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July 14, 2022

Memorandum to: William E. Bestani
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Office of Information and Regulatory Affairs
Office of Management and Budget
Executive Office of the President

From: Manny Cabeza
Regulatory Counsel
Legislation Unit
Legal Division
Federal Deposit Insurance Corporation

RE: Cognitive Interviewing for the Survey of Household Use of Banking and Financial Services

Under the generic clearance titled, "Generic Information Collection for Qualitative Research" (3064-0198), the FDIC hereby submits for OMB review the set of questions from the 2023 Survey of Household Use of Banking and Financial Services that will be used in cognitive interviews. The final survey will be fielded as a supplement to the Current Population Survey in June 2023.

The purpose of this data collection is to pretest survey questions with the goal of reducing measurement error and item nonresponse. In order to pretest this survey, the FDIC plans to conduct cognitive interviews with up to 70 adult participants. The FDIC also plans to conduct timing interviews with up to 15 additional adult participants to ensure the survey questionnaire is of appropriate length. The participants will include consumers who have a bank or credit union account and those who do not. Participants will also include consumers who have used one or more of several different financial transaction services or credit products. These participants are targeted for recruitment due to the analytic interests of the national survey that will be conducted in June 2023.
Respondents will be recruited by posting ads in virtual locations including: Facebook, Craigslist, and local neighborhood online classifieds (e.g. in Patch or Next Door). Additionally, we will contact organizations and businesses known to serve our population of interest to describe our research and the opportunity to participate. These locales will include community-based organizations serving low-income minority groups, including food pantries and WIC offices, NGOs helping with credit repair, and organizations offering free tax preparation services for low-income individuals.[1] Respondents who complete the screening questionnaire will be asked to provide contact information for one other person who may be interested or available to

[1] The ads in virtual locations and the flyers posted in physical locations will describe our research, provide contact information, and will include the required Paperwork Reduction Act (PRA) disclosures.

complete the study.[2] Using this Respondent Driven Sampling approach will allow efficient recruitment of this hard-to-reach population.

Respondents will be determined to be eligible for the interview after completing a screening questionnaire (also enclosed), which asks questions about age, gender, whether they make financial decisions for their household, whether they have a checking or savings account, and whether in the past year they have used any of the financial services or credit products of interest.

After they have been determined to be eligible for the interview, participants will be sent a confirmation that will contain the virtual meeting link or the address of the physical location of the interview.[3] Prior to beginning each interview, the cognitive interviewer will explain the study to the participant, read aloud a consent form explaining their rights as a research participant, and then administer the survey to the participant. Both virtual and in-person interviews are currently planned. However, in light of the current pandemic, we expect that most of the cognitive interviews will be conducted virtually.

Throughout the interview, the interviewer will probe the participant's understanding of the questions being tested and their understanding of key terms and concepts used in the interview. The interviewer will also assess recall and cognitive burden. Cognitive burden is increased as survey questions demand comprehension of complex concepts or recall of non-salient events. Increases in cognitive burden can lead to satisficing and measurement error, and thus should be identified at the pretesting stage.

The FDIC expects to use the outcomes from the cognitive interviews to identify ways in which the tested questions can be improved to ensure that they capture the intended information in a way that minimizes the cognitive burden on respondents. Data collected from these cognitive interviews are for questionnaire design purposes. Results will not be inferred to any larger population. A final data collection report will also be produced, documenting methodology, findings, and recommendations for question revisions.

The anticipated burden for respondents is calculated as follows. We anticipate screening up to 340 respondents in order to complete up to 70 cognitive interviews and up to 15 timing interviews. The screening process will take an average of 5 minutes, cognitive interviews will take 60 minutes, and timing interviews will take an average of 12 minutes. Therefore, this effort will require 101.3 burden hours (((5*340) + (60*70) + (12*15)) / 60 = 101.3 hours). To offset expenses, respondents who complete an in-person interview will receive $50 and those completing a virtual interview will receive $40.

If you have any questions, please let me know. Thank you for your consideration.

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[2] Individuals who are referred by respondents who complete the screener will be sent the ad that describes our research that includes the required PRA disclosures.
[3] The confirmation will include the required PRA disclosures.