

DECEMBER 30, 2013

Report of the Consumer Financial Protection Bureau Pursuant to Section 1017(e)(4) of the Dodd-Frank Act

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1. Executive Summary

The Dodd-Frank Wall Street Reform and Consumer Protection Act (Dodd-Frank Act) created the Consumer Financial Protection Bureau (CFPB or 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 fulfillment of its statutory responsibility pursuant to Section 1017(e)(4) of the Dodd-Frank Act, and its commitment to accountability and transparency, the CFPB is pleased to present this report to the Committees on Appropriations of the United States Senate and House of Representatives, which covers the time period from August 1, 2012 through September 30, 2013, the end of the Bureau's fiscal year.¹

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;

¹ The Bureau's previous appropriations report covered the period of time from when it opened its doors on July 21, 2011 through July 31, 2012.

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 Board of Governors of the Federal Reserve System (FRB), the Department of Housing and Urban Development (HUD), the Federal Deposit Insurance Corporation (FDIC), the Federal Trade Commission (FTC), the National Credit Union Administration (NCUA), the Office of the Comptroller of the Currency (OCC), and the Office of Thrift Supervision.

- 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 the past year, 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. Consumer Response has also continued to grow and update a robust public Consumer Complaint Database. The database is live, updates nightly, and as of September 30, 2013, was populated by

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).

over 139,000 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 the past year, 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. 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, 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 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 addressed. For example, the Bureau is analyzing whether rules are needed to address concerns

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>.

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 reporting period, 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 1,335 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).

The Bureau recognizes that the best way to serve consumers is to ensure that its workforce reflects the 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. 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.

2.1 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.⁷

As of September 30, 2013, the CFPB had requested transfers from the Federal Reserve totaling \$518.4 million to fund CFPB operations and activities for FY 2013.⁸ 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.⁹

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.¹⁰ The CFPB did not request an appropriation in FY 2011, FY 2012 or FY 2013, and does not plan to request one in FY 2014.

2.1.1 Fiscal Year 2013 Spending

In the fiscal year that ended on September 30, 2013, the CFPB spent approximately \$539 million for fiscal year 2013 obligations and outlays to carry out the authorities of the Bureau under Federal consumer financial law. Approximately \$192 million was spent on employee compensation and benefits for the 1,335 CFPB employees employed by the end of the fiscal year.

In addition to payroll expenses, the largest obligations for FY 2013 were related to contractual services, such as administrative services provided by other Federal agencies, including the Department of Treasury. Some of the Bureau's significant obligations that occurred during FY 2013 included:

⁷ See Dodd-Frank Act, Pub. L. No. 111-203, Sec. 1017(a)(2).

⁸ The Bureau posts all funding request letters on its website at consumerfinance.gov/budget.

⁹ See Dodd-Frank Act, Pub. L. No. 111-203, Sec. 1017(b).

¹⁰ See *id.* Sec. 1017(e).

- \$145.1 million for an interagency agreement between the General Services Administration and the CFPB to provide for services related to the renovation of the Bureau's headquarters office space, located in Washington, DC;
- \$19.2 million for the software development of the Consumer Response system;
- \$17.6 million to the Department of the Treasury, Departmental Offices for various services such as information technology and human resource systems support;
- \$10.0 million in agreements with the Office of the Inspector General (OIG) of the Board of Governors of the Federal Reserve System to provide fiscal year 2013 OIG services;
- \$7.6 million to the Department of the Treasury, Departmental Offices for cross-servicing of various human resource and financial management services, such as core financial accounting, transaction processing and reporting, travel and payroll; and
- \$7.4 million for the software development of a compliance analysis tool kit.

Table 1 and Table 2 categorize CFPB spending for FY 2013 by expense category and division/program area:

TABLE 1: BREAKS OUT YEAR-TO-DATE SPENDING BY EXPENSE CATEGORY¹¹

Expense Category	FY 2013
Personnel Compensation	\$ 143,341,000
Benefit Compensation	49,069,000
Travel	14,484,000
Transportation of Things	154,000
Rents, Communications, Utilities & Misc.	5,612,000
Printing and Reproduction	2,228,000
Other Contractual Services	136,790,000

¹¹ The amounts in this report reflect obligations incurred during the fiscal year and include some upward adjustments to prior year obligations.

Supplies & Materials	4,660,000
Equipment	31,587,000
Building Improvements	150,806,000
Interest and Dividends	2,000
Total (as of 09/30/13)	\$538,733,000

TABLE 2: BREAKS OUT 2013 YEAR-TO-DATE SPENDING BY DIVISION/PROGRAM AREA¹²

Division/Program Area	FY 2013
Office of the Director	\$ 5,235,000
Operations	93,758,000
Consumer Education & Engagement	22,263,000
Research, Markets & Regulations	32,895,000
Supervision, Enforcement, Fair Lending	105,568,000
Legal Division	10,309,000
External Affairs	4,834,000
Other Programs ¹³	1,242,000
Centralized Services ¹⁴	262,629,000

¹² The amounts in this report reflect obligations incurred during the fiscal year, and include some upward adjustments to prior year obligations.

¹³ Other Programs comprises the costs of the Office of Ombudsman, Administrative Law Judges, and other CFPB programs.

Total (as of 09/30/13)	\$538,733,000
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As required by the Dodd-Frank Act, the CFPB prepared financial statements for FY 2013. The Government Accountability Office (GAO) rendered an unmodified, or “clean” [audit opinion](#) on the CFPB’s financial statements. GAO noted no material weaknesses 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 2013](#).

2.1.2 Civil Penalty Fund

The Dodd-Frank Act authorizes the CFPB to retain for specified purposes civil penalties it obtains in judicial and administrative actions under federal consumer financial laws. The CFPB 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 to the extent that such victims cannot be located or payments to them are otherwise not practicable. As directed by the Dodd-Frank Act, 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 the CFPB. PLDS agreed to pay a total of \$5,000 in civil penalties to the CFPB.

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 penalties, as well as injunctive and other significant relief.

In the third quarter of FY 2013, the CFPB collected a total of \$15.4 million in civil money penalties from five defendants through settlements of Bureau enforcement actions. In April, the Bureau settled with four defendants in captive reinsurance cases, collecting \$4.5 million, \$4.5

¹⁴ 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).

million, \$2.65 million, and \$3.75 million in civil penalties from United Guaranty Corporation, Genworth Mortgage Insurance Corporation, Mortgage Guaranty Insurance Corporation, and Radian Guaranty Inc., respectively. In June, American Debt Settlement Solutions paid \$15,000 in civil penalties.

In the fourth quarter of FY 2013, the CFPB collected \$20 million in civil penalties from one defendant, JPMorgan Chase.

Table 3 shows all Civil Penalty Fund deposits made as of the end of FY 2013:

TABLE 3: CIVIL PENALTY FUND DEPOSITS AS OF SEPTEMBER 30, 2013

Quarter	Defendant Name	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
FY13 Q3	United Guaranty Corp.	4,500,000
FY13 Q3	Genworth Mortgage Ins. Corp.	4,500,000
FY13 Q3	Mortgage Guaranty Ins. Corp. (MGIC)	2,650,000
FY13 Q3	Radian Guaranty Inc.	3,750,000
FY13 Q3	American Debt Settlement Solutions, Inc.	15,000
FY13 Q4	JPMorgan Chase	20,000,000
	Total CMP Collections	\$81,520,001

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, 12 C.F.R. part 1075, on May 30, 2013.

As of March 31, 2013, the Bureau received civil money penalties totaling \$46.1 million pursuant to seven final orders.

