This material is for reference only.

On May 21, 2018, the President signed a joint resolution passed by Congress disapproving the Bulletin titled "Indirect Auto Lending and Compliance with the Equal Credit Opportunity Act" (Bulletin), which had provided guidance about the Equal Credit Opportunity Act (ECOA) and its implementing regulation, Regulation B. Consistent with the joint resolution, the Bulletin has no force or effect. The ECOA and Regulation B are unchanged and remain in force and effect. See more information on complying with the ECOA and Regulation B. The materials relating to the Bulletin on the Bureau's website are for reference only.

APRIL 1, 2013 – SEPTEMBER 30, 2013

Semi-Annual Report

of the Consumer Financial Protection Bureau

cfpb Consumer Financial Protection Bureau

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Message from Richard Cordray

Director of the CFPB

At the Consumer Financial Protection Bureau, we are the nation's first federal agency whose sole focus is protecting consumers in the financial marketplace. Lending and savings products like mortgages, credit cards, and student loans involve some of the most important financial transactions in Americans' lives. In the Dodd-Frank Act, Congress created the Bureau to stand on the side of American consumers and ensure they are treated fairly in the consumer financial marketplace. Since we opened our doors just over two years ago, we have been focused on making consumer financial markets work better for the American people, and helping them improve their financial lives.

In this fourth Semi-Annual Report to Congress and the President, we describe the Bureau's efforts to achieve this vital mission. Through fair rules, consistent oversight, appropriate enforcement of the law, and broad-based consumer engagement, the Bureau is helping restore American families' trust in consumer financial markets, protect American consumers from improper conduct, and ensure access to fair, competitive, and transparent markets.

Through our enforcement actions, we have aided in efforts to refund more than $750 million for consumers who fell victim to various violations of consumer financial protection laws, and we have deposited over $82 million into our Civil Penalty Fund, which is used to provide financial education and compensate wronged consumers.

We have enacted a number of new rules as we continue toward implementation of the Dodd-Frank Act, including the Qualified Mortgage rule, which requires mortgage lenders to make a good faith, reasonable determination that borrowers can afford to pay back their loans.

To promote informed financial decisionmaking, we have continued providing consumers with useful tools, including the AskCFPB section of our website, where we have answered over 900 of consumers' most frequently asked questions.

The premise that lies at the very heart of our mission is that consumers deserve to be treated fairly and to have someone on their side when they are not. The Bureau has strengthened its Office of Consumer Response, and to date we have received over 175,000 consumer complaints on credit reporting, debt collection, money transfers, bank accounts, credit cards, mortgages, vehicle loans, and student loans.

The progress we have made in the past two years has been possible thanks to the engagement of thousands of Americans who have utilized our consumer education tools, submitted complaints, participated in rulemakings, and told us their stories through our website and at numerous public meetings from coast to coast. Our progress has also resulted from the extraordinary work of the Bureau's employees—dedicated public servants of the highest caliber who are committed to promoting a healthy consumer financial marketplace. Each day, we work to accomplish the goals of renewing consumers' trust in the marketplace and ensuring that markets for consumer financial products and services are fair, transparent, and competitive. These goals not only support consumers as they climb the economic ladder of opportunity, but also help responsible businesses compete on a level playing field, and reinforce the stability of our economy as a whole.

In the years to come, we look forward to continuing to fulfill Congress's vision of an agency dedicated to cultivating a consumer financial marketplace based on responsible practices, sound innovation, and excellent customer service.

Sincerely,

Richard Cordray

Richard Cordray

1. Executive Summary

The Consumer Financial Protection Bureau (CFPB or Bureau) presents this Semi-Annual Report to the President, Congress, and the American people, in fulfillment of its statutory responsibility and commitment to accountability and transparency. This report provides an update on the Bureau's mission, activities, accomplishments, and publications since the last Semi-Annual Report, and provides additional information required by the Dodd-Frank Wall Street Reform and Consumer Protection Act (Dodd-Frank or Dodd-Frank Act).[1]

The Dodd-Frank Act created the Bureau as the nation's first federal agency with a mission of focusing solely on consumer financial protection and making consumer financial markets work for American consumers, responsible businesses, and the economy as a whole. In the wake of the recent financial crisis, the President and Congress recognized the need to address widespread failures in consumer protection and the rapid growth in irresponsible lending practices that preceded the crisis. To remedy these failures, the Dodd-Frank Act consolidated most Federal consumer financial protection authority in the Bureau.[2] The Dodd-Frank Act charged the Bureau with, among other things:

- Ensuring that consumers have timely and understandable information to make responsible decisions about financial transactions;

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[1] Appendix B provides a guide to the Bureau's response to the reporting requirements of Section 1016(c) of the Dodd-Frank Act. The last Semi-Annual Report was published in March 2013 and may be viewed at: http://files.consumerfinance.gov/f/201303_CFPB_SemiAnnualReport_March2013.pdf.

[2] Previously, seven different federal agencies were responsible for rulemaking, supervision, and enforcement relating to consumer financial protection. The agencies which previously administered statutes transferred to the Bureau are the Federal Reserve Board (and the Federal Reserve Banks), Department of Housing and Urban Development (HUD), Federal Deposit Insurance Corporation (FDIC), Federal Trade Commission (FTC), National Credit Union Administration (NCUA), Office of the Comptroller of the Currency (OCC), and Office of Thrift Supervision (OTS).

- Protecting consumers from unfair, deceptive, or abusive acts and practices, and from discrimination;
- Monitoring compliance with Federal consumer finance law and taking appropriate enforcement action to address violations;
- Identifying and addressing outdated, unnecessary or unduly burdensome regulations;
- Enforcing Federal consumer financial law consistently in order to promote fair competition;
- Ensuring that markets for consumer financial products and services operate transparently and efficiently to facilitate access and innovation;[3] and
- Conducting financial education programs.[4]

The Bureau has continued its efforts to listen and respond to consumers and industry, to be a resource for the American consumer, and to develop into a great institution worthy of the responsibility statutorily given to it by Congress.

1.1 Listening to Consumers

Listening and responding to consumers is central to the Bureau's mission. In 2013, the Bureau has provided consumers with numerous ways to make their voices heard. Consumers nationwide have engaged with the Bureau through public field hearings, listening events, roundtables, and town halls, and through our website, consumerfinance.gov. Consumer engagement strengthens the Bureau's understanding of current issues in the ever-changing consumer financial marketplace and informs every aspect of the Bureau's work, including research, rule-writing, and enforcement.

The Bureau has continued to improve and expand the capabilities of its Office of Consumer Response to receive, process, and facilitate responses to consumer complaints. For example, in July 2013, the Bureau added debt collection complaints to the already wide range of products and services for which it accepts complaints. Consumer Response has also continued to grow

[3] *See* Dodd-Frank Act, Pub. L. No. 111-203, Sec. 1021(b).

[4] *See* Dodd-Frank Act, Pub. L. No. 111-203, Sec. 1021(c).

and update a robust public Consumer Complaint Database. The database is live, updates nightly, and is populated by over 140,000 complaints from consumers about financial products and services from all over the country.

1.2 Delivering for American Consumers and Leveling the Playing Field

In 2013, the Bureau has expanded its efforts to serve as a resource for consumers. The Bureau seeks to serve as a resource on the macro level, by writing clear rules of the road and enforcing consumer financial laws in ways that improve the consumer financial marketplace, and on the micro level, by helping individual consumers resolve their specific issues with financial products and services. While the various divisions of the Bureau play different roles in carrying out the Bureau's mission, they all work together to protect and educate consumers, help level the playing field for participants, and fulfill the Bureau's statutory obligations under the Dodd-Frank Act. In all of its work, the Bureau strives to act in ways that are fair, reasonable, and transparent.

To educate and empower consumers to make better-informed financial decisions, our Consumer Education and Engagement Division has developed and implemented programs, initiatives and digital experiences, such as the Paying for College Project. This online module guides users through each step of the college financing process by helping users find financial aid, choose a loan, compare financial aid offers and college costs, manage college spending, and repay student debt. The Bureau's Office of Financial Education has engaged a variety of communities and stakeholders through webinars, listening sessions, large consumer events, and collaborations with community leaders and educators. For example, in April 2013, the Bureau launched an initiative to build the financial capability of young people by training teachers in financial education and fostering inclusion of financial education in K-12 curricula. The Bureau is also conducting special consumer outreach and engagement efforts for groups in special need of support with consumer finance issues, including military servicemembers, veterans, older Americans, and students.

When federal consumer protection law is violated, the Bureau's Supervision, Enforcement, and Fair Lending Division is committed to holding the responsible parties accountable. To date, the Bureau's enforcement efforts have returned over $750 million to the pockets of wronged consumers. The Bureau has also continued to develop and refine its supervisory program, through which financial institutions are examined for compliance with federal consumer protection law. Continuing the Bureau's policy of transparency, the Office of Supervision has released its second edition of *Supervisory Highlights*. This publication is intended to inform both industry and the public about the development of the Bureau's supervisory program and to discuss, in a manner consistent with the confidential nature of the supervisory process, broad trends in examination findings in key market or product areas. The Bureau has also published new examination procedures and supervisory guidance documents to help institutions know what to expect and how to become, or remain, compliant with the law.

Reasonable regulations are essential for protecting consumers from harmful practices and ensuring that consumer financial markets function in a fair, transparent, and competitive manner. The Research, Markets, and Regulations Division has focused its efforts on promoting markets in which consumers can shop effectively for financial products and services. During this reporting period, the Bureau issued, clarified, and finalized a number of regulations implementing changes made by the Dodd-Frank Act to the laws governing various aspects of the mortgage market.

In its first two years, the Bureau has issued or updated several rules under the Dodd-Frank Act, including 23 as of September 30, 2013. For example, on January 10, 2013, the Bureau released its Ability-to-Repay and Qualified Mortgage (ATR-QM) rule to help ensure that consumers are treated more fairly in the mortgage market, including rules requiring mortgage lenders to make a reasonable, good-faith determination that prospective borrowers have the ability to repay their mortgages.[5] To support the implementation of and industry compliance with these rules, the Bureau has published plain-language compliance guides and video presentations summarizing them, and it has actively engaged in discussions with industry about ways to achieve compliance.[6] The Bureau also continues to streamline, modernize, and harmonize financial regulations that it inherited from other agencies.

In addition to implementing the Dodd-Frank Act, the Bureau is exploring other areas where regulations may be needed to ensure that markets function properly and harmful practices are

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[5] http://www.consumerfinance.gov/regulations/ability-to-repay-and-qualified-mortgage-standards-under-the-truth-in-lending-act-regulation-z/.

[6] http://www.consumerfinance.gov/guidance/#compliance.

addressed. For example, the Bureau is analyzing whether rules are needed to address concerns that have been raised regarding payday loans and deposit advance products, and with debt collection, which is the focus of more consumer complaints to the federal government than any other financial product or service. Over the next six months, the Bureau will continue implementing the Dodd-Frank Act and using its regulatory authority to ensure that consumer financial markets are fair, transparent, and accessible.

1.3 Building a Great Institution

Now just over two years old, the Bureau continues to grow as an institution. As of September 21, 2013, the CFPB team consisted of 1,355 employees working to carry out the Bureau's mission. It has worked to build a human and physical infrastructure that promotes – and will continue to promote – transparency, accountability, fairness, and service to the public. That includes:

- Demonstrating a strong commitment to openness and utilizing the Bureau's website to share information on its operations;
- Recruiting highly-qualified personnel;
- Providing training and engagement opportunities for CFPB staff to improve skills, increase knowledge, and maintain excellence; and
- Promoting diversity in the CFPB's workforce and among its contractors, including through the Bureau's Office of Minority and Women Inclusion (OMWI).

CFPB employees at an All Hands Meeting in July 2013.

The Bureau recognizes that the best way to serve consumers is to ensure that its workforce reflects the faces, ideas, backgrounds, and experiences of the American public. OMWI supports the Bureau's mission by bringing together employees of diverse backgrounds and experiences, fostering broader and better thinking about how to approach markets.

As time moves forward, we will continue working hard to ensure that the American people are treated fairly in the consumer financial marketplace. We encourage you to visit consumerfinance.gov for updates.

2. Consumer Challenges in Obtaining Financial Products and Services

The challenges consumers face in obtaining financial products and services are a driving force behind the CFPB's efforts to make consumer financial markets work better. Listening and responding to consumers are integral components of our mission, and the Bureau provides numerous ways for consumers to make their voices heard.

2.1 Consumer Concerns

Financial markets are rooted in the daily lives and the financial and credit needs of individual Americans. Consumer financial products and services, when understood and appropriately used, can bring broad benefits to consumers. Checking accounts facilitate everyday transactions. Credit products, such as student loans and mortgages, help people further their educational objectives and individual aspirations to buy a home and pay over time.

However, all too often, complicated terms and features cloud the full costs and risks associated with a financial product or service. This can result in consumer confusion that can have serious adverse consequences.

Over the past year, consumers have shared with the CFPB their experiences – positive and negative – with financial products and services. Consumers have the opportunity to provide the Bureau with such feedback through a variety of forums, including the "Tell Your Story" feature on the CFPB's website, and by participating in roundtables, town halls, and field hearings. This feedback is critical to our efforts to understand the challenges consumers face in obtaining the financial products and services they need.

The stories consumers have shared with the Bureau through "Tell Your Story" cover a wide range of financial products and services, and provide snapshots of consumers' day-to-day experiences in the financial marketplace. Consumers' stories are reviewed by CFPB staff and further the Bureau's understanding of current issues in the consumer financial marketplace.

Many of the stories that consumers have shared with us over the past year illustrate the fallout – particularly the negative impact on consumers' credit scores – from the use of financial products and services whose full cost and risks were unclear. Some consumers have reported:

- Private student loans offer limited options for borrowers to make affordable payments, negatively skewing debt-to-income ratios and lowering consumers' credit scores, despite borrowers' otherwise positive credit histories; and
- Credit card companies decreasing consumers' credit limits so that it appears that consumers are near or over their credit limit – even if that was not the case before the limit was decreased – which lowers consumers' credit scores.

A lack of clarity about credit-scoring methodology, how lenders use credit scores, and the process for disputing information in credit reports presents additional challenges for consumers that affect their day to day lives, as well as their long-term plans. Some consumers report frustration over the following:

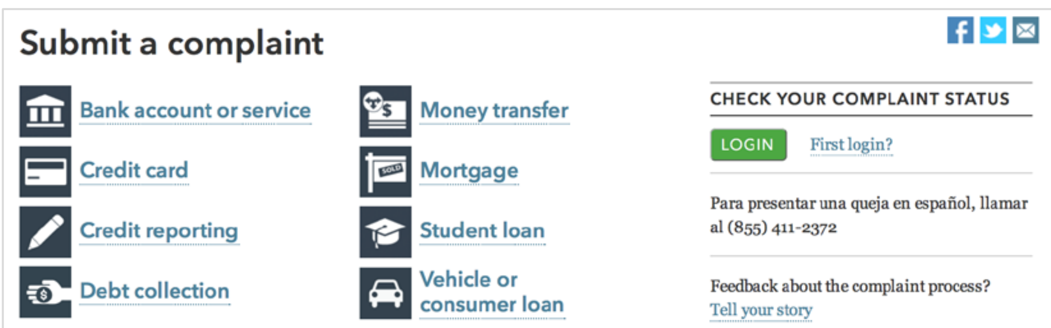
- Their attempts to improve their credit scores by paying off credit cards or avoiding debt that have the opposite effect, since paying off or not using credit cards can result in lower credit scores due to a lack of activity;
- Applying for credit based on FICO scores they requested, only to learn that the lender uses a different, less favorable credit score; and
- Inaccurate information on credit reports that negatively impacts their credit histories and is difficult to correct across all three major credit reporting agencies.

In addition to "Tell Your Story," consumers have opportunities to voice concerns and share their experiences in person at field hearings and public meetings, focused on particular consumer finance issues. Consumers and advocates have participated in large Bureau-sponsored public events in Seattle, WA; Mountain View, CA; Baltimore, MD; Atlanta, GA; Des Moines, IA; Los

Angeles, CA; Miami, FL; Portland, ME; and Itta Bena, MS.[7] These events have drawn hundreds of participants, many of whom have shared their personal experiences with mortgage servicing, payday loans, student lending, debt collection, and other consumer financial issues.

The CFPB's Office of Community Affairs has also hosted roundtable conversations with leaders of consumer, civil rights, community, housing, faith-based, student, and other organizations. The roundtables have provided opportunities for stakeholders to meet with Director Cordray, Deputy Director Antonakes, and other senior Bureau staff to share their first-hand perspectives on key consumer finance issues that affect their communities.

Collecting, investigating, and responding to consumer complaints are integral parts of the CFPB's work, as Congress set forth in the Dodd-Frank Act.[8] Consumer Response hears directly from consumers about the challenges they face in the marketplace, brings their concerns to the attention of companies, and assists in addressing their complaints.



consumerfinance.gov/complaint

The CFPB began Consumer Response operations on July 21, 2011, by accepting consumer complaints about credit cards. Consumer Response now accepts complaints about mortgages, bank accounts and services, private student loans, other consumer loans, credit reporting, and money transfers. On July 10, 2013, the Bureau began handling debt collection complaints. The CFPB continues to work toward expanding its complaint-handling capacity and plans to include other products and services, such as payday loans. Consumers may also contact the CFPB with

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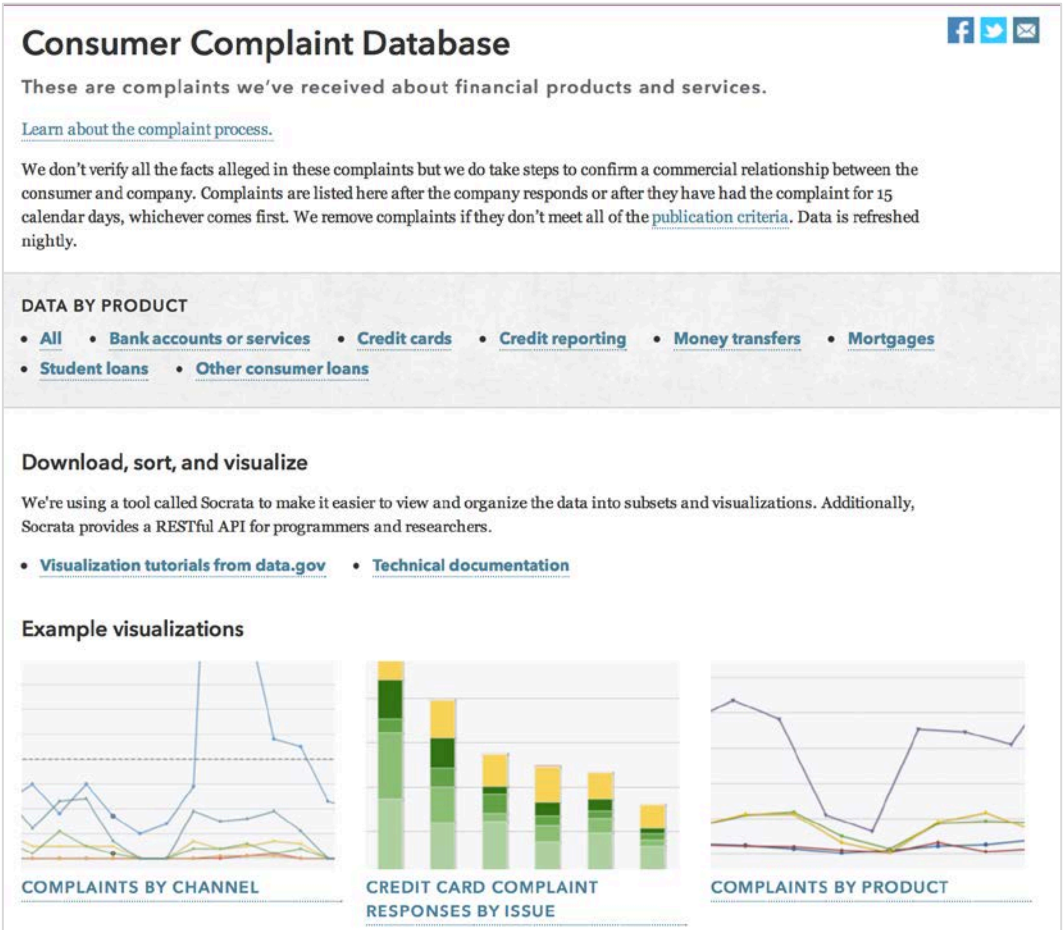
[7] Between October 1, 2012 and September 30, 2013.

[8] *See* Dodd-Frank Act, Pub. L. No. 111-203, Sec. 1021(c)(2).

questions about other products and services. The Bureau answers questions and refers consumers to other regulators or additional resources as appropriate.



consumerfinance.gov/complaintdatabase

Information about consumer complaints is available to the public, through the Bureau's public Consumer Complaint Database, launched on June 19, 2012. It was initially populated with credit card complaints, was expanded in October 2012 to include consumer credit card complaints dating back to December 1, 2011, and in March and May of 2013, was expanded further to include complaints about additional products and services, dating back to the date the Bureau first began to handle those complaints. Specifically, the CFPB added mortgage complaints dating back to December 1, 2011; bank account and service complaints, private student loan complaints, and other consumer loan complaints, all dating back to March 1, 2012; credit reporting complaints dating back to October 22, 2012; and money transfer complaints dating back to April 4, 2013. A complaint is listed in the database when the company responds to the complaint confirming a commercial relationship with the consumer, or after the company has had the complaint for 15 days, whichever comes first. Complaints can be removed if they do not meet all of the publication criteria.

The database is live, updates nightly, and contains certain individual complaint-level data collected by the CFPB, including the type of complaint, the date of submission, the consumer's zip code, and the company that the complaint concerns. The database also includes information about the actions taken by a company in response to a complaint – whether the company's response was timely, how the company responded, and whether the consumer disputed the company's response. The database does not include confidential information about consumers' identities. Web-based and user-friendly features of the database include the ability to filter data based on specific search criteria, to aggregate data in various ways, such as by complaint type, company, zip code, date, or any combination of available variables, and to download data. Information from the database has been shared and evaluated on social media and using other new applications.

The Bureau continues to evaluate, among other things, the release of consumer narratives, the potential for normalization of data to make comparisons easier, and the expansion of functionality to improve user experience.

2.1.1 How the CFPB Handles Complaints

In keeping with the CFPB's statutory responsibility and its commitment to accountability, the following pages provide an overview of the handling and analysis of complaints received by Consumer Response from July 1, 2012 through June 30, 2013.

Consumer Response screens all complaints submitted by consumers based on several criteria, including whether the complaint falls within the CFPB's primary enforcement authority, whether the complaint is complete, and whether the complaint is duplicative of a prior submission by the same consumer. Screened complaints are forwarded via a secure web portal to the appropriate company.[9] The company reviews the information, communicates with the consumer as needed, and determines what action to take in response. The company then reports back to the consumer and the CFPB via the secure company portal, and the Bureau invites the

[9] If a particular complaint does not involve a product or market that is within the Bureau's enforcement authority, or that is not currently being handled by the Bureau, Consumer Response refers it to the appropriate regulator.

consumer to review the response and provide feedback. Consumer Response reviews the feedback consumers provide about company responses, using this information along with other information such as the timeliness of the company's response, for example, to help prioritize complaints for investigation.[10] Consumers who have submitted complaints to the Bureau through Consumer Response can log onto the secure consumer portal available on the CFPB's website, or call a toll-free number, to receive status updates, provide additional information, and review responses provided to the consumer by the company.

Throughout this process, subject-matter experts help monitor certain complaints. For example, the Office of Servicemember Affairs coordinates with Consumer Response on complaints filed by servicemembers or their spouses and dependents.

Consumer Response continually strives to improve data quality and protect sensitive information, while increasingly making data about the complaints the CFPB receives available through reports to Congress and the public, and by sharing certain data with the public through the Consumer Complaint Database.

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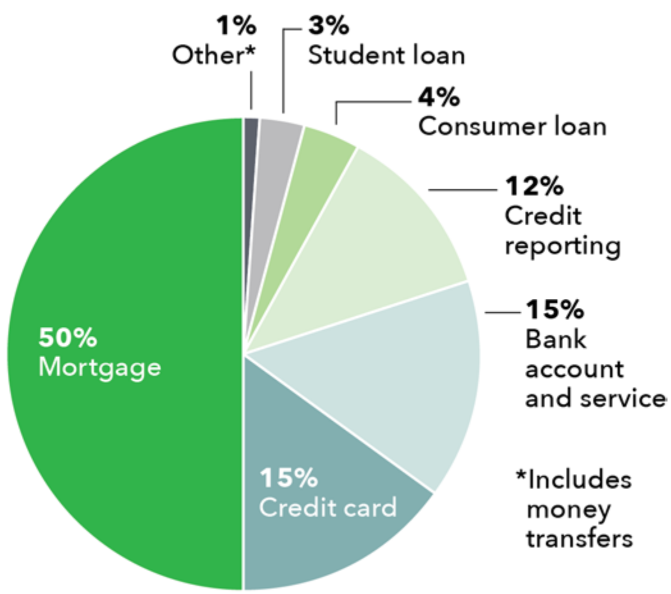
[10] The CFPB requests that companies respond to complaints within 15 calendar days. If a complaint cannot be closed within 15 calendar days, a company may indicate that its work on the complaint is "In progress" and provide a final response within 60 calendar days.

2.1.2 Complaints Received by the CFPB

Between July 1, 2012 and June 30, 2013, the CFPB received approximately 122,000 consumer complaints. Approximately 51% of all consumer complaints were submitted through the CFPB's website and 8% via telephone calls. Referrals accounted for 27% of all complaints received, with the remainder submitted by mail, email, and fax.[11]

FIGURE 1: CONSUMER COMPLAINTS BY PRODUCT



The Dodd-Frank Act created the Office of Servicemember Affairs to address the specific challenges faced by servicemembers, veterans, and their families (collectively "servicemembers"). It monitors complaints from servicemembers in conjunction with Consumer Response. Between July 1, 2012 and June 30, 2013, approximately 3,800 complaints were submitted by servicemembers.

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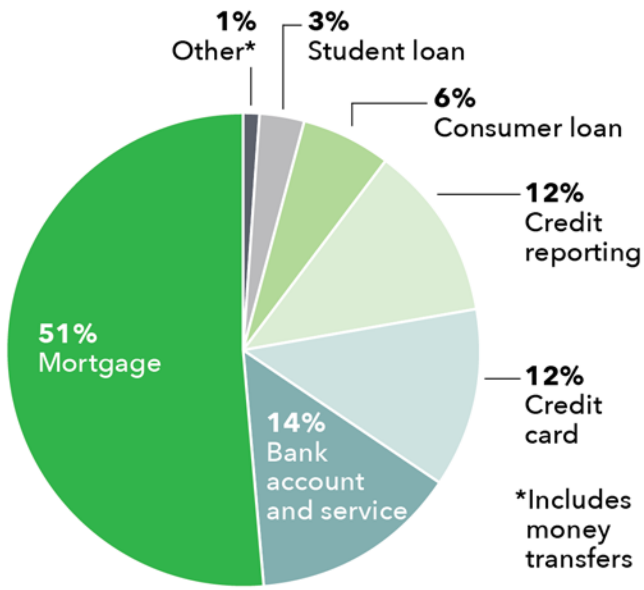
[11] This analysis excludes multiple complaints submitted by a given consumer on the same issue and whistleblower tips. All data are current as of June 2013. Since launching Consumer Response operations on July 21, 2011 through June 30, 2013, the CFPB received approximately 176,700 consumer complaints.

FIGURE 2: SERVICEMEMBER COMPLAINTS BY PRODUCT



The tables and figures presented below show complaints by type, actions taken, company responses, and consumers' feedback about company responses.[12]

[12] Percentages may not sum to 100% due to rounding.

