

**Supporting Statement for the
Survey of Consumer Finances
(FR 3059; OMB No. 7100-0287)**

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 Survey of Consumer Finances (SCF) (FR 3059; OMB No. 7100-0287).¹ This triennial survey is the only source of representative information on the structure of U.S. families' finances. The survey collects data on the assets, debts, income, work history, pension rights, use of financial services, and attitudes of a sample of U.S. families. Because the ownership of some assets is relatively concentrated in a small number of families, the survey makes a special effort to ensure proper representation of such assets by systematically oversampling wealthier families.

For the 2025 SCF, the Board will conduct: (1) up to 150 interviews averaging about 110 minutes (pretest) to be obtained in a test or series of tests of the survey procedures in 2025, and (2) up to 7,000 interviews averaging about 110 minutes (main survey) between April 2025 and March 2026. The pretest interviews and surveys will be conducted by an outside contractor.²

The pretest and the main survey will be collected by a field interviewer, either in person or on the phone, using a computer-assisted personal interview (CAPI) instrument. There is no hardcopy version of the questionnaire other than the text of the computer program. The wording of the survey questions will be modified to reflect the outcome of the pretest, but it is anticipated that such changes will be relatively small.³

The current estimated total annual burden for the FR 3059 is 4,410 hours.

Background and Justification

The 2025 SCF will be the 15th triennial survey, which began in 1983, that provides comprehensive data on U.S. families concerning the distribution of assets and debts, along with related information and other data items necessary for analyzing financial behavior. The SCF is

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.

² The National Opinion Research Center (NORC) at the University of Chicago was the contractor for 2022 survey. For the 2025 SCF, the contractor will be selected in February 2024.

³ There is no formal reporting form for this collection of information (the FR 3059 designation is for internal purposes only).

the only survey conducted in the United States that provides such financial data for a representative sample of all households.

In addition to providing baseline information for current analysis, data from earlier SCFs have proved useful in policy work at the Board. For example, these surveys have been used in Board briefings and numerous memoranda to examine wealth and income inequality, changes in the distribution of debt burdens in the population, coverage of household deposits by federal deposit insurance, ownership of mutual funds and stocks, automobile leasing, and many other areas. The surveys have also been used extensively for longer-term research within the Federal Reserve System, in the Office of Tax Analysis and other parts of the Treasury department, in other government agencies, in academia, by other research institutions, and by businesses.

Description of Information Collection

The SCF is expected to provide a core set of data on family income, assets, and liabilities. For the survey, the contractor and the Board will draw samples for the survey designed to obtain at most 7,000 completed interviews. The sample selected by the contractor will be an area-probability design, which is a type of geographically structured random sample that provides good national coverage of widely-distributed behavior. The sample selected by the Board will be drawn from statistical records derived from individual tax returns; this “list” sample will be designed to oversample wealthy households. Both samples will be selected in a way that is consistent with procedures used in earlier SCFs. When the two samples are combined and sample weights applied, the survey is representative of the number of households in the United States in the survey year. The 2022 SCF represented 131.3 million households.

The SCFs are conducted by a field interviewer, provided by the contractor, either in person or on the phone, using a computer-assisted personal interview (CAPI) instrument.

The core information collected by the pre-test and the main survey is summarized below.

- *Financial assets.* These include checking, savings, and money market accounts; holdings of publicly traded stock, bonds, certificates of deposit, mutual funds, annuities, trusts, and life insurance.
- *Real estate and business assets.* These include the value and purchase terms of the household’s principal residence and other properties, and detailed information on privately held businesses.
- *Pension assets.* These include IRA, Keogh, thrift, profit sharing, 401(k), and other tax-deferred account holdings. Information would also be collected on current or expected benefits from each pension and from Social Security. Questions on the expected date of retirement, spousal benefits, and amount in defined contribution accounts will enable the calculation of the present value of pension benefits. Sufficient information on each household member’s work history and future work plans will be collected.

- *Other assets.* Information will be collected on other assets such as oil leases, mineral rights, and royalties. Some data would also be gathered on jewelry, art objects, other valuables, and major consumer durables such as automobiles and boats.
- *Household debts.* The purpose, amount outstanding, source, and terms of each household debt will be collected. These debts include home mortgages and home equity loans, lines of credit, credit cards, other consumer loans, and other loans from businesses and individuals. Information will also be collected on major household expenditures related to debt acquisition including those for automobiles and home improvements.
- *Demographic data.* These include education, employment and marital history, age, health, race and ethnicity, and earnings for each household member.
- *Household income.* A detailed breakdown of income designed to align with tax data would also be collected.
- *Attitudes and financial decision making.* Attitudes toward saving and credit will be collected. Information on the use of financial services and methods of choosing among competing sources will also be sought. Institutional data will be sought for each account or financial service used by the household. These data will be collected in a way that would allow identification of any clustering of services at institutions. For each institution information would be obtained on the type, proximity, and typical mode of use.

