August 1, 2011

Robert Dahl
Department of Treasury
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Washington, DC 20220

Shagufta Ahmed
Office of Management and Budget
New Executive Office Building
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To Whom It May Concern:

The Mortgage Bankers Association (MBA)[1] appreciates the second opportunity extended by the Consumer Financial Protection Bureau (CFPB) to comment on forms for questions, complaints and other information about consumer financial products and services.

As previously stated in MBA's original comments, submitted on May 9, 2011 in response to *Departmental Offices Proposed Collections; Comment Requests,*[2] MBA supports robust and centralized complaint collection as required under Title X of the Dodd-Frank Wall Street Reform and Consumer Protection Act (Dodd-Frank). We believe that the appropriate treatment of complaints concerning consumer financial products and services will best serve the interests of consumers and the industry. MBA cautions however that overly onerous complaint collection requirements may add new costs, risks and compliance burdens.

In MBA's original letter, we urge the CFPB to consider the following recommendations:

- **The CFPB should consult with stakeholders and utilize notice and comment rulemaking before implementing a complaint system.** Industry input will ensure the most efficient and secure requirements while still protecting consumer privacy and business information. Additionally, any final compliant process should be established only through notice and comment rulemaking.

- **The CFPB should avoid causing unnecessary costs and regulatory burden by modeling its system on, and coordinating with, existing systems.** The requirements of a

[1] The Mortgage Bankers Association (MBA) is the national association representing the real estate finance industry, an industry that employs more than 280,000 people in virtually every community in the country. Headquartered in Washington, D.C., the association works to ensure the continued strength of the nation's residential and commercial real estate markets; to expand homeownership and extend access to affordable housing to all Americans. MBA promotes fair and ethical lending practices and fosters professional excellence among real estate finance employees through a wide range of educational programs and a variety of publications. Its membership of over 2,200 companies includes all elements of real estate finance: mortgage companies, commercial banks, thrifts, Wall Street conduits, life insurance companies and others in the mortgage lending field. For additional information, visit MBA's Web site: www.mortgagebankers.org.
[2] 76 Fed. Reg. 10318, 9 Mar 2011.

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new compliant collection system will undoubtedly result in increased costs to lenders; these costs will be ultimately borne by consumers. For this reason, MBA urges the CFPB to model the new system on existing consumer complaint systems.

- **The database should be well designed and seamless for the use of lenders, consumers, and the CFPB.** To ensure the efficacious handling of meritorious complaints, MBA recommends the CFPB develop a clear, uniform structure and process that requires the appropriate level of information from individual consumers that other systems employ.

- **Any system developed by the CFPB should protect against reputational risk.** Complaint information by nature raises the possibility of undue reputation risk if complaints are unfounded and then disseminated. To avoid such risks, companies should be provided with ample opportunity to address factual claims and correct errors. Additionally, the CFPB should establish safeguards to ensure all information is carefully screened before release.

- **The CFPB should address the privacy requirements of Section 1022 of Dodd-Frank as a part of any consumer complaint rules.**

- **Any system should be implemented with adequate time and guidance.** Sufficient time and guidance for implementation will ensure that both large and small lenders are not unduly burdened by the new requirements.

The concerns and suggestions raised in MBA's original comments still remain. While we support the establishment of a centralized complaint system, MBA believes the CFPB should move forward judiciously considering the comments presented in this letter and our original letter.

MBA appreciates the opportunity to comment again and your consideration of our views. Any questions about MBA's comments should be directed to Ken Markison, Regulatory Counsel at (202) 557-2930 or kmarkison@mortgagebankers.org or Tamara King, Associate Vice President, Loan Production at (202) 557-2758 or tking@mortgagebankers.org.

Sincerely,

David H. Stevens
President and Chief Executive Officer
Mortgage Bankers Association