Of the cases that concluded as of March 31, 2013, two cases — PLDS and Gordon, *et al.* — had classes of victims with uncompensated harm that is compensable from the Civil Penalty Fund.

After allocating \$10.5 million to compensate the victims in the PLDS and Gordon cases, and setting aside \$1.6 million for administrative expenses, \$34.0 million remained available for allocation. Of this figure, the Bureau allocated \$13.4 million for consumer education and financial literacy programs.¹⁵

TABLE 4: 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

¹⁵ 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.

Total Allocation	\$23,868,815
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Civil penalties collected on or after April 1, 2013 were deposited into the Fund. The amount in the Fund as of September 30, 2013 was available for allocation following the conclusion of Period 2, as provided in 12 C.F.R. § 1075.105(c).

Additional information on the Civil Penalty Fund may be found at:

<http://www.consumerfinance.gov/budget/civil-penalty-fund/>.

3. Diversity and Excellence

3.1 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 1,335 staff on-board and working to carry out the CFPB's mission.

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.

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.

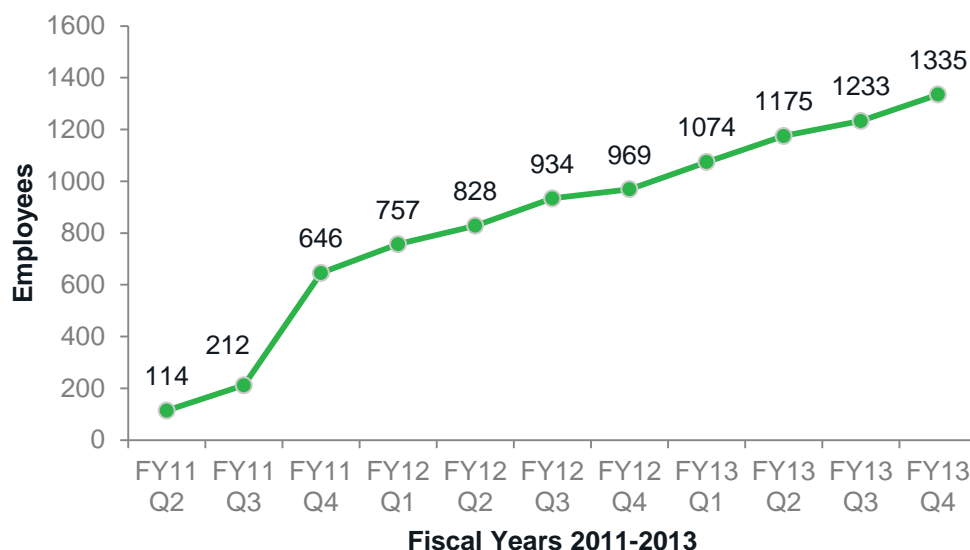
In addition to utilizing USA Jobs and the posting of job announcements on the [CFPB website](#), the Bureau achieves its hiring goals through:

- 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;

- Creating professional development programs to build a robust pipeline of talent to meet current and emerging workforce needs, including the Presidential Management Fellows, Director's Financial Analysts and Honors Attorney programs, and the Pathways internship program;
- Leveraging social media to maximize engagement while minimizing cost per applicant;
- Managing existing relationships with thousands of potential employees through the use of technology; and
- Partnering with diversity and professional groups such as the Hispanic National Bar Association and the Partnership for Public Service to conduct online and in-person information sessions about applying for careers with the CFPB and other Federal agencies.

By effectively leveraging the Pathways program and other hiring flexibilities, the Bureau will continue to develop robust talent pipelines for mission-critical occupations, thereby ensuring 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 1: QUARTERLY GROWTH OF CFPB POSITIONS FILLED THROUGH SEPTEMBER 21, 2013



3.2 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 the past year include:

- Developed robust programs that aim to keep the Bureau's employees current on the latest skills they need to conduct their work and be successful;
- 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.

3.3 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 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.

3.3.1 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 2: BUREAU-WIDE GENDER AND MINORITY STATISTICS TO FIRREA COMPARISONS

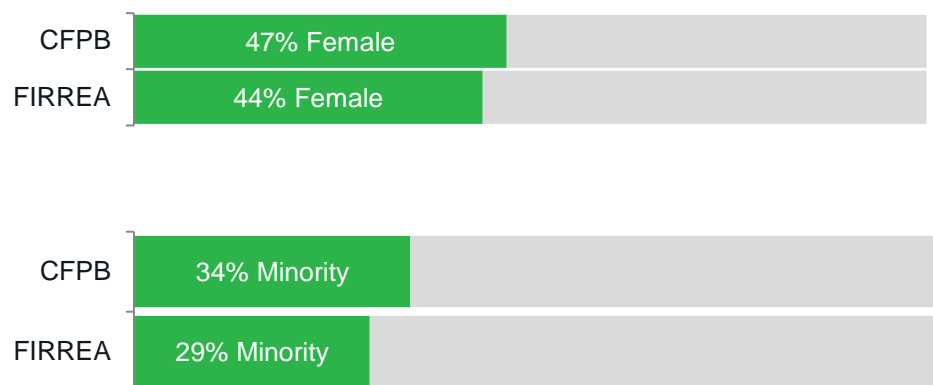


Figure 2 compares CFPB's workforce to the FIRREA community with respect to diversity by gender, race, and ethnicity.¹⁶

3.3.2 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.

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 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, 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.

EMPLOYMENT

OMWI is responsible for promoting diverse and inclusive hiring practices at the Bureau, and continues to collaborate with the Bureau's Office of Human Capital (OHC) in 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 has developed strategic partnerships with colleges, universities, professional organizations and affinity groups, and is

¹⁶ Financial Institutions Reform, Recovery, and Enforcement Act (FIRREA) numbers as of March 2013. Figure 2 compares the CFPB with other FIRREA agencies with respect to the percentage of women and racial and ethnic minorities in the workforce.

working with hiring managers at the CFPB to create internship opportunities and entry-level positions that target diverse groups of students around the country.

OMWI is also collaborating with OHC and the Bureau's Office of Equal Employment Opportunity 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.

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, FRB, NCUA, OCC, and Securities and Exchange Commission (SEC) to develop draft standards, which are 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.

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 2013¹⁷, the Bureau awarded 41% of contract dollars to small businesses.¹⁸ As shown in Table 5, of the total contract dollars awarded in FY 2013, 12%¹⁹ went to small disadvantaged businesses. Additionally, 14%²⁰ of total contract dollars went to woman-owned small businesses.

¹⁷ 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.

¹⁸ Approximately \$21 million.

¹⁹ Approximately \$6 million.

²⁰ Approximately \$7 million.

TABLE 5: 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.²¹

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

²¹ The Small Business Fair was hosted on June 25, 2013 at CFPB headquarters in Washington, DC.

4. 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.

4.1 Consumer Concerns

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.

Many of the stories that consumers have shared with us over the past year illustrate the fallout from the use of financial products and services whose full cost and risks were unclear, particularly in the areas of credit scores, credit reporting, and student loan debt. Some consumers have reported:

- Their attempts to improve their credit scores by paying off credit cards or avoiding debt 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;
- Inaccurate information on credit reports that negatively impacts their credit histories and is difficult to correct across all three major credit reporting agencies;
- 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;
- 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;
- Amassing credit card debt to cover shortfalls due to having to repay student loan debt;
- Experiencing difficulty balancing paying for basic necessities (housing, food, transportation, healthcare) while having to repay student loan debt;
- Delaying family planning (marriage, children) because of their debt burden;
- Being fearful that their debt burden will prevent them from owning a home, saving for their children's education, and/or saving for retirement;
- Parents and/or grandparents who cosigned for borrowers unable to repay their loans are now faced with having to repay these loans;
- Parents and/or grandparents who borrowed money to help their children and/or grandchildren pay for school are unable to repay the loans due to lost income; and
- Family members are harassed by debt collectors collecting on student loans, even if they did not cosign.

