

A. Introduction (5 minutes)

Thank you for participating in this study today. My name is _____, and I work for Fors Marsh Group which is a private research firm. We are helping the Consumer Financial Protection Bureau gather information to understand consumers' experiences with repaying their student loans. The Consumer Financial Protection Bureau, or CFPB, is a federal government agency that was created to help consumers.

Today we will be looking at some notices that consumers may receive along with their student loan statements. I will ask you a series of questions so I can learn what works well and what the CFPB may consider changing. Our goal is to make these notices as clear and understandable as possible for people who may receive them in the future. I did not create them and have no stake in the outcome, so please do not feel like you have to hold back on your thoughts to be polite to me. We're interested in both your positive and negative reactions to the notices. Please keep in mind that I am not testing you or your knowledge, but rather you are helping us to see how we can improve the notices. Any difficulties you may run into reflect the design of the notices themselves, not your skills or abilities.

The entire session should last about 30 minutes. Do you have any questions so far?

Let's cover a couple things before we get started.

- We are making a video recording of this session. Only those of us associated with this project will see the recordings. The recordings are primarily used as a memory aid for me so I can go back later to recall what happened during each session.
- Your participation is voluntary and you can stop or withdraw at any time. Also, you do not have to answer any questions you are not comfortable with. Your name and other personally identifiable information will not be included in any of our reports.
- There are some people from my team and from the CFPB who are observing to take notes and record your comments. Your candid feedback will be very valuable, so even though people are observing, please speak openly about your opinions and experiences. There are no wrong answers, and your comments and opinions will only be used in combination with the feedback that we get from other people.

Any questions so far?

Great! I am interested in your thoughts and reactions as we proceed. When we are looking over the notices, I'd like you to review them as you normally would if I was not here, but I would also like you to share anything that is noteworthy or confusing. You don't have to read everything aloud to me, but please tell me if you are looking for something and what it is and whether you can find it or not. I will ask questions along the way.

B. Background (5 minutes)

To get us started I would like you to hear a little about your student loan experiences.

1. Where did you go to school?
2. Did you graduate? When?
3. And are you currently paying back your loans now?
 - a. *[IF NO] Probe on deferment, default, etc.*
4. Borrowers typically receive correspondence, including billing statements, from the company that handles your student loan account. This is also known as your loan servicer. Do you receive (or do you remember receiving in the past) billing statements from the company that handles your federal student loan account?
 - i. *[IF YES] How do you usually receive them (e.g., by mail, by email, via online log-on)?*
 - ii. *[IF YES] What do you typically do with your billing statements when you receive them?*
 - iii. *[IF YES] Do you tend to look closely at them? When was the last time you looked closely at your billing statement? Do you tend to throw them out without reading them? [If applicable] What are some reasons that you do not tend to look at your statement closely?*
 - b. Do you receive correspondence other than billing statements from the company that handles your federal student loan account?
 - i. *[IF YES] How do you usually receive it (e.g., by mail, email, via online log-on)?*
 - ii. *[IF YES] What do you typically do with such correspondence?*
 - iii. *[IF YES] Do you tend to look closely at it?*
 - iv. *[IF NO] What are some reasons that you do not tend to look at your statement closely?*
 - c. How often do you look at information sent by your student loan servicer?
 - i. *[IF NO] What would prompt you to start looking at information sent from your student loan servicer?*
5. It's not uncommon for people to miss a student loan payment. Have you ever missed a payment on or failed to repay a student loan?
6. Are you aware that you have options to lower your monthly federal student loan payment?
7. Are you aware that your monthly federal student loan payment can be based off your income?

C. Option 1: Evaluation of Payback Playbook – Form 1 (Good Standing Disclosure Form) (15 minutes)

Initial Response

Now I would like you to imagine that you have received this notice from your student loan servicer.

[HAND PARTICIPANT FORM 1 (Good Standing Disclosure Form) FOR REVIEW; WAIT]

I'd like you to take a minute to read and familiarize yourself with this notice. I would like you to review this document just as you would if you had received it from your servicer.

Course of Action Questions

Now I'd like to ask you some specific questions about what you would do with this notice if you received it from your servicer.

