Preferred Language Consumer Testing Briefing

CALABASAS, CALIFORNIA, SEPTEMBER 11-12, 2017
NEW YORK, NEW YORK, SEPTEMBER 14-15, 2017
Where we tested

- **Calabasas, California**
  - September 11 & 12, 2017
  - Tested 18 LEP consumers in 6 languages:
    - 3 Chinese
    - 3 English
    - 3 Korean
    - 3 Spanish
    - 3 Tagalog
    - 3 Vietnamese
  - Tested 4 lenders

- **New York, New York**
  - September 14 & 15, 2017
  - Tested 18 LEP consumers in 6 languages:
    - 3 Chinese
    - 3 English
    - 3 Korean
    - 3 Spanish
    - 3 Tagalog
    - 3 Vietnamese
  - Tested 4 lenders
Research questions

Do participants understand text and implications?

- Do participants have a preference for the location of the preferred language text?
- Do participants expect upon answering the question that all communications will occur in their native language?
What we did with LEP participants

- Interviews conducted by native speaker in native language.
- Simultaneous translator for observers.
- Showed participants an English version of the URLA and asked them to look at each section before filling it out.
- After they found Section 5c, asked them a series of questions, including several about language expectations.
- Provided an in-language version of Section 5c if they could not process English.

- Showed them “About Language” notice.
- Asked them a series of questions, including several about language expectations.
Participants were given an English URLA with preferred language in Section 5c.

(If they could not read the English version, they were given an in-language version of Section 5c.)
Participants were given the Notice to Borrowers About Language notice as a free-standing notice that included English text as well as translated text in the 5 languages.
Participants were given “Addendum 1” - a different format of Section 5c that was in-language.
Participants were given “Addendum 2” - a reworded version of Addendum 1. This was only in English. This was read to the LEP participants in-language.
Results Summary
Placement of Preferred Language

- Nearly all said the placement in Section 5c was wrong.
  - Wastes time and builds frustration for the borrowers.
  - Builds suspicion that URLA is trying to hide the information.
  - Allows lenders to avoid providing support in a non-English form.

- If included in the URLA, most wanted the preferred language section to be placed at the start of the application or at the end of Section 1a. Personal Information.
  - This placement seemed more logical.
  - They didn’t want to go through half of the application before finding it.
Given a choice of Section 5c or a stand-alone version, Addendum 1 or Addendum 2, (Addendum 2 was NY only), most preferred a stand-alone version.

Most borrowers thought having the language as a stand-alone made it special and more likely to be noticed. A few felt the separate paper could get lost in the other loan papers.
Expectations for language with Section 5c only

- Most stated that the language in Section 5c built an expectation that documents and assistance would be available in-language.
- Most were excited about having access to in-language documents and speakers.
  - Understood the importance of the transaction and comprehending it.
  - Wanted help to conduct the process correctly.
- Those who spoke English very poorly were visibly relieved when they saw the options of Section 5c thinking that they would receive documents and assistance in the language they checked.
  - Felt respected.
  - Saw it as a service to their community.
  - Saw it as a small effort to provide translations.
Expectations about services with Section 5c only

- The links set expectation that in-language services would be available.
- Only a few could articulate a difference between what they would find on the phone and online.
- Participants expected the phone and online resources to have relevant and valuable information.
- Participants expected the phone and online resources to be in-language.

- The word "services" was not defined and led to different interpretations.
  - Help with questions on the URLA.
  - In-language documents.
  - Someone who speaks their language to walk them through process.
Section 5c vs. Notice to Borrowers about Language
The two disclosures created a different set of expectations

- Once participants saw the Notice to Borrowers about Language, they changed their expectations about getting in-language documents.
  - Many were disappointed that the documents would not be in their language.
  - Some were even angry.
  - Some said they didn’t expect to get documents in-language; it was out of their control.
Many saw the difference in language and tone

- Many saw the language as contradicting each other:
  - Section 5c saying you will get in-language documents and services.
  - Notice to Borrowers about Language saying you won’t get those documents and services.
- Every participant commented on the difference in the language.
  - They thought Section 5c was “too passive.”
  - In New York, they commented on the negative tone of Section 5c.
- Nearly all preferred the language of the Notice to Borrowers about Language.
- However, in New York, we offered a rewritten version of Section 5c (Addendum 2):
  - Optional: Your loan transaction is likely to be conducted in English. This section requests information to see if communications are available in your preferred language in order to assist you in this process. Please be aware that communications may NOT be available in your preferred language.
- New York English participants and lenders saw the rewrite and thought it clearer, “softer” in setting expectations, and less confrontational.
- In-language moderators read the rewrite to participants who also thought it clearer, “softer” in setting expectations, and less confrontational.
Preference on the two disclosures

- Participants were split on whether both notices were needed.
  - Some thought they worked well together and wanted to see them both.
  - Others thought they were redundant with the Notice to Borrowers about Language having clearer language.

