June 10, 2019

AI-Standards
National Institute of Standards and Technology
100 Bureau Drive, Stop 2000
Gaithersburg, MD 20899

Re: **Request for Information Regarding Artificial Intelligence Standards,**
Docket No. 190312229-9229-01

The Mortgage Bankers Association ("MBA")[1] appreciates the opportunity to comment on the National Institute of Standards and Technology (NIST) Request for Information ("RFI") regarding Artificial Intelligence (AI) Standards.[2] The Institute's effort to gather information regarding potential standards for artificial intelligence is a welcome step in the development of this technology.

> **I.** **Current status and plans regarding the availability, use, and development of AI technical standards and tools in support of reliable, robust, and trustworthy systems that use AI technologies**

A wide variety of processes and services are utilized in the mortgage lending process. Discussions regarding the use of AI for these processes have been occurring for several years. It is expected that additional research into the potential use of AI will continue.

The Mortgage Industry Standards Maintenance Organization (MISMO®)[3] is the standards organization for the mortgage industry. MISMO develops standards to improve communication and interoperability across the entire industry ecosystem. MISMO facilitates collaboration among industry peers using a voluntary consensus process. In some circumstances, MISMO may adopt standards developed by other standards organizations rather than developing its own.

MISMO's Emerging Technologies Community of Practice evaluates emerging and enabling technologies, their impact on the mortgage industry, and the potential need for new standards within the mortgage industry. MISMO is currently in the inception stages of exploring the potential need for AI standards in the mortgage industry.

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[1] The MBA is the national association representing the real estate finance industry, an industry that employees more than 280,000 people in virtually every community in the country. Headquartered in Washington, D.C., the association works to ensure the continued strength of the nation's residential and commercial real estate markets, to expand homeownership and extend access to affordable housing to all Americans. MBA promotes fair and ethical lending practices and fosters professional excellence among real estate finance employees through a wide range of educational programs and a variety of publications. Its membership of over 2,200 companies includes all elements of real estate finance: mortgage companies, mortgage brokers, commercial banks, thrifts, REITs, Wall Street conduits, life insurance companies and others in the mortgage lending field. For additional information, visit MBA's Web site: www.mba.org.

[2] Docket No. 190312229-9229-01 (May 1, 2019).

[3] The Mortgage Industry Standards Maintenance Organization (MISMO) is the standards development organization for the residential and commercial finance industry. MISMO standards are accepted and deployed by every type of entity involved in creating mortgages, and they are required by most regulators, housing agencies and GSEs that govern the exchange of information.

MISMO recognizes that data is a foundational component to AI. Data standards therefore may serve as a basis for potential AI standards. MISMO's data standards are mature and are widely used across the industry. Importantly, MISMO data standards have been adopted for use by other industries. MISMO expects that its data standards will be leveraged to support AI in the mortgage industry.

II.   Needs and challenges regarding the existence, availability, use, and development of AI standards and tools

Generally accepted standards for AI do not yet exist. Given that AI is likely very early in its development cycle, this is not unexpected. However, if the availability of standards lags the implementation of AI by an extended period of time, there are risks that AI may not realize its full potential.

Given the early state of AI, there are risks that legislation and regulation for AI may be inconsistent across legislative and regulatory bodies. There are also risks that attempts to control the development and use of AI, while well intended, may result in rules that are too prescriptive.

Inconsistent and/or prescriptive legislation and regulation across federal agencies and the states could challenge the ability to maintain American leadership in artificial intelligence. The existence and adoption of standards could serve as a basis for consistent regulations. These standards can provide confidence regarding compliance matters for both creators and consumers of artificial intelligence.

There is a need for standards to define data and metadata to support the preparation of training data for AI applications such as machine learning. MISMO standards can help to address this need for the mortgage industry.

A challenge to the standards development process is the need for anti-trust and intellectual property rights policies. MISMO has well established policies to address these issues that could serve as a model for other standards development efforts.

III.   The current and potential future role of Federal agencies regarding the existence, availability, use, and development of AI technical standards and tools in order to meet the nation's needs

The private sector typically leads the advancement of new technologies. Standards Development Organizations (SDO) often support the development of new technologies through a collaborative process. Federal agencies are permitted to fully participate in the activities of SDOs. Federal participation in these organizations, and federal adoption of standards issued by these organizations, could advance innovation and improve regulations. Coordination and communication across federal agencies and SDOs may help circumvent redundancies and inconsistencies that are inevitable without such coordination.

Federal agencies have a long history of funding development of new technologies. These agencies could consider funding research on AI and related standards.

Federal agencies could provide standardized training datasets that can be leveraged to support AI. Such datasets should come from existing industry SDOs such as MISMO, where possible.

Federal agencies should avoid the development of legislation, regulation, and standards that are overly prescriptive in nature. Rules, where necessary, should indicate what should be controlled for rather than how something should work. Prescriptive rules may inadvertently stifle innovation.

MBA appreciates your consideration of our comments regarding artificial intelligence standards. We welcome the opportunity to work with NIST on this topic. Should you have any questions or wish to discuss any aspects of these comments, please contact me or Rick Hill, Vice President of Industry Technology at rhill@mba.org.

Sincerely,

Mike Fratantoni
Senior Vice President and Chief Economist, Mortgage Bankers Association
President, Mortgage Industry Standards Maintenance Organization