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. In the past year, consumers and advocates have participated in large Bureau-sponsored public events in [Detroit, MI](#); [St. Louis, MO](#); [Seattle, WA](#); [Mountain View, CA](#); [Baltimore, MD](#); [Atlanta, GA](#); [Des Moines, IA](#); [Los Angeles, CA](#); [Miami, FL](#); [Portland, ME](#); [Itta](#)

Bena, MS, and Chicago, IL.²² 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 Bureau's work, as Congress set forth in the Dodd-Frank Act.²³ 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.

Submit a complaint

Have an issue with a financial product or service? We'll forward your complaint to the company and work to get a response from them.

CHECK YOUR COMPLAINT STATUS

[Check status](#) [First login?](#)

Para presentar una queja en español, llamar al (855) 411-2372

Choose a product or service to get started

If you don't want to submit a complaint, you can [tell your story](#).

MOST COMMON

- [Mortgage](#)
- [Debt collection](#)
- [Credit reporting](#)

OTHER PRODUCTS AND SERVICES

- [Bank account or service](#)
- [Credit card](#)
- [Money transfer](#)
- [Payday loan](#)
- [Student loan](#)
- [Vehicle or other consumer loan](#)

consumerfinance.gov/complaint

²² Between August 1, 2012 and September 30, 2013.

²³ See Dodd-Frank Act, Pub. L. No. 111-203, Sec. 1021(c)(2).

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, money transfers, debt collection, and payday loans. The CFPB continues to work toward expanding its complaint-handling capacity. Consumers may also contact the CFPB with questions about other products and services. The Bureau answers questions and refers consumers to other regulators or additional resources as appropriate.

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; money transfer complaints dating back to April 4, 2013; and debt collection complaints dating back to July 10, 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.

4.1.1 How the CFPB Handles Complaints

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.²⁴ 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 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.²⁵ 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

²⁴ 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.

²⁵ 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.

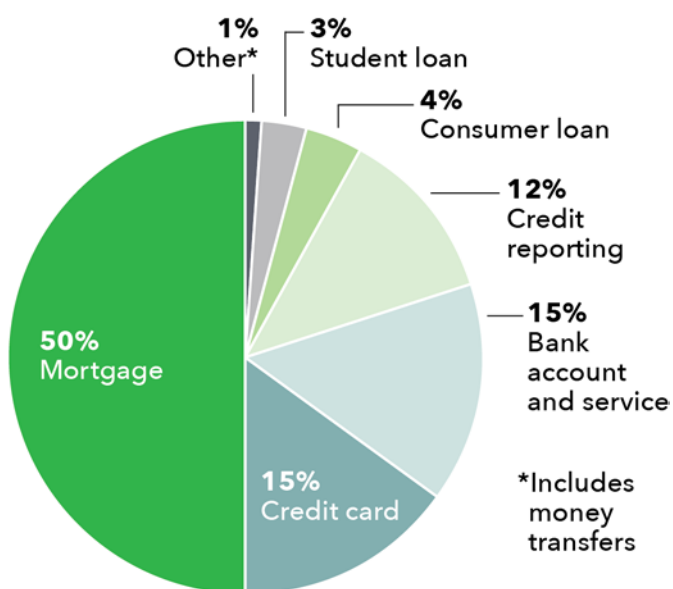
through reports to Congress and the public, and by sharing certain data with the public through the Consumer Complaint Database.

4.1.2 Complaints Received by the CFPB

Between July 1, 2012 and June 30, 2013, the CFPB received approximately 122,000 consumer complaints. This section discusses this set of complaints in further detail.

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.²⁶

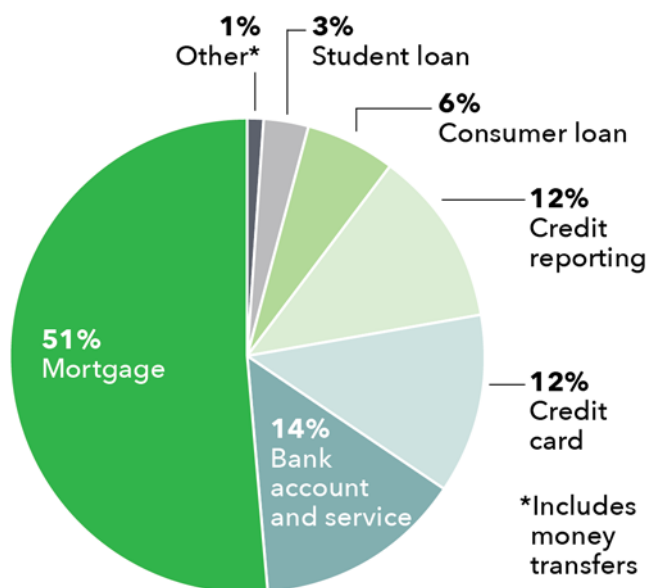
FIGURE 3: CONSUMER COMPLAINTS BY PRODUCT



²⁶ This analysis excludes multiple complaints submitted by a given consumer on the same issue and whistleblower tips.

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.

FIGURE 4: SERVICEMEMBER COMPLAINTS BY PRODUCT



The tables and figures presented below show complaints by type, actions taken, company responses, and consumers’ feedback about company responses.²⁷

²⁷ Percentages may not sum to 100% due to rounding.

CONSUMERS' CREDIT CARD COMPLAINTS

Table 6 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 6: 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

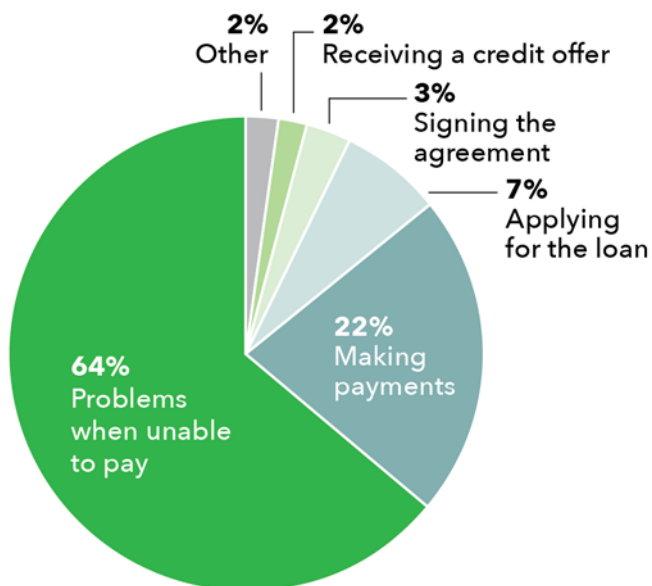
relate to annual percentage rates (APRs), interest rates, credit reporting, identity theft, fraud, or embezzlement.

