

**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), proposes to extend for three years, without revision, the Ongoing Intermittent Survey of Households¹ (FR 3016; OMB No. 7100-0150).² The Board uses this ad hoc voluntary survey to study consumer financial decisions, attitudes, and payment behavior.

The current estimated total annual burden for the FR 3016 is 160 hours, and would remain the same.

Background and Justification

The Ongoing Intermittent Survey of Households was initiated in 1981. Over the past 38 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 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 Consumer Attitudes and Expectations. 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 also 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 500 households and asks questions of special interest to the Board.

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 information collection instruments that are each conducted only one time; (9) include a detailed justification of the effective and efficient statistical survey methodology (if applicable); and (10) collect personally identifiable information (PII) only to the extent necessary (if collecting 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.

² There is no formal reporting form for this collection of information; the FR 3016 designation is for internal purposes only.

This information is not available from other sources. The SRC maintains that no other consumer survey meets its rigorous criteria of economic significance, statistical adequacy, consistency of timing, and prompt availability. 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 would not readily be available if the survey were not conducted. For example, Board staff routinely use the durable goods and car purchase attitude questions in the survey to gauge the potential effects of current financing conditions on household spending.

Description of Information Collection

For each monthly SRC survey conducted, the SRC staff samples approximately 500 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 conducts the interviews by telephone, to respondents' cellular phone numbers, and participation is voluntary. If the staff cannot obtain interviews with selected respondents, they select replacement respondents until they complete approximately 500 interviews. The Board drafts and edits the questions in consultation with the SRC personnel. The SRC conducts a field pretest of the questions; however, the Board is charged only for the time used on the actual survey.

The survey includes questions about inflation and house prices expectations monthly and includes questions of special interest to the Board intermittently, when needed, as additions to the SRC's regular survey format. These questions relate to various aspects of consumer financial behavior and the impact of regulations affecting consumer financial services. Other questions cover consumer retail, depository institution, and corporate retail payment systems usage, processing, and technology.

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. In the past, the Board has participated in about six SRC surveys each year in addition to the standard Research and Statistics inflation and house price expectation questions. 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.

Time Schedule for Information Collection

The data will be 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 months later; the result is a rotating panel design.

Public Availability of Data

When a survey is conducted for the Board, the SRC staff codes and edits the interview responses and transmits 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 collection. The SRC publishes survey data on the Inter-university Consortium for Political and Social Research (ICPSR) website, www.icpsr.umich.edu; the Board is a member institution of the ICPSR.

Legal Status

The FR 3016 is authorized by sections 2A and 12A of the Federal Reserve Act (FRA). Section 2A of the FRA requires that the Board and the Federal Open Market Committee (FOMC) "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 the maximum employment, stable prices, and moderate long-term interest rates."³ Under section 12A of the FRA, the FOMC is required to implement regulations relating to the open market operations conducted by 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."⁴ The information collection under the FR 3016 is used to fulfill these obligations. Survey submissions under the FR 3016 are voluntary

Location information associated with individual responses to the FR 3016 will be kept confidential under exemption 6 of the Freedom of Information Act ("FOIA"), which protects information "the disclosure of which would constitute a clearly unwarranted invasion of personal privacy."

Individual responses to other data fields from the FR 3016 may be kept confidential on a case-by-case basis. The Board will consider whether information collected through these surveys may be kept confidential under FOIA exemption 6, or any other applicable FOIA exemption.

Consultation Outside the Agency

There has been no consultation outside the Federal Reserve System.

³ 12 U.S.C. § 225a.

⁴ 12 U.S.C. § 263(c).

Public Comments

On April 13, 2020, the Board published an initial notice in the *Federal Register* (85 FR 20495) requesting public comment for 60 days on the extension, without revision, of the FR 3016. The comment period for this notice expires on June 12, 2020.

Estimate of Respondent Burden

As shown in the table below, the estimated total annual burden for the FR 3016 is 160 hours. The estimates are derived based on data collected from previous years when these data were asked in the survey. These reporting provisions represent less than 1 percent of the Board's total paperwork burden.

	<i>Estimated number of respondents</i>	<i>Annual frequency</i>	<i>Estimated average hours per response</i>	<i>Estimated annual burden hours</i>
FR 3016	500	12	0.0267	160
<i>Total</i>				160

The estimated total annual cost to the public for this collection of information is \$4,160.⁵

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 approximately \$8,000.

⁵ The average consumer cost of \$26 is estimated using data from the Bureau of Labor Statistics Economic News Release (USDL-19-0307) https://www.bls.gov/news.release/archives/cewqtr_02202019.htm.