Submitted via Regulations.gov

December 20, 2017

Office of Management and Budget
Attention: OMB Desk Officer
New Executive Office Building
Room 10235
Washington, DC 20503


To Whom it May Concern:

On behalf of America’s credit unions, I am writing in response to the Consumer Financial Protection Bureau’s (CFPB) proposal to renew the Office of Management and Budget (OMB) approval for an existing information collection titled, “Generic Information Collection Plan for Consumer Complaint and Information Collection System.” The Credit Union National Association (CUNA) represents America’s credit unions and their 110 million members.

This request is concerning the collection plan for the Consumer Complaint and Information Collection System (Testing and Feedback). The CFPB notes that these activities, which include consumer complaint and inquiry processing, referral, and monitoring, involve several interrelated systems. Furthermore, these interrelated systems include secure, web-based portals that allow consumers, companies, and agencies to access complaints and an online “Tell Your Story” feature that allows consumers to share feedback about their experiences in the consumer financial marketplace. As the OMB considers this request, we ask it to also consider concerns CUNA has previously provided about the CFPB complaint database, as well as concerns voiced by the Office of Inspector General (IG) and the CFPB Ombudsman. Prior to moving forward with any additional data collection or any expansion of the complaint database, the CFPB should address ongoing problems to ensure consumers are protected with a database that provides a safe and accurate catalogue of complaints.

CUNA Continues to Have Concerns with the Complaint Database Overall

CUNA supports the ability of consumers to access timely and clear information about consumer financial products and services. Credit union products and services are among the safest and most affordable in the consumer financial marketplace. Accordingly, credit unions receive a limited number of complaints and are continually rated extremely high for consumer
satisfaction.\textsuperscript{1} Notably, less than half of one percent (4,000) of the 924,000 complaints submitted to the CFPB pertain to credit unions.\textsuperscript{2}

However, we continue to have concerns with the CFPB’s complaint database overall, particularly with the CFPB’s inability to verify the legitimacy and accuracy of complaints. We also continue to have concerns about its inability to differentiate between complaints and inquiries. This has led to an inaccurate number of complaints, which can be harmful for financial institutions as they work to address top consumer concerns and priorities. This problem is heightened by the CFPB’s complaint narratives, since some institutions are effectively unable to respond to consumers’ narrative descriptions of complaints due to privacy restrictions.

Additionally, credit unions are concerned about the CFPB’s inability to ensure consumer privacy and data security as it continues to collect an unprecedented amount of personal data. Lastly, despite its goal of being a data-driven agency, it does not appear that the CFPB’s policy and rulemaking priorities have been driven by the top complaints it has received, so we are unclear as to the goal of the complaint database. For example, the CFPB received a minimal number of complaints about credit union small dollar lending, yet engaged in a rulemaking in this area.

**The Inspector General and CFPB Ombudsman Also Have Concerns about the Complaint Database**

The Inspector General (IG) has identified a number of concerns with the complaint database, which credit unions share.\textsuperscript{3} Among its concerns, the IG has outlined the following:

We also found that Consumer Response does not (1) review all company closing responses, including verifying whether the company-selected response is consistent with the definition, and (2) consistently publish untimely company closing responses in the Consumer Complaint Database. In addition, we found that Consumer Response allows 60 days for consumers to dispute company responses, rather than 30 days as stated in Consumer Response publications. Further, consumers are not consistently offered the opportunity to dispute untimely company responses. Finally, although the Consumer Complaint Database website asserts that complaint data are refreshed daily, we found that Consumer Response did not consistently notify the public when the database was not updated. Consumer Response has resolved the causes for the majority of the daily update failures that we observed, but it has not established procedures to inform the public when complaint data are incomplete or outdated.


Because the Data Team (DT) Complaint Database plays a role in the daily update process, our findings should be considered in conjunction with the security control deficiencies associated with the DT Complaint Database that were identified in OIG Report No. 2015-IT-C-011, Security Control Review of the CFPB’s DT Complaint Database, July 23, 2015.

Additionally, the IG made the following recommendations:

We are making recommendations to improve controls over the accuracy and completeness of the CFPB’s Consumer Complaint Database. In its response to our draft report, Consumer Response concurs with our recommendations and indicates that it has already initiated actions to address them. Consumer Response also stated that it implemented a system change to update the process for untimely company responses and related consumer disputes, and it is replacing the DT Complaint Database.

In addition to the IG, the CFPB Ombudsman has also outlined potential improvements to the CFPB’s complaint database in a number of its annual reports. In its most recent report, the Ombudsman stated, “This year, we continued to receive questions and feedback on this topic, such as the need for additional clarity about the process to join the Company Portal and what companies should consider in deciding whether to participate in the consumer complaint process. We shared this additional feedback with Consumer Response and had the opportunity to provide suggestions on updated letters that office developed to invite companies to join the Portal. For example, we suggested it may be helpful to explain the purpose of timeframes associated with joining the Company Portal and why it is important for a company to respond within certain timeframes. Consumer Response incorporated many of our suggestions into their updated series of communications.”

While credit unions have not been the subject of a sizable number of complaints and seem unlikely to become so, we nonetheless believe that the public data released about them should be as accurate as possible. Since the complaint database can be a resource burden to the member-owned supervised credit unions over $10 billion in asset size, we also believe it would be useful for the CFPB to further consider whether its policy objectives associated with publishing public complaint data for credit unions provide a benefit greater than the burdens it causes. Accordingly, we urge both the OMB and CFPB to further analyze the feedback provided about the complaint database over the last several years and to directly address outlined concerns before engaging in any additional data collection.

CUNA welcomes the opportunity to comment on this proposed rule. If you have questions concerning our letter, please feel free to contact me.

Sincerely,

Leah Dempsey

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