- In New York, participants wanted the Notice to Borrowers about Language to be a stand alone with the revised optional language (Addendum 1 or 2) placed at the front of the URLA.
  - Some New York participants wanted the revised optional language placed at the start of the URLA and Section 5c to remain as is.
Specific Language Issues
Translation issues in Tagalog and Vietnamese

- Tagalog speakers may not need translations or place translations at a lower priority.
  - Most Filipinos speak English or a hybrid of English and Tagalog—Taglish.
  - A true translation may be difficult for most American Filipinos to use because the written form of Tagalog is highly formal and not as accessible to those who speak Taglish.
  - Taglish has so many regional variations that it would be nearly impossible to translate widely.

- Vietnamese translations are generational dependent.
  - After North Vietnam invaded South Vietnam in 1975, new words were introduced and old words removed from dictionaries and school books.
  - The pre-1975 generation hates the “communist” word; the post-1975 generation simply doesn’t recognize the old words.
  - Our translators recommend using both words in any translations.
    - Still will need to decide which word goes first—pre-1975 word or post-1975 words.
Participants did one of two things:

- Overstated their knowledge of English and then struggled and shut down until they saw the option of in-language documents.
- Understated their knowledge of English, did okay, but prefer to have in-language documents to compare side-by-side or interlinearly.

If participants are strong in English and another language, they prefer documents in English.

Many expressed concerns about translations from banks—could they be trusted to be accurate, even though they trust a bank employee who speaks their language.

Many commented that Google Translate is a “horrible” app.
Full understanding of documents rests on experience with the process

- Familiarity with a mortgage loan transaction ameliorated the lack of in-language documents:
  - Understood the process and documents.
  - Had methods to get translation help (usually a trusted loan officer).
  - Many asked for, and received, a bank employee to help with translations.

- Participants consistently had trouble with these words:
  - Delinquent
  - Other loan participants
  - Default

- Nearly all participants said a Glossary would be a big help.
  - Those more comfortable in English said they know most words, but a Glossary would help with unfamiliar words.
Findings were consistent with LEP participants.

They felt the Preferred Language section needs to be direct and explain WHY it is being asked:

- "We are asking this question to see if we have the documents in your selected language."

The rewrite of language in New York (Addendum 2) attempted to address this, but remains less direct than the suggestion from Calabasas.

Most saw the language question as being helpful to LEP borrowers.

Very clear and consistent desire that phone trees and websites be as streamlined as possible.

Also very clear that if phone trees and websites are to be used, then language preference should be the first question—with the expectation that in-language people and translated sites would be immediate response.

Many borrowers wanted to press a button for preferred language and the site would be translated—or they would abandon the site.
Lender Findings
Nearly all of the 8 lenders felt that Section 5c was a “no-brainer.”

- They agreed that it should be placed up-front in the URLA.
- They thought the Notice to Borrowers about Language could be incorporated and also placed up front.

At least one lender was concerned with implementation. He also wanted the placement up-front.
Expectations

- All had concerns that asking the questions if forms/services would not be provided, set up false expectations.
- Several pointed out that although the “fine print” was there, customers were likely to only skim the form.
- They said that the language in Section 5c definitely left the impression that in-language documents would be provided.
  - They felt the prominence of the checkboxes combined with skimming was the cause.
- They said that the Notice to Borrowers about Language set lower expectations.
- In New York, the lenders who saw the rewrite of the Optional section, preferred the rewrite and believed that it set accurate expectations.
Some lenders were unconcerned about the inclusion of Section 5c.

- They also assumed that in-language resources would be available for them to use.
- When told in-language might not be available, they were less enthusiastic.

Some lenders thought Section 5c opened a “can of worms” and would harm borrowers:

- Created false expectations that entire transaction would be in-language.
- Could be a disincentive to lenders on commission to provide loans to non-English speaking borrowers because it would take longer to process loans.
- Even if URLA is in-language, other players in the process wouldn’t be able to provide forms or services in-language.
Implementation

- All lenders thought this change would require extensive training for loan officers.
- Lenders each described completely different strategies for dealing with LEP borrowers
  - Some lenders had dedicated in-language staff and process for servicing LEP borrowers.
  - Some lenders used ad hoc methods such as recruiting staff members who speak a language to help with a transaction.
- Most lenders said they would work with the borrower for a bit to see how non-English speaking they were.
- If borrowers were non-English speaking, the lenders would show them the Preferred Language question.
Other findings

- None of the lenders recognized “Other Loan Participants” as a defined term on the URLA.
- Some lenders questioned the choice of 5 languages; they thought Russian should be included.
- One lender had problems with referring customers outside of his own company for information or documents.
- Most lenders were concerned about the importance for quality translations.
- One lender appreciated being shown the Spanish version on the GSEs websites.
  - His company specializes on Spanish-speaking clients and 80% of clientele is Hispanic or Latino.
  - He did not know the Spanish version existed.