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

FIGURE 5: TYPES OF MORTGAGE COMPLAINTS REPORTED BY CONSUMERS



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

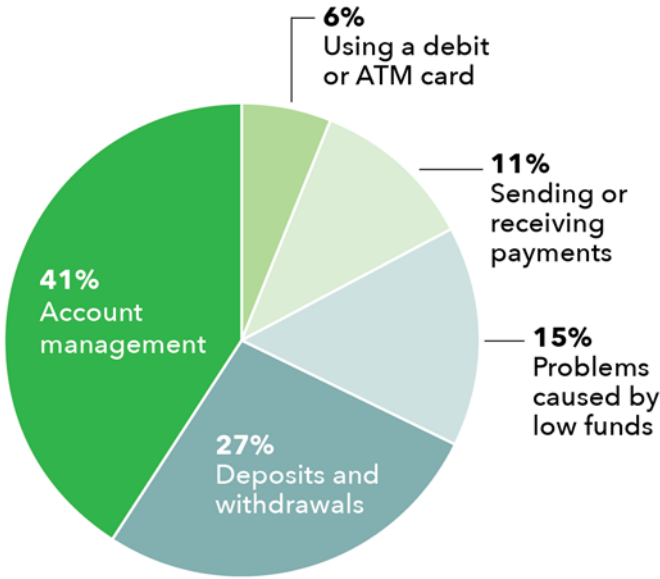
The most common type of mortgage complaint involves problems consumers face when they are unable to make payments, such as issues relating to loan modifications, collections, or foreclosures. Consumers with successfully completed loan modifications have complained that some servicers do not amend derogatory 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 6 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 6: TYPES OF BANK ACCOUNT AND SERVICE COMPLAINTS REPORTED BY CONSUMERS



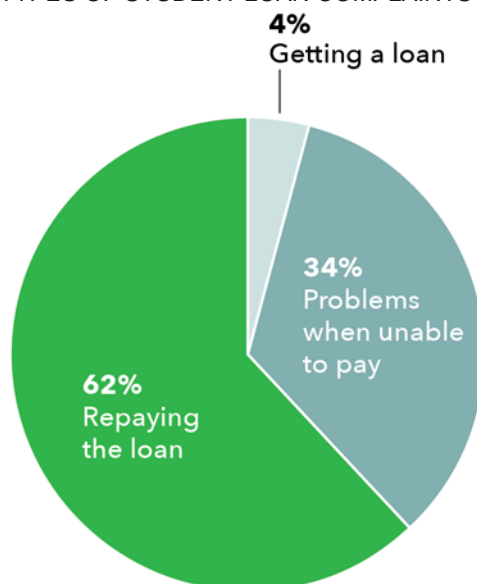
Complaint	%
Account opening, closing, or management (<i>Confusing marketing, denial, disclosure, fees, closure, interest, statements, joint accounts</i>)	41%
Deposits and withdrawals (<i>Availability of deposits, withdrawal problems and penalties, unauthorized transactions, check cashing, payroll deposit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

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

FIGURE 7: TYPES OF STUDENT LOAN COMPLAINTS REPORTED BY CONSUMERS



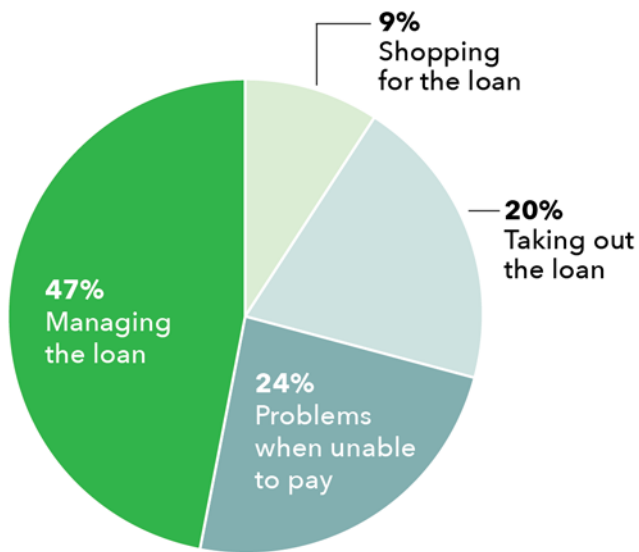
Complaint	%
Repaying your loan (<i>Fees, billing, deferment, forbearance, fraud, credit reporting</i>)	62%
Problems when you are unable to pay (<i>Default, debt collection, bankruptcy</i>)	34%
Getting a loan (<i>Confusing terms, rates, denial, confusing advertising or marketing, sales tactics or pressure, financial aid services, recruiting</i>)	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 8 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 8: TYPES OF CONSUMER LOAN COMPLAINTS REPORTED BY CONSUMERS



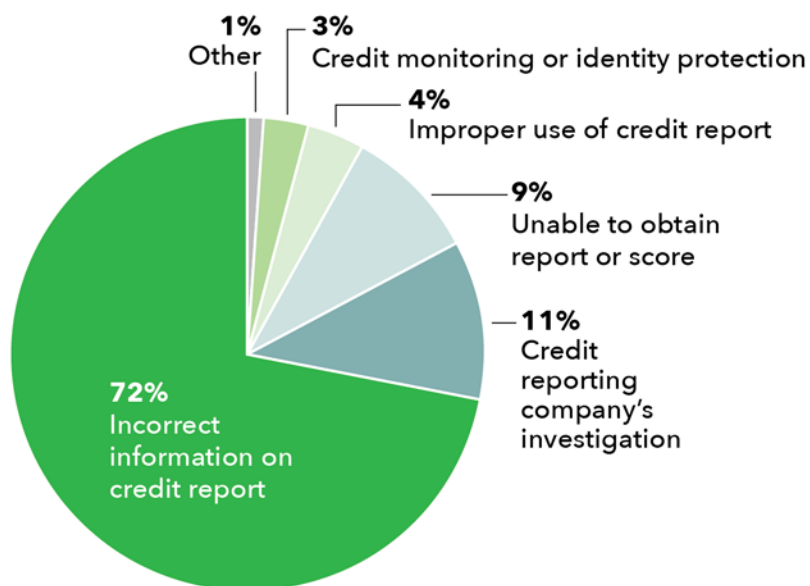
Complaint	%
Managing the loan, lease, or line of credit (<i>Billing, late fees, damage or loss, insurance (GAP, credit, etc.), credit reporting, privacy</i>)	47%
Problems when you are unable to pay (<i>Debt collection, repossession, set-off from bank account, deficiency, bankruptcy, default</i>)	24%
Taking out the loan or lease / Account terms and changes (<i>Term changes (mid-deal changes, changes after closing, rates, fees, etc.), required add-on products, trade-in payoff, fraud</i>)	20%
Shopping for a loan, lease, or line of credit (<i>Sales tactics or pressure, credit denial, confusing advertising or marketing</i>)	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 9 shows the types of credit reporting complaints reported by consumers for the approximately 14,100 credit reporting complaints the CFPB has received.²⁸

FIGURE 9: TYPES OF CREDIT REPORTING COMPLAINTS REPORTED BY CONSUMERS



Complaint	%
Incorrect information on credit report (<i>Information is not mine, Account terms, Account status, Personal information, Public record, Reinserted previously deleted information</i>)	72%
Credit reporting company's investigation (<i>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</i>)	11%
Unable to get my credit report or credit score (<i>Problem getting free annual report, Problem getting report or credit score</i>)	9%

²⁸ Consumer Response began handling credit reporting complaints on October 22, 2012.

Improper use of my credit reporting (<i>Report improperly shared by credit reporting company, Received marketing offers after opting out, Report provided to employer without written authorization</i>)	4%
Credit monitoring or identity protection services (<i>Problem cancelling or closing account, Billing dispute, Receiving unwanted marketing or advertising, Account or product terms and changes, Problem with fraud alerts</i>)	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.

