**Supporting Statement For**

**Consumer response company response survey**

**OMB CONTROL NO.: 3170-0069**

**A. Justification**

**1.** **Explain the circumstances that make the collection of information necessary. Identify any legal or administrative requirements that necessitate the collection. Attach a copy of the appropriate section of each statute and regulation mandating or authorizing the collection of information.**

The CFPB’s consumer complaint functions are established by statute. Section 1013 of the Dodd Frank Wall Street Reform and Consumer Protection Act of 2010 (“Dodd-Frank Act”) instructs the Bureau to create a unit whose functions include collecting, monitoring, and responding to consumer complaints about consumer financial products and services. The consumer complaint process is designed to ensure that consumers receive timely responses from companies to their complaints.

Section 1021 of the Dodd-Frank Act requires the CFPB to seek to ensure that all consumers have access to fair, transparent, and competitive markets for consumer financial products and services:

* Section 1021 specifies that the Bureau shall collect, investigate, and respond to consumer complaints.
* Section 1021 also tasks the CFPB with collecting, researching, publishing, and monitoring information relevant to the functioning of markets for consumer financial products and services to identify risks to consumers and the proper functioning of these markets.
* Further, section 1022 directs the CFPB to monitor for risks to consumers in the offering or provision of consumer financial products or services, including developments in the markets for them. To further this function, section 1022 also authorizes the Bureau to gather information through consumer complaints and make such information public.
* Section 1034 requires certain covered persons to provide a timely response concerning consumer complaints, including—
  + steps that have been taken by the covered person to respond to the complaint or inquiry of the consumer;
  + responses received by the covered person from the consumer; and
  + follow-up actions or planned follow-up actions by the covered person to respond to the complaint or inquiry of the consumer.
* Section 1013 directs that information about the resolution of consumer complaints must be included in an annual report to Congress.

The questions in this survey help the CFPB better understand the company’s steps to respond to consumer complaints, the information received by the company from the consumer, and the company’s follow-up actions. CFPB is better informed about the resolution of consumer complaints, company follow-up actions, market developments, and risks in these markets by having more information regarding whether company responses to consumer complaints are addressing the issues raised in the complaints; whether the company’s response is understood by the consumer; and, whether the company did what they said they would do in response to a consumer complaint.

**2. Indicate how, by whom, and for what purpose the information is to be used. Except for a new collection, indicate the actual use the agency has made of the information received from the current collection.**

The results of this feedback are shared with the company that responded to the complaint to inform their complaint handling. The feedback also informs CFPB’s work to assess the accuracy, completeness, and timeliness of company responses. This information is used solely by the consumer response division in connection with its complaint system, this information is not used for supervisory or enforcement purposes, nor to measure regulatory compliance

**3. Describe whether, and to what extent, the collection of information involves the use of automated, electronic, mechanical, or other technological collection techniques or other forms of information technology, e.g., permitting electronic submission of responses, and the basis for the decision for adopting this means of collection. Also, describe any consideration of using information technology to reduce burden.**

This survey will be available to consumers online and by phone.

**4. Describe efforts to identify duplication. Show specifically why any similar information already available cannot be used or modified for use for the purposes described in Item A.2 above.**

The responses are unique to each consumer’s experience with the company’s response to their complaint. As such, the information is not available from any other source.

**5. If the collection of information impacts** **small businesses or other small entities, describe any methods used to minimize burden.**

Collection of this information does not impact small businesses or other small entities.

**6. Describe the consequence to federal program or policy activities if the collection is not conducted or is conducted less frequently, as well as any technical or legal obstacles to reducing burden.**

The consequences of less frequent collection would be less timely feedback on consumer satisfaction with the company’s response to and handling of the consumer’s complaint.

