

**Supporting Statement for the
Ongoing Intermittent Survey of Households
(FR 3016; OMB No. 7100-0150)**

Summary

The Board of Governors of the Federal Reserve System (Board), under authority delegated by the Office of Management and Budget (OMB), has extended for three years, with revision, the Ongoing Intermittent Survey of Households (FR 3016; OMB No. 7100-0150). The Board uses this ad hoc voluntary survey to study consumer financial decisions, attitudes, and payment behavior.¹

The Board revised the FR 3016 by adding new questions to the survey.

The current estimated total annual burden for the FR 3016 is 160 hours, and would increase to 199 hours. The revision would result in an increase of 39 hours.

Background and Justification

The Ongoing Intermittent Survey of Households was initiated in 1981. Over the past 41 years, the survey data have helped the Board understand consumer credit markets and consumer behavior. The Board has used the data to meet the current analysis needs of the Board to respond to mandates from the Congress, to prepare academic research papers, and to provide information to the public.

The survey has provided the Board useful studies of the influence of consumer spending and saving decisions in determining the course of the national economy, which may not be readily available if the survey were not conducted.

The Board asks questions on inflation and house price expectations monthly. Additionally, four to six times per year, the Board poses recurring special-interest questions. Examples of recent recurring questions were regularly fielded modules on car purchases and their financing (vehicle financing), and retrospective questions on behavior of inflation over the past 12 months and the past 5-10 years (past prices). This information is not available from other sources and helps Board staff to gauge, for example, the potential effects of economic factors, such as gas prices or current financing conditions, on household spending.

¹ Certain criteria apply to information collections conducted via the Board's ad hoc clearance process. Such information collections shall (1) be vetted by the Board's clearance officer, as well as the Division director responsible for the information collection, (2) display the OMB control number, (3) inform respondents that the information collection has been approved, (4) be used only in such cases where response is voluntary, (5) not be used to substantially inform regulatory actions or policy decisions, (6) be conducted only and exactly as described in the OMB submission, (7) involve only noncontroversial subject matter that will not raise concerns for other Federal agencies, (8) include a detailed justification of the effective and efficient statistical survey methodology (if applicable), and (9) collect personally identifiable information (PII) only to the extent necessary (if collecting sensitive PII, the form must display current Privacy Act notice). In addition, for each information collection instrument, respondent burden will be tracked and submitted to OMB.

Finally, on occasion, the Board may request additional questions to be added to the survey, depending on need. Since the last clearance approval in October 2020, this ad-hoc authority has not been used.

Description of Information Collection

The Board has a contract with the University of Michigan's Survey Research Center (SRC) to include survey questions on behalf of the Board in an addendum to the SRC's regular monthly Survey of Consumers. The Board drafts and edits the addendum questions in consultation with the SRC, whose program involves careful questionnaire development. The SRC's survey guidelines produce questionnaires that are clear and reliable, and mitigate any duplication between the Board's addendum questions and the SRC's regular questions. The SRC conducts the survey by telephone with a sample of approximately 600 households and asks questions of special interest to the Board. The Board reports burden, under the Paperwork Reduction Act, for the Board-designed question portion of the larger survey.

For each monthly SRC survey conducted, the SRC staff sample approximately 600 households from the universe of all private households in the coterminous United States. The sample is designed to be representative of the national population of households. The SRC staff conduct the interviews by telephone, to respondents' cellular phone numbers, and participation is voluntary. The Board drafts and edits the addendum questions in consultation with the SRC personnel. The SRC conducts a field pretest of the questions.

The survey includes questions about inflation and house prices expectations monthly and includes recurring questions of special interest to the Board. In the past, the Board has added special-interest questions in about four to six surveys each year in addition to the standard Board questions regarding inflation and house price expectations. On occasion, additional questions may be added, as needed, as additions to the SRC's regular survey format. These short-term questions have included: in 2012, questions regarding consumer experiences with credit cards; in 2011 and again in 2014, questions regarding the impact of temporary payroll tax reductions and subsequent payroll tax increase; in 2016, questions for 5 months regarding consumers' perceptions of price changes and inflation. It is difficult to determine in advance the specific number of times the Board will ask the SRC to obtain survey data since the need for data often arises from unpredictable legislative and economic developments, or from unforeseen Congressional requests for information. Although the Board plans some surveys well in advance, the survey's principal value is the flexibility it provides the Board to respond quickly to changing economic, legislative, and regulatory developments.

Respondent Panel

The FR 3016 panel comprises individuals living in households in the coterminous United States.

Frequency and Time Schedule

The FR 3016 is collected monthly. For each month's survey, an independent cross-section sample of households is drawn. The respondents chosen in this drawing are then reinterviewed six and twelve months later.

