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**To:** Clients and Friends

**From:** David F. Dulock

**Subject:** CFPB Request for Comments and Information Regarding the CFPB's Data Governance Program and its Data Collections

In the September 28, 2018, issue of the *Federal Register* (83 FR 49072, [click here](#)), the CFPB published a request for information (RFI) seeking comments and information to assist it in assessing the overall efficiency and effectiveness of its Data Governance Program and its Data Collections and, consistent with law, whether any changes to its Data Governance Program or Data Collections 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 overall efficiency and effectiveness of the CFPB's Data Governance Program and its Data Collections.

You may submit information and other comments, identified by Docket No. CFPB-2018-0031, by any of the following methods:

- *Electronic:* Go to <http://www.regulations.gov>. Follow the instructions for submitting comments.
- *Email:* [FederalRegisterComments@cfpb.gov](mailto:FederalRegisterComments@cfpb.gov). Include Docket No. CFPB-2018-0031 in the subject line of the message.
- *Mail:* Comment Intake, Bureau of Consumer Financial Protection, 1700 G Street NW, Washington, DC 20552.
- *Hand Delivery/Courier:* Comment Intake, Bureau of Consumer Financial Protection, 1700 G Street NW, Washington, DC 20552.

Comments must be received by December 27, 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 is issuing concurrently with this RFI a report on the *Sources and Uses of Data at the Bureau of Consumer Financial Protection* ("Data Report"), available on its website at <https://www.consumerfinance.gov/data-research/research-reports/sources-and-uses-databureau-consumer-financial-protection/>, which describes the sources and uses of the data that the CFPB intakes, including data that is obtained for one purpose and put to an additional use ("reuse"). The Data Report also describes the CFPB's data governance structure and processes, including the structure and processes governing the intake, use, access and disclosure of data. The CFPB refers to these activities as its "Data Governance Program."

This RFI seeks input on several aspects of the CFPB's Data Governance Program and its Data Collection activities to date, and suggestions for future improvements. For purposes of this RFI, the CFPB uses the phrase "Data Collections" to refer to CFPB data intakes outside of the Division of Supervision, Enforcement, and Fair Lending or of the Office of Consumer Response. Data Collections include data that are collected by another agency and shared with the CFPB, data that are collected by a commercial entity

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and sold to the CFPB, public data that are downloaded by the CFPB, as well as instances in which the CFPB itself collects data either directly or through a contractor. The Data Report provides detailed information on the CFPB's Data Collections activities to date.

The CFPB is using this RFI to seek public input regarding the overall effectiveness and efficiency of the CFPB's Data Collections, as well as changes that it may make, consistent with applicable law, to its Data Governance Program; the CFPB's Data Collection practices related to privacy; the sources, uses, and scope of information the CFPB collects; ways the CFPB should or should not reuse data collected for one purpose to inform other functions of the CFPB; ways to reduce reporting burden; changes that may assist the CFPB to more effectively meet its statutory purpose and objectives; and other activities that the CFPB could engage in to make Data Collections from financial institutions more effective and efficient. However, this RFI is not intended to duplicate previous RFIs by the CFPB. Therefore, this RFI is not seeking comments on the following data or Data Collections that are addressed in other recent CFPB RFIs:

(1) information collected as part of the CFPB's consumer complaint process, public complaint reporting, and the Consumer Complaint Database;

(2) the substance of any particular rule (for both rules the CFPB adopted and those it inherited) with separate information collection requirements; or

(3) information collected through the CFPB's enforcement civil investigative demands (CIDs) or through supervisory activities.

The suggested topics for this RFI (see below) are not intended to cover data issues or Data Collections in the above areas. The CFPB does, however, invite comments on the CFPB's reuse of data collected through consumer response and supervisory and enforcement activities.

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

- Specific discussions of any potential changes to its Data Collection processes, consistent with the laws providing the CFPB with data collection authority and the CFPB's statutory purposes and objectives, and including, in as much detail as possible, the nature of the requested change, and supporting data or other information on impacts, costs, benefits, or information concerning alignment with the processes of other agencies.
- Specific identification of any aspects of the CFPB's approach to its Data Collections that are working well, and including, in as much detail as possible, supporting data or other information on impacts, costs, benefits, or information concerning alignment with the processes of other agencies.

