



Consumer Financial Protection Bureau  
1700 G St., N.W.  
Washington, DC 20552  
Bureau of Consumer Financial Protection  
Via email: *FederalRegisterComments@cfpb.gov*

Docket # - CFPB -2018-0006

**Re: CFPB RFI # 6 - Request for Information Regarding Bureau Public Reporting Practices of Consumer Complaint Information**

June 4, 2018

Dear Acting Director Mulvaney:

The National Consumers League (NCL) writes to express our strong support of the CFPB's public complaint process and to respond to the Consumer Financial Protection Bureau's (CFPB) Request for Information (RFI) on the public reporting of consumer complaint information.

At NCL, we are keenly aware of the power of complaint data to protect consumers. NCL's Fraud.org campaign relies on thousands of fraud complaints we collect from consumers annually. If our own complaint data, or another government agency's data, identifies a new fraud trend we can preemptively draft educational materials educate consumers before the scam becomes widespread. Our complaints also allow us to offer consumers direct counseling to help prevent them from becoming victims and help victims of fraud recover as quickly as possible.

As the sole federal financial regulator created for the purpose of consumer financial protection, the Bureau has rightly developed a robust and trustworthy complaint process that includes access to a public complaint database to meet its consumer protection mandate.

The public complaint database is a crucial tool that empowers individuals to inform and protect themselves. The database also allows consumers to evaluate a company's practices and decide where to take their business. This database empowers the free market to work as it should by creating incentives for companies to treat their customers fairly. In addition, the complaint database enables companies to quickly identify and correct emerging

problems on their own without the burden of a new rule being issued or an enforcement action being required.

It is the responsibility of the the CFPB, to use all of the tools they possess, including complaint data, to provide the public with “timely and understandable information to make responsible decisions about financial transactions.”<sup>1</sup>

Providing consumers access to a public complaint database also fulfills the Bureau’s obligations to protect consumers from “unfair, deceptive, or abusive acts and practices and from discrimination”<sup>2</sup> and identify risks to consumers in the “collecting, researching, monitoring, and *publishing* (of) information relevant to the functioning of markets for consumer financial products and services.”<sup>3</sup>

### ***Usefulness of complaint reporting and analysis***

The firsthand accounts of consumer’s financial complaints are a valuable tool for consumers when researching who they want to conduct business with. Consumers can review the details of a complaint and then draw their own conclusions on whether the complaint is valid or not and choose their financial institution accordingly.

While many companies may argue against the need for public disclosure of complaints, Americans have long known that sunlight is the best disinfectant for questionable business practices. The public database not only allows consumer education groups like ours to spot new trends, but it also allows consumers who are completing their due diligence before selecting a business to determine if the company they are considering does right by their customers.

### ***Suggestions to improve the complaint process***

- **We urge the Bureau to allow public access to the feedback process.** Knowing the outcome of complaints would better allow consumers to complete their due diligence before selecting a company as they would understand how companies respond once a issue has been raised. Adding additional transparency in this area will not only allow consumers to research vendors more accurately, but it will also allow increased competition amongst companies in the area of customer service.

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<sup>1</sup> Dodd-Frank Section 1021

<sup>2</sup> Dodd-Frank Section 1021

<sup>3</sup> *Ibid*

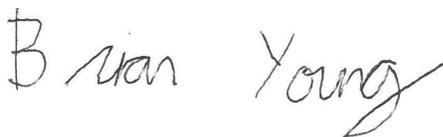
- **Complaints should be sortable by the specific company the consumer complained about.** The Bureau should list complaints not by the parent company's name but by the name the consumer complained about.
- **Complaint resolution details should be publicly reported.** The Bureau should make it possible for consumers to see how individual companies are handling the complaints they receive in the database. A company "snapshot" could include an overview of complaint relief. Resolutions should be broken down by monetary relief (dollar amounts received) and type of complaint filed. Non-monetary relief should report a company's specific actions, such as "Error removed from credit bureau records."
- **Complaint explanation details should be publicly reported.** The vast majority of consumers receive a private explanation in response to their complaints. Companies are required to provide complainants with *tailored* responses, rather than a vague reply. Details from company explanations should be transparent to the public and reported by the Bureau in summary form in a special report.

It is essential that the CFPB not retreat from its core mission to protect and inform consumers and to make our financial markets more fair, accountable, transparent and competitive.

The CFPB consumer complaint database allows consumers to make better financial choices, drives nonprofits' education efforts, and encourages firms to improve their customer service and take notice of competitors' practices that they should avoid. We urge the Bureau to maintain public access to the consumer complaint database.

Thank you for taking the time to thoughtfully review our comments.

Sincerely,

A handwritten signature in black ink that reads "Brian Young". The signature is written in a cursive, slightly slanted style.

Brian Young  
Public Policy Manager  
The National Consumers League