



May 9, 2011

Andrew Trueblood
Consumer Financial Protection Bureau Implementation Team
1801 L Street, NW
Washington, DC 20036

Re: Consumer Response Intake Fields (76 Fed. Reg. 13018 (March 9, 2011))

Dear Mr. Trueblood,

The Conference of State Bank Supervisors (CSBS) appreciates the opportunity to comment on the solicitation of comments regarding forms for questions, complaints, and other information about consumer financial products and services, Federal Register Doc. 2011-5349. CSBS represents the state banking regulators from all fifty states, the District of Columbia, Puerto Rico, the U.S. Virgin Islands, Guam, and the Northern Mariana Islands. These bank regulators currently supervise over 5,500 institutions of all sizes, including most of the small community banks in the United States. As the leading advocate for the state banking system, CSBS actively represents the interests of the state banking system to federal and state legislative and regulatory agencies.

The states have a wealth of experience managing and following through with complaints concerning consumer financial products. This has led to the development of Best Practices for complaints and a Nationwide Mortgage Licensing System and Registry that is designed to trace issues related to mortgage companies or mortgage loan originators back to their state or federal regulator. CSBS is pleased to share our experience with these developments in an effort to increase coordination and cooperation with the CFPB.

Complaint Best Practices and the Common Consumer Complaint Form

To draw on the combined experiences of state banking departments and the federal agencies, a working group of both state and federal regulators developed Best Practices for handling consumer complaints. Among the Best Practices are standards for the complaint form and instructions. The Working Group found that the required data fields include:

- Complainant's information (e.g., name, address, contact information)
- Contact and authorization information if the complainant has an attorney or other representative
- Information about the entity that is the subject of the complaint
- Details of the complaint and copies of documents

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- Whether the complainant had contacted another government agency
- Complainant's desired resolution
- Disclaimers such as:
 - We cannot act as a court of law or as a lawyer on complainant's behalf
 - We cannot provide legal advice
 - We cannot become actively involved in complaints that are in litigation or have been resolved by the courts
- Privacy Act Statement (varies according to state law)
- Authorization to forward to another agency
- Signature that meets requirements of state law
- Date

These Best Practices were used to develop the Model Complaint Form, a four page form that is customizable by any state or federal bank regulator. Importantly, the Model Complaint Form contains the baseline information fields that regulators have agreed are fundamental requirements for a complaint system. Using these fields ensures that regulators can compare sets of data and track trends across the financial industry. The Model Complaint Form has been widely utilized across the bank regulatory landscape, including both state and federal bank regulatory agencies, and reflects the high quality work performed by the working group. The Best Practices and Model Complaint Form are attached to this letter and can be found on our website at <http://www.csbs.org/regulatory/Cooperative-Agreements/Pages/Model-Consumer-Complaint-Forms.aspx>.

NMLS

The Nationwide Mortgage Licensing System and Registry (NMLS) is the legal system of record for licensing in all participating states, the District of Columbia and U.S. Territories. In these jurisdictions, NMLS is the official and sole system for companies and individuals seeking to apply for, amend, renew and surrender licenses managed in the NMLS on behalf of the jurisdiction's governmental agencies. NMLS was created by the Conference of State Bank Supervisors (CSBS) and the American Association of Residential Mortgage Regulators (AARMR). It is owned and operated by the State Regulatory Registry LLC (SRR), a wholly owned subsidiary of CSBS.

The NMLS is designed to track unique identifiers of licensed companies, banks, credit unions, and individual mortgage loan originators. The key function the NMLS offers for complaint systems is the ability to trace these registered licensees to their respective regulator. This function allows regulators to receive real time information about their licensees, which the NMLS is prepared to expand to include consumer complaints. Accordingly, if the CFPB includes unique identifier information in a consumer complaint intake field, NMLS can serve as the system that pushes complaints to the appropriate authority. CSBS believes that this is consistent with § 1013(b) of the Dodd-Frank Act, which authorizes the CFPB to establish or utilize "an *existing database* to facilitate the centralized collection of, monitoring of, and response to consumer complaints" (emphasis added). Given the existing database in the NMLS, CSBS is willing to work with the CFPB to develop this functionality as a means of reducing start-up costs for the CFPB and to enhance coordination between the Bureau and the states.

Shared Functionality

Section 1013(b) of the Dodd-Frank Act calls for the CFPB to route complaints, where appropriate, to the relevant federal agencies. It also allows for the CFPB to route complaints to states that meet certain conditions. In addition to this routing functionality, CSBS urges the CFPB to share its complaint platform and IT systems with the states and federal agencies that wish to use them. Currently, there exist different complaint processing systems among the five federal bank and credit union regulators. In addition, there are over 50 separate systems for handling complaints among the state financial regulatory agencies. A secure, centralized system with full workflow, tracking, and reporting functionality would be a powerful tool to recognize emerging issues and trends not only for the CFPB but also each of the state and federal agencies that use it. Such a system could also ensure more consistent treatment and handling of consumer complaints.

Given the states' experience with managing complaints and the NMLS's capabilities, we welcome the opportunity to support the CFPB as it carries out the duties outlined in Title X of the Dodd-Frank Act. The referral of complaints to the states through the NMLS will be efficient way to improve consumer protection and respond to the needs of the public. CSBS looks forward to working with the CFPB on this issue.

Sincerely,

A handwritten signature in black ink, reading "Neil Milner". The signature is written in a cursive, flowing style.

Neil Milner
President and CEO