Revisions to the FR 3016

The full SRC survey averages approximately 25 to 30 minutes per month per respondent, and the Board revised the FR 3016 to add one to two new Board-developed questions to its portion of the survey. The additional questions are expected to change based on Board requirements and the economic conditions at the time of survey fielding, but can include questions about an individual's opinion on such matters as financing needs, or other aspects of consumer financial behavior. The survey results will help the Board to broaden its monitoring of changes in current financing conditions on household spending and other financial outcomes. The Board estimates that as a result of the new questions, the monthly average minutes per response will increase from 1.6 to 1.65, or 19.8 minutes annually. This is an increase of 0.05 minutes monthly, or 0.6 minutes annually. A burden estimate was also added to the collection to reflect the pretesting of the new survey component questions with a small number of respondents.

Public Availability of Data

SRC staff code and edit the interview responses and transmit the data to the Board. The Board tabulates and analyzes the data but does not publish the survey data that it obtains. However, survey information is frequently cited in published material such as professional journals, the Federal Reserve Bulletin, and testimony and reports to the Congress.

Under the terms of the Board's contract, the SRC routinely places individual respondent data, stripped of names and other characteristics that would permit personal identification of respondents, in the public domain one year after the data file with survey responses is received by the Board. The SRC publishes survey data on the Inter-university Consortium for Political and Social Research (ICPSR) website, <https://www.icpsr.umich.edu/web/pages/>. The Board is a member institution of ICPSR.

Legal Status

The Board uses the information obtained through the FR 3016 to discharge its statutory responsibilities, including those under sections 2A (12 U.S.C. § 225a)² and 12A (12 U.S.C. § 248a)³ of the Federal Reserve Act. Survey submissions under the FR 3016 are voluntary.

² Requiring the Board and the Federal Open Market Committee (FOMC) to maintain long run growth of the monetary and credit aggregates commensurate with the economy's long run potential to increase production, so as to promote effectively the goals of maximum employment, stable prices, and moderate long-term interest rates.

³ Requiring the FOMC to implement regulations relating to the open market operations conducted by the Federal Reserve Banks with a view to accommodating commerce and business and with regard to their bearing upon the general credit situation of the country.

Personally identifiable information associated with individual responses to the FR 3016 will be kept confidential under exemption 6 of the Freedom of Information Act (FOIA) to the extent that it is information “the disclosure of which would constitute a clearly unwarranted invasion of personal privacy (5 U.S.C. § 552(b)(6)).

For other data fields, individual respondents may request confidential treatment in accordance with the Board’s Rules Regarding Availability of Information.⁴ Requests for confidential treatment of information are reviewed on a case-by-case basis. Information may be protected from disclosure to the extent that its disclosure would constitute a clearly unwarranted invasion of personal privacy under FOIA exemption 6, or under any other applicable FOIA exemption.

Consultation Outside the Agency

There has been no consultation outside the Federal Reserve System.

Public Comments

On March 30, 2023, the Board published an initial notice in the *Federal Register* (88 FR 19145) requesting public comment for 60 days on the extension, with revision, of the FR 3016. The comment period for this notice expired on May 30, 2023. The Board did not receive any comments. The Board adopted the extension, with revision, of the FR 3016 as originally proposed. On July 19, 2023, the Board published a final notice in the *Federal Register* (88 FR 46161).

Estimate of Respondent Burden

As shown in the table below, the estimated total annual burden for the FR 3016 (the Board’s questions within the larger survey) is 160 hours, and would increase to 199 hours with the revisions. The estimated average annual minutes per response are derived from a proposed contractual agreement between the SRC and the Board for approximately 19.8 minutes of response time per respondent and 6 minutes for a small number of respondents. The number of respondents is based on the current survey methodology used in production of the SRC’s Survey of Consumers. These reporting requirements represent less than 1 percent of the Board’s total paperwork burden.

⁴ 12 CFR 261.17.

FR 3016	<i>Estimated number of respondents</i>	<i>Estimated annual frequency</i>	<i>Estimated average minutes per response</i>	<i>Estimated annual burden hours</i>
Current	500	12	1.6	160
Proposed				
Survey	600	12	1.65	198
Pretest	10	1	6	<u>1</u>
<i>Proposed Total</i>				199
<i>Change</i>				39

The estimated total annual cost to the public for the FR 3016 is \$4,800, and would increase to \$5,970 with the revisions.⁵

Sensitive Questions

These collections of information contain no questions of a sensitive nature, as defined by OMB guidelines.

Estimate of Cost to the Federal Reserve System

The estimated cost to the Federal Reserve System for collecting and processing this information collection is \$180,300.

⁵ The average consumer cost of \$30 is estimated using data from the Bureau of Labor Statistics (BLS), *Occupational Employment and Wages, May 2022*, published April 25, 2023, <https://www.bls.gov/news.release/ocwage.t01.htm>.