1. What, if anything, would you do after reading this notice?
 - a. Is there any information on this notice that you think would be especially useful to you in taking the next step, if any?
 - b. *For participants who wouldn't take any action, probe on why not and what could lead them to take action:* What are some things that would prevent you or stop you from taking action? Are there any improvements that could be made to the notice that would help you decide to take action?
 - c. What do you think are your options/different courses of action you could take after reading this information on the notice?
 - d. Do you think there are additional courses of action you could take that are not specified in the notice?
2. If you had to choose a different repayment plan, which would you choose? Why?
 - a. *Probe on size of payment, timeframe, etc.*
 - b. *What are some reasons why you did not pick this plan (point to the other one)?*
 - c. Other than the information here, is there anything else that would affect your decision between the plans?
3. If you did not have to choose a different plan, would you? Why/why not?
 - a. *[IF NO] What are some of the reasons why you chose not to stay with your current plan?*
4. Do you think you'd be more likely to open and read this notice if you received it by email or by mail? What if you had to log in to your student loan account to review it?
5. Is there another way that you would prefer to receive this notice other than email or U.S. mail? Why?
6. Do you think you'd be more likely to pay attention to this notice if it came from your servicer (the company that handles your student loan account) or from a government agency, such as the Department of Education? Why?
7. Do you think you would be more likely to pay attention to this notice if it came as part of your billing statement or by itself?
8. Who would you contact if you had questions about this document?
9. How would you be able to reach them?
10. If you were designing this notice, what other information would you put on the notice to help other consumer like you?
11. What would you have to do next if you wanted to enroll in a different repayment plan than the one you current have?
12. What do you think would happen next if you took no action?

Comprehension Questions

Now I'd like to ask you some specific questions about the information presented in this document. Please remember that I am not testing you or your knowledge. I'd like to get a better sense of how

easy the document is to read and understand, so you are free to refer to the document when answering these questions.

1. In your own words, what is the purpose of this notice?
2. Why have you been sent this notice?
 - a. What makes you think that (any specific part of the notice)?
3. Who produced this notice?
4. Could you explain what it would mean to enroll your loans into one of these plans?
5. Would it cost you anything to enroll in a different repayment plan?
6. It says here that you “have the right to choose a different repayment plan.”
 - a. What does it mean that you “have the right” to choose a different plan?
 - b. Who is giving you this right?
 - c. Before reading this notice, did you know that you could choose a different plan?
 - d. Which different repayment plans are available to you? Are there others that are not listed on the form?
7. What are the benefits/downsides of staying in the current plan?
 - a. How much longer will you be paying on this loan?
 - b. What would your monthly payment be? Would it stay the same over time?
8. What are the benefits/downsides of picking the graduated plan?
 - a. How long will you be paying on your loan?
 - b. What would your monthly payment be? Would it stay the same over time?
 - c. Would you pay more or less over time if you stayed in the current plan?
9. What are the benefits/downsides of picking the Pay As You Earn (PAYE) plan?
 - a. How much longer will you be paying on the loan?
 - b. What would your monthly payment be? Would it stay the same over time?
 - c. On that plan, what happens after the [232 payments] { This number will vary based on the borrower’s loan balance – We will provide the moderator with the appropriate number before the interview} ? What does it mean to “forgive” the loan balance? Do you think that there are any downsides to forgiveness?
 - d. Can you enroll in PAYE if you don’t have a job? Have no income?
 - e. Would you pay more or less over time if you stayed in the current plan?
10. If you wanted to enroll in a different repayment plan, what would you need to do?
11. Where could you find more information about repayment plans?
12. Where do these payment amounts come from? How are they determined?
13. The document references “how changing plans could affect your taxes.” Can you imagine any ways that changing plans might affect your taxes?
14. It says here that “switching plans for one with a lower monthly payment often means paying more over the life of your loan.” Have you heard that before? Was this new information? What does this mean to you?
 - a. Did you think this makes you more or less likely to switch to a different plan?

Overall Impression Questions

1. When you first started reading the notice, what did you initially focus on?
2. It is not uncommon for people to skip around the notice and not read all parts closely. Which parts, if any, did you skip over or not read closely? Can you tell me why?

