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CFPB Seeks Comments Regarding the Collection and Sale of Consumer Information by Data Brokers



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Earlier this month, the CFPB issued [a press release](#) and a [Request for Information](#) (“RFI”) that is focused upon whether the CFPB should promulgate additional rules implementing the Fair Credit Reporting Act.

The Fair Credit Reporting Act is landmark privacy legislation that was passed by Congress in 1970 and requires lenders, credit bureaus and even employers to provide consumers with information regarding the use of the information in their credit reports and provides rights for consumers to challenge items on their credit reports and to be able to view their credit reports. The RFI explains that its purpose is fueled by, “in addition to supervision of consumer reporting agencies, including the three largest nationwide consumer reporting agencies, the CFPB endeavors to gain insight into the full scope of the data broker industry. The data broker industry is growing and expanding its reach into new spheres of consumers’ personal lives, as more sophisticated computerization has increased the power of these companies to track and predict consumer behavior. Yet, many people lack an understanding of the scope and breadth of data brokers’ business practices and the impact of those practices on the marketplace and peoples’ daily lives.”

The public may provide comments responsive to the RFI through June 13, 2023. Interestingly, the CFPB solicits input from both data brokers and financial industry participants, as well as from consumers themselves. The specific questions from the CFPB for data brokers focus upon collecting general information such as, “What types of data do data brokers collect, aggregate, sell, resell, license, derive marketable insights from, or otherwise share?” and “What specific types of information do data brokers receive from financial institutions?”, as well as more specific information regarding whether financial institutions place restrictions on the data they provide to data brokers, and whether consumers are able to avoid collection of their data. The questions for consumers delve into a variety of categories, including obtaining information regarding whether consumers have

attempted to remove data from a specific data broker and how that process worked, as well as their viewpoints on the benefits and harms of collection of their information by data brokers.