CONSUMERS' CREDIT CARD COMPLAINTS

Table 1 shows the most common types of credit card complaints that the CFPB has received as reported by consumers. 69% of the approximately 17,700 credit card complaints fell into these 10 categories.

TABLE 1: MOST COMMON CREDIT CARD COMPLAINTS REPORTED BY CONSUMERS

Complaint	%
Billing disputes	17%
Annual Percentage Rate (APR) or interest rate	8%
Credit reporting	8%
Identity theft/Fraud/Embezzlement	7%
Closing/Cancelling account	6%
Collection practices	6%
Other	5%
Late fee	5%
Credit card protection/Debt protection	4%
Collection debt dispute	3%
Credit Card Complaints in Top 10 Types	**69%**

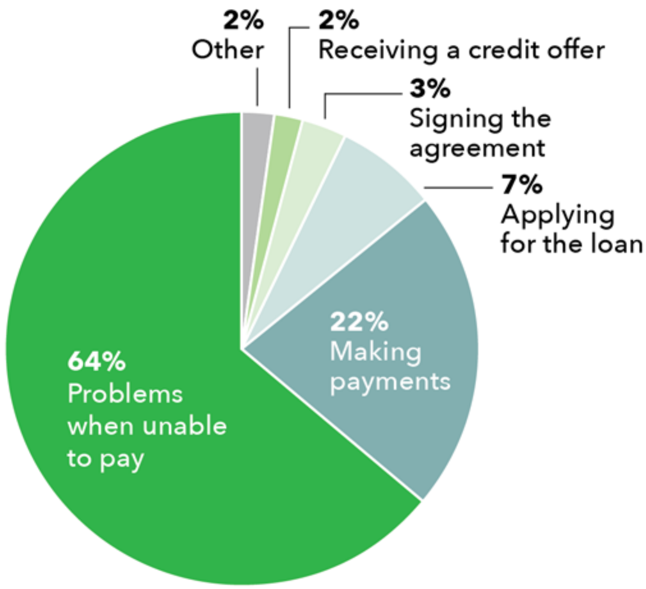
As the table illustrates, billing disputes are the most common type of credit card complaint. Consumers continue to be confused and frustrated by the process and by their limited ability to challenge inaccuracies on their monthly credit card billing statements. For example, some consumers realize only after their claim has been denied that they needed to notify their credit card companies within 60 days of any billing errors. In other cases, consumers are not aware that companies typically do not stop a merchant charge once the cardholder has authorized it, or do not override a merchant's "no-return policy." Other common types of credit card complaints relate to annual percentage rates (APRs), interest rates, credit reporting, identity theft, fraud, or embezzlement.

The Bureau generally has relied on the consumer's characterization of his or her complaint to identify its nature for analytical purposes. However, the CFPB's experience to date suggests that consumers may have differing interpretations of what these categories mean. For example, one consumer might choose to categorize a problem as a billing dispute, while another might identify the same issue as a concern with a provider's setting or changing of an interest rate. To improve our reporting on the data we receive, the Bureau is evaluating the use of these categories by consumers to date and developing a simplified identification scheme to promote more consistent categorization of complaints.

CONSUMERS' MORTGAGE COMPLAINTS

Figure 3 shows the types of mortgage complaints reported by consumers for the approximately 61,500 mortgage complaints the CFPB has received.

FIGURE 3: TYPES OF MORTGAGE COMPLAINTS REPORTED BY CONSUMERS



Complaint	%
Problems when you are unable to pay *(Loan modification, collection, foreclosure)*	64%
Making payments *(Loan servicing, payments, escrow accounts)*	22%
Applying for the loan *(Application, originator, mortgage broker)*	7%
Signing the agreement *(Settlement process and costs)*	3%
Other	2%
Receiving a credit offer *(Credit decision/Underwriting)*	2%
Total Mortgage Complaints	**100%**

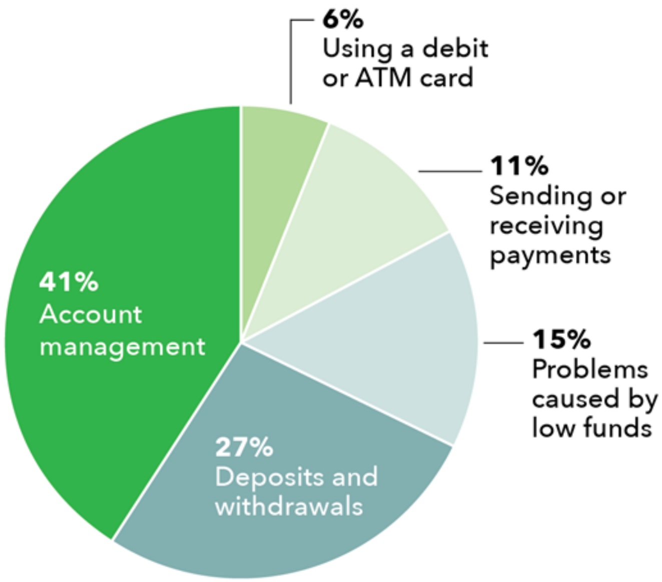
The most common type of mortgage complaint involves problems consumers face when they are unable to make payments, such as issues relating to loan modifications, collections, or foreclosures. Consumers with successfully completed loan modifications have complained that some servicers do not amend derogatory credit reporting accrued by consumers during trial periods – even when documents provided to the consumers by servicers indicated that they would do so. Consumers facing foreclosure have expressed concern and confusion about fees assessed in connection with the foreclosure process. The fees often seem to represent a substantial barrier to a consumer's ability to reinstate the loan and avoid foreclosure, as many servicers will not roll the fees into the loan balance. Consumers are then required to pay hundreds or thousands of dollars, in addition to the loan reinstatement amount, to avoid foreclosure, and the amount of fees the consumer must pay to reinstate the loan can be confusing. Finally, foreclosure fees are sometimes listed as one line-item on a reinstatement quote, with no itemization provided unless the consumer specifically requests more information on what fees are being assessed.

Other common types of mortgage complaints address issues related to making payments, including loan servicing, payments, or escrow accounts. For example, consumers express concern over difficulties they experience when the servicing of their loans are transferred, including complaints about fees charged by the prior servicer, unexplained escrow deficiencies, issues with the new servicer accepting the previous servicer's modification, and communication between the old and new servicer, especially when ongoing loss mitigation efforts are ongoing.

CONSUMERS' BANK ACCOUNT AND SERVICE COMPLAINTS

Figure 4 shows types of bank account and service complaints, such as complaints about checking and savings accounts, reported by consumers for the approximately 17,800 bank account and service complaints received by the CFPB.

FIGURE 4: TYPES OF BANK ACCOUNT AND SERVICE COMPLAINTS REPORTED BY CONSUMERS



Complaint	%
Account opening, closing, or management *(Confusing marketing, denial, disclosure, fees, closure, interest, statements, joint accounts)*	41%
Deposits and withdrawals *(Availability of deposits, withdrawal problems and penalties, unauthorized transactions, check cashing, payroll deposit problems, lost or missing funds, transaction holds)*	27%
Problems caused by my funds being low *(Overdraft fees, late fees, bounced checks, credit reporting)*	15%
Making or receiving payments, sending money to others *(Problems with payments by check, card, phone or online, unauthorized or fraudulent transactions, money/wire transfers)*	11%
Using a debit or ATM card *(Disputed transaction, unauthorized card use, ATM or debit card fees, ATM problems)*	6%

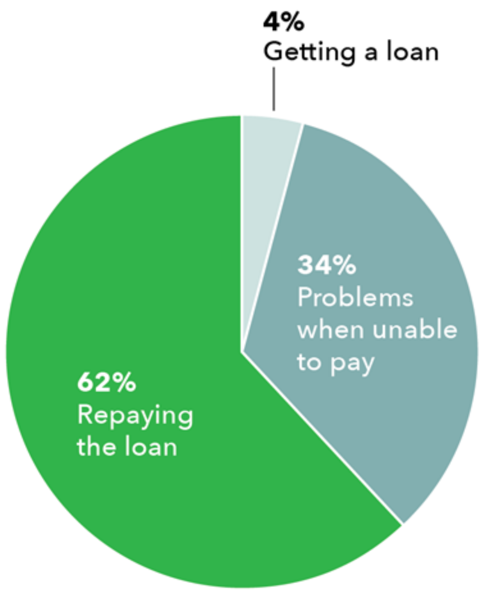
Total Bank Account and Service Complaints	100%

As the table illustrates, the most common type of bank account and service complaint relates to opening, closing, or managing the account. These complaints address issues such as account maintenance fees, legal processing fees for judgments and levies, changes in account terms, confusing marketing, early withdrawal penalties for certificates of deposit, and involuntary account closures. Other common complaints relate to deposit and withdrawal issues, such as transaction holds, the company's right to offset deposit accounts, and unauthorized debit card charges. In this area, many consumers are frustrated by companies' handling of error disputes and requests to stop payment on preauthorized electronic debits. A third common type of complaint relates to problems caused by a consumer's funds being low, including overdraft fees, bounced checks, charged-off accounts, and negative reporting to credit reporting agencies. In this area, many consumers are frustrated by the wide discretion companies have to charge overdraft fees and to manipulate the order in which deposits and withdrawals are posted to consumers' accounts.

CONSUMERS' STUDENT LOAN COMPLAINTS

Figure 5 shows the types of student loan complaints reported by consumers for the approximately 3,900 student loan complaints received by the CFPB.

FIGURE 5: TYPES OF STUDENT LOAN COMPLAINTS REPORTED BY CONSUMERS



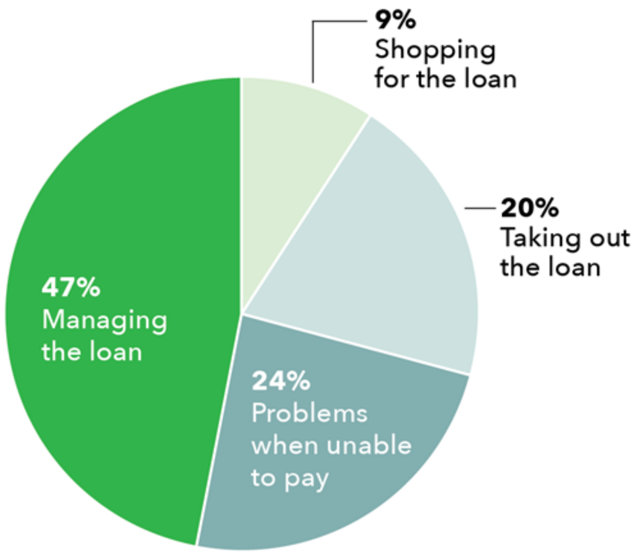
Complaint	%
Repaying your loan *(Fees, billing, deferment, forbearance, fraud, credit reporting)*	62%
Problems when you are unable to pay *(Default, debt collection, bankruptcy)*	34%
Getting a loan *(Confusing terms, rates, denial, confusing advertising or marketing, sales tactics or pressure, financial aid services, recruiting)*	4%
Total Student Loan Complaints	**100%**

The most common type of student loan complaint relates to repaying the loan, such as fees, billing, deferment, forbearance, fraud, and credit reporting. Consumers continue to struggle with the limited affordable payment options permitted in their loan agreements. Specifically, consumers are unable to refinance or restructure the repayment terms of their loan, either to lower monthly payments during periods of financial hardship, or to improve existing terms based upon the consumer's improved credit profile and credit-worthiness. Consumers also raised concerns about a range of other servicing problems, including payment processing problems, challenges obtaining necessary documentation about their private student loans, difficulty obtaining accurate information about their loan status and repayment options, and obstacles to accessing basic account information. Another common type of complaint addresses problems consumers confront when they are unable to pay, such as issues related to default, debt collection, and bankruptcy.

CONSUMERS' CONSUMER LOAN COMPLAINTS

Figure 6 shows the types of consumer loan complaints, such as complaints about installment loans, vehicle loans and leases, and personal lines of credit reported by consumers for the approximately 4,400 consumer loan complaints received by the CFPB.

FIGURE 6: TYPES OF CONSUMER LOAN COMPLAINTS REPORTED BY CONSUMERS



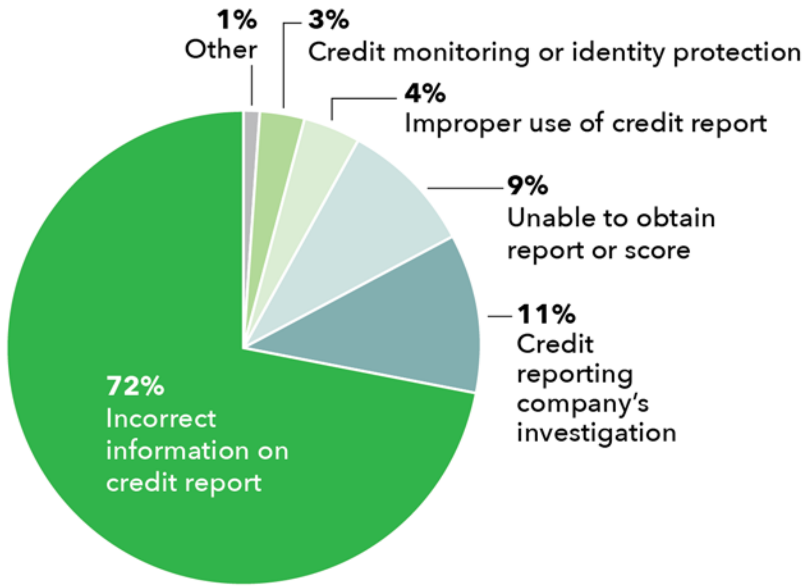
Complaint	%
Managing the loan, lease, or line of credit *(Billing, late fees, damage or loss, insurance (GAP, credit, etc.), credit reporting, privacy)*	47%
Problems when you are unable to pay *(Debt collection, repossession, set-off from bank account, deficiency, bankruptcy, default)*	24%
Taking out the loan or lease / Account terms and changes *(Term changes (mid-deal changes, changes after closing, rates, fees, etc.), required add-on products, trade-in payoff, fraud)*	20%
Shopping for a loan, lease, or line of credit *(Sales tactics or pressure, credit denial, confusing advertising or marketing)*	9%
Total Consumer Loan Complaints	**100%**

The table illustrates that the most common type of consumer loan complaint pertains to managing the loan, lease, or line of credit. Another common type of complaint addresses problems consumers have when they are unable to pay, including issues related to debt collection, bankruptcy, and default.

CONSUMERS' CREDIT REPORTING COMPLAINTS

Figure 7 shows the types of credit reporting complaints reported by consumers for the approximately 14,100 credit reporting complaints the CFPB has received.[13]

FIGURE 7: TYPES OF CREDIT REPORTING COMPLAINTS REPORTED BY CONSUMERS



Complaint	%
Incorrect information on credit report *(Information is not mine, Account terms, Account status, Personal information, Public record, Reinserted previously deleted information)*	72%
Credit reporting company's investigation *(Investigation took too long, Did not get proper notice of investigation status or results, Did not receive adequate help over the phone, Problem with statement of dispute)*	11%
Unable to get my credit report or credit score *(Problem getting free annual report, Problem getting report or credit score)*	9%

[13] Consumer Response began handling credit reporting complaints on October 22, 2012.

Improper use of my credit reporting *(Report improperly shared by credit reporting company, Received marketing offers after opting out, Report provided to employer without written authorization)*	4%
Credit monitoring or identity protection services *(Problem cancelling or closing account, Billing dispute, Receiving unwanted marketing or advertising, Account or product terms and changes, Problem with fraud alerts)*	3%
Other	1%
Total Credit Reporting Complaints	**100%**

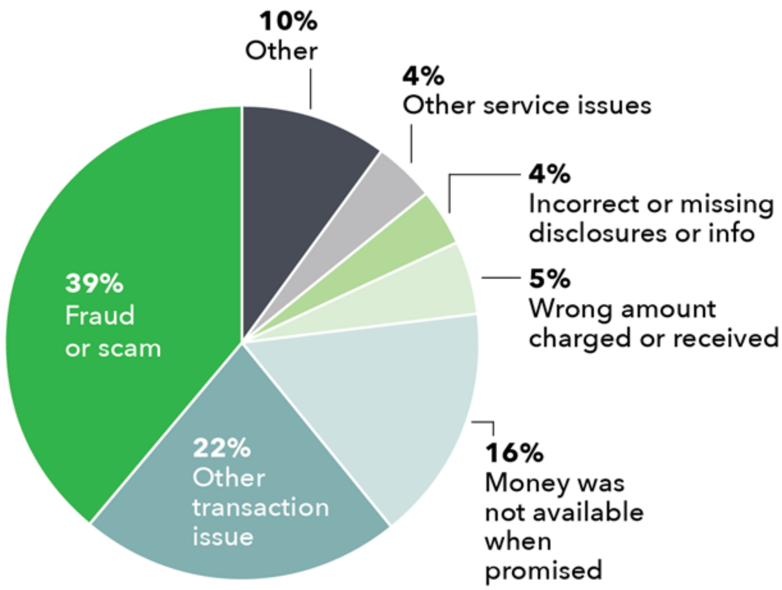
This table illustrates that the most common type of credit reporting complaint is about incorrect information appearing on the consumer's credit report, such as information that does not belong to the consumer, incorrect account status, and incorrect personal information. Many consumers face challenges with inaccurate furnisher reporting about previously filed bankruptcies. For instance, there is some confusion about how long a Chapter 7 or Chapter 13 bankruptcy may appear on consumers' credit reports. Consumers also frequently question whether a particular account is correctly reporting the fact that the account was or was not included in the consumer's bankruptcy.

Another common type of complaint is regarding issues with credit reporting companies' investigations of information disputed by consumers. Consumers sometimes question the depth and validity of the investigations performed of their disputes, given the speed with which credit reporting companies return findings. Consumers are also sometimes confused regarding the extent to which the credit reporting agencies are obligated to provide the consumers with validation and documentation of a debt which appears on the credit report.

CONSUMERS' MONEY TRANSFER COMPLAINTS

Figure 8 shows the types of money transfer complaints reported by consumers for the approximately 250 money transfer complaints the CFPB has received.[14]

FIGURE 8: TYPES OF MONEY TRANSFER COMPLAINTS REPORTED BY CONSUMERS



Complaint	%
Fraud or scam	39%
Other transaction issues *(Unauthorized transaction, cancellation, refund, etc.)*	22%
Money was not available when promised	16%
Wrong amount charged or received *(Transfer amounts, fees, exchange rates, taxes, etc.)*	5%

[14] Consumer Response began handling money transfer complaints on April 4, 2013.

Incorrect/missing disclosures or info	4%
Other service issues *(Advertising or marketing, pricing, privacy, etc.)*	4%
Other	10%
Total Money Transfer Complaints	**100%**

This table illustrates that the most common type of money transfer complaint is about fraud or scams. Another common type of complaint involves issues with other transactions, such as unauthorized transactions, cancellations, or refunds.

HOW COMPANIES RESPOND TO CONSUMER COMPLAINTS

Approximately 99,600 (or 82%) of all complaints received between July 1, 2012 and June 30, 2013 were sent by Consumer Response to companies for review and response.[15] Table 2 shows how companies responded to these complaints during this time period.

Company responses include descriptions of steps taken or that will be taken, communications received from the consumer, any follow-up actions or planned follow-up actions, and categorization of the response. Based on industry comments received about disclosure of credit card complaint data, beginning June 1, 2012, response category options included "closed with monetary relief," "closed with non-monetary relief," "closed with explanation," "closed," "in progress," and other administrative options. "Monetary relief" is defined as objective, measurable, and verifiable monetary relief to the consumer as a direct result of the steps taken or that will be taken in response to the complaint. "Closed with non-monetary relief" indicates that the steps taken by the company in response to the complaint did not result in monetary relief to the consumer that is objective, measurable, and verifiable, but may have addressed some or all of the consumer's complaint involving non-monetary requests. Non-monetary relief is defined as other objective and verifiable relief to the consumer as a direct result of the steps

[15] The remaining complaints have been referred to other regulatory agencies (11%), found to be incomplete (4%), or are pending with the consumer or the CFPB (0.5% and 3%, respectively).

taken or that will be taken in response to the complaint. "Closed with explanation" indicates that the steps taken by the company in response to the complaint included an explanation that was tailored to the individual consumer's complaint. For example, this category would be used if the explanation substantively meets the consumer's desired resolution or explains why no further action will be taken. "Closed" indicates that the company closed the complaint without relief – monetary or non-monetary – or explanation. Consumers are given the option to review and dispute all company closure responses.

TABLE 2: HOW COMPANIES HAVE RESPONDED TO CONSUMER COMPLAINTS[16]

	All	Credit card	Mortgage	Bank account and service	Student loan	Consumer loan	Credit reporting
N ≈	99,600	14,600	55,700	13,900	2,800	2,700	9,600
Company reported closed with explanation	64%	56%	66%	60%	70%	70%	69%
Company reported closed with monetary relief	9%	25%	3%	25%	7%	8%	1%
Company reported closed with non-monetary relief	10%	12%	8%	5%	13%	10%	22%
Company reviewing	2%	1%	2%	1%	2%	1%	6%
Company provided administrative response	9%	2%	14%	2%	1%	2%	1%

[16] While companies' responses under previous categorizations were maintained, for operational and reporting purposes, responses categorized as "full resolution provided," "partial resolution provided," and "closed with relief" are considered a subset of "closed with monetary relief," and responses categorized as "no resolution provided" and "closed without relief" are categorized as "closed with explanation." "Closed with non-monetary relief" and "closed" reflect only those responses provided by companies after June 1, 2012.

Company reported closed (without relief or explanation)	2%	1%	3%	4%	2%	5%	0%
Total Complaints	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**

Companies have responded to approximately 91% of complaints sent to them and report having closed 86% of the complaints sent to them.[17]

Beginning December 1, 2011, companies had the option to report an amount of monetary relief, where applicable. Companies have provided relief amounts in response to more than 9,200 complaints. The median amount of relief reported by companies was $150; however, company reports of relief amounts and medians vary by product. For the approximately 3,700 credit card complaints where companies provided a relief amount, the median amount of relief reported was approximately $125. For the approximately 1,400 mortgage complaints where companies provided a relief amount, the median amount of relief reported was approximately $450. For the more than 3,500 bank account and service complaints where companies provided a relief amount, the median amount of relief reported was approximately $112. For the approximately 190 student loan complaints where companies provided a relief amount, the median amount of relief reported was approximately $661. And for the approximately 225 consumer loan complaints where companies provided a relief amount, the median amount of relief reported was approximately $220.

CONSUMERS' REVIEWS OF COMPANIES' RESPONSES

Once the company responds, the CFPB provides the company's response to the consumer for review. Where the company responds "closed with monetary relief," "closed with non-monetary relief," "closed with explanation," or "closed," consumers are given the option to provide feedback on the company's response. Table 3 shows how consumers responded to the approximately 86,000 complaints where they were given the option to provide feedback.

[17] Approximately 86,000 of 96,400.

Consumers are asked to notify the CFPB within 30 days if they want to provide feedback by disputing a company's response. Approximately 63% of such consumers did not dispute the responses provided, while approximately 21% of consumers did dispute the response provided. The rest were pending with consumers at the end of this period.

TABLE 3: CONSUMER FEEDBACK ABOUT COMPANY RESPONSES

	All	Credit card	Mortgage	Bank account and service	Student loan	Consumer loan	Credit reporting
Consumer did not dispute company's response	63%	68%	63%	67%	68%	61%	49%
Consumer disputed company's response	21%	20%	22%	20%	20%	23%	17%
Pending consumer review of company's response	16%	12%	15%	13%	12%	16%	34%
Total Complaints	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**

CONSUMER RESPONSE INVESTIGATION AND ANALYSIS

After requesting that companies respond to complaints sent to them for response and giving consumers the opportunity to review and provide feedback on company responses, Consumer Response prioritizes complaints for investigation based on a review of the complaint, the company's response, and the consumer's feedback. Consumer Response seeks to determine why a company failed to provide a timely response (if applicable) and whether the consumer's feedback of the company's response (if applicable) justifies additional review of the company's minimum required actions under the consumer financial protection laws within the CFPB's authority. In the course of an investigation, Consumer Response may ask companies and consumers for additional information, and once an investigation is completed, Consumer Response sends the consumer a summary. In some cases, Consumer Response has referred complaints to colleagues in the CFPB's Division of Supervision, Enforcement, and Fair Lending and Equal Opportunity for further action.

Listening to consumers and reviewing and analyzing their complaints is an integral part of the CFPB's work in understanding issues in the consumer financial marketplace, and in helping the market work better for consumers. The information shared by consumers and companies throughout the complaint process informs the Bureau about business practices that may pose risks to consumers and helps the Bureau supervise companies, enforce federal consumer financial laws, and write better rules and regulations.

2.2 Shopping Challenges

The challenges that consumers face in the marketplace highlight the importance of a tenet that is central to the CFPB's mission – promoting markets in which consumers can understand and anticipate the terms and costs of financial products and services. When the costs, risks, and other key features of financial products are transparent and understandable, consumers are better able to compare products and choose the best one for them.

Prior Semi-Annual reports highlighted challenges facing consumers shopping for a particular lending or deposit product, including the markets for mortgages, credit cards, student loans, checking accounts, and small-dollar credit. Work completed by the Bureau over the past six months sheds further light on certain challenges consumers face with respect to checking accounts.

2.2.1 Overdraft

On June11, 2013, the Bureau released a white paper of initial data findings in connection with its ongoing inquiry into overdraft programs.[18] In this paper, the Bureau reported that across a study of large banks – banks representing a substantial portion of total deposits in the United States – overdraft fees and fees for non-sufficient funds (NSF) transactions accounted for 61% of the total fees paid by consumers on their deposit accounts. In addition, among study banks, at least one in five consumers incurred overdraft or NSF fees.

Overdraft and NSF fees influence and affect the consumer checking account experience. The Bureau's study found a wide variance in costs incurred by consumers at various banks covered by the study. For example, the Bureau found that among these banks, average overdraft and NSF fees paid by accounts with at least one NSF or overdraft item varied by $201 between the bank with the lowest fees per account and the bank with the highest fees per account.

The Bureau's report highlights potential drivers of overdraft and NSF costs to consumers. These include:

- The institution's policy for making funds "available" with respect to the various types of deposits that can be made into an account;
- How the institution calculates a consumer's available balance;
- The institution's debit and credit posting practices, including when posting occurs (real-time, at night, or both), whether transactions are commingled or posted in sub-batches by transaction type, and the ordering of transactions within sub-batches;
- The institution's policies for setting overdraft limits, authorizing debit and ATM transactions, and making pay/return decisions during posting; and
- The institution's policies with respect to assessing overdraft fees, including caps on the number of fees, fee cushions or waivers on *de minimis* transaction amounts or balances, forgiveness periods, and sustained or extended overdraft fees.

[18] http://files.consumerfinance.gov/f/201306_cfpb_whitepaper_overdraft-practices.pdf.

The study found that these factors vary from institution to institution and interact in complex ways, such that the same set of consumer behaviors can produce different outcomes for the consumer depending on the policies of the consumer's bank.

Consequently, some of the related challenges consumers may face in shopping for a checking account include:

- Recognizing the potential significance of overdraft and NSF fees to the total cost of a checking account;
- Understanding and assessing the significance of overdraft policies and fees, and applying them to their individual situations;
- Anticipating their future spending, savings, and transactional behaviors and timing, and how their actions may results in different costs at different institutions; and
- Weighing those factors against other considerations that are relevant to the consumer's product or service including: monthly maintenance fees and balance or other requirements; cost and attractiveness of ancillary or alternative products or services that the consumer may use; and non-cost factors, such as branch and ATM convenience.

The Bureau continues to evaluate its policy options with respect to overdraft programs.