**7. Explain any special circumstances that would cause an information collection to be conducted in a manner:**

* **requiring respondents to report information to the agency more often than quarterly;**
* **requiring respondents to prepare a written response to a collection of information in fewer than 30 days after receipt of it;**
* **requiring respondents to submit more than an original and two copies of any document;**
* **requiring respondents to retain records, other than health, medical, government contract, grant-in-aid, or tax records for more than three years;**
* **in connection with a statistical survey, that is not designed to produce valid and reliable results that can be generalized to the universe of study;**
* **requiring the use of statistical data classification that has not been reviewed and approved by OMB;**
* **that includes a pledge of confidentially that is not supported by authority established in statute or regulation, that is not supported by disclosure and data security policies that are consistent with the pledge, or which unnecessarily impedes sharing of data with other agencies for compatible confidential use; or**
* **requiring respondents to submit proprietary trade secret, or other confidential information unless the agency can demonstrate that it has instituted procedures to protect the information's confidentially to the extent permitted by law.**

There are no special circumstances. The collection of information is conducted in a manner consistent with the guidelines in 5 C.F.R. 1320. 5(d)(2).

**8. If applicable, provide a copy and identify the date and page number of publication in the Federal Register of the agency's notice, required by 5 CFR 1320.8(d), soliciting comments on the information collection prior to submission to OMB. Summarize public comments received in response to that notice and describe actions taken by the agency in response to these comments. Specifically address comments received on cost and hour burden.**

**Describe efforts to consult with persons outside the agency to obtain their views on the availability of data, frequency of collection, the clarity of instructions and recordkeeping, disclosure, or reporting format (if any), and on the data elements to be recorded, disclosed, or reported.**

**Consultation with representatives of those from whom information is to be obtained or those who must compile records should occur at least once every 3 years -- even if the collection-of-information activity is the same as in prior periods. There may be circumstances that may preclude consultation in a specific situation. These circumstances should be explained.**

In accordance with 5 CFR §1320.8(d)(1), the Bureau has published a notice in Federal Register that provides the public 60 calendar days to comment on the extension of reporting requirements contained within OMB Control No. 3170-0069.[[1]](#footnote-2) The Bureau received four comments and was determined not to be relevant to the collection, therefore no response from the Bureau is necessary.

Also, in accordance with 5 CFR §1320.5(a)(1)(iv), the Bureau has also published a notice in the Federal Register providing the public 30 days to comment on reporting requirements contained within this information collection request.[[2]](#footnote-3)

**9. Explain any decision to provide any payments or gifts to respondents, other than remuneration of contractors or grantees.**

No payments or gifts are provided to respondents.

**10. Describe any assurance of confidentiality provided to respondents and the basis for the assurance in statute, regulation, or agency policy.**

This collection of information is linked to information covered under the System of Records Notice (SORN) CFPB.005 Consumer Response System.[[3]](#footnote-4)

There is no assurance of confidentiality. The offer to participate in this optional survey informs consumers that the CFPB will share their feedback with companies.

Additionally, the CFPB provides a Privacy Act Statement that details how their information may be used and shared.

**11. Provide additional justification for any questions of a sensitive nature, such as sexual behavior and attitudes, religious beliefs, and other matters that are commonly considered private. This justification should include the reasons why the agency considers the questions necessary, the specific uses to be made of the information, the explanation to be given to persons from whom the information is requested, and any steps to be taken to obtain their consent.**

This is an optional survey and contains no questions that are considered “sensitive” in nature.

**12. Provide estimates of the hour burden of the collection of information. The statement should:**

* **Indicate the number of respondents, frequency of response, annual hour burden, and an explanation of how the burden was estimated. Unless directed to do so, agencies should not conduct special surveys to obtain information on which to base hour burden estimates. Consultation with a sample (fewer than 10) of potential respondents is desirable. If the hour burden on respondents is expected to vary widely because of differences in activity, size, or complexity, show the range of estimated hour burden, and explain the reasons for the variance. General, estimates should not include burden hours for customary and usual business practices.**
* **If this request for approval covers more than one form, provide separate hour burden estimates for each form.**
* **Provide estimates of annualized cost to respondents for the hour burdens for collections of information, identifying and using appropriate wage rate categories. The cost of contracting out or paying outside parties for information collection activities should not be included here. Instead, this cost should be included in Item 14.**

The Bureau’s burden estimate is calculated using the median response time for 2022, which was four minutes. Our response rates are based on observations of the actual use of the number of surveys sent during the last calendar year, which was 9 percent.