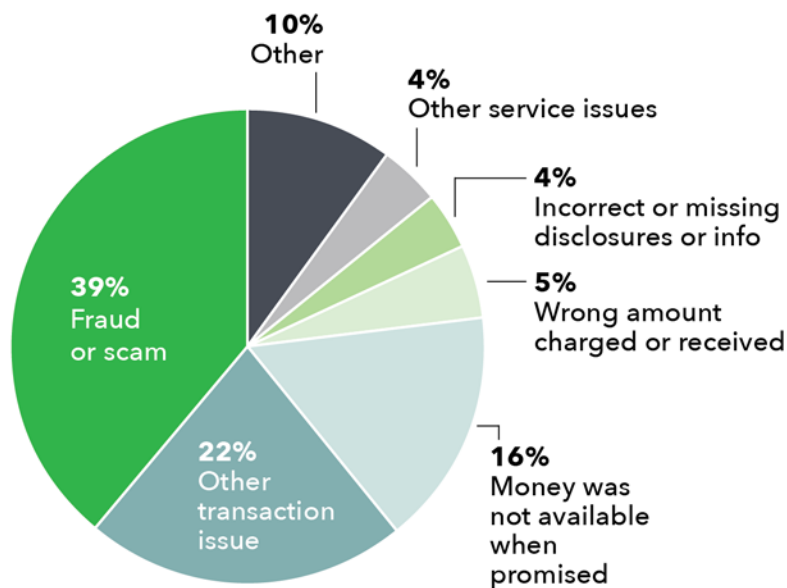
Another common type of complaint is regarding issues with credit reporting companies' investigations of information disputed by consumers. Consumers sometimes question the depth and validity of the investigations performed of their disputes, given the speed with which credit reporting companies return 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 10 shows the types of money transfer complaints reported by consumers for the approximately 250 money transfer complaints the CFPB has received.²⁹

²⁹ Consumer Response began handling money transfer complaints on April 4, 2013.

FIGURE 10: TYPES OF MONEY TRANSFER COMPLAINTS REPORTED BY CONSUMERS



Complaint	%
Fraud or scam	39%
Other transaction issues (<i>Unauthorized transaction, cancellation, refund, etc.</i>)	22%
Money was not available when promised	16%
Wrong amount charged or received (<i>Transfer amounts, fees, exchange rates, taxes, etc.</i>)	5%
Incorrect/missing disclosures or info	4%
Other service issues (<i>Advertising or marketing, pricing, privacy, etc.</i>)	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.³⁰ Table 7 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 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.

³⁰ 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).

TABLE 7: HOW COMPANIES HAVE RESPONDED TO CONSUMER COMPLAINTS³¹

	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%
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.³²

³¹ 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.

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 8 shows how consumers responded to the approximately 86,000 complaints where they were given the option to provide feedback.

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.

³² Approximately 86,000 of 96,400.

TABLE 8: 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.

5. 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.

5.1 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.

5.1.1 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. Consumers can also call a toll-free number to submit a complaint, and 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.

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, and 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.

5.1.2 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. In the past year, the division's offices engaged with different groups across the country through more than 750 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 nearly 20,000 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.

5.1.3 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.

OFE has engaged key stakeholders, including financial educators and community leaders, and has communicated 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, including hosting 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. 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 also issued a white paper recommending strategies to improve the personal financial management capability of youth.³³

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.

OFE has also produced and developed a range of materials for consumer reference. As of September 30, 2013, 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,

³³ http://files.consumerfinance.gov/f/201304_cfpb_OFE-Policy-White-Paper-Final.pdf.

OFE launched a LinkedIn Online Learning Community for financial education practitioners which shares information on trends, news, and practices in financial education.

5.1.4 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 through 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.³⁴ 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, by launching CFPB en Español, a Bureau website that provides Spanish-speaking consumers a central point of access to the Bureau's resources, in Spanish.³⁵ The website has four major components: a homepage that highlights CFPB services, 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 launched in May 2013.

³⁴ <http://www.consumerfinance.gov/paying-for-college/>.

³⁵ <http://www.consumerfinance.gov/es/>.

5.1.5 Servicemember Affairs

The CFPB's Office of Servicemember Affairs (OSA) conducted nearly 200 outreach events in the past year, delivering consumer financial information to more than 37,000 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.

OSA has visited nearly 30 military installations/National Guard units and participated in 15 town halls and 16 roundtable discussions with senior military leaders from August 1, 2012 through September 30, 2013. 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 70 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. 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. 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.

5.1.6 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 participated in nearly 150 events in the past year, reaching more than 7,700 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 SEC entitled “Senior Designations for Financial Advisers: Reducing Consumer Confusion and Risks”.³⁶ 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.

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.³⁷ OA and the FDIC will offer several train-the-trainer webinars on the FDIC’s Money Smart online training platform.³⁸ 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.

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. 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.

5.1.7 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 Bureau partnered with the Department of Education

³⁶ http://files.consumerfinance.gov/f/201304_CFPB_OlderAmericans_Report.pdf.

³⁷ http://files.consumerfinance.gov/f/201306_cfpb_msoa-participant-guide.pdf.

³⁸ <http://www.fdic.gov/consumers/consumer/moneysmart/trainthetrainer.html>.

to develop a “[Financial Aid Shopping Sheet](#)” to help students and their families make informed decisions about how to 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.³⁹ 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.⁴⁰

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.

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.⁴¹

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.⁴² 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](#).

³⁹ <http://www.consumerfinance.gov/students/knowbeforeyouowe/>.

⁴⁰ <http://www2.ed.gov/policy/highered/guid/aid-offer/shopping-sheet-institutions.xls>.

⁴¹ http://files.consumerfinance.gov/f/201308_cfpb_public-service-and-student-debt.pdf.

⁴² http://files.consumerfinance.gov/f/201309_cfpb_banking-on-campus-forum.pdf.

5.1.8 Financial Empowerment

The Office of Financial Empowerment (Empowerment) has conducted extensive outreach to consumers and stakeholders from around the country. Since its launch in May 2012, Empowerment has participated in 12 listening sessions in San Francisco, CA; New York, NY; St. Louis, MO; Cleveland, OH; Dallas, TX; 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, including one it hosted On November 28-29, 2012, in Washington, DC, that brought together 125 external stakeholders to discuss opportunities to make consumer financial markets work better for low-income and economically vulnerable consumers. This meeting included Bureau leaders, local, state, and federal financial regulators, senior government and agency officials, and leaders and practitioners from industry, academia, and nonprofit organizations who have been developing and evaluating innovative initiatives to address the financial services needs of low-income and economically vulnerable consumers.

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 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.

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 counseling 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. 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.

6. Regulations and Guidance

During the period of this report, 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.

6.1 Implementing Statutory Protections

In 2012, the Bureau issued a series of proposed rules for public comment after months of preparation and outreach, including several small business review panels. The Bureau analyzed the comments received on those proposals and prepared the final rules, as well as various final rules for proposals inherited by the Bureau from the Federal Reserve Board.

Specifically, the Bureau 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.

⁴³ August 1, 2012 – September 30, 2013.

