



## CFPB Should Reconsider Nonbank Registry

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State regulators today asked the Consumer Financial Protection Bureau (CFPB) to reconsider its proposed registry for nonbank businesses that are subject to public orders for violations of federal or state consumer protection laws.

The proposed registry would exceed the CFPB's authority and is not needed to identify repeat offenders, the Conference of State Bank Supervisors said in a [comment letter](#) that was co-signed by the American Association of Residential Mortgage Regulators, the National Association of Consumer Credit Administrators, the North American Collection Agency Regulatory Association and the Money Transmitter Regulators Association.

Specifically, the proposed registry would require that certain nonbank entities verify their compliance with state orders each year, which the CFPB is not authorized to do, and it could frustrate state supervision and enforcement efforts. Further, state regulators effectively protect consumers from nonbank repeat offenders, and the CFPB has not proven that there is a recidivism problem that necessitates the creation of a CFPB registry.

State regulators and the CFPB already report a significant share of covered public enforcement actions through the Nationwide Multistate Licensing System & Registry (NMLS), which is owned and operated by CSBS. This information is available to the public through NMLS Consumer Access.

Should the CFPB go forward with the proposed registry, state regulators ask that the CFPB exempt companies from the requirement of filing any public order that is already published on NMLS Consumer Access.

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