3. Delivering for American Consumers and Leveling the Playing Field

The CFPB is authorized to exercise its authorities under Federal consumer financial protection laws to administer, implement, and promote compliance with those laws. To this end, the Bureau has worked to expand the resources it makes available to consumers and build the infrastructure necessary for making consumer financial markets work better.

3.1 Resources for Consumers

The CFPB has launched a variety of offices, detailed in each subsection below, to provide assistance and information to consumers. The Bureau strives to provide individualized help to consumers based on their specific issues with financial products and services, and it works to improve financial literacy and capability – among the public as a whole, and among consumers who have experienced particular challenges in the financial markets.

3.1.1 Consumer Response

As detailed in the previous section, Consumer Response receives complaints and inquiries directly from consumers. The CFPB accepts complaints through its website and by telephone, mail, email, fax, and referral.

Consumers submit complaints on the CFPB website using complaint forms tailored to specific products, and can also log on to the secure consumer portal to check the status of a complaint and review a company's response. While on the website, consumers can chat with a live agent to receive help completing a complaint form. Consumers can also call the Bureau's toll-free number to ask questions, submit a complaint, check the status of a complaint, and more.[19] The CFPB's U.S.-based contact centers handle calls with little-to-no wait times, can provide services to consumers in more than 180 languages, and serve hearing- and speech-impaired consumers via a toll-free telephone number. Cutting-edge technology, including the secure company and consumer portals, makes the process efficient and user-friendly for consumers and companies. The CFPB also provides secure channels for companies to communicate directly with dedicated staff about technical issues.

Director Cordray listens in on a call at the CFPB's Consumer Response Call Center in Iowa.

[19] To find more information about submitting a complaint, please see Appendix A.

As Consumer Response processes complaints and responds to inquiries, it continues to seek new ways to improve existing processes to make them as efficient, effective, and easy-to-use as possible. Based on feedback from consumers and companies, as well as its own observations, Consumer Response identifies new opportunities to improve its processes and implement changes with each product launch. By applying the lessons learned through previous complaint function rollouts, it has continued to improve its intake process, enhance communication with companies, and ensure the system's ease-of-use and effectiveness for consumers, while providing services trusted by consumers and companies alike.

3.1.2 Consumer Education and Engagement

The CFPB's Consumer Education and Engagement Division (CEE) is responsible for developing and implementing initiatives to educate and empower consumers to make better-informed financial decisions. Improving financial literacy and capability encompasses many short and longer-term efforts, and CEE seeks to engage consumers by providing information and educational tools designed to provide clear and meaningful assistance to consumers when they need it.

Reaching out to consumers is essential to the work of this division. From January 1, 2013 through August 31, 2013, the division's offices engaged with different groups across the country through more than 522 listening sessions, town halls and roundtables, visits to military installations, and other stakeholder events. These and other opportunities to hear directly from consumers about their financial needs, aspirations, and experiences help inform all of the Bureau's work. Through this outreach work, the CFPB has connected to more than 15,850 stakeholder organizations that were involved in these events.

As a 21st-century agency, the Bureau has focused on bringing financial decision-making tools and information to consumers through an accessible online format, and a steadily increasing number of consumers have taken advantage of these offerings. The Bureau's website received more than five million unique views in the past year, and the Bureau estimates that more than 3,750,000 of those were to areas of the site providing consumer tools, information, and assistance.

3.1.3 Financial Education

The Bureau's Office of Financial Education (OFE) focuses its efforts on producing information for consumers on a range of consumer financial topics, engaging in ongoing outreach efforts to understand the financial education needs of various communities, and is developing a research and innovation portfolio to enhance existing approaches to financial education.

In the area of outreach, OFE has engaged a variety of communities and stakeholders. OFE has continued to prioritize outreach to key stakeholders, including financial educators and community leaders, and by communicating directly with consumers through webinars, listening sessions, and large consumer events. Much of OFE's outreach attempts to resolve common financial challenges for consumers through workplace financial education and K-12 financial education policies and practices. OFE held a number of events around the country to assess needs and establish its priorities in these areas.

In its role as Vice-Chair, the Bureau is an active member of the Financial Literacy and Education Commission ("Commission"). The Commission was created with the broad purpose of improving Americans' financial literacy. It has actively worked to make improvements in the financial capability of young people by implementing its strategic focus to help Americans start early for financial success. This focus is intended to help young people start early in learning about money and building sound habits in order to enable them to be successful throughout their lives. Additionally, it means that parents, teachers, community leaders, and others will have the knowledge, resources, and tools available to confidently guide young people in starting early for financial success. The Commission hosted a field hearing on youth financial education in Madison, Wisconsin on September 25, 2013. During the hearing, the Commission heard from a range of educators and policy-makers about the continuing need to promote financial decision making for youth. The presentations highlighted the positive trends in providing young people with hands-on experiences in managing their money and opportunities to prepare young people for the financial decisions they may have to make regarding choosing a college as well as those that may come up while attending college.

In April 2013, the Bureau launched an initiative to build the financial capability of young people, the future generation of American consumers. This initiative seeks to foster inclusion of financial education in the K-12 curriculum and facilitate teacher training in financial education. To launch the initiative, OFE hosted a national conference of financial education experts, teachers, and non-profit and governmental leaders from local, state, and federal levels involved in K-12 financial education. Recognizing the broad range of work that others already are doing in this field, the initiative seeks to strengthen the impact and effectiveness of K-12 financial education efforts by fostering the sharing of and building on best practices; facilitating partnerships; and collectively identifying, and seeking to fill, critical gaps. Conference panels addressed defining a shared vision, promising practices in integrating financial education in schools, the use of hands-on approaches, and research and evaluation methodologies to measure the effectiveness of classroom financial education. The Bureau issued a white paper recommending strategies to improve the personal financial management capability of youth.[20]

As part of the K-12 initiative, the Bureau released a Pinterest graphic for parents to use in teaching kids to save and plan for items they want to purchase. And in conjunction with the K-12 initiative, the Offices of Financial Education and Consumer Engagement launched a parent education campaign in April 2013 to engage parents and guardians in the financial education of their children by encouraging discussion of money management topics at home and providing tools for parents to have money conversations with their children. The Bureau offers a set of Ask CFPB questions and answers especially for parents, and hosted a Twitter chat with Bureau staff and financial experts focused on how to have the "money talk" with kids.[21] OFE also conducted a second parents' campaign in August of 2013 to coincide with the Back-to-School season.

OFE's outreach to faith-based communities has included face-to-face meetings and webinars. The Bureau is working to inform these organizations about CFPB resources and plans to offer financial capability training information to them, in an effort to enhance their ability to assist their members. In coordination with the Bureau's Office of Human Capital (OHC), OFE has launched an in-house initiative to showcase financial education resources for Bureau employees, which the Bureau will share with other federal agencies and interested non-public employers.

OFE also continues to advance its research and innovation portfolios by procuring the services of outside experts to develop metrics for success in financial education and to test solutions for consumers as they make regular, everyday financial decisions.

OFE has also produced and developed a range of materials for consumer reference. Currently, there are 14 publications available either electronically or in hard copy, in both English and Spanish. Since the publications became available in December 2012, 222,172 print publications have been ordered and 33,365 publications have been downloaded. Finally, OFE launched a LinkedIn Online Learning Community for financial education practioners which shares

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[20] http://files.consumerfinance.gov/f/201304_cfpb_OFE-Policy-White-Paper-Final.pdf.

[21] http://www.consumerfinance.gov/askcfpb/search?q=&selected_facets=audience_exact%3AParents.

information on trends, news, and practices in financial education. Engaging consumers directly on consumer financial education topics always has been, and remains, a priority for OFE.

3.1.4 Consumer Engagement

The Bureau's Office of Consumer Engagement (CE) continues to encourage the public to participate in the Bureau's work by developing programs, initiatives, and digital experiences that help consumers make informed financial decisions.

CE continues to improve and build out the Bureau's online presence with innovative, user-focused, and data-driven approaches to social media and web development. Through research and user testing, CE has been able to tap into the needs, habits, and interests of consumers, thus creating opportunities to engage the public in the moments when the Bureau's tools and resources can be most useful to them.

For example, CE built an online consumer experience through its Paying for College project.[22] This online module guides users through the primary decision points of the college decision-making process and offers tools that help users to:

- Find financial aid and choose a loan;
- Compare financial aid and college costs;
- Manage college money; and
- Repay student debt.

CE has also prioritized making the Bureau's information more accessible in non-English languages, especially Spanish. According to Census data, 37 million people in the U.S. primarily speak Spanish at home. Recognizing that at least some portion of this population could be well served by Spanish language resources, the Bureau launched CFPB en Español, a Bureau website that provides Spanish-speaking consumers a central point of access to the Bureau's resources, in Spanish.[23] The website has four major components: a homepage that highlights CFPB services,

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[22] http://www.consumerfinance.gov/paying-for-college/.

[23] http://www.consumerfinance.gov/es/.

Ask CFPB content in Spanish, a complaints page that highlights the phone number consumers can call to submit a complaint in Spanish, and an "About Us" page that features a Spanish-language video and introductory content about how the CFPB works to protect consumers. The website was created using responsive design, meaning it is optimized for use on both mobile devices and computers in order to better serve all consumers. The website launched in May 2013.

3.1.5 Servicemember Affairs

The CFPB's Office of Servicemember Affairs (OSA) conducted 116 outreach events from January 1, 2013 through August 31, 2013, delivering consumer financial information to more than 7,400 military and veteran consumers to help them make better informed financial decisions. OSA also delivered consumer financial education information to more than 475,000 consumers using electronic communications and digital and social media channels.

More specifically, this figure includes reaching out to servicemembers where they live and work. OSA visited 18 military installations/National Guard units and participated in 15 town halls and 16 roundtable discussions with senior military leaders during the same time period. At these outreach events, the Servicemember Affairs team listened to servicemembers discuss the financial challenges they face, observed financial education training, and provided educational materials. In addition to the military units/installations visited, OSA participated in over 30 outreach events sponsored by external organizations seeking additional educational information about OSA and the CFPB. OSA continues to utilize Facebook and Twitter accounts specifically to serve the military and veteran communities.

In January 2013, OSA began extensive development of a "just enough and just in time" financial education experience to equip Delayed Entry Program (DEP) participants with the information and education needed to make sound financial decisions in certain target subject areas. DEP participants are individuals who have committed to join the military but have not yet reported to boot camp. Our DEP education program aims to offer experiential education that engages the interest and caters to the learning style of the recruit demographic. The Bureau and the Department of Defense will work together to make course content and materials available across the varied timelines and geographical locations of future recruits and across the armed services. Introducing the Bureau as a resource to recruits through DEP should also set the stage for future financial education efforts.

Collaboration and building upon viable outreach networks was a key focus throughout 2013. OSA connected with the Departments of Defense, Veterans' Affairs, Justice, and Labor to raise awareness of the CFPB's mission and OSA's specific efforts on behalf of the military and veteran communities. At the state level, efforts have centered on introducing state and local resources to the military community. Outreach efforts included establishing direct lines of communication with the State Directors of Veterans' Affairs.

In March 2013, OSA teamed up with the Office of Students and the Office of Consumer Engagement to deliver the Bureau's first military-focused virtual financial education forum by means of live webcast. The forum reached nearly 300 military financial educators, legal assistance attorneys, and on-base college education counselors. Participants learned about student loan servicing issues for servicemembers and CFPB resources available to assist them. Content highlights from the event were relayed through social media channels with a potential reach of approximately 25,000 individuals. External social media partnerships with the Department of Defense and the Military Family Learning Network were used to amplify the message to servicemembers stationed overseas, including individuals at military bases located from the Middle East (Turkey) to East Asia (Okinawa) and a deployed U.S. Navy unit operating off the coast of West Africa. Subsequent virtual forums in July and September 2013 covered mortgage-servicing and debt-collection issues.

In May 2013, OSA extended its reach overseas by traveling to military installations in Japan and Korea. During the trip, consumer financial education information was delivered to over 2,200 servicemembers and families through more than 30 official events on 10 bases in eight business days.

On June 13, 2013, OSA began work to determine the quality of unique programs and services provided to servicemembers and their families by the Department of Defense and the United States Coast Guard (USCG). The year-long project, performed under an inter-agency agreement with the Library of Congress' Federal Research Division, will engage in a quantitative and qualitative assessment using industry-recognized standards and processes. The work will help inform OSA's future educational initiatives by identifying the effectiveness of delivering personal financial education and counseling services to servicemembers and their families.

3.1.6 Older Americans

The Bureau's Office for Older Americans (OA) has continued its outreach efforts nationwide with its core constituency, key public officials, financial institutions, industry, advocates, and other stakeholders. OA's mission is to facilitate the financial literacy of individuals who are 62 or older on protection from unfair, deceptive, and abusive practices, and on current and future financial choices, including the dissemination of materials on these topics. OA participated in 97 events from January 1, 2013 through August 31, 2013, reaching more than 5,740 participants.

OA's outreach work is raising awareness of the critical problem of financial exploitation and unfair, deceptive, or abusive practices targeted at older people. OA is also building on its outreach work to help foster local networks to prevent financial harm directed at older people.

Specific examples of these outreach efforts include helping coordinate Older American Protection Networks in four states and representing the CFPB on the federal Elder Justice Coordinating Council, which consists of 11 federal agencies that play a role in addressing elder abuse.

On April 18, 2013, OA released a report to Congress and the U.S. Securities and Exchange Commission entitled Senior Designations for Financial Advisers: Reducing Consumer Confusion and Risks.[24] The report describes consumer confusion surrounding the wide variety of designations used by financial advisers to signify expertise in senior financial issues. The report also includes recommendations to help older consumers verify credentials, improve the consistency of standards for acquiring the credentials, improve the consistency of standards for conduct of designees, and reduce consumer confusion. OA expects to release a consumer guide to help older consumers understand and verify senior designation and certification titles later in 2013.

The CFPB and the FDIC have developed Money Smart for Older Adults, a curriculum for the FDIC's Money Smart program to provide older consumers with information on preventing and responding to elder financial exploitation.[25] Money Smart is a financial education curriculum designed to help low- and moderate-income individuals enhance their financial skills. OA and the FDIC will offer several train-the-trainer webinars on the FDIC's Money Smart online

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[24] http://files.consumerfinance.gov/f/201304_CFPB_OlderAmericans_Report.pdf.

[25] http://files.consumerfinance.gov/f/201306_cfpb_msoa-participant-guide.pdf.

training platform.[26] OA will also provide primers and train-the-trainer sessions to national non-profit organizations that have expressed interest in becoming Money Smart Alliance partners for the distribution of Money Smart for Older Adults. The program was released in June 2013. Participant guides are available for download on our website,[27] or for order.[28] Instructor materials are available from the FDIC.[29]

OA is also working with the American Bar Association Commission on Law and Aging to produce user-friendly "how-to" guides for agents acting under powers of attorney, guardians, trustees, Social Security representative payees, Veterans Affairs fiduciaries, and others who may handle financial affairs for older Americans and other vulnerable adults. Family members and others serving as fiduciaries often have no experience handling someone else's money. The materials will include a set of generic national guides, state-specific guides for six states, and a replication manual for other states. The guides explain what a fiduciary does, record-keeping and prudent investment requirements, limitations on commingling funds, and other critical basics for managing a vulnerable adult's money. The guides also cover how to spot financial exploitation and protect assets from scams. The guides are expected to be released in 2013.

3.1.7 Students

Financial aid offers from colleges and universities often fail to make basic information clear, such as how much of a particular aid offer is made up of loans that need to be paid back and how much comes from grants that do not. The Higher Education Opportunity Act of 2008 required the Secretary of Education to develop a model financial aid offer format to help students and their families make informed decisions about how to finance postsecondary educational expenses. The Bureau partnered with the Department of Education to develop a "Financial Aid Shopping Sheet" to help students and their families make informed decisions about how to

[26] http://www.fdic.gov/consumers/consumer/moneysmart/trainthetrainer.html.

[27] http://files.consumerfinance.gov/f/201306_cfpb_msoa-participant-guide.pdf.

[28] http://promotions.usa.gov/cfpbpubs.html.

[29] http://www.fdic.gov/consumers/consumer/moneysmart/olderadult.html.

finance postsecondary educational expenses. The shared mission to improve the shopping process for potential student borrowers made the Bureau and the Department of Education natural partners in a Know Before You Owe project on student loans.[30]

The Financial Aid Shopping Sheet is a standardized, easy-to-read form of financial aid award letter that colleges and universities can send to prospective students. The Shopping Sheet is designed to allow college applicants to better understand the debt implications of their college choice and compare the costs of the schools to which they apply.

The agencies released a prototype shopping sheet in October 2011, the Secretary of Education released the finalized Financial Aid Shopping Sheet in July 2012, and published an open letter to college and university presidents, calling for schools to voluntarily adopt the shopping sheet.

In April 2012, the President of the United States issued an Executive Order requiring colleges that accept Department of Defense Tuition Assistance Program funds to provide military students with an offer letter based on the principles developed for the Financial Aid Shopping Sheet, in order to provide better information to recipients of military and veteran education benefits.[31] The Executive Order also encourages colleges that accept Post-9/11 G.I. Bill benefits to do the same.

As of September 18, 2013, 1,607 colleges and universities, with a combined enrollment of nearly 6.8 million students, had voluntarily agreed to adopt the Financial Aid Shopping Sheet.[32]

The Bureau has continued to develop more tools to help consumers make better financial decisions about paying for college and managing student debt. As part of the Paying for College suite of tools, the Bureau launched Repay Student Debt, a combined, expanded version of our tools for borrowers in repayment.

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[30] http://www.consumerfinance.gov/students/knowbeforeyouowe/.

[31] http://www.whitehouse.gov/the-press-office/2012/04/27/executive-order-establishing-principles-excellence-educational-instituti.

[32] http://www2.ed.gov/policy/highered/guid/aid-offer/shopping-sheet-institutions.xls.

In August 2013, the Bureau launched a workplace financial education initiative focused on empowering public service organizations to help their employees tackle their student debt. Public service organizations can partner with the Bureau to help employees qualify for existing benefits for borrowers, including loan forgiveness. As part of this initiative, the City of South Bend, Indiana and Richmond, Virginia Public Schools agreed to be the first public service organizations to take this pledge. The Bureau also published a report, Public Service and Student Debt, analyzing many existing loan repayment benefits for teachers, healthcare workers and other employees of public service organizations.[33]

In September 2013, the Bureau hosted a "Banking on Campus forum" to discuss financial products and services marketed to college students. The Bureau presented initial findings from the Notice and Request for Information about student banking products.[34] The forum also featured speakers representing the Department of Education, the FDIC, and the Office of the Attorney General of New York, as well as industry and student organizations. The public was able to view the event through consumerfinance.gov. Students and other members of the public also participated through YouTube video upload, Twitter, and Facebook.

3.1.8 Financial Empowerment

Since April 2013, the Office of Financial Empowerment (Empowerment) has conducted extensive outreach to consumers and stakeholders from around the country. Empowerment participated in seven listening sessions in Seattle, WA, Ketchikan, AK, San Bernadino, CA, Philadelphia, PA, Orlando, FL, Grand Junction, CO, and Washington, DC. The team conducted field research focused on organizations and companies that provide innovative programs and services designed to build the financial capability of underserved and vulnerable consumers. It also participated in community events and conferences focused on low-income consumer issues.

Empowerment has begun working to integrate financial capability information and tools into the service offerings of social-service providers and other stakeholder groups. Empowerment developed a toolkit called "Your Money, Your Goals" for use by front-line staff in organizations that provide direct social services to consumers. The toolkit will provide staff with tools to

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33 http://files.consumerfinance.gov/f/201308_cfpb_public-service-and-student-debt.pdf.

34 http://files.consumerfinance.gov/f/201309_cfpb_banking-on-campus-forum.pdf.

incorporate financial-empowerment support into their work with their clients and to make effective referrals to specialized providers. The toolkit includes information that staff can share with clients on topics such as emergency savings; understanding, correcting, and building credit history; managing debt; cash flow budgeting; and identifying financial products to use to pursue various financial and life goals. It also includes worksheets and other tools individuals can use to strengthen their personal money management skills.

A multi-site training program using the "Your Money, Your Goals" toolkit was initiated in August 2013.[35] The 26-site pilot will take place through January 2014 in 21 states and the District of Columbia. Workshops in local communities and internal staff trainings within national organizations are projected to reach over 6,000 caseworkers and other front-line staff by mid-fiscal year 2015. These staff members, in turn, have the potential capacity to reach tens of thousands of low-income and economically vulnerable clients.

Empowerment is also conducting a three-phase research, evaluation, and pilot project that will help the Bureau determine whether the financial capability of low-income and economically vulnerable consumers can be enhanced through bundled financial products and services (such as a credit-builder loan with a savings component or integration of financial coaching and c0unseling into the offering of financial products).

The initial research phase of the project has concluded and entailed a scan of the field to build a comprehensive listing of existing strategies, products, or programs that seek to help consumers build positive credit histories and savings through bundled products and bundled services. This initiative included a literature review of existing research on savings and credit building strategies, products, or programs focused on economically vulnerable consumers and a report documenting findings of discussions with academics and practitioners on types of barriers for consumers, program features that overcome those barriers, and recommendations for specific types of programs the Bureau should consider for evaluation. The second phase of the project, which began in the summer of 2013, involves a randomized control trial of a credit builder loan, designed to determine whether it is successful in building the credit histories or savings, or producing other positive financial outcomes, of economically vulnerable consumers. As a result of this research, the Bureau may choose to pilot test modifications to this intervention.

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[35] http://www.consumerfinance.gov/blog/a-new-toolkit-for-social-services-providers/.

Empowerment is also working with other federal agencies to streamline and integrate empowerment resources and services. Current work includes coordination with the Department of Labor's Office of Disability Employment Policy (ODEP) to identify opportunities to promote financial capability strategies for selected ODEP grantees, as well as with the Departments of Health and Human Services and HUD.

3.2 Outreach

In addition to its efforts to engage specific populations, the CFPB has hosted public events across the country to discuss CFPB initiatives and to solicit input about issues related to consumer financial products and services. More than 1,300 members of the public participated in field hearings on mortgage issues in Baltimore, MD and Atlanta, GA; the CFPB's Consumer Response system in Des Moines, IA; student lending and student debt in Miami, FL; and debt collection in Portland, ME. The CFPB also hosted public meetings of its Consumer Advisory Board in Washington, DC and Los Angeles, CA.

Director Cordray speaks at an event on student lending and student loan debt in Miami, FL.

The CFPB unveiled Project Catalyst as part of its effort to foster consumer-friendly innovation in the marketplace. The Bureau believes markets work best when they are open to new ideas, and that the insights and innovations that come from looking at problems and solutions from new angles hold great potential in our efforts to achieve our mission of making the consumer finance market work for all consumers. Project Catalyst is designed to open lines of communication and foster collaborations that promote consumer-friendly innovation.

To these ends, Project Catalyst has continued to develop its outreach efforts and has introduced policy tools. One policy tool is the pilot program in which Bureau subject matter experts work with entrepreneurial companies to understand consumer behavior. Another is the trial disclosure program in which the CFPB provides waivers to federal disclosure requirements for successful applicants to develop and test innovative and consumer-friendly disclosures. More information about the Project Catalyst portfolio of initiatives, which continues to grow, is available on the CFPB's website.[36] Innovators can obtain relevant information, propose ways the Bureau can make innovation easier, or suggest pilot projects to develop and test new market ideas.

In conjunction with these field events, Director Cordray and Deputy Director Antonakes held roundtables with community leaders, legal services attorneys, housing counselors, local officials, community banks, credit unions, housing industry participants, and others as part of the CFPB's commitment to engage with the public.

The Bureau has actively solicited the perspectives of consumer and civil rights groups and has held roundtables with community-based organizations across the country. Since January 2013, the Bureau's Office of Community Affairs (OCA) has engaged thousands of community group representatives through more than 100 meetings, briefing calls, and public appearances. Topics discussed include mortgage, credit cards, payday loans, student loans, bank accounts, prepaid cards, credit reporting and scoring, debt collection, remittances, and more.

For additional outreach, the Bureau's Office of Financial Institutions and Business Liaison was established in April 2013 to facilitate and coordinate dialogue with all industry participants, and

[36] http://www.consumerfinance.gov/ProjectCatalyst/.

since its creation, has hosted more than 100 meetings, briefing calls, and public appearances with financial institutions and financial industry trade associations.

Director Cordray and senior CFPB leadership have also delivered several speeches at widely-attended industry and nonprofit conferences.[37]

Senior CFPB leadership listens intently, takes notes, and addresses comments at an event on mortgage servicing in Atlanta, GA.

3.3 Partnerships

The Bureau has furthered many existing partnerships and formalized several new ones.

To date, the Bureau has signed numerous memoranda of understanding (MOU) with intergovernmental partners, including federal agencies, state financial regulatory entities, state

[37] A list of speeches given in 2013 by CFPB personnel may be found in Appendix G of this report.

attorneys general, and municipal law enforcement agencies.[38] The Bureau has also actively solicited the perspectives of consumer and civil rights groups.

Senior Bureau leadership has also testified before Congress 44 times since opening its doors in 2011, including 16 occasions between October 1, 2012 and September 30, 2013 to discuss policy, operations and budget matters.[39]

3.3.1 Office of the Consumer Advisory Board and Councils

The CFPB's Office of the Consumer Advisory Board and Councils (Board) is charged with managing the Bureau's advisory groups and serving as the liaison between advisory group members and the Bureau.[40] In addition to its regular engagements with external stakeholders, the Bureau's outreach also includes the:

- Consumer Advisory Board (CAB);
- Community Bank Advisory Council (CBAC);
- Credit Union Advisory Council (CUAC); and
- Academic Research Council (ARC).

Among its responsibilities, the Board:

- Manages the policies and procedures for the constitution and management of advisory boards and councils;
- Manages the selection process for the Bureau's advisory boards and councils;
- Conducts agenda setting for advisory board and council meetings;
- Regularly facilitates discussions between the Bureau and advisory board/council members; and
- Recommends policy and associated strategies as suggested by advisory boards and councils.

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[38] A list of MOUs is available at: consumerfinance.gov/newsroom/.

[39] CFPB testimony before Congress may be found in Appendix F of this report.

[40] http://www.consumerfinance.gov/blog/category/consumer-advisory-board/.

The CAB and Councils meet at least twice per year and offer vital insight and perspective of financial service providers as the Bureau strives to issue thoughtful, research-based rules.

Advocates and industry representatives view the new "CFPB en Español" website at a Consumer Advisory Board meeting held in Los Angeles, CA on May 17, 2013.

ROLE OF THE CONSUMER ADVISORY BOARD

Section 1014(a) of the Dodd-Frank Act states:

> *The Director shall establish a Consumer Advisory Board to advise and consult with the Bureau in the exercise of its functions under the Federal consumer financial laws, and to provide information on emerging practices in the consumer financial products or services industry, including regional trends, concerns, and other relevant information.*[41]

The Board and the other advisory councils help the Bureau solicit external stakeholder feedback on a range of topics, including consumer engagement, policy development, and research, and from a range of actors, including academics, industry, community members, and advocates. Advisory boards and councils may consult on a variety of cross-cutting topics, report on meetings, and provide minutes and/or summaries of their meetings. Members of boards and councils serve for limited, specified terms.

MEMBERSHIP AND PUBLIC NOMINATING PROCESS OF THE CONSUMER ADVISORY BOARD

Section 1014(b) of the Dodd-Frank Act states:

> *In appointing the members of the Consumer Advisory Board, the Director shall seek to assemble experts in consumer protection, financial services, community development, fair lending and civil rights, and consumer financial products or services and representatives of depository institutions that primarily serve underserved communities, and representatives of communities that have been significantly impacted by higher-priced mortgage loans, and seek representation of the interests of covered persons and consumers, without regard to party affiliation.*[42]

Currently, there are no vacancies on our advisory board and councils, but the Bureau will begin accepting nominations for new members beginning in 2014, on a yearly basis.

