



1700 G Street NW, Washington, DC 20552

January 18, 2018

The Honorable Elizabeth Warren
United State Senate
317 Hart Senate Office Building
Washington, DC 20510

Dear Senator Warren:

I received your letter of January 4, 2018, regarding my efforts to ensure that data submitted to the Bureau of Consumer Financial Protection (“Bureau”) is secure. I note the irony of your stated reliance on “internal CFPB documents” obtained by your staff and information your staff received from “several sources” about Bureau supervisory and enforcement matters to support your belief that my concerns about data security are unjustified, or conversely, that internal Bureau information is secure.

Nonetheless, I do not expect you, as an outside observer of the Bureau’s activities, to be aware of the Bureau’s other data security risks. You may not know that prior to my appointment as Acting Director, there were 233 confirmed breaches of consumer personally identifiable information (“PII”) within the Bureau’s Consumer Response system by the Bureau or its contractor, and at least another 840 suspected PII breaches by financial institutions using the company portal were self-reported to the Bureau but not investigated to determine whether a breach occurred. And as recently as November 13, 2017, the Bureau discovered that it had published 101 complaint narratives in the Consumer Complaint Database containing unredacted consumer or third-party names. Such PII breaches and redaction errors undermine consumer confidence in the Bureau and its ability to safely handle consumer complaints. Moving forward, these breaches will be investigated, and I have requested additional testing to identify other potential data security vulnerabilities.

As you know, by design, the *Dodd-Frank Wall Street Reform and Consumer Protection Act* (P.L. 111-203) provides the Director or Acting Director near complete discretion and autonomy regarding how the Bureau will meet its statutory obligations. I do believe that the appropriate collection of PII is important to meeting those obligations, and for that reason, data collection has continued in instances where a collection pause would unduly hamper our ability to perform our duties. Moving forward, while we work to implement security improvements I have already

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identified in my very short time at the Bureau, our senior management team is coming up with innovative ways to collect mission-critical data while our analysis of security threats continues.

Protecting consumers starts with protecting sensitive consumer data entrusted to the Bureau. Rest assured that I will continue my efforts to improve the Bureau's data security capabilities.

Respectfully,



Mick Mulvaney
Acting Director
Bureau of Consumer Financial Protection

cc: The Honorable Mike Crapo, Chairman, Senate Committee on Banking, House, and Urban Affairs
The Honorable Sherrod Brown, Ranking Member, Senate Committee on Banking, House, and Urban Affairs
The Honorable Jeb Hensarling, Chairman, Committee on Financial Services
The Honorable Maxine Waters, Ranking Member, Committee on Financial Services