Since that release, the Bureau has issued supplemental regulations, amendments, and clarifications to the January 2013 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, as well as issued proposed and final rule on a number of other topics:⁴⁴

- In August 2012, the Bureau issued a final rule that provides a “safe harbor” provision exempting from the requirements of the Bureau’s Regulation E, which implements the Electronic Fund Transfer Act (EFTA), as amended by the Dodd-Frank Act, those who provided 100 or fewer remittance transfers in the current and previous calendar year. This amendment will make the remittance transfer process easier for institutions that handle 100 or fewer remittances per year.
- In January 2013, the Bureau issued a final rule implementing Dodd-Frank Act amendments to the Truth in Lending Act (TILA) requiring that creditors make a reasonable, good-faith determination of a consumer’s ability to repay any consumer credit transaction secured by a dwelling (excluding an open-end credit plan, timeshare plan, reverse mortgage, or temporary loan), establishing certain protections from liability under this requirement for “qualified mortgages,” and limiting prepayment penalties. The rule also requires creditors to retain evidence of compliance with the rule for three years after a covered loan is consummated.
- In January 2013, the Bureau issued final rules implementing new Dodd-Frank Act requirements in the Real Estate Settlement Procedures Act (RESPA) and in TILA related to mortgage servicing. The rule amending Regulation X, which implements RESPA, addresses servicers’ obligations to correct errors asserted by mortgage loan borrowers, to provide certain information requested by such borrowers, and to provide protections to such borrowers in connection with force-placed insurance. Additionally, this rule addresses servicers’ obligations to establish reasonable policies and procedures to achieve certain delineated objectives, to provide information about mortgage loss mitigation options to delinquent borrowers, to establish reasonable policies and procedures for providing delinquent borrowers with continuity of contact with servicer personnel capable of performing certain functions, and to evaluate borrowers’

⁴⁴ consumerfinance.gov/regulations/.

applications for available loss mitigation options. Further, the rule modifies and streamlines certain existing servicing-related provisions of Regulation X. The rule amending Regulation Z, which implements TILA, includes requirements concerning notices of initial rate adjustments for adjustable rate mortgages, periodic statements for residential mortgage loans, prompt crediting of mortgage payments, and responses to requests for payoff amounts. This rule also amends current rules governing scope, timing, content, and format of disclosures to consumers regarding the interest rate adjustments of their variable-rate transactions.

- In January 2013, the Bureau issued a final rule implementing certain amendments to TILA made by the Dodd-Frank Act that lengthens the time for which a mandatory escrow account established for a higher-priced mortgage loan must be maintained and exempts certain transactions from the escrow requirement, including creating an exception for certain small creditors operating predominantly in rural or underserved areas.
- In January 2013, the Bureau issued a final rule implementing Dodd-Frank Act changes to TILA regarding loan originator compensation, qualifications of and registration or licensing of loan originators, compliance procedures for depository institutions, mandatory arbitration, and the financing of single premium credit insurance. The rule also revises or provides additional commentary on restrictions on loan originator compensation, including application of these restrictions to prohibitions on dual compensation and compensation based on a term of a transaction or a proxy for a term of a transaction, and to recordkeeping requirements. The rule also establishes tests for when loan originators can be compensated through certain profits-based compensation arrangements.
- In January 2013, the Bureau, in an interagency effort with the FDIC, the FRB, the Federal Housing Finance Agency (FHFA), the NCUA, and the OCC, issued a final rule implementing Dodd-Frank Act amendments to TILA that requires appraisals for certain higher-priced mortgage loans. For covered mortgages, creditors are required to obtain an appraisal or appraisals meeting certain specified standards, and provide applicants with a notification regarding the use of the appraisals and a copy of the written appraisals used.
- In January 2013, the Bureau issued a final rule implementing a Dodd-Frank amendment to the Equal Credit Opportunity Act (ECOA) that requires creditors to provide applicants with free copies of all appraisals and other written valuations developed in connection with an application for a loan secured by a first lien on a dwelling, and requires creditors

to notify applicants in writing that copies of appraisals will be provided to them promptly.

- In January 2013, the Bureau issued a final rule implementing Dodd-Frank Act amendments to TILA that expands the types of mortgage loans that are subject to the protections of the Home Ownership and Equity Protection Act of 1994 (HOEPA), revises and expands the tests for coverage under HOEPA, and imposes additional restrictions on HOEPA mortgage loans, including a pre-loan counseling requirement. The rule also implements other Dodd-Frank Act amendments to TILA and RESPA that apply beyond HOEPA loans and impose certain other requirements related to homeownership counseling, including a requirement that consumers receive information about homeownership counseling providers.
- In March 2013, the Bureau issued a final rule to implement amendments to 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.
- In April 2013, the Bureau issued a final 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 final 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 took effect on October 28, 2013.
- 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.

- In 2013, the Bureau has proposed and finalized several technical amendments, clarifications, and adjustments to the January 2013 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.
- After the period covered by this report, the Bureau issued its final rule consolidating federal mortgage disclosures under TILA and RESPA.
- 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 FRB, FDIC, 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. After the period covered by this report, the interagency group issued a final rule adopting certain supplemental amendments. The group is continuing work on proposals to implement other Dodd-Frank Act requirements concerning appraisal management companies and automated valuation systems.

As reflected in its most recent regulatory agenda, the Bureau is also beginning work on a number of other potential rulemaking projects.⁴⁵ 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. In addition, the Bureau is in the process of assessing information gathered concerning a variety of consumer financial products and services to determine whether rulemakings are warranted to address other markets.

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

6.2.1 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 is pursuing this initiative both in the course of completing mandated rulemakings and through additional discretionary initiatives.

6.2.2 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 offers a central location on its website to access these implementation resources.⁴⁶ The page

⁴⁵ http://www.reginfo.gov/public/do/eAgendaMain?operation=OPERATION_GET_AGENCY_RULE_LIST¤tPub=true&agencyCode=&showStage=active&agencyCd=3170&Image58.x=58&Image58.y=5&Image58=Submit.

⁴⁶ <http://www.consumerfinance.gov/regulatory-implementation/>.

is designed to provide access to our mortgage-related implementation resources through 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. The Bureau will also be launching consumer-focused initiatives to educate consumers about their new rights. 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 rules, Bureau staff is also preparing to monitor closely the impact of the rules on consumers and industry once they take effect.

7. Supervision

The CFPB's supervision program seeks to ensure that businesses that provide financial products and services to consumers comply with Federal consumer financial laws. Initially, the CFPB's supervision office was organized into two groups, one addressing the supervision of large banks and the other focusing on nonbank supervision. In the past year, Supervision reorganized into two offices: Supervision Examinations and Supervision Policy. The examinations team focuses on the processes vital to accomplishing the CFPB's examination function, including recruitment, training, and commissioning of examiners, the implementation of examination policies and procedures, and the planning and execution of examinations appropriately in light of the Bureau's resources and priorities. The policy team ensures that policy decisions for Supervision are consistent with both the law and our mission, and that they are consistent across markets, charters and regions. The Supervision Policy office is organized by product or service market rather than by type of service provider or financial institution. 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.⁴⁷ This process allows the CFPB to direct its examination resources to the products and markets that pose greater risks to consumers.

⁴⁷ 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).

7.1 Supervisory Activities

In the past year, the CFPB has issued the following public documents:⁴⁸

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 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.⁴⁹ 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. The first edition of Supervisory Highlights emphasized the need for financial institutions to implement sound compliance management systems, and discussed issues noted in three key product areas: credit cards, credit reporting, and mortgages.

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.⁵⁰ Also on June 4, 2013, the CFPB released interim examination procedures related

⁴⁸ The past year is defined as August 1, 2012 through September 30, 2013.

⁴⁹ 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.

⁵⁰ 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.

to ECOA and its appraisal and valuation requirements.⁵¹ 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 the identification of certain types of ECOA and Regulation B violations, and to inform fair lending prioritization decisions for future CFPB reviews.⁵²

SUPERVISION AND EXAMINATION MANUAL, VERSION 2

The CFPB's Supervision and Examination Manual guides CFPB examiners in overseeing companies that provide consumer financial products and services. In Version 2, the manual has been updated to restate outdated regulatory citations with new CFPB citations, reflecting the rulemaking authority for federal consumer financial laws which was transferred from other federal agencies to the CFPB by the Dodd-Frank Act. CFPB regulations are codified in Title 12, Chapter X, of the *Code of Federal Regulations*.

