

May 6, 2024

Comment Intake
Consumer Financial Protection Bureau
Attention: PRA Office
1700 G Street NW
Washington, DC 20552

***Re: Agency Information Collection Activities: Comment Request, Docket No.
Docket No. CFPB–2024–0007, OMB Control Number: 3170–00XX***

To whom it may concern:

The American Financial Services Association (AFSA)¹ appreciates the opportunity to comment on the Consumer Financial Protection Bureau’s (CFPB) request to the Office of Management and Budget (OMB) on the consumer complaint database. According to the request, the surveys are intended to collect data about factors that may play a role in a consumer’s decision to submit a complaint. AFSA fails to see the practical utility of the proposed survey. If this is an attempt by the CFPB to study whether the complaint database is being misused as a source of credit repair, the survey proposal and questions should be directed at answering that question only. Seeking information on why a consumer does not file a complaint appears to be a solution looking for a problem. CFPB reports indicate that consumer complaints submitted through the database are increasing year-over-year and are still being responded to in a timely manner by companies. Promulgating a survey to find consumers who have not submitted complaints does not give an impression of the best use of the CFPB’s resources. However, AFSA is requesting that if the CFPB proceeds forward and designs this survey, that it only survey consumers who have submitted valid complaints and only utilize neutral questions in the survey language.

At the outset, we emphasize that AFSA members take legitimate complaints seriously, devoting time and care into investigating and responding to them. It is important to note that of the complaints submitted to the database, the majority are inquiries, not legitimate complaints. One company has reported that these inquiries comprise over 60% of what has been submitted to the database and other member companies have reported an even higher percentage. These inquiries are overwhelmingly related to tradelines on the customer’s credit report. The tradeline is accurate and must be accurately reported by federal law.

When it comes to legitimate complaints, AFSA members recognize that given the large number of financial transactions that our members conduct with their customers every day, intermittent mistakes happen; it would be unrealistic to assume otherwise. Our members understand the vital

¹ Founded in 1916, the American Financial Services Association (AFSA) is the national trade association for the consumer credit industry, protecting access to credit and consumer choice. AFSA members provide consumers with many kinds of credit, including traditional installment loans, mortgages, direct and indirect vehicle financing, payment cards, and retail sales finance.

importance of “getting it right” for customers when legitimate issues arise. Simply put, customer goodwill is a cornerstone of any successful business. Without it, a business cannot survive for very long. AFSA members care about their customers and potential customers and want them to have timely, understandable, and accurate information about their consumer financial products and services. AFSA members have every incentive to respond quickly and thoroughly to customer complaints.

The CFPB itself acknowledges that companies are timely responders to complaint submissions, even for those complaints that are not valid or are merely protests. In its Consumer Response Annual Report for 2023, which provides data concerning the consumer complaints received by the CFPB in that year and how companies responded to those complaints, the CFPB notes the following relevant statistics:

- Overall: Companies overwhelmingly met the timeliness expectation in their responses to the CFPB. Companies provided a timely response to 99.6% of the 1,348,200 complaints sent to them for review in 2023.²
- Credit card: The CFPB received approximately 70,000 credit card complaints in 2023. The CFPB sent 56,600 (81%) of these complaints to companies for review and response. Companies responded to 99% of credit card complaints sent to them for review and response. As of March 1, 2024, less than 0.1% of complaints were pending review by the company.³
- Mortgage: The CFPB received approximately 27,900 mortgage complaints in 2023. The CFPB sent 23,300 (84%) of these complaints to companies for review and response. Companies responded to 99% of mortgage complaints sent to them for review and response. As of March 1, 2024, 0.6% of complaints were pending review by the company.⁴
- Vehicle loan or lease: The CFPB received approximately 17,700 vehicle loan or lease complaints in 2023. The CFPB sent 13,000 (73%) of these complaints to companies for review and response. Companies responded to 98% of vehicle loan or lease complaints sent to them for review and response. As of March 1, 2024, 0.7% of complaints were pending review by the company.⁵
- Personal loan: The CFPB received approximately 8,300 personal loan complaints in 2023. The CFPB sent 5,400 (65%) of these complaints to companies for review and response. Companies responded to 97% of personal loan complaints sent to them for review and response. As of March 1, 2024, 0.6% of complaints were pending review by the company.⁶

This data, presented by the CFPB, shows that financial services companies are incredibly responsive to the complaints submitted, even as the complaint volume increases year-over-year.⁷ Moreover, the complaint database appears to have a sufficiently large enough sample to make

² Consumer Response Annual Report: January 1 – December 31, 2023, Consumer Financial Protection Bureau (March 2024). https://files.consumerfinance.gov/f/documents/cfpb_cr-annual-report_2023-03.pdf at pg. 17

³ *Ibid.* pg. 31

⁴ *Ibid.* pg. 41

⁵ *Ibid.* pg. 51

⁶ *Ibid.* pg. 61

⁷ Consumer Response Annual Report: January 1 – December 31, 2023, Consumer Financial Protection Bureau (March 2024). https://files.consumerfinance.gov/f/documents/cfpb_cr-annual-report_2023-03.pdf at pg. 11.

determinations regarding the nature of the complaints being made, and therefore questions the need for the survey. It is also unclear as to how the CFPB proposes to locate consumers who “experienced similar issues but did not file a complaint with the CFPB”. While the CFPB indicates that this is a “case control study”, it appears to be anything but that. Control groups are just that, “controlled”. As it is unclear as to how the CFPB will determine or find the non-complaining consumer, it can only be surmised that the CFPB will run a notice requesting people to indicate why they did not file a complaint with the CFPB. This will not in any way be a controlled sample, and if anything, will only be an invitation to file a complaint. This in turn will only burden those companies having to respond to them. As a result, AFSA believes it is imperative that the CFPB’s survey proposal is not intended to increase the volume of unfounded complaints. This can be accomplished by only surveying valid complaint submissions or perhaps incomplete complaint submissions received by the CFPB. This will keep the survey scientific and not include complaints that were filed without merit.

Additionally, while no survey language is proposed in the comment request, AFSA asks that all survey questions are drafted with scientific neutrality in mind. Given that these questions are being presented to both consumers who submitted complaints and to those who did not submit complaints, any language that leaves the impression that a complaint should have been submitted would distort and effectively bias the results of the survey and provide inaccurate information for analysis.

AFSA will continue working with the CFPB to ensure the database more closely aligns with consumer and industry needs. A scientific and accurate survey is the only way to ensure that the results will actually help both groups.

Thank you for the opportunity to comment, and please feel free to contact me at 202-776-7300 or cwinslow@afsamail.org with any questions.

Sincerely,



Celia Winslow
Senior Vice President
American Financial Services Association