

The 50 Shades of the CFPB

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The History of the CFPB

Created by the Wall Street Reform and Consumer Protection Act (AKA Dodd-Frank Act or the DFA)

- Is a law that places major regulations on the financial industry. It grew out of the Great Recession of 2008 with the intention of preventing another collapse of a major financial institution.
- Dodd-Frank is also geared toward protecting consumers with rules like keeping borrowers from abusive lending and mortgage practices by banks.
- Re-vamp outdated, unnecessary and burdensome regulations.
- Government transparency.

Who is Dodd-Frank?

The Dodd-Frank Act was named after the two legislators who sponsored the bill.

- o Senator Christopher Dodd
- o Congressman Barney Frank

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The CFPB

The Dodd-Frank Act granted rule-making authority to the newly formed Consumer Financial Protection Bureau (CFPB).

The CFPB - Mission Statement

The CFPB is a 21st century agency that helps consumer finance markets work by making rules more effective, by consistently and fairly enforcing those rules, and by empowering consumers to take more control over their economic lives.

Vision

- ▶ Where customers can see prices and risks up front and where they can easily make product comparisons;
- ▶ In which no one can build a business model around unfair, deceptive, or abusive practices;
- ▶ That works for American consumers, responsible providers, and the economy as a whole.

CFPB Core Functions

- ▶ Write rules, supervise companies, and enforce federal consumer financial protection laws
- ▶ Restrict unfair, deceptive, or abusive acts or practices
- ▶ Take consumer complaints
- ▶ Promote financial education
- ▶ Research consumer behavior
- ▶ Monitor financial markets for new risks to consumers
- ▶ Enforce laws that outlaw discrimination and other unfair treatment in consumer finance

Goals

- ▶ Prevent financial harm
- ▶ Empower consumers
- ▶ Inform
- ▶ Advance

CFPB Logo

Reports

Visit consumerfinance.gov to read the latest reports

- Monthly complaint reports
- Strategic plans
- Consumer survey results
- Supervisory highlights
- Help available in 187 languages

Budget and Performance

Budget and Performance

2015 Budget - \$618.7 Million

2016 Budget - \$631.7 Million

Budget overview

Funds come from the Federal Reserve

Budget and Performance

- ▶ Complaint response timelines
- ▶ Statistics
- ▶ Budget by program
- ▶ Performance measures based on agency goals

Strategic Plan

Four goals under Strategic Plan

- #1 - Prevent financial harm to consumers while promoting good practices that benefit them.
- #2 - Empower consumers to live better financial lives.
- #3 - Inform the public, policy-makers, and the CFPB's own policy-making with data-driven analysis of consumer finance markets and consumer behavior.
- #4 - Advance the CFPB's performance by maximizing resource productivity and enhancing impact.

Newsroom

We are committed to engaging with the public and members of the media regularly with accurate and up-to-date information on our work. Below are materials produced by our Office of Communications.

- Information including:
- Fine and penalty cases
- Speeches and testimony
- Announcement of new rules and consumer tools

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Recent CFPB cases

'Hot Button' Issues

- ▶ Reverse mortgages
- ▶ Debt collectors
- ▶ MSA's bulletin
- ▶ Payday loans

Civil Penalty Fund

- ❑ Where does the money come from?
- ❑ What happens with the funds?
- ❑ Disbursement schedule?
- ❑ Do I have money coming?

Guidance Documents

- ▶ Supervision and examination manuals
- ▶ Readiness guide
- ▶ Underserved Counties
- ▶ Depository institutions under CFPB supervisions
- ▶ Bulletins

Freedom of Information Act

- ▶ FOIA
- ▶ Allows consumers to request documents

Civil Investigative Demand

CID process:

- Respond
- Meet and Confer
- Petition to Set Aside

Investigation:

- Personnel
- Credit for cooperation
- Definition of 'company'

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Rules Relating to Investigations

'Petitions to set aside' public

Blog

► Contains information on all aspects of the CFPB

- New tools
- Investigations
- Consumer tips
- Stories from consumers
- CFPB information

Ask the CFPB

Commonly asked questions:

- Mortgages
- Payday Transfers
- Debt collection
- Auto loans
- Credit cards
- Prepaid cards student loans
- Payday loans etc.