The Manual also incorporates updated interagency examination procedures based on revisions to (1) TILA, and its implementing Regulation Z, pursuant to the Credit Card Accountability, Responsibility and Disclosure Act of 2009 (CARD Act) and (2) the Fair Credit Reporting Act (FCRA), that require the disclosure of credit score and related information when a credit score is used in taking an adverse action or in risk-based pricing. In addition, it provides new examination procedures covering short-term, small-dollar lending, the Secure and Fair Enforcement for Mortgage Licensing Act, and consumer reporting. It includes updated guidance and procedures for compliance with RESPA in mortgage originations, and incorporates the

⁵¹ http://files.consumerfinance.gov/f/201306_cfpb_laws-and-regulations_ecoa-combined-june-2013.pdf.

⁵² http://files.consumerfinance.gov/f/201307_cfpb_ecoa_baseline-review-module-fair-lending.pdf.

June 21, 2012 Interagency Guidance on Mortgage Servicing Practices Concerning Military Homeowners with Permanent Change of State Orders.⁵³

EXAMINATION APPEALS POLICY

The CFPB has issued a new policy that allows supervised entities that receive final, less than satisfactory ratings on their reports of examination to request review of their rating by CFPB officials not involved in the examination or determination of the rating. Supervised entities may also appeal adverse findings conveyed in a supervisory letter. This new appeals policy promotes the CFPB's goals of establishing constructive relationships with supervised entities and maintaining a fair and factually based supervision program. It will help assure consistency in ratings, and will encourage greater industry compliance with applicable laws and regulations and better markets for consumers.⁵⁴

7.2 Supervisory Guidance and Examination Procedures

7.2.1 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 FCRA's 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.⁵⁵

⁵³ The updated CFPB Supervision and Examination Manual can be found at: http://files.consumerfinance.gov/f/201210_cfpb_supervision-and-examination-manual-v2.pdf.

⁵⁴ The Appeals Bulletin can be found at: http://files.consumerfinance.gov/f/201210_cfpb_bulletin_supervisory-appeals-process.pdf.

⁵⁵ http://files.consumerfinance.gov/f/201211_cfpb_NSCRA_Bulletin.pdf.

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.⁵⁶

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.⁵⁷ The Bureau finalized this rule outside the period of time covered by this report.

On July 3, 2013, the CFPB issued a final rule establishing procedures to implement Dodd-Frank Act Section 1024(a)(1)(C). Under this provision, the Bureau may bring under its supervisory authority certain nonbanks the Bureau has reasonable cause to determine are engaging or have engaged in activities posing risks to consumers in connection with the offering or provision of consumer financial products or services.⁵⁸

⁵⁶ http://files.consumerfinance.gov/f/201302_cfpb_bulletin-on-servicing-transfers.pdf.

⁵⁷ <http://www.gpo.gov/fdsys/pkg/FR-2013-03-28/pdf/2013-06291.pdf>.

⁵⁸ <http://www.gpo.gov/fdsys/pkg/FR-2013-07-03/pdf/2013-15485.pdf>.

7.2.2 Examination Procedures

The Office of Supervision has issued new examination procedures in three broad areas, which are now incorporated into the Supervision and Examination Manual:

LARGER PARTICIPANT RULES

Pursuant to provisions of the Dodd-Frank Act, the CFPB generally has authority to supervise nonbank covered persons of all sizes in the residential mortgage, private education lending, and payday lending markets. In addition, the CFPB has the authority to supervise “larger participant[s]” of markets for other consumer financial products or services, as the Bureau defines by rule.

On July 20, 2012, the Bureau issued a final rule to define larger participants in the consumer reporting market. This final rule enables the supervision of many nonbank covered persons active in that market. On September 5, 2012, the Bureau released examination procedures related to this rule, and since then has begun exercising its supervisory authority in this market.⁵⁹ Further, on October 31, 2012, the Bureau issued a final rule to define larger participants of the consumer debt collection market, bringing those entities under its supervisory authority.⁶⁰ The rule became effective on January 2, 2013, and the Bureau released the relevant examination procedures at that time.⁶¹

RULES REGARDING SUPERVISORY AUTHORITY OVER CERTAIN PERSONS POSING RISKS TO CONSUMERS

The Bureau proposed a rule on May 25, 2012 to establish procedures for asserting supervisory authority over any nonbank entity that it has reasonable cause to determine is posing a risk to consumers with regard to the offering or provision of consumer financial products or services.⁶² The Bureau issued a final rule establishing procedures for how it may bring under its

⁵⁹ http://files.consumerfinance.gov/f/201209_cfpb_Consumer_Reporting_Examination_Procedures.pdf.

⁶⁰ <http://www.gpo.gov/fdsys/pkg/FR-2012-10-31/pdf/2012-26467.pdf>.

⁶¹ <http://www.gpo.gov/fdsys/pkg/FR-2012-12-07/pdf/2012-29438.pdf>.

⁶² <https://www.federalregister.gov/articles/2012/05/25/2012-12718/procedural-rules-to-establish-supervisory-authority-over-certain-nonbank-covered-persons-based-on>.

supervisory authority certain nonbank covered persons based on risk determination on July 3, 2013.⁶³ The final rule establishes a process for the CFPB to give notice to a nonbank entity of such a potential determination and would provide the entity with a reasonable opportunity to respond.

EDUCATION LOANS

On December 17, 2012, the CFPB **published procedures** it will use in examining private student lenders. These procedures will help CFPB examiners ensure that private student lenders comply with applicable federal consumer financial laws, including TILA, EFTA, the Fair Debt Collection Practices Act, FCRA, ECOA, and the Gramm-Leach-Bliley Act.

7.3 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 Memoranda of Understanding (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.⁶⁴

7.4 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). The ECP will include instructor-led

⁶³ <http://www.gpo.gov/fdsys/pkg/FR-2013-07-03/pdf/2013-15485.pdf>.

⁶⁴ <http://www.consumerfinance.gov/newsroom/consumer-agency-to-partner-with-state-regulators/>.

classroom-based courses, formal on-the-job training modules, formal learning transfer measures, a rotation assignment, and a comprehensive commissioning exam.

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) or 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.

7.5 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.

EXAMINERS ENCYCLOPEDIA (E2)

Supervision has launched the Examiners Encyclopedia (e2), an internal online resource that organizes supervisory documentation for reference. The Examiners Encyclopedia includes guidance and publications to support and facilitate the work of the CFPB's Supervision program, including links to the CFPB Supervision and Examination Manual.

COMPLIANCE ANALYSIS SOLUTION

On October 19, 2012, the Bureau released the Compliance Analysis Solution (the Solution), an automated system which supports collection, validation and analysis of loan portfolio data through a centralized system. The overall objective of the Solution is to analyze 100% of a loan portfolio, giving examiners the analytical insights necessary to conduct risk-based and targeted compliance assessments. It also allows secure and standardized data submission to the CFPB, which enables consistency in the examination process across institutions.

8. 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.

8.1 Conducting Investigations

Since the Bureau'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. The Office of 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 generally not be made public by the Bureau until a public enforcement action is filed.

8.2 Public Enforcement Actions

The Bureau brought 14 separate enforcement actions from August 1, 2012 through September 30, 2013. These enforcement actions, including their status as of September 30, 2013, are detailed as follows:

In the Matter of: Discover Bank, File No. 2012-CFPB-0005 (Joint Consent Order, Order for Restitution, and Order to Pay Civil Money Penalty filed September 24, 2012)

The CFPB and the FDIC jointly determined that Discover Bank used deceptive telemarketing practices to sell certain credit card add-on products to consumers. Discover agreed to stop deceptive marketing practices, pay approximately \$200 million in restitution to more than 3.5 million customers who purchased credit card add-on products over the telephone between December 1, 2007 and August 31, 2011, and pay a \$14 million civil money penalty.