Personally Identifiable Information

Personally identifiable information (PII) obtained in this information collection includes such respondent data as name, address, Social Security Number, and date of birth. The information provided is sensitive in nature and is necessary for statistical purposes only, in accordance with the Confidential Information Protection and Statistical Efficiency Act. The SCF records are used to structure, conduct, and process the SCF, which provides a basis for a wide variety of government, academic, and other statistical research. Information collected as part of this process is stored in the system of records BGFRS-20, “Survey of Consumer Finances” (88 FR 40266).

Respondent Panel

The FR 3059 panel comprises a sample of U.S. families.

Frequency and Time Schedule

The FR 3059 is submitted triennially. The fieldwork for the pretest will be conducted during 2024. The fieldwork for the main survey will be conducted between April 2025 and March 2026. Very preliminary results from the main survey will be available to the Board in mid-2026.

Public Availability of Data

It is expected that the data will be published in summary form as an official report in late 2026. A version of the microdata, which will be altered to protect the identity of individual respondents, will be made available to the public through the Board's public website.⁴ Individuals may apply for access to the restricted SCF data via the Standard Application Process (SAP).⁵ All proposals are reviewed using the criteria specified in the SAP. None of the pretest data will be released to the public.

Legal Status

Section 2A of the Federal Reserve Act (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 maximum employment, stable prices, and moderate long-term interest rates.⁶ In addition, under section 12A of the FRA, the FOMC is required to implement regulations relating to the open market operations conducted by Federal Reserve Banks.⁷ Those transactions must be governed with a view to accommodating commerce and business and with regard to their bearing upon the general credit situation of the country.⁸ The Board and the FOMC use the information obtained from the FR 3059 to help fulfill these obligations.

It is expected that the data collected will be published in summary form in the *Federal Reserve Bulletin* in 2023. A version of the microdata, which will be altered to protect the identity of individual respondents, will be made available to the public through the Board's public website. None of the pretest data will be released to the public. The information collected on the FR 3059 that identifies the individual respondents is exempt from disclosure under exemption 6 of the Freedom of Information Act, which protects information the disclosure of which would constitute an unwarranted invasion of personal privacy of individuals involved.⁹

Consultation Outside the Agency

The final survey questionnaire would will be developed jointly by the Board and the contractor. The contractor would conduct survey using the CAPI.

The data to support the part of the survey sample selected by the Board will be provided by the Statistics of Income Division (SOI) of the Internal Revenue Service under a contract that allows this use of the data as well as other more limited uses of the data for statistical adjustments to the final data and related purposes. As in past surveys, the sample selection and survey administration will be managed by the contractor so that the Board would not be given any names of survey participants; SOI would not be given data to link survey responses with tax records; and the contractor would not be given income data derived from the tax returns.

⁴ <https://www.federalreserve.gov/econres/scfindex.htm>.

⁵ <https://www.researchdatagov.org/>.

⁶ 12 U.S.C. § 225a.

⁷ 12 U.S.C. § 263.

⁸ 12 U.S.C. § 263(c).

⁹ 5 U.S.C. § 552(b)(6).

Public Comments

On March 7, 2024, the Board published an initial notice in the *Federal Register* (89 FR 16571) requesting public comment for 60 days on the extension, without revision, of the FR 3059. The comment period for this notice expires on May 6, 2024.

Estimate of Respondent Burden

As shown in the table below, the estimated annual burden for the FR 3059 is 4,410 hours. The Board estimates the pretest and main survey would require an average of 110 minutes per response. With 150 respondents, the estimated pretest burden would be 275 hours and would be incurred on a one-time basis in 2024. The pretest sample is designed to be large enough to test the survey instrument completely. With 7,000 respondents, the estimated main survey burden would be 12,833 hours and would be incurred in 2025 and in 2026. The main survey sample size is designed to enable meaningful statistical analysis. These reporting requirements represent less than 1 percent of the Board’s total paperwork burden.

FR 3059	<i>Estimated number of respondents</i>	<i>Estimated annual frequency</i>	<i>Estimated average time per response¹⁰</i>	<i>Estimated annual burden hours</i>
Pre-test	150	1	37 minutes	93
Main survey	7,000	1	37 minutes	<u>4,317</u>
	<i>Total</i>			<u>4,410</u>

The estimated cost to the public for the information collection is estimated to be \$132,300.¹¹

Sensitive Questions

Respondents will be asked to identify the age and sex of individual family members; information on race will be collected using guidelines from the OMB. This information is needed in the proposed survey in order to analyze the demographic aspects of consumer finances. The information collected from the FR 3059 survey is maintained in the Board’s System of Records, BGFRS-20 “FRB-Survey of Consumer Finances”.¹² A Privacy Act Statement will be read by the field interviewer to individual respondents prior to conducting the survey.

Estimate of Cost to the Federal Reserve System

¹⁰ The burden table show the estimated annual burden hours per year; however, this survey is issued once every three years, thus the estimated average time per response has been divided by three to accurately show the annual burden hours. The pre-test survey and the main survey both take an estimated 110 minutes per response.

¹¹ 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#>.

¹² 88 FR 40266 (June 21, 2023).

Work on the survey would be performed under a contract. The Board estimates that the contract price for collecting and processing this the FR 3059 survey would be \$7.6 million per year.