Bureau published a notice in the *Federal Register* allowing the public 30 days to comment on the submission of this renewal request to the OMB.

9. Payments or Gifts to Respondents

The Bureau provided no payments or gifts to respondents.

10. Assurances of Confidentiality

The information collected will be made publicly available and no assurances of confidentiality are given to respondents. No personally identifiable information is collected. The Bureau will treat all information received consistent with its confidentiality regulations at 12 CFR Part 1070 *et seq.* Since there is no personally identifiable information collected by this collection, no System of Records Notice (SORN) or Privacy Impact Assessment (PIA) applies to this collection.

11. Justification for Sensitive Questions

This information collection does not include questions of a sensitive nature.

12. Estimated Burden of Information Collection

Collections of Information	Number of Annual Respondents	Average Number of Responses Per Respondent	Number of Annual Responses	Average Response Time⁹ (hours)	Annual Burden (hours)
Collection of Terms of Credit Card Plan Survey Information	175	2	350	0.166	58.3
Credit Card Quarterly Agreement Submission	400	4	1,600	0.17 ¹⁰	266.7
College Credit Card Annual Agreement Submission	40	1	40	.92	36.7
TOTAL	615		1,990		361.7

⁹ Estimated response time includes a one-time user registration with Collect.

¹⁰ Estimated average response time accounts for the response time both for submissions made through email for the third quarter of 2021, due on November 1, 2021 (see note 8) and for submissions made through Collect made thereafter and on an ongoing basis.

Terms of Credit Card Plan Survey

In the January 2019 survey, the Bureau received 83% of TCCP Survey responses via Collect (10 minutes to respond on average, including registration). The changes outlined in the Bureau's August 23, 2021 notice of technical specifications will decrease the burden of information provision for the remaining 17% of submissions previously using the FR 2572 form sent through email to Collect_Support@cfpb.gov (15 minutes to respond) by 5 minutes on average¹¹ and leave the burden unchanged for the 83% whose current submission practice already conforms to these requirements. Collective ongoing costs for issuers amount to 59.5 hours annually, down from 61 hours under previous practices.

Consumer Credit Card Agreement Quarterly Submission

The Bureau is required to collect the agreements from credit card issuers with 10,000 or more accounts; typically, the number of respondents fluctuates around 400. Requiring issuers to submit credit card agreements on a quarterly basis through Collect rather than manually through email is expected to reduce the burden of information provision for credit card issuers by 32% annually. Generally, issuers submit agreements via email, which takes approximately 15 minutes per submission. The Bureau estimates that using Collect to submit all agreements, starting with the submissions due January 31, 2022 and into the future, will carry a cost of 10 minutes per submission, thus reducing the aggregate annual burden from 400 to 272 hours.

College Card Agreement Annual Submission

The proposed annual burden of these technical specifications for the annual college credit card agreements and information submission would be 5 minutes fewer than that under the current submission procedures. In aggregate, ongoing costs for issuers would amount to 37 hours, a reduction from 40 hours. This burden includes time required to review accounting records and/or query necessary databases in order to calculate aggregate metrics related to the submitted agreements.

13. Estimated Total Annual Cost Burden to Respondents or Recordkeepers

¹¹ The Bureau acknowledges that this cost burden may be slightly larger or smaller than average for particular issuers. For instance, if issuers of the 17% of submissions made voluntarily via email did so because it had a lower cost in their particular case, the estimated average cost of switching submission methods for those 17% would be higher. Nevertheless, given the length of the Survey, even under the relatively extreme assumption that this subgroup of issuers would require twice as long as the average to complete an online submission, any additional burden on Survey respondents will be minimal.

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Because reporting requirements within this form impose no significant additional material or equipment costs on them because these data are already collected by the respondents in their ordinary course of business.

14. Estimated Cost to the Federal Government

None. The Bureau incurs no unique costs as a result of this data collection.

15. Program Changes or Adjustments

	Total Respondents	Annual Responses	Burden Hours	Cost Burden (O & M)
Total Annual Burden Requested	615	1,990	362	\$0
Current OMB Inventory	175	490	63	\$0
Difference (+/-)	+440	+1500	+299	
Program Change				
Discretionary				
New Statute				
Violation				
Adjustment	+449	+1,500	+299	0

The increases in burden in this collection are the result of incorporating the burden previously approved under OMB Control Number 3170-0052 into this collection. There is no net change in burden from either collection activity.

16. Plans for Tabulation, Statistical Analysis, and Publication

Individual respondent data are collected and published on the Bureau's public web site. There are no complex analytical techniques being used. The final presentation of the information does include basic search, filter and sort functionalities.

17. Display of Expiration Date

The Bureau plans to display the OMB control number and expiration date for OMB approval of the information collection on all instruments including the Collect registration form. The OMB control number and expiration date associated with this information collection will be displayed on the Federal government's electronic PRA docket at www.reginfo.gov, as well as in the Federal Register Notice of the submission.

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18. Exceptions to the Certification Requirement

The Bureau certifies that this collection of information is consistent with the requirements of 5 CFR 1320.9 and the related provisions of 5 CFR 1320.8(b)(3). The Bureau is not seeking an exemption to these certification requirements.