The Bureau estimates the burden of this information collection as follows:

|  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- |
| **Information Collection Requirement** | **Number of Respondent** | **Number of Responses per Respondent** | **Total Responses** | **Average Burden Hours** | **Annual Burden Hours** | **Wage Rate** | **Total Burden Cost** |
| Company Response Survey | 66,700 | 1 | 66,700 | 0.07 | 4,669 | $29.76[[4]](#footnote-5) | $138,949.44 |

**13. Provide an estimate of the total annual cost burden to respondents or record keepers resulting from the collection of information. (Do not include the cost of any hour burden shown in Items 12 and 14).**

Respondents incur no operational or maintenance cost necessary for responding to this survey.

**14. Provide estimates of the annualized cost to the Federal Government. Also, provide a description of the method used to estimate cost, which should include quantification of hours, operational expenses (such as equipment, overhead, printing, and support staff), any other expense that would not have been incurred** **without this collection of information. Agencies also may aggregate cost estimates from Items 12, 13, and 14 into a single table.**

There is no anticipated incremental cost with the renewal of this package. The Bureau already utilizes a survey platform, and thus no incremental expenses are incurred from this renewal.

**15. Explain the reasons for any program changes or adjustments.**

The changes in burden for this collection are a re-estimation of the burdens of this collection based on experiences of its actual use in the previous calendar year.

The script attachment included in the last submission is no longer necessary as the phone process mirrors the online experience. When consumers want to submit feedback about a company response over the phone instead of online, they are assisted by a Consumer Guide. After a consumer confirms they have read or heard the company’s response the Consumer Guide makes the submission online on the consumer’s behalf. As on the web, the consumer can answer three questions about the company's response to and handling of his or her complaint and provide a narrative description in support of his or her answers. The Consumer Guide records the consumer's feedback verbatim.

**16. For collections of information whose results will be published, outline plans for tabulations, and publication. Address any complex analytical techniques that will be used. Provide the time schedule for the entire project, including beginning and ending dates of the collection of information, completion of report, publication dates, and other actions**.

Question #1 above (“Explain the circumstances that make the collection of information necessary”) describes the CFPB’s statutory authority to collect, analyze, and publish this data. For example, section 1022 of the Dodd-Frank Act authorizes the Bureau to gather information through consumer complaints and make such information public as is in the public’s interest and where confidential information is appropriately protected.

Consumers are notified at the beginning of this optional survey that “The CFPB will share your feedback responses with the company and use the information to help the CFPB’s work with consumer complaints. Participation is voluntary, you are not required to submit feedback.” The results of this feedback are shared with the company that responded to the complaint to inform its complaint handling.

**17. If seeking approval to not display the expiration date for OMB approval of the information collection, explain the reasons that display would be inappropriate.**

The information collection is not collected in a manner that allows the display of the current expiration date. However, the expiration date can be found under the “Information Collections under Review” section of [www.reginfo.gov](http://www.reginfo.gov) (<https://www.reginfo.gov/public/do/PRAMain>).

**18. Explain each exception to the certification statement.**

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

**PART B: COLLECTIONS OF INFORMATION USING STATISTICAL METHODS**

The collection of information does not involve the use of statistical methods.

1. 88 FR 14610 (published on 3/9/2023). [↑](#footnote-ref-2)
2. 88 FR 41085 (published on 6/23/2023; comment period ends on 7/24/2023). [↑](#footnote-ref-3)
3. For the related System of Record Notice (SORN), see <https://www.consumerfinance.gov/privacy/system-records-notices/consumer-response-system/>; <https://www.federalregister.gov/articles/2014/04/16/2014-08555/privacy-act-of-1974-as-amended>; https://www.federalregister.gov/documents/2018/07/13/2018-14990/privacy-act-of-1974-system-of-records. [↑](#footnote-ref-4)
4. Bureau of Labor Statistics, <https://www.bls.gov/oes/current/oes_nat.htm#00-0000>, May 2022 National Occupational Employment and Wage Estimates (Occupation code: 00-0000). [↑](#footnote-ref-5)