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[41] Dodd-Frank Act, Pub. L. No. 111-203, § 1014(a).

[42] Dodd-Frank Act, Pub. L. No. 111-203, § 1014(b).

MEETINGS OF THE CONSUMER ADVISORY BOARD AND THE OTHER COUNCILS

Since establishing the Board and Councils in Fall 2012, the Bureau has held:

- Three Consumer Advisory Board meetings – September 2012 in St. Louis, MO, February 2013 in Washington, DC, and May 2013, in Los Angeles, CA.
- Two Community Bank Advisory Council meetings – October 2012 and March 2013 in Washington, DC, and two conference call meetings, December 2012 and June 2013.
- Two Credit Union Advisory Council meetings – October 2012 and March 2013, in Washington, DC, and two conference call meetings, December 2012 and June 2013.
- Three meetings of the Academic Research Council – July 2012, December 2012 and June 2013 in Washington, DC.

At each meeting of the Board, the Bureau invites members of the public to watch a portion of the meeting and to provide testimony directly to the CAB and the Bureau. The public portion of the meeting also provides an opportunity for members of the CAB to hear testimony and to provide information to the Bureau on the financial issues affecting their communities or constituencies. Director Cordray generally provides remarks at Board meetings, and these are available on our website.

For more information about the CAB and the other CFPB advisory bodies, please visit our website.

4. Regulations and Guidance

In the past year, the Bureau has issued a number of proposed and final rules on a variety of issues, including rules in conjunction with the Bureau's effort to support rulemakings mandated by the Dodd-Frank Act.[43] The Bureau is also working on a number of proposed and final rules on various other matters within its authority, including follow-up on an earlier Request for Information seeking public comment on potential projects to streamline regulations. Along with the issuance of these new rules, the Bureau is intensely focused on facilitating industry compliance with recently released regulations concerning mortgage loans and remittances.

4.1 Implementing Statutory Protections

The CFPB issued several rules in January 2013 implementing changes made by the Dodd-Frank Act to the laws governing various aspects of the mortgage market, including assessments of consumers' ability to repay their loans, mortgage servicing, loan originator compensation, and other topics. These rules, most of which will take effect in January 2014, will provide significant improvements in the mortgage process that will benefit both consumers and the mortgage industry alike through strengthened consumer protections and increased efficiencies. Since that release, the Bureau has issued supplemental regulations, amendments, and clarifications to the January mortgage rules as part of its broader ongoing efforts to facilitate compliance, which are discussed further below, and has continued work on other Dodd-Frank Act mortgage mandates:[44]

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[43] October 1, 2012 – September 30, 2013.

[44] consumerfinance.gov/regulations/.

- In May 2013, the Bureau issued a final rule in connection with a proposal that it had issued concurrent with the ability-to-repay regulations in January 2013 to seek public comment on a number of adjustments that were designed to facilitate access to credit and compliance with the regulations. Specifically, the final rule exempts from the ability-to-repay requirements certain nonprofit and community development lenders as well as loans made by or through a housing finance agency or through certain homeownership stabilization and foreclosure prevention programs. The final rule also facilitates lending by small creditors, including community banks and credit unions, by making it easier for them to originate "qualified mortgages." The amendment also revised rules governing how to calculate loan originator compensation for certain purposes under the qualified mortgage requirements.
- The Bureau has proposed and finalized several technical amendments, clarifications, and adjustments to the January mortgage rules to address issues that have arisen during implementation and facilitate compliance with the new requirements. These changes are designed to address stakeholder questions and concerns on a number of issues, including clarifying standards for proving qualified mortgage status, confirming that the Bureau's servicing regulations do not preempt all state laws on the same topic, clarifying the application of an exemption from certain rules for small servicers, addressing various issues regarding loss mitigation procedures, revising the rules implementing the Dodd-Frank Act prohibition on creditors' financing of certain credit insurance premiums on mortgage loans, interpreting the homeownership counseling list requirement, and other topics.
- The Bureau is continuing work to issue a final rule to consolidate federal mortgage disclosures under the Truth in Lending Act (TILA) and Real Estate Settlement Procedures Act (RESPA). The Bureau is completing quantitative testing on the streamlined mortgage disclosures that it proposed in July 2012 to confirm that the forms are more useful to consumers in evaluating the costs, benefits, and risks of mortgage offers than existing disclosures, and expects to issue the final regulation in 2013. In light of the work to implement the other mortgage rules under the Dodd-Frank Act, the Bureau would not expect any implementation work to begin until after the January 2014 effective date for the other rules.
- The Bureau is also continuing work as part of an interagency group on various appraisal requirements under the Dodd-Frank Act. Most recently, in July 2013, the Bureau, the Board of Governors of the Federal Reserve System (FRB), FDIC, Federal Housing Finance Agency (FHFA), NCUA, and OCC issued a proposal for certain supplemental

amendments to regulations they issued in January 2013 requiring on-site appraisals for certain "higher-risk mortgages." Among other things, the proposal would create exemptions for transactions secured by existing manufactured homes but not land, certain "streamlined" refinancings, and transactions of $25,000 or less. The group is continuing work on proposals to implement other Dodd-Frank Act requirements concerning appraisal management companies and automated valuation systems.

In addition to this mortgage-related work, the Bureau has also issued proposed and final rules on a number of other topics, including:

- In April 2013, the Bureau issued a rule amending regulations implementing TILA to remove a requirement that credit card issuers consider consumers' independent ability to pay for applicants who are 21 or older, and to permit issuers to consider income and assets to which such consumers have a reasonable expectation of access. These changes address concerns that the existing requirement unduly limited the ability of certain individuals 21 or older, including spouses or partners who do not work outside the home, to obtain credit.
- In April 2013, the Bureau issued a rule amending regulations implementing comprehensive new protections for remittance transfers to foreign countries as mandated by the Dodd-Frank Act. The rule adjusted certain requirements concerning the disclosure of foreign taxes and recipient institution fees to address concerns that large numbers of remittance providers would be unable to comply with the new regime and would therefore reduce services. The new remittance protections will take effect on October 28, 2013.
- The Bureau also issued final rules in Spring 2013 to implement amendments to the Electronic Fund Transfer Act (EFTA) to eliminate a requirement that a fee notice be posted on or at automated teller machines and to revise regulations under TILA to resolve uncertainty caused by litigation over certain limitations on fees charged in the first year after opening a credit card account.

As reflected in its most recent regulatory agenda, the Bureau is also beginning work on a number of other potential rulemaking projects. For example, the Bureau is accelerating work to develop a proposal to implement Dodd-Frank Act amendments to the Home Mortgage Disclosure Act (HMDA) to require creditors to collect and report certain additional lending data. The Bureau is developing a proposed rule building on the comments received concerning its earlier Advanced Notice of Proposed Rulemaking on general purpose reloadable prepaid cards, which are currently not subject to the same federal protections as debit and payroll cards or checking accounts. In addition, the Bureau is in the process of assessing information gathered in the past year concerning a variety of consumer financial products and services to determine whether rulemakings are warranted to address other markets. For instance, we are considering whether regulations are warranted to address issues that have been identified in connection with payday loans and deposit advance products, and in connection with debt collection, which is the focus of a large number of consumer complaints to the Federal Government. As discussed further below, the Bureau also plans to release a proposed rule to seek comment on streamlining certain requirements to provide consumers with annual notices of financial institutions' information sharing practices.

4.2 Interpreting and Streamlining Inherited Regulations; Facilitating Compliance with New Regulations

4.2.1 Interpreting and Streamlining Inherited Regulations

The Bureau is continuing its work to address opportunities to streamline, modernize, and harmonize regulations that it inherited from other federal agencies. The Bureau launched this initiative originally in December 2011 with a request for information on this topic seeking broad stakeholder input on priority areas for regulatory action.

The Bureau is pursuing this initiative both in the course of completing mandated rulemakings and through additional discretionary initiatives. For instance, the Bureau believes that the rulemaking to consolidate federal mortgage disclosures will reduce the operations burden for industry, and is also evaluating ways to address burden as it implements Dodd-Frank Act amendments to HMDA.[45]

The Bureau is also working on a proposal that would follow up on comments previously received in response to the Bureau's December 2011 request for information. Some commenters

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[45] consumerfinance.gov/regulations/.

suggested that eliminating the requirement to provide annual privacy notices under the Gramm-Leach-Bliley Act in certain situations – for instance, where financial institutions do not share information with third parties or have not changed their practices since provision of the last annual notice – would significantly reduce the compliance burden for industry and unwanted paperwork for consumers. As noted above, the Bureau has also issued rules to eliminate a requirement to post a fee-related notice on automated teller machines, which was also raised by commenters in response to the earlier notice.

4.2.2 Facilitating Compliance with New Regulations

Following issuance of the January 2013 mortgage rulemakings, the Bureau has focused intensely on supporting the implementation process for these rules. As part of this effort, the Bureau has published plain-language compliance guides and video presentations giving an overview of the rules, as well as proposing various clarifications and amendments to certain regulations as discussed above. The Bureau also issued a readiness guide and other implementation materials, and is coordinating closely with other agencies to develop and issue interim examination procedures well in advance of the effective dates of most of the rules.

As one industry representative remarked upon reading the ATR-QM guide, “It is an excellent resource ... and this guide did a great job of clearing up some of the questions I had...”[46] Another representative noted that the ATR-QM guide was “extremely helpful and puts the rule into understandable terms.” To further facilitate compliance, and offer a central location to access these implementation resources, the Bureau also created an implementation-specific webpage on its website.[47] The page is designed to provide access to our mortgage-related implementation resources though a single page that makes the regulations and implementation content more accessible for a broad array of industry constituents, especially smaller businesses with limited legal and compliance staff.

In addition, Bureau staff are engaging in extensive outreach to discuss the new mortgage rules, identify and address implementation issues as they arise, and provide informal oral guidance in response to interpretive inquiries from a myriad of stakeholders. As the January 2014 effective

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[46] Quotation from an industry email dated April 11, 2013.

[47] http://www.consumerfinance.gov/regulatory-implementation/.

dates approach, the Bureau will also be launching consumer-focused initiatives to educate consumers about their new rights.

Finally, in connection with the Bureau's international remittance transfer rule, which goes into effect on October 28, 2013, Bureau staff has been engaged in a variety of implementation activities. On August 14, 2013, Bureau staff issued a Small Entity Compliance Guide, a downloadable PDF that provides an overview of the rule's requirements, developed a video that also summarizes the rule, and has created a webpage that contains these and other key resources.[48] In addition, staff has participated in a number of industry forums and conferences and routinely answers informal guidance questions submitted via e-mail and over the phone. Apart from its work aiding industry's implementation of the rule, Bureau staff is also preparing to monitor closely the impact of the rule on consumers and industry once it takes effect.

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48 http://www.consumerfinance.gov/remittances-transfer-rule-amendment-to-regulation-e/.

5. Supervision

The CFPB continues to develop and refine its supervisory program. As noted in the previous issue of this Semi-Annual Report, Supervision has recently reorganized into two offices: Supervision Examinations and Supervision Policy. These offices coordinate closely to ensure supervisory consistency across markets, charters, and regions; and to maximize efficiency in examination activities.

The Bureau's focus on consumer protection and the wide range of entities and products under the Bureau's supervisory authority necessitates a risk-based approach to its examination program. The examination prioritization process takes into account various risk factors and allows for comparisons of products across different types of entities.[49] This process allows the CFPB to direct its examination resources to the products and markets that pose greater risks to consumers.

5.1 Supervisory Activities

Since the last Semi-Annual Report was released in March 2013, the CFPB has issued the following public documents:

SUPERVISORY HIGHLIGHTS

Continuing the CFPB's policy of transparency, Supervision has committed to periodically issuing "Supervisory Highlights". The goal of this publication is to inform both industry and the public

[49] This includes the risk factors that the CFPB is required to take into account with respect to its nonbank supervision program under Dodd-Frank Act Section 1024(b)(2).

about the development of the Bureau's supervisory program, as well as to discuss broad trends in examination findings in key market or product areas. The second edition of Supervisory Highlights, issued in August 2013, begins by examining the importance of robust compliance management systems (CMS), noting that a well-developed CMS can lessen risks of violations of Federal consumer financial laws and harm to consumers.[50] The report also shares the CFPB's observations about the common elements of an effective CMS, highlights examination findings in the areas of mortgage servicing and fair lending, and reviews a recent public enforcement action stemming from supervisory activities.

EXAMINATION PROCEDURES

To prepare for the implementation of new regulatory requirements, on June 4, 2013, the CFPB published interim examination procedures for TILA and its implementing regulation, Regulation Z, that apply to loan originator compensation and escrow accounts for higher-priced mortgages.[51] Also on June 4, 2013, the CFPB released interim examination procedures related to the Equal Credit Opportunity Act (ECOA) and its appraisal and valuation requirements.[52] Many of these regulatory requirements take effect in January 2014, and the early release of these examination procedures reflects the Bureau's commitment to help financial institutions and mortgage companies understand how they will be examined for compliance with CFPB rules.

On July 19, 2013, the CFPB published ECOA Baseline Review Procedures. These examination modules will be used by examiners to identify and analyze risks of ECOA violations, to facilitate

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[50] The second edition of Supervisory Highlights may be found at: http://files.consumerfinance.gov/f/201308_cfpb_supervisory-highlights_august.pdf, and the first issue (released October 2012), may be found at: http://consumerfinance.gov/f/201210_cfpb_supervisory-highlights-fall-2012.pdf.

[51] The higher priced mortgage requirements became effective on June 1, 2013, while the loan originator compensation requirements take effect in January 2014. http://files.consumerfinance.gov/f/201306_cfpb_laws-and-regulations_tila-combined-june-2013.pdf.

[52] http://files.consumerfinance.gov/f/201306_cfpb_laws-and-regulations_ecoa-combined-june-2013.pdf.

the identification of certain types of ECOA and Regulation B violations, and to inform fair lending prioritization decisions for future CFPB reviews.[53]

5.2 Supervisory Guidance

CFPB BULLETIN: FAIR CREDIT REPORTING ACT AND NATIONWIDE SPECIALTY CONSUMER REPORTING AGENCIES

On November 29, 2012, the CFPB published a bulletin communicating its expectation that nationwide specialty consumer reporting agencies (NSCRAs) must comply with the Fair Credit Reporting Act's (FCRA) requirement for a streamlined process for consumers to obtain free annual credit reports. The CFPB will evaluate compliance with the streamlined process requirements by the NSCRAs.[54]

CFPB BULLETIN: MORTGAGE SERVICING TRANSFERS

On February 11, 2013, the CFPB issued a bulletin regarding potential risks to consumers that may arise in connection with transfers of mortgage servicing. The CFPB's concern in this area is heightened due to the number and size of recent servicing transfers. This bulletin addressed both residential mortgage servicers and subservicers, and reiterated the CFPB's commitment to examine for compliance with all applicable Federal consumer financial laws, such as RESPA, FCRA, the Fair Debt Collection Practices Act (FDCPA), and prohibitions on unfair, deceptive, or abusive acts or practices (UDAAPs). The bulletin indicates that servicers engaged in significant servicing transfers should expect that the CFPB will, in appropriate cases, require them to prepare and submit informational plans describing how they will be managing the related risks to consumers.[55]

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[53] http://files.consumerfinance.gov/f/201307_cfpb_ecoa_baseline-review-module-fair-lending.pdf.

[54] http://files.consumerfinance.gov/f/201211_cfpb_NSCRA_Bulletin.pdf.

[55] http://files.consumerfinance.gov/f/201302_cfpb_bulletin-on-servicing-transfers.pdf.

SUPERVISORY AUTHORITY RULEMAKINGS

In addition to the supervisory authority granted by the Dodd-Frank Act, the Bureau has the authority to supervise the "larger participant[s]" of markets for other consumer financial products or services, as the Bureau defines by rule. On March 28, 2013, the CFPB proposed a rule defining the "larger participants" of the student loan servicing market that would be subject to the CFPB's supervisory authority.[56]

On July 3, 2013, the CFPB issued a final rule establishing procedures to implement Dodd-Frank Act Section 1024(a)(1)(C). Under this rule, the Bureau may bring under its supervisory authority certain nonbanks the Bureau has reasonable cause to determine are or have engaged in activities posing risks to consumers in connection with the offering or provision of consumer financial products or services.[57]

5.3 Reporting on the Truth in Lending Act and the Electronic Fund Transfer Act

5.3.1 Reporting on TILA and EFTA

Prior to the passage of the Dodd-Frank Act, TILA and EFTA required the Federal Reserve Board to file an annual report to Congress that included a description of the administration of functions under TILA and EFTA, and an assessment of the extent to which compliance with TILA and EFTA had been achieved. On the CFPB's designated transfer date of July 21, 2011, the FRB's responsibility for this report transferred to the CFPB.[58] This part of the CFPB's Semi-Annual Report will provide the information required by TILA and EFTA. First, it describes the Bureau's and other agencies' enforcement efforts and required reimbursements to consumers by supervised institutions, as they relate to TILA and EFTA and their respective implementing

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[56] http://www.gpo.gov/fdsys/pkg/FR-2013-03-28/pdf/2013-06291.pdf.

[57] http://www.gpo.gov/fdsys/pkg/FR-2013-07-03/pdf/2013-15485.pdf.

[58] *See* 15 U.S.C. § 1613 and 15 U.S.C. § 1693p. Because the authorities under the Dodd-Frank Act transferred to the CFPB on July 21, 2011, this report's reporting period is July 21, 2011, through December 31, 2012.

regulations, Regulation Z and Regulation E. Then, the report provides an assessment of the extent of compliance with the provisions of these laws. This TILA and EFTA report covers the period between July 21, 2011 and December 31, 2012.

5.3.2 TILA: Public Enforcement Actions and Reimbursements

The purposes of TILA are: (1) to provide a meaningful disclosure of credit terms to enable consumers to compare the various credit terms available in the marketplace more readily and to avoid the uninformed use of credit; and (2) to protect consumers against inaccurate and unfair credit billing and credit card practices.[59]

The enforcement efforts made, and reimbursements required, by all the agencies assigned enforcement authority under TILA, are discussed in this section.

The agencies charged with enforcement of TILA under section 15 U.S.C. § 1607 include:

- the CFPB;
- the FDIC;
- the OCC;
- the NCUA;
- the FTC;
- the FRB;
- the Department of Transpiration (DOT);
- the Farm Credit Administration; and
- the Grain Inspection, Packers and Stockyards Administration of the Department of Agriculture.

[59] 15 USC § 1601(a).

During the reporting period of July 21, 2011 to December 31, 2012, the following agencies reported several enforcement actions under TILA, including:

TABLE 4: ENFORCEMENT ACTIONS RELATED TO TILA

Agency	Summary
CFPB	Ordered a financial institution to refund consumers for violations that included charging unlawful late fees on certain hybrid charge cards in violation of TILA and Regulation Z.
FDIC	Issued three civil money penalties and 18 Cease & Desist Orders, and took one action requiring TILA restitution.
FRB	Initiated an enforcement action, including a civil money penalty, in part, on the failure to comply with TILA.
OCC	Initiated seven enforcement actions that were based, in part, on the failure to comply with TILA.
DOT	Issued a consent order against an air carrier for failing to provide credit card refunds to customers in violation of Regulation Z.
FTC	Filed complaints against a payday lender and against three automobile dealers, in part, on failure to comply with TILA and Regulation Z.

No other agencies with TILA enforcement authority reported taking any enforcement actions related to TILA during the July 21, 2011 through December 31, 2012 time period.

For TILA and Regulation Z violations found during the July 21, 2011 to December 31, 2012 time period, the FRB, FDIC, and OCC required 192 institutions to reimburse 6,025 consumers approximately $510,000. In addition, as noted in Table 4, the CFPB entered into a consent order with an institution for violations of Federal consumer protection laws, including TILA. The consent order required a refund of an estimated $85 million to approximately 250,000 customers for illegal card practices, including those involving TILA violations.

5.3.3 EFTA: Public Enforcement Actions and Reimbursements

The purpose of EFTA is to provide a basic framework establishing the rights, liabilities, and responsibilities of participants in electronic fund and remittance transfer systems.[60]

The enforcement efforts made, and reimbursements required, by all the agencies assigned enforcement authority under EFTA are discussed in this section. The Bureau will continue to consider the potential benefits and costs to consumers and financial service providers in evaluating new rules under EFTA. The Bureau will also continue to monitor the market and evaluate the adequacy of consumer protection under EFTA.

The agencies charged with enforcement of EFTA under 15 USC § 1693o include:

- the CFPB;
- the DOT;
- the FDIC;
- the FTC;
- the NCUA;
- the OCC;
- the FRB; and
- the Securities and Exchange Commission (SEC).

[60] 15 USC § 1693(b).

During the reporting period of July 21, 2011 to December 31, 2012, the following agencies reported several enforcement actions under EFTA, including:

TABLE 5: ENFORCEMENT ACTIONS RELATED TO EFTA

Agency	Summary
FDIC	Issued seven civil money penalties and 10 Cease & Desist Orders, and took five actions requiring restitution under EFTA.
OCC	Initiated two enforcement actions that were based in part on the failure to comply with EFTA.
FTC	Filed two cases and initiated five enforcement actions involving failure to comply with EFTA; one action resulted in consumer redress.

No other agencies with EFTA enforcement authority reported taking any enforcement actions related to EFTA during the July 21, 2011 through December 31, 2012 time period.

For EFTA and Regulation E violations found during the same time period, the FDIC required five institutions to reimburse 77,574 consumers a total of $12.8 million. In one case involving EFTA and Regulation E violations, the FTC obtained settlements that included $1.5 million for consumer redress.

5.3.4 Assessment of Compliance and Common Violations – TILA and EFTA

The Federal Financial Institution Examination Council (FFIEC) agencies reported overall compliance with TILA, EFTA, and their respective implementing regulations.[61] However, the agencies reported that more institutions were cited for violations of Regulation Z than Regulation E over the reporting period. The following points outline the most frequently cited

[61] Because the FFIEC agencies use different methods to compile the data, the information presented here supports only general conclusions.

violations of Regulation Z and Regulation E reported by the FFIEC agencies for the reporting period.[62]

For the reporting period, the most frequently cited violations of Regulation Z reported by the FFIEC agencies were:

- 12 C.F.R. § 1026.18(b): On a closed-end credit, failure to disclose, or accurately disclose, the amount financed, or failure to include a brief description of the term "amount financed";
- 12 C.F.R. § 1026.18(d): On closed-end credit, failure to disclose, or accurately disclose, the finance charge, using that term, or a brief description of the term "finance charge";
- 12 C.F.R. § 1026.18(m): Failure to disclose the fact that a creditor has or will acquire an interest in property purchased as part of the transaction, or in other property identified by item or type;
- 12 C.F.R. § 1026.19(a)(1): On residential mortgage transactions subject to RESPA, failure to make good faith estimates of the disclosures required by 12 C.F.R. § 1026.18, and to deliver or place them in the mail no later than three business days after receiving the written application;
- 12 C.F.R. § 1026.22(a): Failure to disclose an accurate APR; and
- 12 C.F.R. § 1026.35(b): On higher-priced mortgage loans, failure to escrow for property taxes and insurance.

For the reporting period, the most frequently cited violations of Regulation E reported by the FFIEC agencies were:

- 12 C.F.R. § 1005.11(c): Failure to comply with the time limits and the extent of investigation for resolving errors of electronic fund transfers;
- 12 C.F.R. § 1005.11(d)(1): Failure to provide an adequate written explanation to the consumer when an investigation determines no error or a different error occurred; and
- 12 C.F.R. § 1005.11(d)(2): Failure to notify the consumer that provisional credit has been reversed and honor payments for five business days when an investigation determines no error or a different error occurred.

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[62] Other agencies either do not conduct compliance examinations or reported general compliance for the laws under their jurisdiction.

5.3.5 Outreach Related to TILA and EFTA

The FFIEC agencies issue guidance and examination procedures to assist supervised institutions in complying with the requirements of TILA, EFTA, and their respective implementing regulations. The agencies also provide guidance to industry members on these topics through participation in conferences and outreach events.

In addition, in 2012, the FTC hosted a workshop examining the use of mobile payments in the marketplace and how this emerging technology impacts consumers. Among other topics, the workshop addressed TILA and EFTA issues, including dispute resolution. Also in 2012, the FTC hosted a workshop to consider the need for new guidance for online advertisers. Among the issues discussed was the need for disclosures to be consistent with consumer protection laws (including TILA).

5.4 Information Sharing With State Regulators

The CFPB and the Conference of State Bank Supervisors, acting on behalf of state financial regulatory authorities, agreed to a framework which establishes a process for coordination on supervision and enforcement work. The framework will apply in situations where the CFPB and state regulators share concurrent supervisory jurisdiction. The framework is based on MOUs entered into by the Bureau and 62 state financial regulatory authorities in all 50 states, Puerto Rico, and the District of Columbia, and a corresponding 2012 Statement of Intent issued by the CFPB.[63] The MOUs provide that state regulators and the CFPB will work together to achieve examination efficiencies and to avoid duplication of time and resources expended.

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[63] http://www.consumerfinance.gov/newsroom/consumer-agency-to-partner-with-state-regulators/.

5.5 Examiner Training and Commissioning

The CFPB's Supervision Learning & Development (SL&D) team is responsible for training and commissioning the Bureau's field examination staff. The primary vehicle for commissioning will be SL&D's Examiner Commissioning Program (ECP). When complete, the ECP will include seven instructor led classroom-based courses, as well as formal on-the-job training (OJT) modules, formal learning transfer measures, a rotation assignment, and a comprehensive commissioning exam. Completed and fully-implemented components of the ECP currently include 32 formal OJT modules and the following instructor led classroom-based courses: Excellence through Communication and Collaboration, Operations and Deposits/Prepaid Products, Lending Principles, and Fair Lending Examination Techniques. SL&D is targeting the last quarter of the 2014 calendar year to have all components of the ECP completed and implemented.

Once all parts of the ECP are finished and fully employed, the two paths to examiner commissioning will be through previous commissioning by another federal regulator (as required by the Dodd-Frank Act), and via successful completion of the ECP, including the comprehensive exam. In the meantime, SL&D is currently operating under an Interim Commissioning Policy (ICP), which allows regional directors to submit executive review nomination memos for highly experienced examiners and field managers. In August 2012, 89 field members became CFPB-commissioned examiners based on their prior experience and commissioning at other federal agencies. Since then, the Bureau has commissioned seven additional previously commissioned examiners, as well as one via the ICP process. Before the close of 2013, it is anticipated that approximately 15 to 20 examiners will be commissioned based on previous commissions, while 12 to 15 will be commissioned through the ICP.

5.6 Technology

The Bureau has continued to build out its technology infrastructure in order to supervise covered persons in a data-driven manner.

SUPERVISION AND EXAMINATION SYSTEM

Supervision has begun the development of an improved Supervision and Examination system to aid in supervising and enforcing consumer financial protection laws by utilizing current technology to support the monitoring of bank and nonbank entities, and collaborate across offices to improve the efficiency of the supervisory process. The system will organize CFPB entities and all information related to the supervised entities. Additional functionality necessary to conduct an exam including scheduling, document management, templates and report generation, exam management, and reports and analysis will be included in the system. The management of this project will be delivered following an agile methodology. Additional functionality to address business needs will continuously be delivered and improved as prioritized by the business needs and available technology.

6. Enforcement

The CFPB aims to enforce the consumer protection laws within the Bureau's jurisdiction consistently and to support consumer-protection efforts nationwide by investigating potential violations both independently and in conjunction with other federal and state law enforcement agencies.

