

BUREAU OF CONSUMER FINANCIAL PROTECTION

[Docket No. CFPB-2 018-0006]

Request for Information Regarding Bureau Public Reporting Practices of Consumer Complaint Information

AGENCY: Bureau of Consumer Financial Protection.

ACTION: Notice and request for information.

SUMMARY: The Bureau of Consumer Financial Protection (Bureau) is seeking comments and information from interested parties to assist the Bureau in assessing potential changes that can be implemented to the Bureau's public reporting practices of consumer complaint information, consistent with law, to consider whether any changes to the practices would be appropriate.

DATES: Comments must be received by **[INSERT DATE 90 DAYS AFTER DATE OF PUBLICATION IN THE FEDERAL REGISTER]**.

ADDRESSES: You may submit responsive information and other comments, identified by Docket No. CFPB-2018-0006, by any of the following methods:

- *Electronic:* Go to <http://www.regulations.gov>. Follow the instructions for submitting comments.
- *Email:* FederalRegisterComments@cfpb.gov. Include Docket No. CFPB-2018-0006 in the subject line of the message.
- *Mail:* Comment Intake, Consumer Financial Protection Bureau, 1700 G Street NW, Washington, DC 20552.
- *Hand Delivery/Courier:* Comment Intake, Consumer Financial Protection Bureau, 1700 G Street NW, Washington, DC 20552.

Instructions: The Bureau encourages the early submission of comments. All submissions must include the document title and docket number. Please note the number of the topic on which you are commenting at the top of each response (you do not need to address all topics). Because paper mail in the Washington, DC area and at the Bureau is subject to delay, commenters are encouraged to submit comments electronically. In general, all comments received will be posted without change to <http://www.regulations.gov>. In addition, comments will be available for public inspection and copying at 1700 G Street NW, Washington, DC 20552, on official business days between the hours of 10 a.m. and 5 p.m. eastern time. You can make an appointment to inspect the documents by telephoning 202-435-7275.

All submissions in response to this request for information, including attachments and other supporting materials, will become part of the public record and subject to public disclosure. Proprietary information or sensitive personal information, such as account numbers or Social Security numbers, or names of other individuals, should not be included. Submissions will not be edited to remove any identifying or contact information.

FOR FURTHER INFORMATION CONTACT: Darian Dorsey, Deputy Assistant Director, Office of Consumer Response, at 202-435-7268. If you require this document in an alternative electronic format, please contact CFPB_Accessibility@cfpb.gov.

SUPPLEMENTARY INFORMATION:

An important aspect of the Bureau’s mission is hearing directly from the American public about their experiences in the consumer financial marketplace. Pursuant to 12 U.S.C. 5511(c)(2), “collecting, investigating, and responding to consumer complaints” is one of the six statutory “primary functions” of the Bureau. Since it began collecting complaints in July 2011, the Bureau has published a variety of reports analyzing complaints and responses. Some of these

reports are specifically required by the Act.¹ Others are intended to meet the Bureau’s objective of ensuring “markets for consumer financial products and services operate transparently and efficiently to facilitate access and innovation.”²

Reports required by the Act

The Act requires the Bureau to provide certain information to Congress about complaints and responses. In particular, 12 U.S.C. 5493(b)(3)(C) requires the Bureau to report annually to Congress information and analysis about complaint numbers, types, and, where applicable, resolution. 12 U.S.C. 5496(c)(4) requires the Bureau to submit semi-annual reports to the President and certain congressional committees covering a range of topics, including “an analysis of complaints about consumer financial products or services that the Bureau has received and collected in its central database on complaints during the preceding year.”³ To meet its statutory obligations, the Bureau publishes these reports, highlighting aggregated complaint information, including complaint volume over time, company closure categories, and product and issue breakdowns. Reports also include qualitative analyses of common issues and trends in complaints for consumer financial products and services.

Monthly Complaint Reports

In July 2015, the Bureau began publishing a series of monthly complaint reports to highlight trends from consumer complaints submitted to the Bureau. Monthly complaint reports include complaint data on complaint volume, most-complained-about companies, state and local information, and product trends. Each report highlights a particular product and geographic

¹ 12 U.S.C. 5493(b)(3)(C), 5496(c)(4).

² 12 U.S.C. 5511(b)(5).

³ In addition, 12 U.S.C. 5535(d)(1) directs the Private Education Loan Ombudsman—whose functions include reviewing and analyzing private education loan complaints—to “prepare an annual report that describes the activities, and evaluates the effectiveness of the Ombudsman during the preceding year.”

location and provides insight into the consumer complaints handled by the Bureau. The report uses three-month rolling averages, comparing the current average to the same period in the prior year, where appropriate, to account for monthly and seasonal fluctuations. In some cases, month-to-month comparisons are used to highlight more immediate trends.

Special Edition Complaint Reports

In May 2017, the Bureau began publishing special edition monthly complaint reports that highlight complaint information not routinely covered by statutorily-required and monthly complaint reports. These reports include, for example, complaint information aggregated for all 50 States, complaint information aggregated by specific population groups (e.g., servicemembers), and consumer feedback aggregated by product category. Special edition complaint reports sometime include additional information about a subset of complaints that may be of interest to readers (e.g., a report on servicemembers included a breakdown on the branch of military service).