- Service Members
- Students
- Older Americans
- Parents

Plain Writing Act

Under the Act, we must make best efforts to use plain language in any document that:

- ▶ is necessary for obtaining any federal government benefit or service or filing taxes;
- ▶ provides information about any federal government benefit or service; or
- ▶ explains to the public how to comply with a requirement that the federal government administers or enforces.

Get Assistance - Mortgage Help

- ▶ HUD-approved housing counselor
- ▶ Information on State Agencies

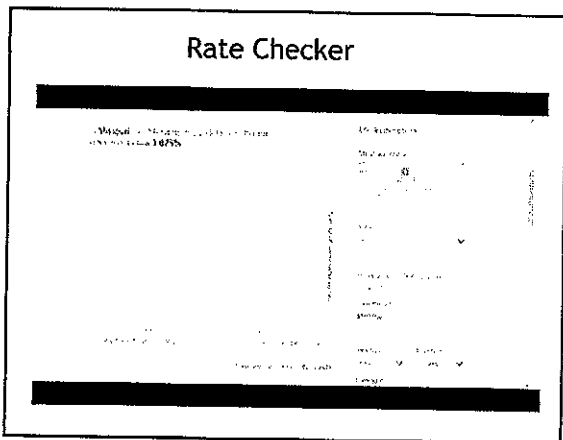
Get Assistance - Owning a Home

- ▶ Guides
- ▶ Toolkits
- ▶ Resources
- ▶ Complaint process info
 - ▶ Credit counseling information
 - ▶ Licensed loan officers

Your Home Loan Toolkit

Credit Discrimination

- ▶ Equal Credit Opportunity Act
- ▶ Fair Housing Act
- ▶ Filing a complaint with CFPB and other regulatory agencies



Participate - Tell Your Story

- Someone with the CFPB reads all stories
- The CFPB may ask the consumer to make the story public
- Consumer stories help the CFPB identify trends

File a Complaint

- CFPB receives a complaint
- Forwards to the respondent company
- Respondent Company has 15-days to respond to consumer and the CFPB

Complaints are expected to be closed within 60-days

No Fear Act

- ▶ Passed by Congress in 2002
- ▶ The No FEAR Act is intended to increase the accountability of federal agencies for acts of discrimination or retaliation against employees, former employees, and applicants

Whistleblower

The CFPB wants to hear from whistleblowers!
whistleblower@cfpb.gov

- Protections against being fired
- Employer retaliation
- Provide information anonymously
- Call tip-line
- Speak with a person from the CFPB

Disclosure of Consumer Complaints

Consumerfinance.gov

- ▶ Breakdown by state
- ▶ Zip code
- ▶ Name or feature
- ▶ Term

Important to note: These are simply complaints, Not resolved complaints.

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Notice and Comment

- ▶ Comment on proposed regulation
- ▶ Federal Register notices
- ▶ Read comment on closed notices

Supervision Examination

Guide for examiners to use in overseeing companies that provide consumer financial products and services.

Regulations

- ▶ View all proposed regulations
- ▶ Final rules

Ombudsman


The CFPB Ombudsman's Office is a resource to help you resolve process arising from CFPB activities.

- ▶ Independent
- ▶ Impartial
- ▶ Confidential

Contacting / Connecting

How to Participate

CFPB Blog: <http://www.consumerfinance.gov/blog/>

 **TELL YOUR STORY :**
<https://cards.consumerfinance.gov/submit/your-story>

CFPB Twitter: @CFPB

CFPB Facebook: <http://www.facebook.com/CFPB>

Go to consumerfinance.gov to sign up for our newsletter.

Weigh in on current rulemakings:
<http://www.consumerfinance.gov/voice-and-comment/>