6.1 Conducting Investigations

Since the CFPB's launch, the Office of Enforcement has been investigating potential violations of federal consumer financial laws. Some investigations were transferred to the Bureau by the prudential regulators and HUD, and the Bureau initiated other investigations based on potentially problematic practices that Bureau staff identified or consumers and others have reported. Enforcement has focused its investigative resources on violations of law that cause the greatest harm to consumers. The investigations currently underway span the full breadth of the Bureau's enforcement jurisdiction. Further detail about ongoing investigations will not generally be made public by the Bureau until a public enforcement action is filed.

6.2 Public Supervisory and Enforcement Actions

Section 1016(c)(5) of the Dodd-Frank Act requires the Bureau to include in the annual report "a list, with a brief statement of the issues, of the public supervisory and enforcement actions to which the Bureau was a party during the preceding year." The Bureau was a party in 13 such enforcement actions from October 1, 2012 through September 30, 2013, detailed as follows:

In the Matters of: American Express Centurion Bank, et al. (File Nos. 2012-CFPB-0002, 2012-CFPB-0003, and 2012-CFPB-0004) (consent orders entered October 1, 2012).

The CFPB issued consent orders directing three American Express subsidiaries to refund an estimated $85 million to approximately 250,000 customers, and, together with the FDIC, the OCC, and FRB, imposed an additional $27.5 million in civil money penalties. The Utah Department of Financial Institutions (DFI) also took its own enforcement action. The investigation of American Express began after a routine exam by the FDIC and Utah DFI. The FDIC shared the investigation with the CFPB after the CFPB inherited jurisdiction over federal consumer financial laws in July of 2011. The CFPB and its sister regulators determined that the programs of various American Express-related companies violated consumer protection laws, including the CARD Act, ECOA, FCRA, and the prohibition against deceptive practices, at nearly every stage of the consumer experience, by using deceptive marketing and debt collection practices, unlawfully discriminating against new account applicants on the basis of age, failing to report consumer disputes to consumer reporting agencies, and charging unlawful fees.

Consumer Financial Protection Bureau v. Jalan, et al. (C.D. Cal. No. 8:12-cv-02088) (complaint filed December 3, 2012; judgment entered July 23, 2013).

This action involves a nationwide mortgage relief scheme that the CFPB alleges took advantage of financially distressed homeowners. The defendants promised to help those homeowners obtain loan modifications and charged them advance fees ranging from $1,000 to $3,000 or more. The defendants provided consumers with little, if any, meaningful assistance to modify their mortgages. The complaint charged that these practices violated the Dodd-Frank Act and the Mortgage Assistance Relief Services Rule, recodified as Regulation O. On December 4, 2012, at the Bureau's request, the U.S. District Court issued a temporary restraining order, effectively halting the alleged scheme, and the defendants subsequently stipulated to a preliminary injunction that was issued on December 14, 2012. On July 23, 2013, the court issued a default judgment and awarded $2,057,983 in restitution for victims and a total of $1,050,000 in civil money penalties, along with permanent injunctive relief.

Consumer Financial Protection Bureau, et al. v. Payday Loan Debt Solution, Inc. et al. (S.D. Fla. No. 1:12-cv-24410-JEM) (complaint filed December 14, 2012; stipulated judgment and order entered December 20, 2012).

The CFPB, in conjunction with the Attorneys General of New Mexico, North Carolina, North Dakota, and Wisconsin, and the Hawaii Office of Consumer Protection, sued a debt-relief service provider, Payday Loan Debt Solution, Inc., and its president, Sanjeet Parvani, in the United States District Court for the Southern District of Florida. In the stipulated judgment and order, the court found that the defendants had violated the Telemarketing Sales Rule, 16 C.F.R. § 310.4, sections 1031 and 1036 of the Dodd-Frank Act, 12 U.S.C. §§ 5531, 5536, and various state laws, by charging a fee in advance of providing debt-relief services to consumers and failing to obtain requisite state licenses. The order enjoined defendants from committing future violations and required Payday Loan Debt Solution to pay a $5,000 civil penalty and $100,000 in redress to victims. This was the Bureau's first joint enforcement action with states. It obtains significant per capita relief for affected consumers and injunctive relief to ensure future compliance with state and federal consumer financial protection laws.

Consumer Financial Protection Bureau v. Gordon, et al. (C.D. Cal. No. 12-cv-06147) (complaint filed July 18, 2012; stipulated judgment and order entered against various defendants on February 1, 2013; order granting the Bureau's motion for summary judgment against other defendants entered June 26, 2013; appeal pending).

This action involves a nationwide mortgage relief scheme in which the CFPB alleges that the defendants took advantage of financially distressed homeowners by promising to help them obtain loan modifications and charging them advance fees ranging from $2,500 to $4,500. On February 1, 2013, the court entered a Stipulated Final Judgment and Order for Permanent Injunction and Settlement of Claims as to Defendants Abraham Michael Pessar, Division One Investment and Loan, Inc., and Processing Division, LLC. On June 26, 2013, the court granted summary judgment in favor of the CFPB against Defendant Chance Edward Gordon and the Gordon Law Firm, P.C. (collectively, "Gordon"), finding that there is undisputed evidence that those defendants violated the Dodd-Frank Act by: (1) falsely representing that consumers would obtain mortgage loan modifications that substantially reduced consumers' mortgage payments or interest rates; (2) falsely representing that consumers would obtain loan modifications that substantially reduced consumers' mortgage payments as a result of forensic audits conducted by defendants; and (3) falsely representing that defendants were affiliated with, endorsed by, or approved by the United States government. Gordon violated Regulation O by receiving up-front payments, failing to make required disclosures, wrongly directing consumers not to contact lenders, and misrepresenting material aspects of defendants' services. The court awarded an $11,403,338.63 judgment for disgorgement and restitution against Gordon. Gordon filed a notice of appeal of the court's decision on August 23, 2013.

Consumer Financial Protection Bureau v. Mortgage Guaranty Insurance Corp. (S.D. Fla. No. 1:13-cv-21187) (final consent judgment and order entered April 5, 2013);

Consumer Financial Protection Bureau v. Genworth Mortgage Insurance Corp. (S.D. Fla. No. 1:13-cv-21183) (final consent judgment and order entered April 5, 2013); ***Consumer Financial Protection Bureau v. United Guaranty Corp.*** (S.D. Fla. No. 1:13-cv-21189) (final consent judgment and order entered April 8, 2013); ***Consumer Financial Protection Bureau v. Radian Guaranty Inc.*** (S.D. Fla. No. 1:13-cv-21188) (final consent judgment and order entered April 9, 2013).

The CFPB brought enforcement actions against four mortgage insurance companies, after determining that the premiums they had paid to "captive reinsurance" were kickbacks to mortgage lenders prohibited under RESPA. The court entered consent orders against the four companies enjoining them from entering into captive reinsurance agreements for 10 years, assessing penalties totaling $15.4 million, and imposing compliance and reporting obligations.

Consumer Financial Protection Bureau v. Mission Settlement Agency, et al. (S.D.N.Y. No.13-cv-3064) (complaint filed May 7, 2013).

The CFPB filed a complaint in the United States District Court for the Southern District of New York, alleging that the Mission Settlement Agency and its principal, Michael Levitis, routinely charged consumers advance fees before attempting to settle their debts, and engaged in deceptive and unfair practices by, among other things, misleading consumers about the timing and total cost of the fees charged in connection with the debt relief program, as well as misleading consumers into believing Mission was affiliated with the government. The complaint alleged that this conduct violated the Telemarketing Sales Rule and the Dodd-Frank Act. In addition, the complaint charged Premier Consulting Group, the Law Offices of Michael Levitis, and the Law Offices of Michael Lupolover with taking advance fees prior to settling a debt in violation of the Telemarketing Sales Rule. The United States Attorney's Office for the Southern District of New York filed a parallel criminal indictment against Mission Settlement Agency and Michael Levitis alleging conspiracy, mail fraud, and wire fraud, based on the above conduct.

In the Matter of Paul Taylor, Paul Taylor Homes Limited, and Paul Taylor Corp., File No. 2013-CFPB-0001 (May 17, 2013).

The CFPB determined that Paul Taylor and Paul Taylor Homes violated RESPA's prohibition on accepting "fees, kickbacks or other things of value" in exchange for referring customers of settlement services involving federally related mortgage loans. The CFPB issued a consent order requiring Paul Taylor to disgorge $118,194.20. The CFPB also ordered Taylor and his companies to cease and desist from engaging in real estate settlement services or maintaining an ownership interest in any entity that provides or purports to provide real estate settlement services for a period of five years.

Consumer Financial Protection Bureau v. American Debt Settlement Solutions, Inc., et al. (S.D. Fla. No. 9:13-cv-80548) (stipulated final judgment entered June 7, 2013).

The CFPB obtained a stipulated final judgment in federal district court against a Florida debt-relief company, American Debt Settlement Solutions, Inc. (ADSS), and its owner, Michael DiPanni. The CFPB's investigation revealed that ADSS routinely charged consumers advance fees before attempting to settle their debts in violation of the Telemarketing Sales Rule and the Dodd-Frank Act. The investigation also found that ADSS engaged in several deceptive practices and one abusive practice – namely, collecting advance fees from consumers who ADSS knew could not afford to complete the debt-relief program. The court, at the request of the parties, entered a suspended judgment of $499,247.96 in equitable monetary relief against ADSS, imposed a $15,000 civil penalty, and permanently enjoined ADSS and DiPanni from engaging in debt-relief.

In re: 3D Resorts-Bluegrass, LLC (W.D. Ky. Bankruptcy No. 11-41599) (proof of claim filed July 20, 2012); ***In the Matter of: 3D Resorts-Bluegrass, LLC***, File No. 2013-CFPB-0002 (notice of charges filed June 14, 2013).

In the bankruptcy action, the CFPB filed a proof of claim related to potential violations including alleged misrepresentations by a developer/lot seller and others regarding the registration, marketing, and sale of certain lots on a property known as the Green Farms Resort in Grayson and Breckinridge Counties, Kentucky. In the administrative action, the Bureau filed a Notice of Charges against 3D Resorts-Bluegrass alleging a series of violations of the Interstate Land Sales Full Disclosure Act. The Notice of Charges seeks rescission of contracts, restitution, civil money penalties, injunctive relief, and other legal and equitable relief. The parties have agreed to a proposed settlement of this action and have submitted it for the bankruptcy court's approval.

In the Matter of: U.S. Bank National Association, File No. 2013-CFPB-0003; ***In the Matter of: Dealers' Financial Services, Inc.***, File No. 2013-CFPB-0004 (consent orders entered June 27, 2013).

These actions resulted from a CFPB targeted review of the Military Installment Loans and Educational Services (MILES) auto financing program at U.S. Bank and the subsequent, related targeted review of the program at Dealers' Financial Services, Inc. (DFS). The Bureau found U.S.

Bank to have made inaccurate disclosures relating to the required use of military pay allotments to pay off the MILES installment loans. Additionally, U.S. Bank and DFS were found to have deceptively marketed the cost and coverage of certain add-on products sold in connection with the MILES installment loans.

The Bureau issued consent orders requiring U.S. Bank and DFS to provide restitution of approximately $3.2 million and $3.3 million, respectively, to about 50,000 servicemembers. The consent orders also direct both entities to stop requiring servicemembers to repay their auto loans by military pay allotment and to stop their deceptive marketing practices.

Consumer Financial Protection Bureau v. Castle & Cooke Mortgage, LLC, et al. (D. Utah No. 2:13-cv-684DAK) (complaint filed July 23, 2013).

On July 23, 2013, the CFPB filed a complaint in the United States District Court for the District of Utah against Castle & Cooke Mortgage, LLC, and two of its officers, for violating the Loan Originator Compensation rule, record-retention requirements of Regulation Z, and Title X of the Dodd-Frank Act. The complaint was filed after an investigation into the company's compensation practices. The CFPB alleged that the defendants paid bonuses to loan officers who steered consumers into mortgages with higher interest rates. The CFPB also charged the company with failing to keep adequate records for the bonus program. The CFPB is seeking an end to the unlawful compensation practices, restitution for consumers, and civil money penalties. The CFPB is also seeking to ensure that the company maintains adequate records for loan officer compensation.

Consumer Financial Protection Bureau v. Morgan Drexen, Inc., et al. (C.D. Cal. SACV13-01267 JLS) (complaint filed August 20, 2013).

On August 20, 2013, the CFPB filed a lawsuit in federal district court against a Nevada corporation, Morgan Drexen, Inc. ("Morgan Drexen"), and its President and Chief Executive Officer, Walter Ledda. In the complaint, the CFPB alleged that Morgan Drexen and Mr. Ledda have violated the Telemarketing Sales Rule and the Dodd-Frank Act by charging illegal up-front fees for debt-relief services, and falsely representing to consumers that they would become debt free in months if they worked with Morgan Drexen.

In the Matter of: JPMorgan Chase Bank, N.A. and Chase Bank USA, N.A. (File No. 2013-CFPB-0007) (September 19, 2013).

This enforcement action is the result of work started by the OCC, which the Bureau joined last year.The CFPB issued a consent order that found Chase engaged in unfair billing practices for certain credit card “add-on products” by charging consumers for credit-monitoring services that they did not receive. Chase enrolled consumers in credit card add-on products that promised to monitor customer credit and alert consumers to potentially fraudulent activity. Chase, however, charged consumers for these products without or before having the written authorization necessary to perform the monitoring services. The CFPB ordered Chase Bank USA, N.A. and JPMorgan Chase Bank, N.A. to refund an estimated $309 million to more than 2.1 million customers and assessed a $20 million civil money penalty.

7. Fair Lending

As part of its mandate, the CFPB's Office of Fair Lending and Equal Opportunity (Fair Lending) is charged by Congress with "providing oversight and enforcement of Federal laws intended to ensure fair, equitable, and nondiscriminatory access to credit for both individuals and communities" that are enforced by the CFPB, including ECOA and HMDA.[64] This part of Fair Lending's mandate is accomplished primarily through fair lending supervision and enforcement work. Interagency coordination[65] and outreach to industry groups and fair lending, civil rights, consumer and community advocates[66] are also important elements of our mandate. In this update, we focus on highlights from our fair lending supervision and enforcement programs; and continued efforts in interagency coordination and outreach. [67]

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[64] Dodd-Frank Act, § 1013(c)(2)(A).

[65] Dodd-Frank Act, §1013(c)(2)(B).

[66] Dodd-Frank Act, §1013(c)(2)(C).

[67] The CFPB will release its annual Fair Lending Report, pursuant to Section 1013(c)(2)(D) of the Dodd-Frank Act, later in 2013.

7.1 Fair Lending Supervision and Enforcement

7.1.1 Prioritization of Fair Lending Supervision and Enforcement Activities

The CFPB's fair lending risk-based prioritization process enables the Bureau to determine which entities and product types pose the greatest risk of lending discrimination to consumers on a prohibited basis and to dedicate supervisory and/or enforcement resources accordingly.

Fair Lending's risk-based prioritization exercise considers several sources of data. Similar information is available to supervised institutions and should allow them to conduct internal risk assessments as well. In evaluating risk to consumers in order to prioritize fair lending supervision and enforcement resources, the Bureau considers the following factors, which are not listed in order of importance or weight:

- Fair lending complaints and public or private fair lending litigation;
- Information gathered from the Bureau's and other regulators' fair lending supervisory examinations and any resulting enforcement actions;
- Adequacy and quality of an institution's fair lending compliance management program;
- Data analyses that evaluate institution-specific issues, as well as issues across institutions; and
- Insights, information, and research from the Bureau's various Markets teams, which regularly monitor financial markets to identify developments and trends that may pose risk to consumers, as well as other offices in the Bureau.

7.1.2 Fair Lending Supervision

The CFPB's Fair Lending Supervision Program evaluates whether supervised entities are engaging in illegal lending discrimination through reviews or examinations. As part of its Fair Lending Supervision Program, the CFPB conducts three types of fair lending reviews: ECOA Baseline reviews, ECOA Targeted reviews, and HMDA reviews.

The Bureau issued its ECOA Baseline Review Procedures on July 19, 2013. The ECOA Baseline Review Procedures are used by examiners during ECOA Baseline reviews to identify and analyze risks of ECOA violations, to facilitate the identification of certain types of ECOA and Regulation

B violations, and to inform the Fair Lending prioritization process in order to make decisions for future CFPB reviews.

A second type of fair lending review is the ECOA Targeted review. ECOA Targeted reviews include an in-depth look at a specific area of fair lending risk, and are conducted using the ECOA Examination Procedures within the CFPB Supervision and Examination Manual.

A third type of fair lending review is the HMDA review. HMDA Reviews include transactional testing for HMDA data accuracy, and are conducted using the HMDA Examination Procedures within the CFPB Supervision and Examination Manual.

In support of future HMDA reviews, the Bureau intends to issue its HMDA Resubmission Schedule and Guidelines in Fall 2013. The CFPB's HMDA Resubmission Schedule and Guidelines will provide instruction to CFPB examination teams performing HMDA reviews, and will offer guidance for determining when CFPB-supervised financial institutions should correct and resubmit HMDA data because of errors found during examinations.

7.1.3 Fair Lending Enforcement

The CFPB has many tools available to promote fair and nondiscriminatory lending, including the authority to bring enforcement actions pursuant to ECOA and HMDA. Specifically, the CFPB has the ability to conduct investigations, file administrative complaints, and hold hearings and adjudicate claims through the CFPB's administrative enforcement process. The CFPB also has independent litigating authority and can therefore file cases in federal court alleging violations of fair lending laws under the CFPB's jurisdiction. The CFPB will also refer findings of certain ECOA violations to the DOJ.[68]

Pursuant to Section 706(g) of ECOA, the CFPB has referred matters to the DOJ with regard to:

- Discrimination on the basis of marital status in mortgage lending;
- Discrimination on the basis of race and national origin in mortgage lending; and

[68] Pursuant to section 706(g) of ECOA, the CFPB shall refer a matter to the Attorney General whenever the Bureau "has reason to believe that [one] or more creditors has engaged in a pattern or practice of discouraging or denying applications for credit in violation of section [1691(a) of ECOA]." 15 U.S.C. 1691e(g).

- Discrimination on the basis of receipt of public assistance, age, and marital status/sex in unsecured consumer lending.

7.2 Interagency Fair Lending Coordination and Outreach

7.2.1 Interagency Coordination

Fair lending supervision and enforcement requires close partnerships and coordination both within the CFPB as well as among the Bureau's federal and state regulatory and enforcement partners. Fair Lending continues to lead the Bureau's fair lending interagency coordination and collaboration efforts on various fronts and with various partners. For example, the CFPB Fair Lending Director serves as Co-Chair of the Financial Fraud Enforcement Task Force's Non-Discrimination Working Group, which focuses on discrimination in the housing and finance markets. In addition, a Deputy Fair Lending Director chairs the Interagency Task Force on Fair Lending, a group that brings together federal financial regulatory and enforcement agencies for discussion of and coordination on fair lending matters. Fair Lending staff also meet regularly with counterparts at the DOJ, the FTC, HUD, federal financial regulators, and fellow members of the FFIEC, discussing topics related to fair lending supervision, enforcement, and outreach.

On August 6, 2013, the CFPB, along with federal partners from the Financial Fraud Enforcement Task Force's Non Discrimination Working Group, presented a webinar on auto finance. This webinar drew over 1,000 financial institutions and covered fair lending compliance issues in indirect auto finance. This webinar on auto finance is but one example of successful coordination and collaboration with federal regulatory and enforcement partners on pertinent topics in fair lending.

7.2.2 Fair Lending Outreach

The CFPB is committed to communicating directly with industry and fair lending, civil rights, consumer, and community groups on its policies, compliance expectations, and priorities; outreach is accomplished through Compliance Bulletins issued to industry, for example, as well as though speeches and presentations addressing fair lending and access to credit matters.

7.2.3 Compliance Bulletins

The CFPB issued Compliance Bulletin 2013-2 on March 21, 2013 regarding "Indirect Auto Lending and Compliance with the Equal Credit Opportunity Act" (Auto Bulletin). The Auto Bulletin provides guidance about compliance with the fair lending requirements of ECOA and its implementing regulation, Regulation B, to "indirect auto lenders that permit dealers to increase consumer interest rates and that compensate dealers with a share of the increased interest revenues," and applies to all indirect auto lenders, both depository and nondepository institutions, within the CFPB's jurisdiction, regardless of the structure of the entity. The CFPB reiterated its commitment to ensuring that the market for auto lending provides fair, equitable, and nondiscriminatory access to credit for customers.[69]

In Fall 2013, the CFPB intends to issue CFPB Bulletin 2013-11 (Fair Lending), "Home Mortgage Disclosure Act HMDA) and Regulation C – Compliance Management; CFPB HMDA Resubmission Schedule and Guidelines; and HMDA Enforcement." To be released in conjunction with the CFPB's HMDA Resubmission Schedule and Guidelines, discussed above, the Bulletin provides guidance to mortgage lenders under the CFPB's jurisdiction on compliance with HMDA and its implementing regulation, Regulation C. The Bulletin will emphasize the importance of collecting and reporting accurate HMDA data, and highlight common components of effective HMDA compliance management systems. The Bulletin also will announce the CFPB's HMDA Resubmission Schedule and Guidelines. Finally, the Bulletin will discuss factors that the CFPB may consider when evaluating whether to pursue a public HMDA enforcement action.

7.2.4 Speeches and Presentations

CFPB leadership and Fair Lending staff continue to deliver testimony, speeches, panel remarks, and presentations to diverse audiences, including Congressional committee staff, industry, national and state fair lending and fair housing groups, and community and consumer advocates.

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[69] http://files.consumerfinance.gov/f/201303_cfpb_march_-Auto-Finance-Bulletin.pdf.

As Director Cordray said in remarks to the CFPB's Consumer Advisory Board in February of 2013, "[f]or some people, the greatest challenges they face do not come from deceptive materials, debt traps, or market structures, but rather are rooted in something much more basic – unequal, invidious treatment based on characteristics such as race or gender or other bases prohibited by law." As part of the Bureau's continued outreach efforts in fair lending, the opportunities for engagement by both Bureau leadership and staff serve to promote awareness around both the Bureau's compliance expectations as well as the deep, negative impact of unlawful discrimination on consumers.

8. Building a Great Institution: Update

The CFPB seeks to promote transparency, accountability, and fairness. Built on these values, the CFPB is better able to make consumer financial markets work for consumers, honest businesses, and the economy.

8.1 Open Government

A key mission of the CFPB is to make consumer financial products and services more transparent in the consumer marketplace. The CFPB strives to lead by example by being transparent with respect to its own activities. To accomplish this, the Bureau utilizes its website, consumerfinance.gov, as the primary vehicle to share information on the operations and decisions the CFPB undertakes every day.

Recent information posted on our website that illustrates the Bureau's commitment to openness includes:[70]

- **Leadership Calendars**
  The CFPB remains committed to keeping consumers informed about the daily work of the Bureau's senior leadership by sharing their calendars. Presently, the Bureau posts the monthly calendars of Director Richard Cordray and Deputy Director Steven Antonakes to the Bureau's website. The calendars were accessed nearly 5,000 times

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[70] The open government section of the Bureau's website is consumerfinance.gov/open/, and all documents and pages referenced this section may be found there.

during the first six months of 2013. The calendars of past leaders Elizabeth Warren and Raj Date are archived on the Bureau's website for the public to view as well.

- **Budget Updates**
  The CFPB has published regular quarterly budget updates on its website, including financial reports for each quarter of the fiscal year, three fiscal years' worth of funding requests and acknowledgements, and information about the Bureau's Civil Penalty Fund that was created under the Dodd-Frank Act.
- **General Reports**
  The CFPB published the Strategic Plan, Budget, and Performance Plan and Report for Fiscal Year 2014 in April 2013. This report includes, in a streamlined, integrated way, the outcomes the Bureau will work to achieve, the strategies and investments it will make in achieving those outcomes, and the performance measures and targets it will use to evaluate progress. The CFPB also continues to post a variety of reports to illustrate progress in several areas of the Bureau's operations and activities. Recent annual reports were posted to the CFPB's website on the Fair Debt Collection Practices Act, OMWI, and the No FEAR Act. Additionally, the Bureau published information related to senior designations for financial advisors, a white paper on payday loans and deposit advance products, recommendations for supporting the financial education and capability of American youth, a Request for Information regarding the affordability of student loans, feedback from the financial education field, and a study of overdraft programs.[71]
- **Guidance Updates**
  The CFPB periodically provides updates on regulations and guidance. The Bureau recently posted guidance on interim procedures related to TILA and ECOA. Additionally, the Bureau drafted four bulletins on mortgage servicing transfers, indirect auto lending and compliance with the ECOA, the SAFE Act (uniform state test for state-licensed mortgage loan originators), and responsible business conduct.[72] Regulatory implementation information is available to help entities comply with the Dodd-Frank Act mortgage reforms and Bureau rules, which are delivered through downloadable compliance guides and videos. Lastly, the Office of Administrative Adjudication (OAA)

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[71] All reports, white papers, and other informational documents are listed in Appendix E, and also may be found at: http://www.consumerfinance.gov/reports/.

[72] http://www.consumerfinance.gov/guidance/.

posts rules of practice, notices, and dockets for the public to view regarding charges and actions initiated by the CFPB based on alleged violation of federal statutes and regulations.

9. Budget

The Bureau is committed to fulfilling its statutory responsibilities and delivering value to American consumers by being accountable and using our resources wisely and carefully. The CFPB's Operations Division is responsible for coordinating activities related to the development of the CFPB's annual budget. The Office of the Chief Financial Officer within the Division has primary responsibility for developing the budget, and works in close partnership with the Office of Human Capital, the Office of Procurement, the Technology and Innovation team, and other program offices to develop budget and staffing estimates in consideration of statutory requirements, performance goals, and priorities of the Bureau. The CFPB Director ultimately approves the CFPB budget.

9.1 How the CFPB is Funded

The CFPB is funded principally by transfers made by the Board of Governors from the combined earnings of the Federal Reserve System, up to the limits set forth in the Dodd-Frank Act. The Director of the CFPB requests transfers from the Federal Reserve System in amounts that he has determined are reasonably necessary to carry out the Bureau's mission. Annual funding from the Federal Reserve System is capped at a fixed percentage of the total 2009 operating expenses of the Federal Reserve System, equal to:

- 10% of these Federal Reserve System expenses (or approximately $498 million) in fiscal year (FY) 2011;
- 11% of these expenses (or approximately $547.8 million) in FY 2012; and

- 12% of these expenses (or approximately $597.6 million) in FY 2013 and each year thereafter, subject to annual adjustments.[73]

As of June 30, 2013, the CFPB had requested transfers from the Federal Reserve totaling $323.2 million to fund CFPB operations and activities for the first three quarters of FY 2013.[74] These funds are held in an account for the Bureau at the Federal Reserve Bank of New York.

Bureau funds that are not funding current needs of the CFPB are invested in Treasury securities. Earnings from those investments are also deposited into the Bureau's account.[75]

If the authorized transfers from the Federal Reserve are not sufficient in FY 2010-2014, the CFPB has the authority to ask Congress for up to $200 million in additional funds, subject to the appropriations process.[76] The CFPB did not request an appropriation in FY 2011 or FY 2012 and does not plan to request one in FY 2013 or FY 2014.

9.1.1 Fiscal Year 2013 Spending

As of June 30, 2013, the end of the third quarter of FY 2013, the CFPB had spent $307.8 million (including commitments, obligations, and outlays)[77] to carry out the authorities of the Bureau under Federal financial consumer law. Approximately $140.2 million was spent on employee compensation and benefits for the 1,226 CFPB employees who were on-board by the end of the quarter.

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[73] *See* Dodd-Frank Act, Pub. L. No. 111-203, Sec. 1017(a)(2).