3. Is there anything on the notice that you think is confusing or unclear?
 - a. Are there any specific terms or phrases used on the notice that you did not recognize or that you think others might not recognize? Which ones?
4. Do you have any questions about this notice after reading it?
5. What would you say is the most important part of what you read? Least important?
6. The loan amounts on this notice were customized based on the income, household size and loan type information you provided in your screener,
 - a. Do you think a customized notice is a good thing or a bad thing?
 - b. Are there any concerns you have about the notice making use of your own information?
 - c. How would you feel if instead these were standard numbers that were examples of what your monthly payment could be and not related to your income?
 - d. Do you think that the student loan servicer that handles your account has your income and household size information?
7. Was there anything on the notice that was new information or that you didn't know before?
 - a. What about information you think others might not know without receiving the notice?
8. Was there anything on the notice that you think someone who might be new to the student loan repayment process before might find confusing or unclear? Why? How would you explain this information to them?
9. Is there any additional information that you would want to know that is not that is not shown here? [If yes] What information in particular? How would this help you?

D. Option 2: Evaluation of Payback Playbook – Form 2 (Delinquent Disclosure Form) – (15 minutes)

Initial Response

Now I would like you to imagine that you have received this form from your student loan servicer I'd also like you to imagine that you're in a situation where you are having trouble making payments on time or cannot make payments at all.

[HAND PARTICIPANT FORM 2 (Delinquent Disclosure Form) FOR REVIEW]

I'd like you to take a minute to read it over and familiarize yourself with this notice. I would like you to review this document just as you would if you got it from your servicer.

Course of Action Questions

Now I'd like to ask you some specific questions about what you would do with this notice if you received it from your servicer.

1. What, if anything, would you do after reading this notice?
2. Is there any information on this notice that you think would be especially useful to you in taking the next step, if any?
 - a. *[For participants who wouldn't take any action, probe on why not and what could lead them to take action]*
 - i. *What are some things that would prevent you or stop you from taking action?*
 - ii. *Are there any improvements that could be made to the notice that would help you decide to take action?*
3. What do you think are your options/different courses of action you could take after reading this information on the notice?
 - a. *Do you think there are additional courses of action you could take that are not specified in the notice?*
4. What are the strengths or advantages of the plan?
 - a. *Was there anything that surprised you?*
5. What about weakness or drawbacks of the plan?
 - a. *[FOLLOW-UP] Was there anything else that concerned you about that plan?*
 - b. *Probe on size of payment, timeframe, etc. if not mentioned.*
 - c. *What information would be especially useful to you in taking the next step, if any?*
 - d. *What would you have to do next if you wanted to enroll in a different repayment plan?*
6. Do you think you'd be more likely to open and read this notice if you received it by email or by mail?
 - a. *What if you had to log in to your student loan account to review it?*
7. Do you think you'd be more likely to pay attention to this notice if it came from your servicer (the company that handles your student loan account) or from a government agency, such as the Department of Education?
 - a. *Why?*
8. Do you think you would be more likely to pay attention to this notice if it came as part of your billing statement or by itself?
9. Who would you contact if you had questions about this document?
 - a. *How would you be able to reach them?*
10. If you were designing this notice, what other information would you put on the notice to help other consumer like you?
11. What other information could be provided in the notice to help you decide what to do?
12. What would you have to do next if you wanted to enroll in a different repayment plan than the one you current have?
13. What do you think would happen next if you took no action?

Comprehension Questions

Now I'd like to ask you some specific questions about the information presented in this document. Please remember that I am not testing you or your knowledge. I'd like to get a better sense of how easy the document is to read and understand, so you are free to refer to the document when answering these questions.

1. In your own words, what is the purpose of this notice?
2. Why would you be sent this notice?
 - a. What makes you think that (any specific part of the notice)?
3. Who produced this notice?
4. Could you explain what it would mean to enroll in this plan?
5. Would it cost you anything to enroll in a different repayment plan?
6. It says here that you "have the right to choose a different repayment plan."
 - a. *What does it mean that you "have the right" to choose a different plan?*
 - b. *Who is giving you this right?*
 - c. *Before reading this notice, did you know that you could choose a different plan?*
 - d. *Which different repayment plans are available to you? Are there others that are not listed on the form?*
7. What are the benefits/downsides of staying in the current plan?
 - a. *How much longer will you be paying on this loan?*
 - b. *What would your monthly payment be? Would it stay the same over time?*
 - c. *Where do these payment amounts come from? How are they determined?*
8. What are the benefits/downsides of picking the Pay As You Earn (PAYE) plan?
 - a. *How much longer will you be paying on the loan?*
 - b. *What would your monthly payment be? Would it stay the same over time?*
 - c. *On that plan, what happens after the [232 payments] [This number will vary based on the borrower's loan balance – We will provide the moderator with the appropriate number before the interview]? What does it mean to "forgive" the loan balance? Do you think that there are any downsides to forgiveness?*
 - d. *Can you enroll in PAYE if you don't have a job? Have no income?*
 - e. *Would you pay more or less over time if you stayed in your current plan?*
9. The document references that "changing plans could affect your taxes." Can you imagine any ways that changing plans might affect your taxes?
10. If you wanted to enroll in a different repayment plan, what would you need to do?
11. Where could you find more information about repayment plans?
12. What questions do you have about this notice after reading it?
13. Was there anything on the notice that you found confusing or unclear?
 - a. *Were there any specific terms or phrases used you did not recognize? Which ones?*
14. Was there anything on the notice that was new information or that you didn't know before?

