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April 17, 2018

To: Clients and Friends

From: David F. Dulock

Subject: CFPB Request for Comments Regarding the CFPB’s Consumer Complaint Handling Processes

In the April 17, 2018, issue of the *Federal Register* (83 FR 16839, [click here](#)), the CFPB published a request for information (RFI) seeking comments and information to assist it in assessing its handling of consumer complaints and consumer inquiries and, consistent with law, considering whether changes to its processes would be appropriate.

The following is a redaction of the above RFI published by the CFPB in the *Federal Register*. The redacted text contains the essential information needed to submit the requested information and comments on the CFPB’s handling of consumer complaints. This memorandum does not address that part of the RFI regarding consumer inquiries.

You may submit information and other comments, identified by Docket No. CFPB–2018–0014, by any of the following methods:

- *Electronic:* Go to <http://www.regulations.gov>. Follow the instructions for submitting comments.
- *Email:* FederalRegisterComments@cfpb.gov. Include Docket No. CFPB–2018–0014 in the subject line of the message.
- *Mail:* Comment Intake, Consumer Financial Protection Bureau, 1700 G Street NW, Washington, DC 20552.
- *Hand Delivery/Courier:* Comment Intake, Consumer Financial Protection Bureau, 1700 G Street NW, Washington, DC 20552.

Comments must be received by July 16, 2018, and must include the document title and docket number. Commenters are requested to note the number of the topic(s) commented on at the top of each response but do not need to comment on all topics.

The CFPB defines consumer complaints as “submissions that express dissatisfaction with, or communicate suspicion of wrongful conduct by, an identifiable entity related to a consumer’s personal experience with a financial product or service.” The CFPB defines consumer inquiries “as consumer requests for information—typically proffered by telephone—to its Office of Consumer Response about consumer financial products or services, the status of a complaint, an action taken by the [CFPB], and often combinations thereof.”

The Dodd-Frank Act requires the CFPB to establish a unit “to facilitate the centralized collection of, monitoring of, and response to consumer complaints regarding consumer financial products or services.” (See 12 U.S.C. 5493(b)(3)(A).) Through its Office of Consumer Response, the CFPB accepts complaints through its website; by referral from the White House, congressional offices, Federal agencies, and State agencies; and by telephone, mail, email, and fax. When consumers submit complaints, the CFPB’s complaint form prompts them to select the consumer financial product or service with which they have a problem as well as the type of problem they are having with that product or service. The complaint form also requires consumers to affirm that the information provided in their complaint is true to the best of their knowledge and belief.

The CFPB routes the complaint directly to the financial company involved and works with the company to get the consumer a timely response from the company, generally within 15 days. The company reviews the information, communicates with the consumer as needed, and determines what action to take in response. The company then responds to the consumer and the CFPB in writing through the secure company portal, and the CFPB invites the consumer to review the company's response and provide feedback about the response received from the company. Consumers can log onto the secure consumer portal available on the CFPB's website or call the CFPB to receive status updates, provide additional information, and review responses provided by the company. Where appropriate, complaints are routed to other Federal agencies—for example, when a particular complaint does not involve a product or service handled by the CFPB.

The CFPB previously issued a RFI seeking public input regarding potential changes that can be implemented to the CFPB's public reporting practices of consumer complaint information (*see* this firm's March 6, 2018, memorandum discussing that RFI). The CFPB will consider for the purposes of this RFI, and to the extent relevant, all comments previously received in connection with that RFI. Commenters, therefore, should not feel any obligation to include in their responses to this RFI suggestions and comments already submitted in response to the RFI on public reporting practices of consumer complaint information.

To more effectively evaluate suggestions, the CFPB requests that, where possible, comments include:

- Specific discussion of the positive and negative aspects of the CFPB's complaint processes;
- Specific suggestions regarding any potential updates or modifications to the CFPB's complaint processes, consistent with the law and given one of the CFPB's statutory obligations is to establish reasonable procedures to provide consumers with timely responses to complaints, including, in as much detail as possible, the nature of the modification, and supporting data or other information on impacts and costs;
- Specific best practices for complaint processes given the CFPB's statutory objectives and functions, including centralizing the collection of consumer complaints about consumer financial products or services.

The following list is an attempt by the CFPB to identify elements of its complaint processes on which commenters may want to comment. This non-exhaustive list is to assist those making comments and is not intended to restrict the issues that may be addressed. In their comments, the CFPB requests that commenters identify with specificity the complaint process feature at issue, providing legal citations where appropriate and available.

The CFPB is seeking feedback on all aspects of its consumer complaint handling processes, including:

1. Specific statutorily-permissible suggestions regarding how the CFPB currently allows consumers to submit complaints, including:
 - a. Should the CFPB require consumers to classify their submission affirmatively as a consumer complaint or inquiry prior to submission?
 - b. How should the CFPB explain the difference between a consumer complaint and a consumer inquiry to consumers at the point of submission?
 - c. Should the CFPB develop a process for companies to reclassify consumers?

submissions? If so, what criteria should the CFPB establish to help companies differentiate consumer complaints from consumer inquiries?

2. Specific statutorily-permissible suggestions regarding the CFPB's consumer complaint processes, including:

a. The CFPB currently receives complaints via six channels: Website, referral from Federal and State entities/agencies, telephone, mail, fax, and email. Should the CFPB add or discontinue any channels for accepting complaints?

b. Consistent with the Dodd-Frank Act's definition of "consumer," the CFPB currently allows consumers to authorize someone else (*e.g.*, lawyer, advocate, power of attorney) to submit complaints on their behalf. Should the CFPB expand, limit, or maintain the ability of authorized third parties to submit complaints?

For those wishing to submit comments regarding the CFPB's consumer inquiry processes, please refer to the above hyperlinked *Federal Register* for the necessary information and list of questions, as this memorandum does not address the consumer inquires part of the RFI.

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