[74] The Bureau posts all funding request letters on its website at consumerfinance.gov/budget.

[75] *See* Dodd-Frank Act, Pub. L. No. 111-203, Sec. 1017(b).

[76] *See id.* Sec. 1017(e).

[77] Outlays are payments that result when the CFPB issues checks, disburses cash, or makes electronic transfers of funds to pay off a current fiscal year obligation. A commitment is a reservation of funds in anticipation of a future obligation. An obligation is a transaction or agreement that creates a legal liability and obligates the government to pay for goods and services ordered or received.

In addition to payroll expenses, the largest obligations made through the end of the quarter were related to contractual services. Some of the Bureau's significant obligations that occurred in the first three quarters of FY 2013 included:

- $14.0 million for maintaining ongoing operations of the CFPB's consumer response contact center and enhancements to its case management database;
- $11.6 million for a one-year building occupancy agreement with the OCC;
- $11.2 million to Treasury for various administrative support services, including information technology and human resource systems support;
- $7.5 million to Treasury for cross-servicing of various human resource and financial management services, such as core financial accounting, transaction processing, and reporting, travel and payroll;
- $4.8 million for enterprise-wide cloud hosting infrastructure and system administration support and services;
- $3.6 million to continue implementing a tool capable of reviewing loan and deposit portfolios for compliance with Federal consumer financial laws;
- $3.5 million for facility operation and maintenance costs for CFPB's headquarters building; and
- $3.0 million for a services contract to collect anonymous data from credit card issuers. The data, which exclude any Personally Identifiable Information (PII) in order to maintain the anonymity and protect the privacy of consumers, will be used to monitor conditions in consumer credit markets, to study credit card industry dynamics, to evaluate compliance with consumer laws, and to analyze other issues in support of the Bureau's research, monitoring, and supervision missions.

Table 6 and Table 7 categorize CFPB spending through the third quarter of FY 2013 by expense category and division/program area:

TABLE 6: BREAKS OUT YEAR-TO-DATE SPENDING BY EXPENSE CATEGORY

Expense Category	FY 2013
Personnel Compensation	$104,570,000
Benefit Compensation	35,600,000
Travel	10,059,000
Transportation of Things	119,000
Rents, Communications, Utilities & Misc.	4,363,000
Printing and Reproduction	2,153,000
Other Contractual Services	126,129,000
Supplies & Materials	3,242,000
Equipment	21,514,000
Building Improvements	93,000
Interest and Dividends	2,000
Total (as of 06/30/13)	**$307,844,000**

TABLE 7: BREAKS OUT 2013 YEAR TO DATE SPENDING BY DIVISION/PROGRAM AREA

Division/Program Area	FY 2013
Office of the Director	$3,171,000
Operations	72,506,000
Consumer Education & Engagement	16,349,000
Research, Markets & Regulations	24,599,000
Supervision, Enforcement, Fair Lending	81,126,000
Legal Division	7,420,000
External Affairs	3,393,000
Other Programs[78]	899,000
Centralized Services[79]	98,381,000
Total (as of 06/30/13)	**$307,844,000**

9.1.2 Fiscal Year 2012 Spending

In FY 2012, which ended on September 30, 2012, the CFPB incurred $299.8 million in obligations. Approximately $134 million was spent on employee compensation and benefits for the 970 CFPB employees on-board by September 30, 2012.

In addition to payroll expenses, the largest obligations for FY 2012 were related to other contractual services, such as administrative services provided by other Federal agencies, including Treasury.

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[78] Other Programs comprises the costs of the Office of Ombudsman, Administrative Law Judges, and other CFPB programs.

[79] Centralized services include the cost of certain administrative and operational services provided centrally to other Divisions (e.g., building space, utilities, and IT-related equipment and services).

As required by the Dodd-Frank Act, the CFPB prepared financial statements for FY 2012. The Government Accountability Office (GAO) rendered an unqualified, or “clean” audit opinion on the CFPB’s financial statements. GAO noted no material weaknesses or significant deficiencies in CFPB’s internal controls and cited no instances of noncompliance with laws and regulations. The CFPB financial statements and GAO’s opinion are available in the Financial Report of the CFPB for FY 2012.

Tables 8 and 9 categorize final year-end CPFB spending for FY 2012 by expense category and division/program area.

TABLE 8: TOTAL FY 2012 SPENDING BY EXPENSE CATEGORY

Expense Category	FY 2012 Spending
Personnel Compensation	$99,464,000
Benefit Compensation	34,727,000
Travel	10,117,000
Transportation of Things	166,000
Rents, Communications, Utilities & Misc.	1,514,000
Printing and Reproduction	1,693,000
Other Contractual Services	134,933,000
Supplies & Materials	2,556,000
Equipment	14,590,000
Total (as of 9/30/12)	**$299,760,000**

TABLE 9: TOTAL FY 2012 SPENDING BY DIVISION/PROGRAM AREA

Division/Program Area	FY 2012 Spending
Office of the Director	$3,948,000
Operations	73,895,000
Consumer Education & Engagement	15,036,000
Research, Markets & Regulations	24,838,000
Supervision, Enforcement, Fair Lending	83,027,000
Legal Division	7,821,000
External Affairs	3,773,000
Centralized Services	87,422,000
Total (as of 9/30/12)	**$299,760,000**

Some of the Bureau's significant obligations that occurred during FY 2012 included:

- $19.8 million to Treasury for various administrative support services, including information technology and human resource systems support;
- $14.2 million for occupancy agreements with other federal agencies;
- $10.3 million for project and administrative management, as well as general consulting services, to support the Office of the Chief Information Officer through the end of FY 2013;
- $8.4 million to a contractor for the development and operation of the Consumer Response system;
- $7.6 million to the Bureau of the Public Debt for cross-servicing of various human resource and financial management services, such as core financial accounting, transaction processing and travel;
- $6.8 million to an information technology contractor for project management support services;
- $4.0 million to a contractor for hosting, cloud infrastructure, and system administration services; and

- $3.9 million to a contractor for human resource support services.

9.1.3 Civil Penalty Fund

Pursuant to the Dodd-Frank Act, the CFPB is also authorized to collect and retain for specified purposes civil penalties collected from any person in any judicial or administrative action under federal consumer financial laws.[80] The CFPB generally is authorized to use these funds for payments to victims of activities for which civil penalties have been imposed, and may also use the funds for consumer education and financial literacy programs under certain circumstances. The CFPB maintains a separate account for these funds at the Federal Reserve Bank of New York.

CIVIL PENALTY FUNDS COLLECTED IN FY 2013

In the first quarter of FY 2013, the CFPB settled enforcement actions against three American Express subsidiaries and Payday Loan Debt Solution, Inc. (PLDS). The American Express subsidiaries agreed to pay a total of $14.1 million in civil penalties to CFPB and to provide relief directly to consumers identified in the action. PLDS agreed to pay a total of $5,000 in civil penalties to CFPB, as well as $100,000 in redress for victims.

In the second quarter of FY 2013, the CFPB settled an enforcement action against three defendants in the case of *CFPB v. Gordon, et al*. This resulted in the collection of $1 in civil money penalties, as well as injunctive and other significant relief.

In the third quarter of FY13, CFPB collected a total of $15.4 million in civil money penalties from five defendants through settlements of Bureau enforcement actions. In April 2013, the Bureau settled with four defendants in captive reinsurance cases, collecting $4.5 million from United Guaranty, $4.5 million from Genworth, $2.65 million from Mortgage Guaranty Insurance Corp., and $3.75 million from Radian Guaranty Inc. In June 2013, American Debt Settlement Solutions paid $15,000 in civil penalties.

[80] *See id*. Sec. 1017(d).

CIVIL PENALTY FUNDS ALLOCATED IN FY 2013

Period 1 Allocation: July 21, 2011 – March 31, 2013

The Bureau made its first allocation from the Civil Penalty Fund, in accordance with the Civil Penalty Fund rule, on May 30, 2013.[81]

As of March 31, 2013, the Bureau had received civil money penalties totaling $46.1 million pursuant to seven final orders. Table 10 shows all Civil Penalty Fund deposits made as of the end of the first Civil Penalty Fund allocation period:

TABLE 10: CIVIL PENALTY FUND DEPOSITS AS OF MARCH 31, 2013

Quarter	Defendant	CMP Amount
FY12 Q4	Capital One Bank	$25,000,000
FY12 Q4	Discover	7,000,000
FY13 Q1	American Express Centurion Bank	3,900,000
FY13 Q1	American Express Bank, FSB	1,200,000
FY13 Q1	American Express Travel	9,000,000
FY13 Q1	Payday Loan Debt Solution, Inc.	5,000
FY13 Q2	Abraham M. Pessar	1
	Total Period 1 CMP Collections	**$46,105,001**

Of the amount in the Civil Penalty Fund as of March 31, 2013, $44.5 million was available for allocation under the Civil Penalty Fund rule. Of the cases that concluded as of March 31, 2013,

[81] 12 C.F.R part 1075.

two cases—PLDS and Gordon, *et al*.—had classes of victims with uncompensated harm that is compensable from the Civil Penalty Fund.[82]

After allocating $10.5 million to compensate the victims in the PLDS and Gordon cases, $34.0 million remained available for allocation. Of this figure, the Bureau allocated $13.4 million for consumer education and financial literacy programs.

TABLE 11: PERIOD 1 ALLOCATION SUMMARY

Type	Allocation
Victim Compensation	$10,488,815
Payday Loan Debt Solution, Inc.	
▪ Victim Class Allocation: $488,815	
Gordon, et al.	
▪ Victim Class Allocation: $10,000,000	
Consumer Education and Financial Literacy Programs	$13,380,000
Total Allocation	**$23,868,815**

Additional information on the Civil Penalty Fund may be found at: http://www.consumerfinance.gov/budget/civil-penalty-fund/.

[82] Pursuant to the Civil Penalty Fund Rule, victims' compensable harm is determined by looking to the terms of the relevant court or administrative order. If the amount of a victim's compensable harm cannot be determined based on the terms of the relevant order, the victim's compensable harm generally will be his or her out-of-pocket losses that resulted from the violation. To determine the amount of a victim's uncompensated harm that may be compensated from the Civil Penalty Fund, the Bureau will take the victim's total compensable harm, and subtract out any compensation that the victim has received—or is reasonably expected to receive—for that harm. 12 CFR 1075.104.

10. Diversity and Excellence

10.1 Recruiting and Hiring

The CFPB continues a strategic imperative to recruit and hire highly qualified individuals, focusing on filling vacancies at its headquarters in Washington, DC, and in its examiner workforce distributed across the country. The Bureau's examiners are organized by regions and anchored by key strategic satellite offices in three of the nation's financial hubs – Chicago, IL; New York, NY; and San Francisco, CA; and the fourth regional team of examiners is anchored in Washington, DC. As of September 21, 2013, there were 1,355 staff on-board and working to carry out the CFPB's mission.

As the CFPB continues to meet current and future staffing requirements, the Bureau will implement a continuously evolving strategic talent acquisition plan. The purpose of this plan is to engage a pipeline of diverse candidates for the current and future personnel needs of the CFPB through the following methods:

10.1.1 Becoming an Employer of Choice

The CFPB has hired inspired, goal-oriented professionals who derive intrinsic value from professional accomplishment. This high-caliber workforce supports the CFPB in attracting high-performing public-service-minded professionals. The CFPB's brand as an agency that protects consumers directly reinforces the Bureau's brand as an employer. As awareness of the Bureau and its good work become prevalent, the image of the CFPB as a great place to work will also be enhanced.

10.1.2 Recruit the Best from All Corners of America

The Bureau is committed to hiring highly qualified individuals into all positions. In addition to utilizing USA Jobs and the posting of job announcements on the CFPB website, the Bureau achieves its hiring goals through:

- Broad-based marketing, reaching potential applicants where they are via print, email, events, advertisements, search engines, and other internet technologies;
- Engaging existing staff and providing them with the tools, messages, and resources to reach out to their own professional networks;
- Leveraging social media to maximize engagement while minimizing cost per applicant; and
- Managing existing relationships with thousands of potential employees through the use of technology.

10.1.3 Build a Diverse and Inclusive Workforce

Diversity is a keystone of the Bureau's hiring philosophy. By targeting diverse and specialized candidate pools, the Bureau is able to hire an innovative, professional, and productive workforce that reflects the background of all consumers we serve.

10.1.4 Enhance the Candidate Experience

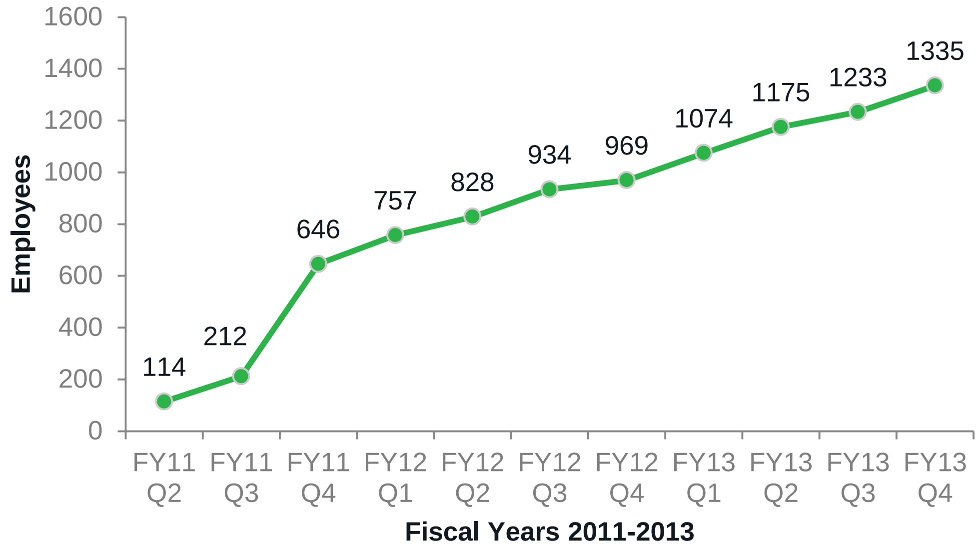
The CFPB seeks to enhance the job applicant experience by providing clear, valuable information about the hiring process through its jobs website. Leveraging the Bureau's website provides candidates with tools, resources, and information to fully understand the hiring process.

The CFPB is developing a strategic roadmap for the consumerfinance.gov/jobs platform to outline the opportunities, objectives, and vision for future enhancements to the site. The Bureau is committed to providing the best possible candidate experience within the Federal hiring process.

10.1.5 Be an Agency of Top-Tier Development Programs

By effectively leveraging the Pathways program and other hiring flexibilities, the Bureau will continue to develop robust talent pipelines for mission-critical occupations, thereby ensuing future succession planning needs can be met without compromising the quality of potential employees. Through these developmental programs, employees gain unique opportunities for education, mentorship, and exposure to the Federal job market, while providing the CFPB the option to convert the highest-caliber talent from schools all over the U.S. to full-time employment.

FIGURE 9: QUARTERLY GROWTH OF CFPB POSITIONS FILLED THROUGH SEPTEMBER 21, 2013



10.2 Staff Education, Training and Engagement

Since its creation, the CFPB has focused on strong engagement with existing and potential Bureau staff, successfully utilizing education, training, and engagement programs. As the CFPB matures, it has increased both the reach and depth of these programs.

Examples from April 2013 through September 2013 include:

- Achieved the CFPB's first annualized cycle for mandatory compliance training;
- Launched two year program requiring all supervisors and managers to attend basic managerial training;
- Launched organizational development and coaching services;

- Facilitated issues identification and problem-solving meetings in Supervision regional meetings;
- Re-launched the "Culture Team", which engages non-supervisory personnel in peer to peer learning and mission-reinforcing activities;
- Offered 25 Lunch and Learn educational sessions on topics of cross-functional interest;
- Delivered 75 hours of educational briefing and consultations on performance management processes and outcomes; and
- Launched a competency development project to inform revised standards for performance management, leadership development, individual development planning, and employee selection.

In addition, the Bureau is working to identify, cultivate, and sustain a diverse workforce and inclusive work environment. The Bureau is committed to a culture that encourages collaboration and fairness, and leverages diversity throughout the organization so that all individuals are equipped to Serve, Lead, and Innovate.

10.3 Diversity

Diversity has been a cornerstone of the CFPB's foundation, its strategic workforce planning programs, and its contracting since its establishment. In January 2012, the Bureau formally established the Office of Minority and Women Inclusion (OMWI) to ensure that inclusion continues to inform its work.

OMWI focuses on developing and refining standards for:

- Equal employment opportunity, workforce diversity, and inclusion at all levels of the Bureau;
- Increased participation of minority-owned and women-owned businesses in the CFPB's programs and contracts; and
- Assessing the diversity policies and practices of entities that the CFPB regulates.

10.3.1 Diversity in the CFPB's Workforce

As of September 21, 2013, the CFPB's workforce is 47% women and 53% men. Minorities comprise 34% of the CFPB workforce.

FIGURE 10: BUREAU-WIDE GENDER AND MINORITY STATISTICS TO FIRREA COMPARISONS

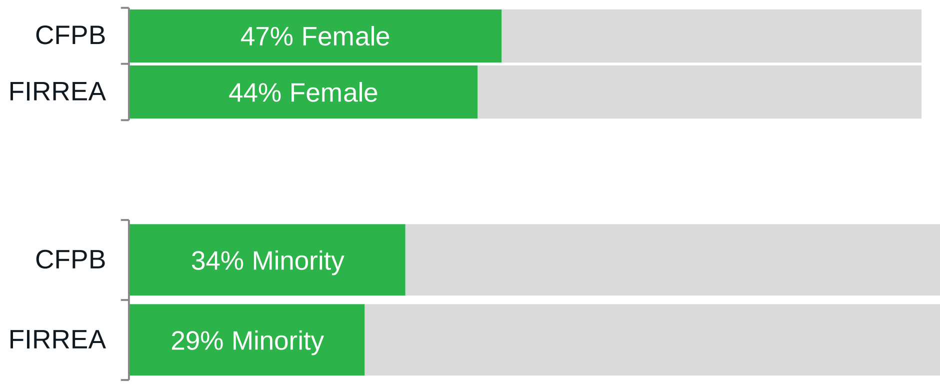


Figure 10 compares CFPB's workforce to the FIRREA community with respect to diversity by gender, race, and ethnicity.[83]

10.3.2 OMWI's Role at the CFPB

OMWI helps all parts of the Bureau bring diverse perspectives to their work by ensuring that the talents of all employees are maximized and that inclusion strategies are incorporated into the policies, practices and training at the Bureau. OMWI promotes inclusive hiring practices as well as inclusive contracting practices at the Bureau. On March 29, 2013, OMWI transmitted its annual report to Congress, highlighting its accomplishments during 2012.[84]

INCLUSION

The CFPB is committed to fostering an environment in which every individual has an opportunity to excel and contribute to the mission and goals of the Bureau. OMWI plans to optimize training and education to enhance diversity management and leadership skill sets. OMWI is working on the establishment of a diversity council of employees to complement

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[83] FIRREA numbers as of March 2013. Figure 10 compares the CFPB with other FIRREA agencies with respect to the percentage of women and racial and ethnic minorities in the workforce.

[84] http://files.consumerfinance.gov/f/201303_cfpb_OMWIAnnualReport-to-Congress.pdf.

existing communication channels including focus groups and surveys to improve workforce cultural climate.

OMWI has begun to provide training to Bureau employees to expand awareness, knowledge and cultural competencies that aid in the understanding of a diverse workforce and its value to the CFPB mission. The office is working on a mentoring program to equip employees with the tools necessary to navigate their career path. To further support this effort, OMWI is collaborating with OHC and division heads to promote policies, practices, and procedures to ensure that all employees are developed to their maximum potential. This is accomplished through a comprehensive workforce planning strategy centered around training and developmental opportunities, performance management, rotations, lateral moves, and details that enhance the skills and key competencies necessary for advancement and success. OMWI works closely with OHC, the Office of Equal Employment Opportunity (OEEO), and department heads in analyzing annual employee survey results, exit interview trends, and workforce analytics to determine retention issues and areas of opportunity to maintain and grow an inclusive workforce at the CFPB.

EMPLOYMENT

OMWI is responsible for promoting diverse and inclusive hiring practices at the Bureau. OMWI continues to collaborate with OHC by participating at recruitment and outreach events in order to attract a diverse pool of qualified candidates emphasizing diversity from a wide range of American society. OMWI is assisting with the development of internal systems and processes that support the capability to attract applicants and ensure that the CFPB has the benefit of a diverse and qualified pool of candidates for all job openings. OMWI has developed strategic partnerships with colleges, universities, professional organizations and affinity groups, and is working with hiring managers at the CFPB to create internship opportunities and entry-level positions that target diverse groups of students around the country. The Bureau has conducted extensive outreach to various organizations and formulated partnerships that we believe will connect us to a diverse applicant pool.

OMWI is also collaborating with OHC and OEEO to develop tools to monitor and analyze the diversity of applicants and hires. OMWI is involved in developing applicant assessment processes, including exploring the use of methods that will enhance the qualifications review process. We have formulated internal working groups that include members from each office to address specific areas for potential growth.

DIVERSITY AND INCLUSION AT REGULATED ENTITIES

Under the Dodd-Frank Act, OMWI is required to create standards for assessing the diversity and inclusion policies and practices of the entities regulated by the CFPB. OMWI continues to coordinate with fellow OMWI Directors at the FDIC, Federal Reserve, NCUA, OCC, and SEC to develop draft standards, which is expected to be published in Fall 2013 to receive public comment and feedback.

PROCUREMENT

OMWI and the Bureau's Procurement Office (Procurement) are committed to including women, minorities and small businesses in contracting opportunities fairly.

OMWI has joined the OMWI Supplier Diversity Working Group, which consists of supplier diversity personnel from all of the FIRREA agencies. The members share best practices and are in the planning stage for future collaborative opportunities including joint advertising at upcoming outreach events.

Procurement is currently measuring obligations for certain small business contracts awarded to minority-owned small disadvantaged businesses and women-owned small businesses. As of the end of the third quarter in FY 2013[85], the Bureau awarded 41% of contract dollars to small businesses.[86] As shown in Table 12, of the total contract dollars awarded in FY 2013, 12%[87] went to small disadvantaged businesses. Additionally, 14%[88] of total contract dollars went to woman-owned small businesses.

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[85] Data source is from the Federal Procurement Data System (FPDS) for FY 2013 through June 30, 2013. FPDS data is subject to an OMB annual validation each January for the previous fiscal year.

[86] Approximately $21 million.

[87] Approximately $6 million.

[88] Approximately $7 million.

TABLE 12: CONTRACT DOLLARS AWARDED TO SMALL BUSINESS BY TYPE

	Obligated dollars*
Small Business	$21,000,000
Small disadvantaged business	6,000,000
Woman-owned small business	7,000,000
Service disabled veteran owned small business	3,000,000
HubZone small business	2,000,000

*Dollars may apply to multiple socio-economic categories.

Coordinating with OMWI, Procurement has developed an external website presence with a forecast of procurement opportunities, in addition to a direct Procurement email address that has fostered excellent communication between the office and potential small business vendors. Many small minority-owned and women-owned businesses may find trying to do business with the Federal Government difficult and unclear. In an effort to increase transparency and enhance understanding, OMWI and Procurement recently released a guide for small businesses doing business with the CFPB, and also held their first Small Business Fair over the summer.[89] With over 100 firms in attendance, participants were able to hear presentations and ask questions of various targeted program offices. There are plans to hold similar events on a regular basis. The two offices have also extended outreach efforts both locally and nationally, including the Federal Reserve Board's Vendor Outreach Event, the 23rd Annual Government Procurement Conference, and the Women's Business Enterprise National Council Annual Conference.

EXTERNAL AFFAIRS AND COMMUNICATION

In collaboration with External Affairs, OMWI conducts outreach to consumer groups, advocacy organizations, and other stakeholders to develop strong and productive partnerships. These meetings serve as forums to discuss concerns and issues such as those related to minority and women-owned business contracting opportunities with the Bureau, as well as opportunities

[89] The Small Business Fair was hosted on June 25, 2013 at CFPB headquarters in Washington, DC.

within the regulated entities. OMWI and Procurement will continue to develop productive relationships with the representatives of the communities that we serve.

APPENDIX A:

More about the CFPB

GENERAL INFORMATION:

Email Address: info@consumerfinance.gov

Phone Number: (202) 435-7000

Mailing Address:
Consumer Financial Protection Bureau
ATTN: Employee Name, Division, and/or Office Number
1700 G Street, NW
Washington, DC 20552

CONSUMER RESPONSE:

Hours of Operation: 8 am - 8 pm EST

Toll Free Number: (855) 411-CFPB (2372)
Español: (855) 411-CFPB (2372)
TTY/TDD: (855) 729-CFPB (2372)
Fax Number: (855) 237-2392

MAILING ADDRESS:

Consumer Financial Protection Bureau
PO Box 4503
Iowa City, Iowa 52244

WHISTLEBLOWERS:

Email: whistleblower@consumerfinance.gov
Toll Free Number: 855-695-7974

PRESS & MEDIA REQUESTS:

Email: press@consumerfinance.gov

OFFICE OF LEGISLATIVE AFFAIRS:

Legislative Affairs: 202-435-7960

CFPB OMBUDSMAN'S OFFICE:

Email: CFPBOmbudsman@cfpb.gov

Webpage: consumerfinance.gov/ombudsman

Toll Free Number: (855) 830-7880

Fax Number: (202) 435-7888

APPENDIX B:

Statutory Reporting Requirements

This Appendix provides a guide to the Bureau's response to the reporting requirements of Section 1016(c) of the Dodd-Frank Act. The sections of the report identified below respond to Section 1016(c)'s requirements.

Statutory Subsection	Reporting Requirement	Section	Page
1	A discussion of the significant problems faced by consumers in shopping for or obtaining consumer financial products or services	Consumer Challenges in Obtaining Financial Products and Services – Shopping Challenges	38-40
2	A justification of the Bureau's budget request for the previous year	Building a Great Institution: Update – Budget; Appendix H – Financial and Budget Reports	95-104 141-42
3	A list of significant rules and orders adopted by the Bureau, as well as other significant initiatives conducted by the Bureau, during the preceding year, and the plan of the Bureau for rules, orders, or other initiatives to be undertaken during the upcoming period	Appendix C – Significant Rules, Orders, and Initiatives	118-30
4	An analysis of complaints about consumer financial products or services that the Bureau has received and collected in its central database on complaints during the preceding year	Consumer Challenges in Obtaining Financial Products and Services – Consumer Concerns	13-38

5	A list, with a brief statement of the issues, of the public supervisory and enforcement actions to which the Bureau was a party during the preceding year	Public Supervisory and Enforcement Actions	79-85
6	The actions taken regarding rules, orders, and supervisory actions with respect to covered persons which are not credit unions or depository institutions	Appendix D – Actions Taken Regarding Rules, Orders, and Supervisory Actions with Respect to Covered Persons Which Are Not Credit Unions or Depository Institutions	131-33
7	An assessment of significant actions by State attorneys general or State regulators relating to Federal consumer financial law	N/A[90]	N/A
8	An analysis of the Bureau's efforts to fulfill its fair lending mission	Delivering for American Consumers and Leveling the Playing Field – Fair Lending	86-91
9	An analysis of the Bureau's efforts to increase workforce and contracting diversity consistent with the procedures established by OMWI	Building a Great Institution: Update – Diversity and Excellence	105-13

[90] The Bureau has not learned of any such actions that have been filed between October 1, 2012 and September 30, 2013. For a discussion of actions that the Bureau conducted jointly with State agencies, please see Section 6.2 of this report.