Overall Impression Questions

1. Which part of the notice did you read first?
2. Which part, if any, did you skip over or not read closely? Can you tell me why?
3. Was there anything on the notice that you found confusing or unclear?
 - a. *Were there any specific terms or phrases used you did not recognize? Which ones?*
4. What questions do you have about this notice after reading it?
5. What would you say is the most important part of what you read? Least important?

6. The loan amounts on this notice were customized to your income—how do you feel about that?
 - a. *What kind of concerns might you have about this?*
 - b. *How would you feel if these were just example numbers and not related to your income?*
 - c. *Do you think that the student loan servicer that handles your account has your income and family-size information?*
7. Was there anything on the notice that was new information or that you didn't know before?
8. Was there anything on the notice that you think someone who might be new to the student loan repayment process before might find confusing or unclear? Why? How would you explain this information to them?
9. Is there any additional information that you would want to know that is not shown here?
 - a. *[IF YES] What information in particular? How would this help you?*

E. Alternate Payback Playbook Form Feedback (5 minutes)

Now I'd like to ask you some specific questions about a different form which I would like to show you.

Option 1: Payback Playbook – Form 1 (Good Standing Disclosure Form) [Read to participants who first received Payback Playbook – Form 2 at the beginning of the interview]

Now I'd like you to imagine that your student loan servicer (who handles your loan account) provided a different form.

[HAND PARTICIPANT FORM 1 (Good Standing Disclosure Form) FOR REVIEW]

Quick Feedback Questions

Now I'd like to ask you some specific questions about what you would do next with this document.

Course of Action Questions

1. What, if anything would you do after reading this notice?
2. What decision(s), if any, would you make based on the information provided?
3. Would you enroll in a different repayment plan? Why?
4. Is there any particular information on the notice that is particularly useful in helping you take the next step?
5. What would you have to do next if you wanted to enroll in a different repayment plan?

Comprehension Questions

1. In your own words, what is the purpose of this notice?
 - a. *Why are you being sent this notice?*
2. When you first started reading the notice, what did you initially focus on?
3. Which parts, if any, did you skip over or not read closely? Can you tell me why?

Overall Impression Questions

1. Was there anything on the notice that you found confusing or unclear?
 - a. *Were there any specific terms or phrases that you think people might not understand or recognize? Which ones?*

2. Do you have any questions about this notice after reading it?

Option 2: Payback Playbook – Form 2 (Delinquent Disclosure Form) [Read to participants who first received Payback Playbook – Form 1 (Good Standing Disclosure Form) at the beginning of the interview]

Now I'd like you to imagine that you're having difficulties making payments on time or cannot make payments at all. Now I'm going to show you an example of a notice that the servicer (the company that handles your account) might provide.

[HAND PARTICIPANT FORM 2 (Delinquent Disclosure Form) FOR REVIEW]

Quick Feedback Questions

Now I'd like to ask you some specific questions about what you would do next with this document.

Course of Action Questions

1. What would you do after receiving this notice?
 - a. *What decision(s), if any, would you make based on the information provided?*
 - b. *Would you enroll in a different repayment plan? Why?*
2. What information would be especially useful to you in taking the next step, if any?
3. What would you have to do next if you wanted to enroll in a repayment plan?

Comprehension Questions

1. In your own words, what is the purpose of this notice?
 - a. *Why are you being sent this notice?*
2. Which part of the notice did you read first?
3. Which part, if any, did you skip over or not read closely? Can you tell me why?

Overall Impression Questions

1. Was there anything on the notice that you found confusing or unclear?
 - a. *Were there any specific terms or phrases used you did not recognize? Which ones?*
2. What questions do you have about this notice after reading it?

**Thank you, those are all the questions I have for you today.
Was there anything else that you wanted to say about the forms before we finish?**