The following list is an attempt by the CFPB to identify areas of interest on which commenters may want to comment. This non-exhaustive list is to assist those making comments and is not intended to restrict what may be addressed. Commenters may comment on matters that are related to the CFPB's Data Collections, but do not appear in the list. In their comments, the CFPB requests that commenters identify with specificity the CFPB's Data Collection, format, process,

or delivery platform at issue, providing specific examples where appropriate. In discussing the CFPB's Data Collections to date, the CFPB also requests that commenters provide examples and supporting information, where possible, as well as relevant information about how this information has been collected by an institution, by which parties, and in what ways. Commenters are free to comment on some or all of the issues below, but are encouraged to indicate in which area the comments are focused. The CFPB requests that commenters note their highest priorities, where possible, along with an explanation of how or why certain suggestions have been prioritized. Suggestions will be most helpful if they focus on revisions that the CFPB could implement without changes in the law, consistent with its existing statutory authorities.

The CFPB is seeking feedback on all aspects of its Data Collections, including:

1. Aspects of the CFPB's Data Governance Program, including:
  - a. Best practices for data governance that the CFPB should consider adopting; and
  - b. Additional ways that the CFPB can improve its Data Governance Program, including improvements to its processes for collecting data, managing data, and releasing data.
  
2. The CFPB's Data Collection practices related to privacy, including practices the CFPB should maintain or changes that the CFPB can feasibly make to further protect privacy without hindering the CFPB's ability to accomplish its objectives and statutory mandates. Topics may include:
  - a. Use of aggregated data, including sources of aggregated data sufficient to effectively do the CFPB's work;
  - b. Use of sampling methodologies;
  - c. Use of de-identified data and de-identification processes;
  - d. Use of direct identifiers;
  - e. Notice to consumers regarding use of data known to be related to them; and
  - f. How the CFPB's Data Collection practices related to privacy compare to other Federal agencies' practices.
  
3. Changes the CFPB should, or should not, make to the sources, uses, and scope of its Data Collections.
  
4. How and when data collected primarily for one CFPB function should, or should not, be used for other CFPB functions consistent with applicable law. Topics may include:
  - a. The use of confidential supervisory information or confidential investigation information to inform multiple functions of the CFPB;
  - b. The use of data obtained for purposes of research, market monitoring, or for assessing the effectiveness of significant rules to inform other functions of the CFPB;
  - c. Reduction of burden on potential furnishers of data by use of the same data by other CFPB functions; and
  - d. Other issues that the CFPB should consider when using a Data Collection for a function other than the primary function for which it was collected.
  
5. Ways to improve Data Collection processes that reduce reporting burden without hindering the CFPB's ability to accomplish statutory objectives. Topics may include:
  - a. Whether CFPB Data Collections overlap with information maintained by other

governmental agencies in a way that makes it difficult or particularly burdensome for institutions to comply with CFPB Data Collections;

b. Whether and how the CFPB should leverage existing industry data standards for particular markets that the CFPB regulates as part of its Data Collections;

c. Whether Data Collection requests are aligned with how institutions maintain information or utilize current technologies;

d. Whether Data Collections have provided helpful insight into particular markets, and whether there are other collections that would prove more insightful; and

e. Ways the CFPB may interact with industry or consumer groups to gather suggestions on how to reduce reporting burden and increase the effectiveness of its Data Collections.

6. Changes the CFPB could make to existing Data Collections, or potential new Data Collections the CFPB could collect, consistent with its statutory authority, to more effectively meet the statutory purposes and objectives as set forth in section 1021 of the Dodd-Frank Act:

a. The statutory purposes set forth in section 1021(a) are:

i. All consumers have access to markets for consumer financial products and services; and

ii. Markets for consumer financial products and services are fair, transparent, and competitive.

b. The statutory objectives set forth in section 1021(b) are:

i. Consumers are provided with timely and understandable information to make responsible decisions about financial transactions;

ii. Consumers are protected from unfair, deceptive, or abusive acts and practices and from discrimination;

iii. Outdated, unnecessary, or unduly burdensome regulations are regularly identified and addressed in order to reduce unwarranted regulatory burdens;

iv. Federal consumer financial law is enforced consistently, without regard to the status of a person as a depository institution, in order to promote fair competition; and

v. Markets for consumer financial products and services operate transparently and efficiently to facilitate access and innovation.

7. Other activities that the CFPB could engage in to make the Data Collection requests from financial institutions more effective and efficient.

8. Areas where the CFPB has not exercised the full extent of its Data Collection authority; where Data Collections would be beneficial and align with the purposes and objectives of the applicable Federal consumer financial laws; and/or where the CFPB can better leverage data as a strategic asset to increase effectiveness.

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