



FEDERAL RESERVE SYSTEM

Agency Information Collection Activities: Announcement of Board Approval under Delegated Authority and Submission to OMB

AGENCY: Board of Governors of the Federal Reserve System.

SUMMARY: The Board of Governors of the Federal Reserve System (Board) is adopting a proposal to extend, for three years, with revision, the ad hoc clearance for the Survey of Household Economics and Decisionmaking (SHED) (FR 3077; OMB No. 7100-0374). The revisions are effective immediately.

FOR FURTHER INFORMATION CONTACT:

Federal Reserve Board Clearance Officer – Nuha Elmaghrabi – Office of the Chief Data Officer, Board of Governors of the Federal Reserve System, Washington, DC 20551, (202) 452-3829.

Office of Management and Budget (OMB) Desk Officer – Shagufta Ahmed – Office of Information and Regulatory Affairs, Office of Management and Budget, New Executive Office Building, Room 10235, 725 17th Street, NW, Washington, DC 20503, or by fax to (202) 395-6974.

A copy of the Paperwork Reduction Act (PRA) OMB submission, including the reporting form and instructions, supporting statement, and other documentation will be placed into OMB's public docket files. These documents also are available on the Federal Reserve Board's public website at <https://www.federalreserve.gov/apps/reportforms/review.aspx> or may be requested from the agency clearance officer, whose name appears above.

SUPPLEMENTARY INFORMATION: On June 15, 1984, OMB delegated to the Board authority under the PRA to approve and assign OMB control numbers to collections of information conducted or sponsored by the Board. Board-approved collections of information are

incorporated into the official OMB inventory of currently approved collections of information. Copies of the PRA Submission, supporting statements, and approved collection of information instrument(s) are placed into OMB's public docket files.

Final Approval under OMB Delegated Authority of the Extension for Three Years, With Revision, of the Following Information Collection:

Report title: Survey of Household Economics and Decisionmaking (SHED).

Agency form number: FR 3077.

OMB control number: 7100-0374.

Effective Date: The revisions are effective immediately.

Frequency: Annually; On occasion.

Respondents: The Board expects that the respondents would include a nationally representative sample of non-institutionalized individuals¹ who are 18 years of age and older. Due to the nature of the third-party vendor's respondent pool, this sample naturally includes repeat respondents, which allows for evaluating changes in respondents' economic conditions, as well as time series analysis.

In 2019, the Board changed how respondents were selected to participate in the SHED questionnaire to more closely reflect a nationally representative sample. Thus, effective with the 2019 questionnaire, the respondent panel no longer contained a low- and moderate-income oversample. Instead, the same number of respondents were interviewed but those respondents were drawn as a random sample of adults, rather than by attempting to sample a disproportionate share of low- and moderate-income adults. This change was made to obtain a respondent sample

¹ Non-institutionalized individuals refers to individuals who are not inmates of institutions, such as those who are incarcerated or live in a retirement home, hospital, or other medical institution, as well as active duty military.

that more closely reflects the overall adult population and to reflect that these deviations from a nationally representative sample were no longer necessary for analyses of these populations given the current size of the SHED respondent pool.

Effective with the 2018 SHED questionnaire, the respondent panel also no longer included an explicit sample of repeat respondents. Because approximately one-fifth of the vendor's total online respondent pool for the questionnaire is already comprised of repeat respondents, a substantial fraction of questionnaire respondents are repeat respondents without the need to have an explicit repeat sample.

The Board plans to continue to sample a nationally representative pool of respondents without an oversample of low- and moderate-income individuals and without an explicit repeat sample group.

Estimated number of respondents: Quantitative survey, 21,500 respondents; qualitative survey, 30 respondents.

Estimated average hours per response: Quantitative survey, 0.35; qualitative survey, 2.

Estimated annual burden hours: Quantitative survey, 7,525; qualitative survey, 180.

General description of report: The FR 3077 questionnaire is used to collect insightful information from consumers concerning the well-being of U.S. households and how individuals and their families are faring in the economy. The collected information could be used for the Board's Report on the Economic Well-Being of U.S. Households; Board studies or working papers; professional journals; the Federal Reserve Bulletin; testimony and reports to the Congress; or other vehicles. The SHED questionnaire includes such topics as individuals' overall financial well-being, employment experiences, income and savings behaviors, economic preparedness, access to banking and credit, housing and living arrangement decisions, education

and human capital, student loans, and retirement planning. The overall content of the SHED questionnaire depends on changing economic, regulatory, or legislative developments as well as changes in the financial services industry.

Legal authorization and confidentiality: Section 2A of the Federal Reserve Act requires that the Board 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 (12 U.S.C. 225a). The Board uses the information obtained from the FR 3077 to help fulfill these obligations. The FR 3077 is a voluntary information collection.

Personally identifiable information collected on the SHED questionnaire, which would identify individual respondents, will be withheld under exemption 6 of the Freedom of Information Act (FOIA). Exemption 6 of the FOIA protects information from being disclosed that would result in an unwarranted invasion of personal privacy (5 U.S.C. 552(b)(6)). In the event cognitive interviews are conducted with select individuals to obtain qualitative feedback regarding an individual respondent's thoughts or reflections on the questions posed in the SHED questionnaire, both the questions posed to the individual respondent and their responses would be protected by exemption 6 of the FOIA (5 U.S.C. 552(b)(6)).

Current actions: On May 11, 2020, the Board published an initial notice in the *Federal Register* (85 FR 27742) requesting public comment for 60 days on the extension, with revision, of the FR 3077. The Board proposed to revise the SHED questionnaire by changing some of the core questionnaire questions to reduce the time respondents spend on specific questions by simplifying the language, as well as incorporating additional questions on emerging economic

issues, and removing questions that do not require that new data be collected on an annual basis. The comment period for this notice expired on July 10, 2020. The Board received one comment.

Detailed Discussion of Public Comments

The one commenter expressed support for the data collection while urging the Board to include a general life satisfaction question in addition to financial satisfaction metrics. The Board agrees with the commenter's suggestion that general life satisfaction questions are worthy of consideration for the survey; however, because space on the survey is limited and the survey primarily focuses on financial outcomes, the Board has opted not to incorporate the suggested question into the proposed core question set. However, the survey instrument is structured to include additional topics beyond the core question set, which are included in the survey periodically. Recognizing the value of the commenter's proposed question, the Board will include the suggested life satisfaction questions as potential ad-hoc questions to ask this year or in future years of the survey, pending space on the overall survey instrument.

Board of Governors of the Federal Reserve System, September 14, 2020.

Michele Taylor Fennell,

Assistant Secretary of the Board.

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