



June 7, 2018

Kristine M. Andreassen  
Owen Bonheimer  
Senior Counsels  
Office of Regulations  
Consumer Financial Protection Bureau  
1700 G Street NW  
Washington, DC 20552

**Re: Agency/Docket Number: Docket No. CFPB-2018-0009 -- Request for Information  
Regarding Consumer Financial Protection Bureau Rulemaking Processes**

Dear Ms. Andreassen and Mr. Bonheimer,

Appleseed submits these comments in response to the Consumer Financial Protection Bureau (“CFPB”)’s Request for Information (“RFI”) regarding its rulemaking processes. In its first several years of operation, the CFPB’s rulemaking process has been inclusive, transparent, evidence-based and comprehensive. It is essential to preserve this robust process.

**1. The CFPB should maintain and expand opportunities for public input in its rulemaking process.**

We applaud the CFPB for embracing an inclusive approach to public outreach and including additional opportunities for public input in its rulemaking processes. The CFPB should continue its efforts to hear from consumers as much as possible to inform its rulemaking at all stages of the rulemaking process.

The CFPB's field hearings and meetings provide a valuable avenue for the general public to share their experiences directly with the CFPB, and the agency should hold more field hearings and meetings with consumer groups to allow the public more direct access to the CFPB throughout the rulemaking process. The CFPB should continue to explore innovative ways to broaden opportunities for input, including online tools and social media. It is crucial that the CFPB preserve this strong tradition of inclusive public outreach because the agency needs information from a variety of different perspectives. Public input has helped the CFPB make informed decisions in its rulemaking, and outreach should be expanded to allow for even greater public participation.

In particular, we strongly urge the CFPB to seek broad public input in the early stages of identifying problems and potential solutions and as proposed rules are being developed. Once the CFPB has developed a Notice of Proposed Rulemaking ("NPRM"), we support continuation of the practice of first publishing the proposal on the CFPB website, before it is published in the Federal Register. This practice gives the public more time to respond, and often the public is more familiar with the CFPB website. We also strongly support publishing both proposed and final rules along with a press release, blog post, summaries, fact sheets, videos and other materials to make the rulemaking process more accessible and more comprehensible to a wider audience.

While the public should be encouraged to submit comments on a timely basis, the CFPB should not impose any hard rules against continuing input after the comment period closes. Many rulemakings take many years, during which new information can become available, new issues may arise, or the public may become newly aware about the importance of a rulemaking.

The CFPB should also be proactive about reaching out to consumer groups for additional input when new information has come to light, or circumstances have changed, and in particular when industry has provided new information. We also encourage the CFPB to hold more joint roundtables so that all parties can be in the room at the same time. These roundtables have encouraged helpful dialogue in the past.

## **2. The CFPB should stay transparent in its rulemaking process to ensure that the agency stays accountable to the public.**

Since its beginning, the CFPB made a strong commitment to transparency so that its rulemaking process would be impartial and fully informed. For example, while the CFPB is required by law to meet with small business representatives before commencing rulemaking, the CFPB's commitment to transparency is demonstrated in

its practice of distributing the briefing materials to the general public before these meetings, which provide insight into what options the CFPB is considering and an opportunity for all sides to provide input before the rulemaking process begins.

**3. The CFPB should continue to rely on all types of objective empirical research to inform its decisions in rulemaking and should not politicize the analytical process.**

The CFPB has prioritized empirical research by integrating its Research and Markets team's impartial research into its rulemaking process. One major source of quantitative data used in this research is the information the CFPB collects through its examinations, enforcement actions, and consumer complaint database. It is important for the CFPB to continue collecting this data so that it can do its own empirical analysis, which preserves its impartiality.

Moreover, recognizing that numeric fields may not tell an entire story, the CFPB enhances its analysis with qualitative data and field insights. This qualitative data, including individual stories, is a fundamentally important part of meaningful research into the impact of consumer financial products and services, and must not be disregarded. Examples of consumer problems play a valuable role in alerting the CFPB to new issues, possible trends, emerging types of consumer harm, and gaps in or evasions of existing protections.

The CFPB rulemaking process is thoughtful and thorough. From beginning to end, the CFPB's rulemaking process provides all stakeholders with the opportunity to weigh in and allows for the CFPB to have data and information from a wide variety of sources in order to make informed decisions. This robust and responsive rulemaking process is effective in producing rules that carry out the consumer protection mission of the agency and should be maintained for the CFPB's future rules.

Sincerely,

Annette LoVoi

Appleseed, Director of Financial Access and Asset Building