APPENDIX C:

Significant Rules, Orders, and Initiatives[91]

Section 1016(c)(3) requires "a list of significant rules and orders adopted by the Bureau, as well as other significant initiatives conducted by the Bureau, during the preceding year and the plan of the Bureau for rules, orders or other initiatives to be undertaken during the upcoming period."

Below is a list of rules and other initiatives that the Bureau proposed, adopted or finalized during the preceding year.[92] Rather than limiting the list to significant items, the Bureau has, in order to be transparent and provide complete information about its activities, included a more expansive set of rules and initiatives:[93]

- Interim final rule with request for public comment: Rules of Practice for Issuance of Temporary Cease-and-Desist Orders;[94]
- Final rule: Amendments to the 2013 Mortgage Rules under the Equal Credit Opportunity Act (Regulation B), Real Estate Settlement Procedures Act (Regulation X), and the Truth in Lending Act (Regulation Z);[95]

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[91] Many links in this section are to documents published in the *Federal Register*. However, links to final rules, proposed rules and guidance documents may also be found on the CFPB's website, consumerfinance.gov/regulations/.

[92] The preceding year is defined as October 1, 2012 through September 30, 2013.

[93] To better inform the public, this Appendix contains a discussion of a broad range of rulemakings, orders, and initiatives, which may not be defined as "significant" for other purposes.

[94] This interim final rule is listed as 12 CFR Part 1081, Docket CFPB-2013-0030, was published in the *Federal Register* on September 26, 2013. http://www.gpo.gov/fdsys/pkg/FR-2013-09-26/pdf/2013-23229.pdf.

- Notice of Ratification;[96]
- Final rule: Electronic Fund Transfers (Regulation E); Correction;[97]
- Proposed rule with request for public comment: Appraisals for Higher-Priced Mortgage Loans;[98]
- Final rule: Claims Under the Federal Tort Claims Act for Loss of or Damage to Property or for Personal Injury or Death;[99]
- Correction: Amendments to the 2013 Mortgage Rules Under the Real Estate Settlement Procedure Act (Regulation X) and the Truth in Lending Act (Regulation Z);[100]
- Final rule: Amendments to the 2013 Mortgage Rules Under the Real Estate Settlement Procedure Act (Regulation X) and the Truth in Lending Act (Regulation Z);[101]
- Final rule: Procedures for Bureau Debt Collection;[102]
- Final rule: Procedural Rule to Establish Supervisory Authority Over Certain Nonbank Covered Persons Based on Risk Determination;[103]

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[95] The date listed for this particular rule is the date on which the Bureau issued the final rule on consumerfinance.gov; the rule was published in the *Federal Register* after September 30, 2013, and thus was outside the timeframe of this report. http://files.consumerfinance.gov/f/201309_cfpb_titlexiv_updates.pdf.

[96] This notice was published in the *Federal Register* on August 30, 2013. http://www.gpo.gov/fdsys/pkg/FR-2013-08-30/pdf/2013-21275.pdf.

[97] The final rule is listed as 12 CFR Part 1005, Docket CFPB-2012-0050, and was published in the *Federal Register* on May 22, 2013. http://www.gpo.gov/fdsys/pkg/FR-2013-05-22/pdf/2013-10604.pdf. The correction was published in the *Federal Register* on August 14, 2013. http://www.gpo.gov/fdsys/pkg/FR-2013-08-14/pdf/2013-19503.pdf.

[98] This proposed rule with request for public comment is listed as 12 CFR Part 1026, Docket CFPB-2013-0020, and was published in the *Federal Register* on August 8, 2013. http://www.gpo.gov/fdsys/pkg/FR-2013-08-08/pdf/2013-17086.pdf.

[99] This final rule is listed as 12 CFR Part 1076 and was published in the *Federal Register* on August 5, 2013. http://www.gpo.gov/fdsys/pkg/FR-2013-08-05/pdf/2013-18844.pdf.

[100] This correction is listed as 12 CFR Parts 1024 and 1026 was published in the *Federal Register* on July 30, 2013. http://www.gpo.gov/fdsys/pkg/FR-2013-07-30/pdf/C1-2013-16962.pdf.

[101] This final rule is listed as 12 CFR Parts 1024 and 1026, Docket CFPB-2013-0010 and was published in the *Federal Register* on July 24, 2013. http://www.gpo.gov/fdsys/pkg/FR-2013-07-24/pdf/2013-16962.pdf.

[102] This final rule is listed as 12 CFR Part 1073, Docket CFPB-2013-0021 and was published in the *Federal Register* on July 11, 2013. http://www.gpo.gov/fdsys/pkg/FR-2013-07-11/pdf/2013-16470.pdf.

- Proposed rule with request for public comment: Amendments to the 2013 Mortgage Rules Under the Equal Credit Opportunity Act (Regulation B), Real Estate Settlement Procedures Act (Regulation X), and the Truth in Lending Act (Regulation Z);[104]
- Final rule: Ability-to-Repay and Qualified Mortgage Standards Under the Truth in Lending Act (Regulation Z);[105]
- Final rule: Loan Originator Compensation Requirements Under the Truth in Lending Act (Regulation Z); Prohibition on Financing Credit Insurance Premiums; Delay of Effective Date;[106]
- Final rule: Amendments to the 2013 Escrows Final Rule under the Truth in Lending Act (Regulation Z);[107]
- Final rule: Electronic Fund Transfers (Regulation E);[108]
- Proposed rule with request for public comment: Loan Originator Compensation Requirements Under the Truth In Lending Act (Regulation Z); Prohibition on Financing Credit Insurance Premiums; Delay of Effective Date;[109]

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[103] This final rule is listed as 12 CFR Part 1091 and was published in the *Federal Register* on July 3, 2013. http://www.gpo.gov/fdsys/pkg/FR-2013-07-03/pdf/2013-15485.pdf.

[104] This proposed rule with request for public comment is listed as 12 CFR Parts 1002, 1024, and 1026, Docket CFPB-2013-0018 and was published in the *Federal Register* on July 2, 2013. http://www.gpo.gov/fdsys/pkg/FR-2013-06-07/pdf/2013-13490.pdf.

[105] The final rule is listed as 12 CFR Part 1026, Docket CFPB-2012-0022 and was published in the *Federal Register* on January 30, 2013. http://www.gpo.gov/fdsys/pkg/FR-2013-01-30/pdf/2013-00736.pdf. Subsequently, the Bureau proposed amendments to the final rule in April 2013, as Docket CFPB-2013-0002. http://files.consumerfinance.gov/f/201301_cfpb_concurrent-proposal_ability-to-repay.pdf. Finally, the Bureau published the final rule amending certain provisions of the January 30, 2013 final rule in the *Federal Register* on June 12, 2013. http://www.gpo.gov/fdsys/pkg/FR-2013-06-12/pdf/2013-13173.pdf.

[106] This final rule is listed as 12 CFR Part 1026, Docket CFPB-2013-0013 and was published in the *Federal Register* on May 31, 2013. http://www.gpo.gov/fdsys/pkg/FR-2013-05-31/pdf/2013-13023.pdf.

[107] This final rule is listed as 12 CFR Part 1026, Docket CFPB-2013-0009 and was published in the *Federal Register* on May 23, 2013. http://www.gpo.gov/fdsys/pkg/FR-2013-05-23/pdf/2013-12125.pdf.

[108] This final rule is listed as 12 CFR Part 1005, Docket CFPB-2012-0050 and was published in the *Federal Register* on May 22, 2013. http://www.gpo.gov/fdsys/pkg/FR-2013-05-22/pdf/2013-10604.pdf.

[109] This proposed rule with request for public comment is listed as 12 CFR Part 1026, Docket CFPB-2013-0013 and was published in the *Federal Register* on May 10, 2013. http://www.gpo.gov/fdsys/pkg/FR-2013-05-10/pdf/2013-11223.pdf.

- Final rule: Consumer Financial Civil Penalty Fund;[110]
- Proposed rule with request for public comment: Consumer Financial Civil Penalty Fund;[111]
- Final rule: Truth in Lending (Regulation Z);[112]
- Proposed rule with request for public comment: Amendments to the 2013 Mortgage Rules Under the Real Estate Settlement Procedure Act (Regulation X) and the Truth in Lending Act (Regulation Z);[113]
- Proposed rule with request for public comment: Amendments to the 2013 Escrows Final Rule Under the Truth in Lending Act (Regulation Z);[114]
- Final policy statement: Disclosure of Consumer Complaint Data;[115]
- Final rule: Truth in Lending (Regulation Z);[116]
- Proposed rule with request for public comment: Defining Larger Participants of the Student Loan Servicing Market;[117]

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[110] This final rule is listed as 12 CFR Part 1075, Docket CFPB-2013-0011 and was published in the *Federal Register* on May 7, 2013. http://www.gpo.gov/fdsys/pkg/FR-2013-05-07/pdf/2013-10320.pdf.

[111] This proposed rule with request for public comment is listed as 12 CFR Part 1075 and was published in the *Federal Register* on May 7, 2013. http://www.gpo.gov/fdsys/pkg/FR-2013-05-07/pdf/2013-10318.pdf.

[112] This final rule is listed as 12 CFR Part 1026, Docket CFPB-2012-0039 and was published in the *Federal Register* on May 3, 2013. http://www.gpo.gov/fdsys/pkg/FR-2013-05-03/pdf/2013-10429.pdf .

[113] This proposed rule with request for public comment is listed as 12 CFR Parts 1024 and 1026, Docket CFPB-2013-0010 and was published in the *Federal Register* on May 2, 2013. http://www.gpo.gov/fdsys/pkg/FR-2013-05-02/pdf/2013-09750.pdf.

[114] This proposed rule with request for public comment is listed as 12 CFR Part 1026, Docket CFPB-2013-0009 and was published in the *Federal Register* on April 18, 2013. http://www.gpo.gov/fdsys/pkg/FR-2013-04-18/pdf/2013-09058.pdf.

[115] This final policy statement is listed as 12 CFR Chapter X, Docket CFPB-2012-0023 and was published in the *Federal Register* on April 10, 2013. http://www.gpo.gov/fdsys/pkg/FR-2013-04-10/pdf/2013-07569.pdf.

[116] This final rule is listed as 12 CFR Part 1026, Docket CFPB-2012-0015 and was published the *Federal Register* on March 28, 2013. http://www.gpo.gov/fdsys/pkg/FR-2013-03-28/pdf/2013-07066.pdf.

[117] This proposed rule with request for public comment is listed as 12 CFR Part 1090, Docket CFPB-2013-0005 and was published in the *Federal Register* on March 28, 2013. http://www.gpo.gov/fdsys/pkg/FR-2013-03-28/pdf/2013-06291.pdf.

- Final rule: Disclosures at Automated Teller Machines (Regulation E);[118]
- Final rule: Loan Originator Compensation Requirements Under the Truth in Lending Act;[119]
- Final rule: Disclosure of Records and Information;[120]
- Final rule: Mortgage Servicing Rules Under the Real Estate Settlement Procedures Act (Regulation X);[121]
- Final rule: Mortgage Servicing Rules Under the Truth in Lending Act (Regulation Z);[122]
- Final rule: Appraisals for Higher-Priced Mortgage Loans;[123]
- Final rule: High-Cost Mortgage and Homeownership Counseling Amendments to the Truth in Lending Act (Regulation Z) and Homeownership Counseling Amendments to the Real Estate Settlement Procedures Act (Regulation X);[124]
- Final rule: Disclosure and Delivery Requirements for Copies of Appraisals and Other Written Valuations Under the Equal Credit Opportunity Act (Regulation B);[125]
- Proposed rule with request for public comment: Ability to Repay Standards Under the Truth in Lending Act;[126]

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[118] This final rule is listed as 12 CFR Part 1005, Docket CFPB-2013-0006 and was published in the *Federal Register* on March 26, 2013. http://www.gpo.gov/fdsys/pkg/FR-2013-03-26/pdf/2013-06861.pdf.

[119] This final rule is listed as 12 CFR Part 1026, Docket CFPB-2012-0037 and was published in the *Federal Register* on February 15, 2013. http://www.gpo.gov/fdsys/pkg/FR-2013-02-15/pdf/2013-01503.pdf.

[120] This final rule is listed as 12 CFR Part 1070, Docket CFPB-2011-0003 and was published in the *Federal Register* on February 15, 2013. http://www.gpo.gov/fdsys/pkg/FR-2013-02-15/pdf/2013-01737.pdf.

[121] This final rule is listed as 12 CFR Part 1024, Docket CFPB-2012-0034 and was published in the *Federal Register* on February 14, 2013. http://www.gpo.gov/fdsys/pkg/FR-2013-02-14/pdf/2013-01248.pdf.

[122] This final rule is listed as 12 CFR Part 1026, Docket CFPB-2012-0033 and was published in the *Federal Register* on February 14, 2013. http://www.gpo.gov/fdsys/pkg/FR-2013-02-14/pdf/2013-01241.pdf

[123] This final rule is listed as 12 CFR Part 1026, Docket CFPB-2012-0031 and was published in the *Federal Register* on February 13, 2013. http://www.gpo.gov/fdsys/pkg/FR-2013-02-13/pdf/2013-01809.pdf.

[124] This final rule is listed as 12 CFR Parts 1024 and 1026, Docket CFPB-2012-0029 and was published in the *Federal Register* on January 31, 2013. http://www.gpo.gov/fdsys/pkg/FR-2013-01-31/pdf/2013-00740.pdf.

[125] This final rule is listed as 12 CFR Part 1002, Docket CFPB-2012-0032 and was published in the *Federal Register* on January 31, 2013. http://www.gpo.gov/fdsys/pkg/FR-2013-01-31/pdf/2013-01384.pdf.

- Final rule: Ability-to-Repay and Qualified Mortgage Standards Under the Truth in Lending Act (Regulation Z);[127]
- Final rule: Electronic Fund Transfers (Regulation E) Temporary Delay of Effective Date;[128]
- Final rule: Escrow Requirements Under the Truth in Lending Act (Regulation Z);[129]
- Proposed rule with request for public comment: Electronic Fund Transfers (Regulation E);[130]
- Final rule: Home Mortgage Disclosure (Regulation C): Adjustment To Asset-Size Exemption Threshold;[131]
- Final rule: Procedure Related to Rulemaking;[132]
- Notice: Fair Credit Reporting Act Disclosures;[133]
- Proposed rule with request for public comment: Policy to Encourage Trial Disclosure Programs;[134]

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[126] This proposed rule with request for public comment is listed as 12 CFR Part 1026, Docket CFPB-2013-0002 and was published in the *Federal Register* on January 30, 2013. http://www.gpo.gov/fdsys/pkg/FR-2013-01-30/pdf/2013-00739.pdf.

[127] This final rule is listed as 12 CFR Part 1026, Docket CFPB-2011-0008 and CFPB-2012-0022 and was published in the *Federal Register* on January 30, 2013. http://www.gpo.gov/fdsys/pkg/FR-2013-01-30/pdf/2013-00736.pdf.

[128] This final rule is listed as 12 CFR Part 1005, Docket CFPB-2012-0050 and was published in the *Federal Register* on January 29, 2013. http://www.gpo.gov/fdsys/pkg/FR-2013-01-29/pdf/2013-01595.pdf.

[129] This final rule is listed as 12 CFR Part 1026, Docket CFPB-2013-0001 and was published in the *Federal Register* on January 22, 2013. http://www.gpo.gov/fdsys/pkg/FR-2013-01-22/pdf/2013-00734.pdf.

[130] This proposed rule with request for public comment is listed as 12 CFR Part 1005, Docket CFPB-2012-0050 and was published in the *Federal Register* on December 31, 2012. http://www.gpo.gov/fdsys/pkg/FR-2012-12-31/pdf/2012-31170.pdf.

[131] This final rule is listed as 12 CFR Part 1003, Docket CFPB-2012-0049 and was published in the *Federal Register* on December 31, 2012. http://www.gpo.gov/fdsys/pkg/FR-2012-12-31/pdf/2012-31311.pdf.

[132] This final rule is listed as 12 CFR Part 1074, Docket CFPB-2012-0051 and was published in the *Federal Register* on December 28, 2012. http://www.gpo.gov/fdsys/pkg/FR-2012-12-28/pdf/2012-31310.pdf.

[133] This notice is listed as Docket CFPB-2012-0047 and was published in the *Federal Register* on December 18, 2012. http://www.gpo.gov/fdsys/pkg/FR-2012-12-18/pdf/2012-30373.pdf.

- Final rule: Defining Larger Participants of the Consumer Debt Collection Market; Correction;[135]
- Final rule: Delayed Implementation of Certain New Mortgage Disclosures;[136]
- Final rule: Consumer Leasing (Regulation M);[137]
- Final rule: Truth in Lending (Regulation Z);[138]
- Final rule: Truth in Lending (Regulation Z);[139]
- Final rule: Fair Credit Reporting Act (Regulation V); Correction;[140]
- Proposed rule with request for public comment: Truth in Lending (Regulation Z);[141] and
- Final rule: Defining Larger Participants of the Consumer Debt Collection Market;[142]

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[134] This notice of proposed policy and proposed information collection and request for comment is listed as Docket CFPB-2012-0046 and was published in the *Federal Register* on December 17, 2012. http://www.gpo.gov/fdsys/pkg/FR-2012-12-17/pdf/2012-30159.pdf.

[135] This final rule correction is listed as 12 CFR Part 1090, Docket CFPB-2012-0040 and was published in the *Federal Register* on December 7, 2012. http://www.gpo.gov/fdsys/pkg/FR-2012-12-07/pdf/2012-29438.pdf.

[136] This final rule is listed as 12 CFR Part 1026, Docket CFPB-2012-0045 and was published in the *Federal Register* on November 23, 2012. http://www.gpo.gov/fdsys/pkg/FR-2012-11-23/pdf/2012-28341.pdf.

[137] This final rule is listed as 12 CFR Part 1013, Docket CFPB-2012-0042 and was published in the *Federal Register* on November 21, 2012. http://www.gpo.gov/fdsys/pkg/FR-2012-11-21/pdf/2012-27996.pdf.

[138] This final rule is listed as 12 CFR Part 1026, Docket CFPB-2012-0043 and was published in the *Federal Register* on November 21, 2012. http://www.gpo.gov/fdsys/pkg/FR-2012-11-21/pdf/2012-27993.pdf.

[139] This final rule is listed as 12 CFR Part 1026, Docket CFPB-2012-0044 and was published in the *Federal Register* on November 21, 2012. http://www.gpo.gov/fdsys/pkg/FR-2012-11-21/pdf/2012-27997.pdf.

[140] This document is listed as 12 CFR Part 1022, Docket CFPB-2012-0041 and was published in the *Federal Register* on November 14, 2012. http://www.gpo.gov/fdsys/pkg/FR-2012-11-14/pdf/2012-27581.pdf.

[141] This proposed rule with request for public comment is listed as 12 CFR Part 1026, Docket CFPB-2012-0039 and was published in the *Federal Register* on November 7, 2012. http://www.gpo.gov/fdsys/pkg/FR-2012-11-07/pdf/2012-26008.pdf.

[142] This final rule is listed as 12 CFR Part 1090, Docket CFPB-2012-0040 and was published in the *Federal Register* on October 31, 2012. http://www.gpo.gov/fdsys/pkg/FR-2012-10-31/pdf/2012-26467.pdf.

In the upcoming period, the Bureau also intends to propose or adopt the following rules and orders, and conduct the following initiatives:

- Final rule addressing proposed amendments to the Bureau's Ability to Repay/Qualified Mortgage rule and Regulation Z (TILA) to exempt certain nonprofit creditors and certain homeownership stabilization programs and to add an additional definition of a qualified mortgage for certain loans made and held in portfolio by small creditors. The rule is expected to address whether there is a need for additional clarification regarding the inclusion of loan originator compensation in the points and fees calculation;
- Rules finalizing the restatement of regulations implementing consumer financial protection laws transferred from other regulatory agencies to the Bureau by the Dodd-Frank Act;
- Finalize rules regarding integrated disclosures and accompanying rules for mortgage loans that satisfy the requirements of both TILA and RESPA;
- Continue work on possible regulatory streamlining and burden reduction efforts;
- Continue work toward a rulemaking to implement the Dodd-Frank Act amendments to HMDA;
- Continue work toward a rulemaking on GPR prepaid cards;
- Continued expansion of the Bureau's capacity to handle consumer complaints with respect to all products and services within its authority;
- Enforcement of Nondiscrimination on the Basis of Disability in Programs and Activities Conducted by the Bureau of Consumer Financial Protection;
- Enforcement of Nondiscrimination on the Basis of Disability in Programs Receiving Financial Assistance from the Bureau;
- Procedures for Filing Claims against the Bureau under the Federal Tort Claims Act for loss of or damage to property or for personal injury or death;
- Propose additional rules to further define the scope of the Bureau's nonbank supervision program;
- Release HMDA Resubmission Schedule and Guidelines; and
- Working jointly with the Federal Reserve Board, rules finalizing a Board proposal regarding the Expedited Funds Availability Act as implemented by Regulation CC.

The Bureau has issued the following bulletins and guidance documents over the past year:[143]

- Interagency Guidance on Privacy Laws and Reporting Financial Abuse of Older Adults;[144]
- Examination Procedures on Short-Term, Small-Dollar Lending Procedures under the Military Lending Act;[145]
- Bulletin 2013-10 to reiterate the application of the EFTA and Regulation E, which implements the EFTA, on payroll card accounts;[146]
- Bulletin 2013-09 on the FCRA's requirement to investigate disputes and review "all relevant" information provided by consumer reporting agencies about the dispute;[147]
- Interim Procedures on RESPA – Home Ownership and Equity Protection, and Mortgage Servicing Requirements;[148]
- Interim Procedures on TILA – Higher-Priced Mortgage Loan Appraisals, Escrow Accounts, Loan Originator Compensation, Ability-to-Repay Qualified Mortgages, High-Cost Mortgages, and Mortgage-Servicing Requirements;[149]
- ECOA Baseline Review Procedures to be used by examiners during ECOA Baseline reviews to identify and analyze risks of ECOA violations, to facilitate the identification of

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[143] The past year is defined here as September 30, 2012 through September 30, 2013. The Bureau posts all bulletins and guidance documents on its website, consumerfinance.gov.

[144] This was a joint effort between the Federal Reserve, the Commodity Futures Trading Commission, the FTC, the NCUA, the OCC, the SEC, and the CFPB. The document was published to the Bureau's website on September 24, 2013. http://files.consumerfinance.gov/f/201309_cfpb_elder-abuse-guidance.pdf.

[145] This document was released on September 17, 2013. http://files.consumerfinance.gov/f/201309_cfpb_payday_manual_revisions.pdf.

[146] CFPB Bulletin 2013-10 was published to the Bureau's website on September 12, 2013. http://files.consumerfinance.gov/f/201309_cfpb_payroll-card-bulletin.pdf.

[147] CFPB Bulletin 2013-09 was published to the Bureau's website on September 4, 2013. http://files.consumerfinance.gov/f/201309_cfpb_bulletin_furnishers.pdf.

[148] This document was released on August 15, 2013. http://files.consumerfinance.gov/f/201308_cfpb_respa_narrative-exam-procedures.pdf.

[149] This document was released on August 15, 2013. http://files.consumerfinance.gov/f/201308_cfpb_tila-narrative-exam-procedures.pdf.

certain types of ECOA and Regulation B violations, and to inform the Fair Lending prioritization process in order to make decisions for future CFPB reviews;[150]

- Bulletin 2013-08 on Representations Regarding Effect of Debt Payment on Credit Reports and Scores;[151]
- Bulletin 2013-07 on the Prohibition of Unfair, Deceptive, or Abusive Acts or Practices in the Collection of Consumer Debts;[152]
- Bulletin 2013-06 on Responsible Business Conduct: Self-Policing, Self-Reporting, Remediation, and Cooperation; [153]
- ECOA Interim Procedures- Appraisal and Valuation Requirements;[154]
- Bulletin 2013-03 about the SAFE Act – Uniform State Test for State-Licensed Mortgage Loan Originators;[155]
- Bulletin 2013-02 on Indirect Auto Lending and Compliance with ECOA;[156]
- Bulletin 2013-01 on Mortgage Servicing Providers;[157]
- Education Loan Examination Procedures;[158]

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[150] ECOA Baseline Review Procedures was published on the Bureau's website on July 19, 2013. http://files.consumerfinance.gov/f/201307_cfpb_ecoa_baseline-review-module-fair-lending.pdf.

[151] CFPB Bulletin 2013-08 was published to the Bureau's website on July 10, 2013. http://files.consumerfinance.gov/f/201307_cfpb_bulletin_collections-consumer-credit.pdf.

[152] CFPB Bulletin 2013-07 was published on the Bureau's website on July 10, 2013. http://files.consumerfinance.gov/f/201307_cfpb_bulletin_unfair-deceptive-abusive-practices.pdf.

[153] CFPB Bulletin 2013-06 was published on the Bureau's website on June 25, 2013. http://files.consumerfinance.gov/f/201306_cfpb_bulletin_responsible-conduct.pdf.

[154] ECOA Interim Procedures was published on the Bureau's website on June 4, 2013. http://files.consumerfinance.gov/f/201306_cfpb_laws-and-regulations_ecoa-combined-june-2013.pdf.

[155] CFPB Bulletin 2013-05 was published on the Bureau's website on May 20, 2013. http://files.consumerfinance.gov/f/201305_cfpb_bulletin_safeactuniformtestguidance.pdf.

[156] CFPB Bulletin 2013-02 was published on the Bureau's website on March 21, 2013. http://files.consumerfinance.gov/f/201303_cfpb_march_-Auto-Finance-Bulletin.pdf.

[157] CFPB Bulletin 2013-01 was published on the Bureau's website on February 13, 2013. http://files.consumerfinance.gov/f/201302_cfpb_bulletin-on-servicing-transfers.pdf.

- Statement of Intent for Sharing Information with State Banking and Financial Services Regulators;[159]
- Bulletin regarding FCRA's "streamlined process" requirement for consumers to obtain free annual reports from nationwide specialty consumer reporting agencies;[160]
- Bulletin regarding Remittance Rule Implementation (Subpart B of Regulation E);[161]
- Bulletin regarding Appeals of Supervisory Matters;[162] and
- Examination Procedures for Debt Collection.[163]

The Bureau has issued the following orders over the past year:[164]

- *In the Matters of American Express Centurion Bank, et al.*;[165]
- *Consumer Financial Protection Bureau, et al. v. Payday Loan Debt Solution, Inc., et al.*;[166]
- *Consumer Financial Protection Bureau v. Gordon, et al.*;[167]

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[158] Education Loan Examination Procedures was published on the Bureau's website on December 17, 2012. http://files.consumerfinance.gov/f/201212_cfpb_educationloanexamprocedures.pdf.

[159] This statement of intent was published on December 6, 2012. http://files.consumerfinance.gov/f/201212_cfpb_statement_of_Intent_for_sharing_information_with_sbfsr.pdf.

[160] CFPB Bulletin 2012-09 was published on the Bureau's website on November 29, 2012. http://files.consumerfinance.gov/f/201211_cfpb_NSCRA_Bulletin.pdf.

[161] CFPB Bulletin 2012-08 was published on the Bureau's website on November 27, 2012. http://files.consumerfinance.gov/f/201211_cfpb_remittance-rule-bulletin.pdf.

[162] CFPB Bulletin 2012-07 was published on the Bureau's website on October 31, 2012. http://files.consumerfinance.gov/f/201210_cfpb_bulletin_supervisory-appeals-process.pdf.

[163] Examination Procedures for Debt Collection was published on the Bureau's website on October 24, 2012. http://files.consumerfinance.gov/f/201210_cfpb_debt-collection-examination-procedures.pdf.

[164] October 1, 2012 – September 30, 2013.