Consumer Complaint Database

After requesting public comment on a proposed policy statement, in June 2012 the Bureau issued a final policy statement and began publishing consumers' credit card complaints in a public web-based database.⁴ The Bureau subsequently sought public comment on expansions of the database to include complaints about additional consumer financial products and services and consumer narratives.⁵ The purpose of the public Consumer Complaint Database is to provide timely and understandable information and to improve the functioning of

⁴ Disclosure of Certain Credit Card Complaint Data, 76 FR 76628 (December 8, 2011); Disclosure of Certain Credit Card Complaint Data, 77 FR 37558 (June 22, 2012).

⁵ Disclosure of Consumer Complaint Data, 77 FR 37616 (June 22, 2012); Disclosure of Consumer Complaint Data, 78 FR 21218 (April 10, 2013); Disclosure of Consumer Complaint Narrative Data, 79 FR 45183 (August 4, 2014); Disclosure of Consumer Complaint Narrative Data, 80 FR 15572 (March 24, 2015).

the market, in line with the Bureau’s objectives.⁶ Complaints are listed in the database when the company responds to the complaint confirming a relationship with the consumer or after the company has had the complaint for 15 calendar days, whichever comes first. Complaints are not published if they do not meet all of the publication criteria described in the final policy statements.⁷ Complaints submitted by unauthorized third parties, complaints that are the result of fraud, scams, or business identity theft, and complaints referred to other regulators, such as complaints about depository institutions with less than \$10 billion in assets, are not published in the Consumer Complaint Database.

Overview of This Request for Information

The Bureau is using this request for information (RFI) to seek public input regarding potential changes that can be implemented to the Bureau’s public reporting practices of consumer complaint information, consistent with law, and to consider whether any changes to the practices would be appropriate. The Bureau encourages comments from all interested members of the public. The Bureau anticipates that the responding public may include financial industry participants, government agencies, consumer advocacy and financial education groups, trade associations, academic and research organizations, and consumers.

The Bureau will issue a subsequent RFI seeking public input regarding consumer inquiries and related process activities. The purpose of this RFI is to seek feedback on all aspects of its consumer complaint reporting and publication practices; the Bureau is not seeking comment in this RFI on consumer inquiries and related process activities.

⁶ 12 U.S.C. 5511(b)(1), (5).

⁷ For additional information, see “Consumer Complaint Database,” <https://www.consumerfinance.gov/data-research/consumer-complaints/> (last visited Feb. 27, 2018).

Suggested Topics for Commenters

To allow the Bureau to more effectively evaluate suggestions, the Bureau requests that, where possible, comments include:

- The usefulness of complaint reporting and analysis to external stakeholders, including but not limited to financial industry participants, government agencies, consumer advocacy and financial education groups, trade associations, academic and research organizations, and consumers; and
- Specific suggestions or best practices for complaint reporting and publication given the Bureau's statutory objectives, including the Bureau's objective to ensure that markets for consumer financial products and services operate transparently and efficiently to facilitate access and innovation.⁸

The following represents a preliminary attempt by the Bureau to identify elements of Bureau complaint reporting and publication practices on which it should immediately focus. This non-exhaustive list is meant to assist in the formulation of comments and is not intended to restrict the issues that may be addressed. In addressing these issues and questions, the Bureau requests that commenters identify with specificity the consumer complaint reporting and publication practices at issue, providing legal citations where appropriate and available.

The Bureau is seeking feedback on all aspects of its consumer complaint reporting and publication practices, including:

1. Specific, statutorily-permissible suggestions regarding the frequency of the Bureau's reporting on consumer complaints;

⁸ 12 U.S.C. 5511(b)(5).

2. Specific, statutorily-permissible suggestions on the content of the Bureau's reporting on consumer complaints, including:
 - a. Whether the Bureau should include more, less, or the same amount of reporting on State and local complaint trends;
 - b. Whether it is net beneficial or net harmful to the transparent and efficient operation of markets for consumer financial products and services for the Bureau to publish the names of the most-complained-about companies;
 - c. Whether the Bureau should provide more, less, or the same data fields in the Consumer Complaint Database;
 - d. Whether the Bureau should provide more, less, or the same amount of context for complaint information, particularly with regard to product or service market size and company share;
 - e. Whether the Bureau should supplement observations from consumer complaints with observations of company responses to complaints;
 - f. Whether the Bureau should share more, less, or the same amount of information on month-to-month trends; and
 - g. Whether the Bureau should share more, less, or the same amount of information on particular products and services;
3. Specific suggestions on the reporting methodology, including:
 - a. Should the Bureau continue to analyze data for seasonal fluctuations? If so, how?; and
 - b. Should the Bureau provide more, less, or the same amount of context for complaint information, particularly with regard to product and service market size

and company share, including what data set(s) or data source(s) the Bureau should use;

4. Specific, statutorily-permissible suggestions for the publication process of consumer complaint information, including:
 - a. Whether the Bureau should provide the public with a publication schedule;
 - b. Whether the Bureau should notify the most-complained-about companies of their inclusion in a Bureau report prior to publication and invite company comment;
 - c. Whether the Bureau should devote resources to building tools to enable users to analyze complaint information; and
 - d. Whether the Bureau should expand, limit, or maintain the same level of access to complaint information available to external stakeholders such as financial institutions and the public.

AUTHORITY: 12 U.S.C. 5511(c).

[THIS SIGNATURE PAGE PERTAINS TO THE REQUEST FOR INFORMATION
TITLED "REQUEST FOR INFORMATION REGARDING BUREAU PUBLIC
REPORTING PRACTICES OF CONSUMER COMPLAINT INFORMATION"]

Dated: March 1, 2014.

Mick Mulvaney,

Acting Director, Bureau of Consumer Financial Protection.