



July 23, 2021

The Honorable Lina Khan
Chair
Federal Trade Commission (FTC)
600 Pennsylvania Avenue, NW
Washington, DC 20580

Mr. Dave Uejio
Acting Director
Consumer Financial Protection Bureau (CFPB)
1700 G St. NW
Washington, DC 20552

Dear Chairwoman Khan and Acting Director Uejio:

On behalf of consumers across the country, we write today to request your agencies' assistance in providing new updated data and studies on accuracy in reporting of financial data. As you are aware, the House Financial Services Committee Chair Maxine Waters, and other leaders in Congress and across the Administration have begun to discuss new legislation and policies around consumer financial data. An area of expressed concern is the accuracy of consumer reporting. In 2012 the FTC conducted an important study on the accuracy of consumer data at the credit bureaus. Almost ten years later, Congress and policy makers are still citing these data. In 2019 economists and staffers at both the CFPB and the FTC discussed the need to update this study at public workshops and meetings. We couldn't agree more.

With Congress and the Administration considering new legislation and regulations on credit and consumer data, and the nation recovering from an unexpected pandemic and economic crisis, we think it is critical for the FTC and CFPB to work together to update the 2012 FTC study. This will give policymakers new data and tools to inform their decision-making. It's worth noting that the vast majority of complaints to the CFPB are about credit reporting.

Much has happened since 2012 that impacts the accuracy of consumer data, starting with the rise of technology, increased data breaches by bad actors, the NCAP settlement and of course a pandemic and economic crisis. It is critical that we re-examine the accuracy of the credit bureau data in light of these developments. We also think it is important to perhaps reconsider how the study is designed, to understand the difference between material and non-material errors and does the error impact the credit assessment of the consumer by a lender.

One other area that is of concern to consumers is the rise in data breaches and cybersecurity attacks, as evidenced by the recent FTC study that found a disturbing increase in identity theft cases since the pandemic. We have concerns both with the security of data in the private sector, but we also are increasingly worried about attacks on government data repositories as well. We believe it is important for your agencies to look at the security of personal financial data in the public and private sector and share this information with lawmakers as well.

We know that both of your agencies are strongly dedicated to protecting consumers. We very much believe consumers are best served by policies, laws and rules that are based on data and the most accurate and recent data available. Once again, we urge the FTC and CFPB to work together to update the 2012 FTC study. The world has changed since 2012, and we worry about the unintended consequences that could arise if policy makers fashion new laws based on old facts.

Thank you for your consideration.

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Sally Greenberg

Executive Director

National Consumers League

A handwritten signature in black ink, appearing to read "Ken McEldowney". The signature is cursive and somewhat stylized, with a prominent initial "K".

Ken McEldowney

Executive Director

Consumer Action