[165] File Nos. 2012-CFPB-0002, 2012-0003, and 2012-CFPB-0004. Consent order entered October 1, 2012. http://files.consumerfinance.gov/f/2012-CFPB-0002-American-Express-Centurion-Consent-Order.pdf; http://files.consumerfinance.gov/f/2012-CFPB-0003-American-Express-Bank-FSB-Consent-Order.pdf; http://files.consumerfinance.gov/f/2012-CFPB-0004-American-Express-Travel-Related-Services-Company-Inc.-Consent-Order.pdf.

[166] S.D. Fla. No. 1:12-cv-24110-JEM. Stipulated judgment and order entered December 20, 2012. http://files.consumerfinance.gov/f/201212_cfpb_plds-final-judgment.pdf.

- *Consumer Financial Protection Bureau v. Mortgage Guaranty Insurance Corp.*;[168]
- *Consumer Financial Protection Bureau v. Genworth Mortgage Insurance Corp.*;[169]
- *Consumer Financial Protection Bureau v. United Guaranty Corp.*;[170]
- *Consumer Financial Protection Bureau v. Radian Guaranty Inc.*;[171]
- *In the Matter of Paul Taylor, Paul Taylor Homes Limited, and Paul Taylor Corp.*;[172]
- *In the Matter of U.S. Bank National Association*;[173]
- *In the Matter of Dealers' Financial Services*;[174]
- *In the Matter of JPMorgan Chase Bank, N.A.* and *Chase Bank USA, N.A.*;[175]
- Electronic Fund Transfers; Determination of Effect on State Laws (Maine and Tennessee);[176] and

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[167] C.D. Cal. No. 12-cv-06147. Stipulated judgment and order entered against various defendants on February 1, 2013; order granting the Bureau's motion for summary judgment against other defendants entered June 26, 2013; appeal pending. http://www.cfpbmonitor.com/files/2013/07/Gordon-Order.pdf.

[168] S.D. Fla. No. 1:13-cv-21187. Final consent judgment and order entered April 5, 2013. http://files.consumerfinance.gov/f/201304_cfpb_Doc5_MGIC-Final-Order.pdf.

[169] S.D. Fla. No. 1:13-cv-21183. Final consent judgment and order entered April 5, 2013. http://files.consumerfinance.gov/f/201304_cfpb_Doc5_Genworth-Final-Order.pdf.

[170] S.D. Fla. No. 1:13-cv-21189. Final consent judgment and order entered April 8, 2013. http://files.consumerfinance.gov/f/201304_cfpb_Doc5_UGI-Final-Order.pdf.

[171] S.D. Fla. No. 1:13-cv-21188. Final consent judgment and order entered April 9, 2013. http://files.consumerfinance.gov/f/201304_cfpb_Doc5_Radian-Final-Order.pdf.

[172] File No. 2013-CFPB-0001. Consent order entered May 17, 2013. http://files.consumerfinance.gov/f/291305_cfpb_consent-order-0001.pdf.

[173] File No. 2013-CFPB-0003. Consent order entered June 27, 2013. http://files.consumerfinance.gov/f/201306_cfpb_enforcement-order_2012-0340-02.pdf.

[174] File No. 2013-CFPB-0004. Consent order entered June 27, 2013. http://files.consumerfinance.gov/f/201306_cfpb_enforcement-order_2013-0589-02.pdf.

[175] File No. 2013-CFPB-0007. Consent order entered September 19, 2013. http://files.consumerfinance.gov/f/201309_cfpb_jpmc_consent-order.pdf.

[176] This notice was published in the *Federal Register* on April 25, 2013. http://www.gpo.gov/fdsys/pkg/FR-2013-04-25/pdf/2013-09751.pdf.

- Orders to secure sample sets of consumer agreements for an arbitration study of standard form checking account agreements.[177]

[177] Pursuant to Section 1022(c)(4) of the Dodd-Frank Act. These orders went out in September 2013.

APPENDIX D:

Actions Taken Regarding Rules, Orders, And Supervisory Actions With Respect To Covered Persons Which Are Not Credit Unions Or Depository Institutions

Section 1016(c)(6) requires a report on "the actions taken regarding rules, orders and supervisory actions with respect to covered persons which are not credit unions or depository institutions." Between October 1, 2012 and September 30, 2013, the Bureau has taken the following actions with respect to such covered persons:

- Proposed rule defining "larger participants" of the student loan servicing market;[178]
- Final rule establishing procedures to implement section 1024(a)(1)(C) pursuant to which the Bureau may bring under its supervisory authority certain nonbanks the Bureau has reasonable cause to believe are or have engaged in activities posing risks to consumers in connection with the offering or provision of consumer financial products or services;[179]
- *In the Matter of Paul Taylor, Paul Taylor Homes Limited, and Paul Taylor Corp.*: final consent order against Paul Taylor, Paul Taylor Homes Limited, and Paul Taylor Corp.,

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[178] http://www.gpo.gov/fdsys/pkg/FR-2013-03-28/pdf/2013-06291.pdf.

[179] http://www.gpo.gov/fdsys/pkg/FR-2013-07-03/pdf/2013-15485.pdf.

issued on May 17, 2013. This consent order required Paul Taylor to disgorge $118,194.20, and the Bureau also ordered Taylor and his companies to cease and desist from engaging in real estate settlement services or maintaining an ownership interest in any entity that provides or purports to provide real estate settlement services for a period of five years;[180]

- *In the Matter of Dealers' Financial Services, Inc.*: final consent order against Dealers' Financial Services, Inc. (DFS), issued on June 27, 2013. The consent order required DFS to provide restitution of approximately $3.3 million to servicemembers, and directed DFS to stop requiring servicemembers to repay their auto loans by military pay allotment, and to stop their deceptive marketing practices;[181]
- *Consumer Financial Protection Bureau, et al. v. Payday Loan Debt Solution, Inc. et al.*: stipulated judgment and order against Payday Loan Debt Solution, Inc., entered on December 20, 2012. The order enjoined defendants from committing future violations and required Payday Loan Debt Solution to pay a $5,000 civil penalty and $100,000 in redress to victims;[182]
- *Consumer Financial Protection Bureau v. Gordon, et al.*: stipulated judgment and order entered against various defendants on February 1, 2013; order granting the Bureau's motion for summary judgment against other defendants entered June 26, 2013; appeal pending. The court awarded an $11,403,338.63 judgment for disgorgement and restitution against Gordon;[183]
- *Consumer Financial Protection Bureau v. Mortgage Guaranty Insurance Corp.*;[184] *Consumer Financial Protection Bureau v. Genworth Mortgage Insurance Corp.*;[185]

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[180] http://files.consumerfinance.gov/f/291305_cfpb_consent-order-0001.pdf.

[181] http://files.consumerfinance.gov/f/201306_cfpb_consent-order-004.pdf.

[182] S.D. Fla. No. 1:12-cv-24110-JEM. Stipulated judgment and order entered December 20, 2012. http://files.consumerfinance.gov/f/201212_cfpb_plds-final-judgment.pdf.

[183] C.D. Cal. No. 12-cv-06147. Stipulated judgment and order entered against various defendants on February 1, 2013; order granting the Bureau's motion for summary judgment against other defendants entered June 26, 2013; appeal pending. http://www.cfpbmonitor.com/files/2013/07/Gordon-Order.pdf.

[184] S.D. Fla. No. 1:13-cv-21187. Final consent judgment and order entered April 5, 2013. http://files.consumerfinance.gov/f/201304_cfpb_Doc5_MGIC-Final-Order.pdf.

Consumer Financial Protection Bureau v. United Guaranty Corp.;[186] and *Consumer Financial Protection Bureau v. Radian Guaranty Inc.*:[187] The court entered consent orders, entered April 5, 2013, April 5, 2013, April 8, 2013, and April 9, 2013, respectively, against the four companies, enjoining them from entering into captive reinsurance agreements for 10 years, assessing penalties totaling $15.4 million, and imposing compliance and reporting obligations;

- Electronic Fund Transfers; Determination of Effect on State Laws (Maine and Tennessee);[188] and
- Orders to secure sample sets of consumer agreements for an arbitration study of standard form checking account agreements.[189]

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185 S.D. Fla. No. 1:13-cv-21183. Final consent judgment and order entered April 5, 2013. http://files.consumerfinance.gov/f/201304_cfpb_Doc5_Genworth-Final-Order.pdf.

186 S.D. Fla. No. 1:13-cv-21189. Final consent judgment and order entered April 8, 2013. http://files.consumerfinance.gov/f/201304_cfpb_Doc5_UGI-Final-Order.pdf.

187 S.D. Fla. No. 1:13-cv-21188. Final consent judgment and order entered April 9, 2013. http://files.consumerfinance.gov/f/201304_cfpb_Doc5_Radian-Final-Order.pdf.

188 This notice was published in the *Federal Register* on April 25, 2013. http://www.gpo.gov/fdsys/pkg/FR-2013-04-25/pdf/2013-09751.pdf.

189 Pursuant to Section 1022(c)(4) of the Dodd-Frank Act. These orders went out in September 2013.

APPENDIX E:

Reports

The CFPB published the following reports from October 1, 2012 through September 30, 2013, which may be found at consumerfinance.gov/reports/:

- **October 9, 2012**: Analysis of Differences between Consumer- and Credit- Purchased Credit Scores;
- **October 10, 2012**: Consumer Response: A Snapshot of Complaints Received;
- **October 16, 2012**: Annual Report of the CFPB Student Loan Ombudsman;
- **October 18, 2012**: The Next Front? Student Loan Servicing and the Cost to Our Men and Women in Uniform;
- **October 31, 2012**: Supervisory Highlights: Fall 2012;
- **November 13, 2012**: Independent Performance Audit of the CFPB Operations and Budget;
- **November 15, 2012**: Financial Report of the Consumer Financial Protection Bureau: Fiscal Year 2012;
- **December 6, 2012**: Fair Lending Report of the Consumer Financial Protection Bureau;
- **December 7, 2012**: 2012 CFPB Annual Employee Survey;
- **December 13, 2012**: Key Dimensions and Processes in the U.S. Credit Reporting System: A Review of How the Nation's Largest Credit Bureaus Manage Consumer Data;
- **December 20, 2012**: Growing our Human Capital: Annual Report to Congress;
- **March 20, 2013**: Annual Report on the Fair Debt Collection Practices Act;
- **March 27, 2013**: Consumer Response Annual Report;
- **March 27, 2013**: Consumer Response: A Snapshot of Complaints Received;
- **March 29, 2013**: Semi-Annual Report of the Consumer Financial Protection Bureau;
- **March 29, 2013**: Office of Minority and Women Inclusion Annual Report to Congress;
- **March 29, 2013**: No FEAR Act Annual Report;
- **April 18, 2013**: Senior Designations for Financial Advisors: Reducing Consumer Confusion and Risks;
- **April 24, 2013**: Payday Loans and Deposit Advance Products: A White Paper of Initial Data Findings;

- **April 30, 2013**: Transforming the Financial Lives of a Generation of Young Americans: Policy Recommendations for Advancing K-12 Financial Education;
- **May 8, 2013**: Student Loan Affordability: Analysis of Public Input on Impact and Solutions;
- **May 13, 2013**: Feedback from the financial education field;
- **June 11, 2013**: CFPB Study of Overdraft Programs: A white paper of initial data findings;
- **July 9, 2013**: Consumer Response: A Snapshot of Complaints Received;
- **July 18, 2013**: Financial Literacy Annual Report;
- **July 22, 2013**: CFPB Plain Writing Act compliance report;
- **August 1, 2013**: Mid-year snapshot of private student loan complaints;
- **August 21, 2013**: Supervisory Highlights: Summer 2013;
- **August 27, 2013**: Public Service and Student Debt: Analysis of Existing Benefits and Options for Public Service Organizations; and

  September 18, 2013: Financial empowerment training for social service programs: A scan of community-based initiatives.

APPENDIX F:

Congressional Testimony

Senior CFPB staff has testified before Congress a total of 44 times since it began in 2011, including on the following 16 occasions between October 1, 2012 and September 30, 2013, which may be found at http://www.consumerfinance.gov/newsroom/?type=testimony:

- **November 15, 2012**: Hubert "Skip" Humphrey, III before the Senate Special Committee on Aging, "America's Invisible Epidemic: Preventing Elder Financial Abuse";
- **December 19, 2012**: Corey Stone before the Senate Committee on Banking, Housing, & Urban Affairs Subcommittee on Financial Institutions and Consumer Protection, "Making Sense of Consumer Credit Reports";
- **February 14, 2013**: Richard Cordray before the Senate Committee on Banking, Housing, and Urban Affairs, "Wall Street Reform: Oversight of Financial Stability and Consumer and Investor Protections";
- **March 12, 2013**: Richard Cordray before the Senate Committee on Banking, Housing, and Urban Affairs, "Nominations Hearing";
- **April 23, 2013**: Richard Cordray before the Senate Committee on Banking, Housing, and Urban Affairs, "The Consumer Financial Protection Bureau's Semi-Annual Report to Congress";
- **May 7, 2013**: Corey Stone before the Senate Subcommittee on Consumer Protection, Product Safety, and Insurance, "Credit Reports: What Accuracy and Errors Mean for Consumers";
- **May 16, 2013**: Gail Hillebrand before the House Energy and Commerce Committee, "Fraud on the Elderly: A Growing Concern for a Growing Population";
- **May 21, 2013**: Peter Carroll and Kelly Cochran before the House Committee on Financial Services, "Qualified Mortgages: Examining the Impact of the Ability to Repay Rule";
- **June 18, 2013**: Steven Agostini before the House Financial Services Committee, "CFPB Budget Review";
- **June 25, 2013**: Rohit Chopra before the Senate Committee on Banking, Housing, and Urban Affairs, "Private Student Loans: Regulatory Perspectives";

- **July 9, 2013**: Steven L. Antonakes before the House Committee on Financial Services, "Examining How the Consumer Financial Protection Bureau Collects and Uses Consumer Data";
- **July 17, 2013**: Corey Stone before the Senate Committee on Banking, Housing, and Urban Affairs' Subcommittee on Financial Institutions and Consumer Protection, "Shining a Light on the Consumer Debt Industry";
- **July 23, 2013**: Hollister K. Petraeus before the Senate Committee on Homeland Security and Governmental Affairs, "The 90/10 Rule: Improving Educational Outcomes for Our Military and Veterans;
- **July 24, 2013**: David Silberman before the Senate Special Committee on Aging, "Payday Loans: Short-term Solution or Long-term Problem";
- **July 31, 2013**: Hollister K. Petraeus before the Senate Committee on Veterans' Affairs, "Preserving the Rights of Servicemembers, Veterans, and their Families in the Financial Marketplace"; and
- **September 12, 2013**: Richard Cordray before the House Committee on Financial Services, "The Semi-Annual Report of the Consumer Financial Protection Bureau".

APPENDIX G:

Speeches

Director Richard Cordray or Deputy Director Steven Antonakes spoke at the following public events between October 1, 2012 and September 30, 2013:[190]

- **October 24, 2012**: Remarks by Richard Cordray at the Public Field Hearing on Debt Collection Practices in Seattle, WA;
- **October 25, 2012**: Remarks of Richard Cordray at the National Consumer Law Center Conference in Seattle, WA;
- **December 5, 2012**: Remarks of Richard Cordray at a Press Conference with Mayor Rahm Emanuel in Chicago, IL;
- **January 10, 2013**: Remarks of Richard Cordray at the ability-to-repay rule field hearing in Baltimore, MD;
- **January 17, 2013**: Remarks by Richard Cordray at a mortgage servicing field hearing in Atlanta, GA;
- **February 20, 2013**: Remarks by Richard Cordray at a Consumer Advisory Board meeting in Washington, DC;
- **February 26, 2013**: Remarks by Richard Cordray at a Meeting of the National Association of Attorneys General in Washington, DC;
- **February 27, 2013**: Remarks by Richard Cordray at a Meeting of the Credit Union National Association in Washington, DC;
- **March 12, 2013**: Remarks of Steve Antonakes before the Consumer Bankers Association in Phoenix, AZ;
- **March 13, 2013**: Remarks by Richard Cordray before the Independent Community Bankers of America in Las Vegas, NV;

[190] All speeches by CFPB senior staff are *available at* http://www.consumerfinance.gov/newsroom/?type=speech-2.

- **March 22, 2013**: Remarks by Richard Cordray at the National Community Reinvestment Coalition Annual Conference in Washington, DC;
- **March 28, 2013**: Remarks by Richard Cordray at the Consumer Response Field Hearing in Des Moines, IA;
- **April 16, 2013**: Remarks by Steve Antonakes at a meeting of the American Bankers Association in Washington, DC;
- **April 17, 2013**: Remarks by Richard Cordray at the Federal Reserve Bank of Chicago VISA Inc. Financial Literacy and Education Summit in Chicago, IL;
- **April 30, 2013**: Remarks by Richard Cordray at the Investing in Our Future Conference in Washington, DC;
- **May 2, 2013**: Remarks of Steve Antonakes at the GMU Attorneys General Education Program at George Mason University School of Law;
- **May 7, 2013**: Remarks of Richard Cordray at the Southern District of New York Press Conference in New York, NY;
- **May 8, 2013**: Remarks by Richard Cordray at a Field Hearing on Student Loan Debt in Miami, FL;
- **May 14, 2013**: Remarks by Richard Cordray at the National Association of Realtors in Washington, DC;
- **May 15, 2013**: Remarks by Richard Cordray at the Consumer Advisory Board Meeting in Los Angeles, CA;
- **May 29, 2013**: Remarks by Richard Cordray at the FINRA Investor Education Conference in Washington, DC;
- **June 6, 2013**: Remarks by Steve Antonakes at "Life of a Debt: Data Integrity in Data Collection", a CFPB/FTC Debt Collection Roundtable in Washington, DC;
- **June 12, 2013**: Remarks by Richard Cordray at the Philadelphia Residential Mortgage Diversion Program Anniversary Celebration in Philadelphia, PA;
- **June 14, 2013**: Remarks by Richard Cordray at the Clinton Global Initiative Conference in Chicago, IL;
- **June 19, 2013**: Remarks by Richard Cordray to the Exchequer Club in Washington, DC;
- **July 10, 2013**: Remarks by Richard Cordray at the CFPB Debt Collection Field Hearing in Portland, ME;
- **July 11, 2013**: Remarks by Richard Cordray at the NAFCU Annual Conference in Boston, MA;
- **September 5, 2013**: Remarks by Richard Cordray at The National Baptist Convention, USA, Inc. in Charlotte, NC;

- **September 11, 2013**: Remarks by Richard Cordray at the American Mortgage Conference in Raleigh, NC;
- **September 18, 2013**: Remarks by Richard Cordray at the Consumer Advisory Board Meeting in Itta Bena, MS;
- **September 24, 2013**: Remarks by Richard Cordray at the American Banker Regulatory Symposium in Arlington, VA;
- **September 25, 2013**: Remarks by Richard Cordray at the Financial Literacy and Education Commission Field Hearing in Madison, WI; and
- **September 30, 2013**: Remarks by Richard Cordray at the CFPB Banking on Campus Forum in Washington, DC .

APPENDIX H:

Financial and Budget Reports

The CFPB has published the following financial reports from January 1, 2012 through August 15, 2013, which are all available at consumerfinance.gov/budget:

- **January 20, 2012**: CFO update for the first quarter of FY 2012;
- **May 11, 2012**: CFO update for the second quarter of FY 2012;
- **July 27, 2012**: CFO update for the third quarter of FY 2012;
- **November 15, 2012:** Financial Report of the CFPB – FY 2012;
- **December 15, 2012**: CFO Update for the fourth quarter of FY 2012;
- **February 15, 2013**: CFO Update for the first quarter of FY 2013;
- **May 15, 2013**: CFO Update for the second quarter of FY 2013; and
- **August 15, 2013**: CFO Update for the third quarter of FY 2013.

The CFPB has published the following Budget Documents, which are all available at consumerfinance.gov/budget:

- FY 2014 (and updated FY 2013) CFPB Strategic Plan, Budget, and Performance Report;
- FY 2013 Budget Justification;
- Fiscal Year 2013 Budget in Brief;
- Fiscal Year 2012 Congressional Budget Justification; and
- Fiscal Year 2012 Budget in Brief.

The CFPB has published the following funding requests to and funding acknowledgements from the Federal Reserve Board, from January 1, 2012 through August 15, 2013, which are all available at consumerfinance.gov/budget:

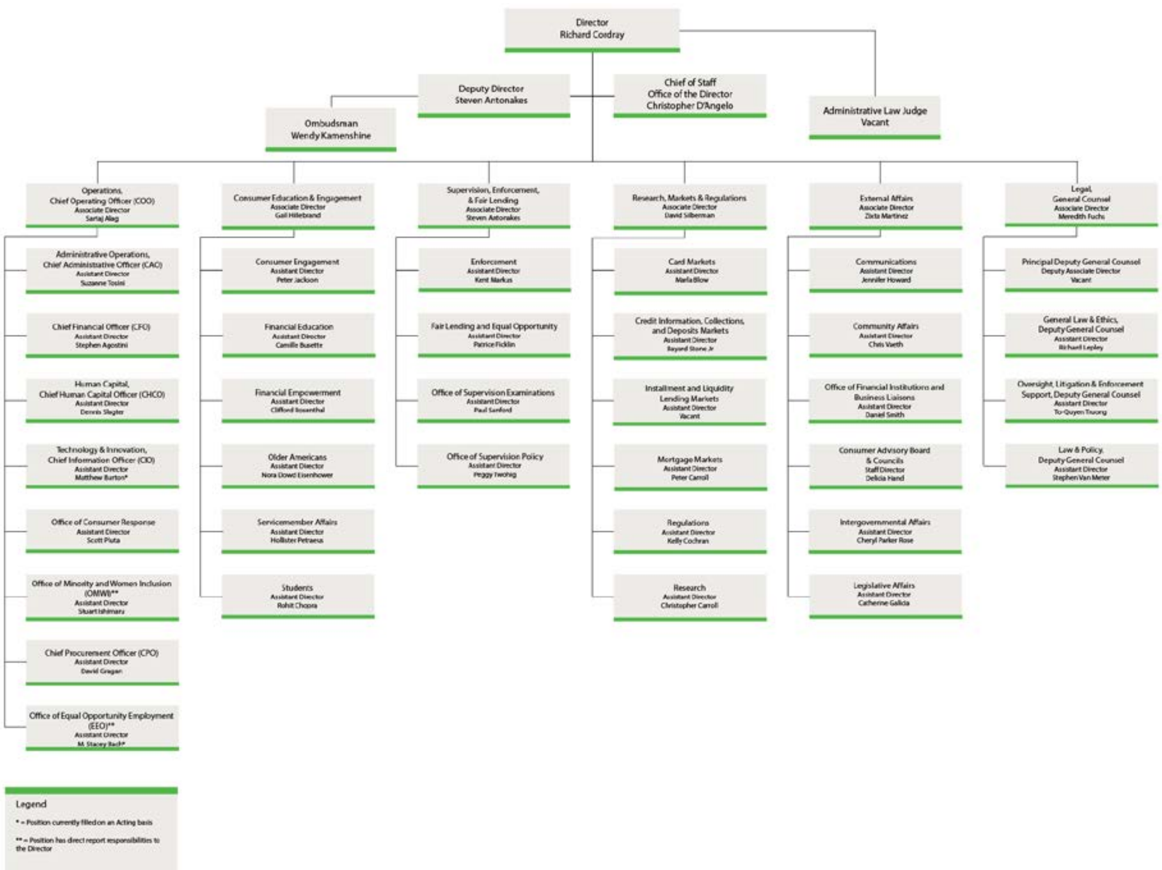
- **January 6, 2012:** Funding Acknowledgement from the Federal Reserve Board;
- **March 30, 2012:** Funding Request to the Federal Reserve Board;
- **April 5, 2012:** Funding Acknowledgement from the Federal Reserve Board;
- **July 2, 2012:** Funding Request to the Federal Reserve Board;
- **July 9, 2012:** Funding Acknowledgement from the Federal Reserve Board;
- **October 2, 2012:** Funding Request to the Federal Reserve Board;

- **October 18, 2012:** Funding Acknowledgement from the Federal Reserve Board.[191]
- **January 7, 2013:** Funding Request to the Federal Reserve Board;
- **January 16, 2013:** Funding Acknowledgement from the Federal Reserve Board;
- **April 2, 2013:** Funding Request to the Federal Reserve Board;
- **April 8, 2013:** Funding Acknowledgement from the Federal Reserve Board.

[191] Additional quarterly funding requests to the Federal Reserve Board and the corresponding funding acknowledgements from the Federal Reserve Board will be made available at consumerfinance.gov/budget.

APPENDIX I:

CFPB Organizational Chart



Last updated: October 1, 2013

APPENDIX J:

Defined Terms

ACRONYM	Defined Term
ADSS	American Debt Settlement Solutions
APR	Annual Percentage Rate
ARC	Academic Research Council
ATR-QM	Ability-to-Repay/Qualified Mortgage
BOARD	Consumer Advisory Board and Councils
BUREAU	The Consumer Financial Protection Bureau
CAB	Consumer Advisory Board
CARD ACT	The Credit Card Act
CBAC	Community Bank Advisory Council
CE	The CFPB’s Office of Consumer Engagement
CEE	The CFPB’s Office of Consumer Education and Engagement
CFPB	The Consumer Financial Protection Bureau
CMS	Compliance Management System
CUAC	Credit Union Advisory Council
DEP	Delayed Entry Program
DFI	Department of Financial Institutions

DFS	Dealers' Financial Services
DODD-FRANK ACT	The Dodd-Frank Wall Street Reform and Consumer Protection Act
DOJ	The U.S. Department of Justice
ECOA	Equal Credit Opportunity Act
ECP	Examiner Commissioning Program
EFTA	Electronic Fund Transfer Act
FCRA	Fair Credit Reporting Act
FDCPA	Fair Debt Collection Practices Act
FDIC	The Federal Deposit Insurance Corporation
FEDERAL RESERVE BOARD	The Board of Governors of the Federal Reserve System
FFIEC	Federal Financial Institutions Examination Council
FHFA	The Federal Housing Finance Agency
FIRREA	Financial Institutions Reform, Recovery, and Enforcement Act
FLEC	Financial Literacy and Education Commission
FOIA	Freedom of Information Act
FPDS	Federal Procurement Data System
FRB	The Board of Governors of the Federal Reserve System
FTC	The U.S. Federal Trade Commission
FY	Fiscal Year
GAO	The U.S. Government Accountability Office
HMDA	Home Mortgage Disclosure Act
HUD	The U.S. Department of Housing and Urban Development

ICP	Interim Commissioning Policy
MILES	Military Installment Loan & Education Services
MOU	Memorandum of Understanding
NCUA	The National Credit Union Administration
NSCRA	Nationwide Specialty Consumer Reporting Agencies
NSF	Non-Sufficient Funds
OA	The CFPB's Office of Older Americans
OAA	The CFPB's Office of Administrative Adjudication
OCA	The CFPB's Office of Community Affairs
OCC	The U.S. Office of the Comptroller of the Currency
ODEP	The U.S. Department of Labor's Office of Disability Employment Policy
OEEO	The CFPB's Office of Equal Employment Opportunity
OFE	The CFPB's Office of Financial Education
OHC	The CFPB's Office of Human Capital
OJT	On-the-Job Training
OMWI	Office of Minority and Women Inclusion
OSA	The CFPB's Office of Service Member Affairs
OTS	The U.S. Office of Thrift Supervision
PII	Personally Identifiable Information
PLDS	Payday Loan Debt Solutions
RESPA	Real Estate Settlement Procedures Act
SEC	The U.S. Securities and Exchange Commission

SL&D	Supervision Learning and Development
TILA	Truth in Lending Act
TREASURY	The U.S. Department of the Treasury
UDAAP	Prohibition on Unfair, Deceptive or Abusive Acts or Practices
USCG	The U.S. Coast Guard