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, 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 CFPB joined the investigation after gaining its enforcement authority over federal consumer financial laws in July 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 PLDS 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 obtained 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 alleged 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 Defendants Chance Edward Gordon and the Gordon Law Firm, P.C. (collectively, "Gordon"), finding 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 the Mortgage Assistance Relief Services Rule (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 reinsurers" 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 civil money 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.

9. 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.⁶⁵ This part of Fair Lending's mandate is accomplished primarily through fair lending supervision and enforcement work. Interagency coordination⁶⁶ and outreach to industry groups and fair lending, civil rights, consumer and community advocates⁶⁷ are also important elements of our mandate.

Pursuant to the Dodd-Frank Act's requirement that the Bureau report to Congress annually on its efforts to fulfill its fair lending mission⁶⁸, the Bureau submitted its Fair Lending Report on December 6, 2012 in satisfaction of both this requirement and the Bureau's reporting requirements under ECOA and HMDA.⁶⁹ The inaugural Fair Lending Report described the Bureau's first-year accomplishments in fair lending, which included – among other things – establishment of the Office of Fair Lending, commencement of the CFPB's fair lending supervision program and completion of various levels of fair lending reviews at dozens of bank and nonbank institutions offering a variety of lending products, development of the CFPB's fair lending enforcement program, and initiation of fair lending investigations.

⁶⁵ Dodd-Frank Act, § 1013(c)(2)(A).

⁶⁶ Dodd-Frank Act, §1013(c)(2)(B).

⁶⁷ Dodd-Frank Act, §1013(c)(2)(C).

⁶⁸ Dodd-Frank Act, § 1013(c)(2)(D).

⁶⁹ http://files.consumerfinance.gov/f/201212_cfpb_fair-lending-report.pdf.

9.1 Fair Lending Supervision and Enforcement

9.1.1 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.

9.1.2 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, 2013.⁷⁰ 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 issued its HMDA Resubmission Schedule and Guidelines in Fall 2013. The CFPB's HMDA Resubmission Schedule and Guidelines provide instruction to CFPB examination teams performing HMDA reviews, and offer guidance for determining when CFPB-supervised financial institutions should correct and resubmit HMDA data because of errors found during examinations.

9.1.3 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. The Bureau 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 Department of Justice (DOJ).⁷¹

⁷⁰ http://files.consumerfinance.gov/f/201307_cfpb_ecoa_baseline-review-module-fair-lending.pdf.

⁷¹ 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

In the past year⁷², 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
- Discrimination on the basis of receipt of public assistance, age, and marital status/sex in unsecured consumer lending.

9.2 Interagency Fair Lending Coordination and Outreach

9.2.1 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.

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.

applications for credit in violation of section [1691(a) of ECOA].” 15 U.S.C. 1691e(g). The MOU may be found at: <http://www.consumerfinance.gov/newsroom/consumer-financial-protection-bureau-and-justice-department-pledge-to-work-together-to-protect-consumers-from-credit-discrimination/>.

⁷² From August 1, 2012 through September 30, 2013.

9.2.2 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 through speeches and presentations addressing fair lending and access to credit matters.⁷³

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).⁷⁴ 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.⁷⁵

⁷³ A list of all Bulletins issued by the Bureau may be found in Appendix B of this report.

⁷⁴ http://files.consumerfinance.gov/f/201303_cfpb_march_-Auto-Finance-Bulletin.pdf.

⁷⁵ http://files.consumerfinance.gov/f/201303_cfpb_march_-Auto-Finance-Bulletin.pdf.

10. Open Government

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.

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:⁷⁶

- **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, as well as archived calendars of past leaders Elizabeth Warren and Raj Date.

- **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

⁷⁶ 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.

requests and acknowledgements, and information about the Bureau's **Civil Penalty Fund** that was created under the Dodd-Frank Act.⁷⁷

- **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.**⁷⁸

- **Guidance Updates**

The CFPB periodically provides updates on regulations and guidance. In 2013, the Bureau posted guidance on interim procedures related to TILA and ECOA and 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.⁷⁹

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, and the Office of Administrative Adjudication 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.

⁷⁷ http://files.consumerfinance.gov/f/201207_cfpb_civil_penalty_fund_factsheet.pdf.

⁷⁸ All reports, white papers, and other informational documents are listed in Appendix C, and also may be found at: <http://www.consumerfinance.gov/reports/>.

⁷⁹ <http://www.consumerfinance.gov/guidance/>.

In 2012, the Bureau provided additional guidance on its website in the form of a [Statement of Intent](#) for sharing information with state banking and financial services regulators, a bulletin regarding FCRA's streamlined process requirement for consumers to obtain free annual credit reports, [a bulletin regarding implementation of the remittance rule](#), [a bulletin regarding appeals of supervisory matters](#), [a bulletin regarding the marketing of credit card add-on products](#), [a final policy statement on the publication of credit card complaint data](#), [interagency guidance on mortgage servicing practices concerning military homeowners with Permanent Change of Station Orders](#), and a [supervisory coordination MOU with the FRB, FDIC, NCUA and OCC](#).⁸⁰

Additionally, the Bureau has posted [information about its Amicus program](#), the briefs filed in court, and the [Information Quality Guidelines](#) that illustrate how the Bureau strives to ensure and maximize the quality, objectivity, utility and integrity of the information it disseminates to the public.

⁸⁰ All guidance documents and MOUs may be found at consumerfinance.gov/guidance/.

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:

Significant Rules, Orders, and Initiatives⁸¹

Below is a list of rules and other initiatives that the Bureau proposed, adopted or finalized during the preceding year.⁸² 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:⁸³

- Interim final rule with request for public comment: Rules of Practice for Issuance of Temporary Cease-and-Desist Orders;⁸⁴
- 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);⁸⁵
- Notice of Ratification;⁸⁶

⁸¹ 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/.

⁸² The preceding year is defined as August 1, 2012 through September 30, 2013.

⁸³ 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.

⁸⁴ 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>.

⁸⁵ 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.

- Final rule: Electronic Fund Transfers (Regulation E); Correction;⁸⁷
- Proposed rule with request for public comment: Appraisals for Higher-Priced Mortgage Loans;⁸⁸
- Final rule: Claims Under the Federal Tort Claims Act for Loss of or Damage to Property or for Personal Injury or Death;⁸⁹
- Correction: Amendments to the 2013 Mortgage Rules Under the Real Estate Settlement Procedure Act (Regulation X) and the Truth in Lending Act (Regulation Z);⁹⁰
- 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);⁹¹
- Final rule: Procedures for Bureau Debt Collection;⁹²
- Final rule: Procedural Rule to Establish Supervisory Authority Over Certain Nonbank Covered Persons Based on Risk Determination;⁹³
- 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);⁹⁴

⁸⁶ 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>.

⁸⁷ 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>.

⁸⁸ 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>.

⁸⁹ 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>.

⁹⁰ 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>.

⁹¹ 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>.

⁹² 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>.

⁹³ 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>.

- Final rule: Ability-to-Repay and Qualified Mortgage Standards Under the Truth in Lending Act (Regulation Z);⁹⁵
- Final rule: Loan Originator Compensation Requirements Under the Truth in Lending Act (Regulation Z); Prohibition on Financing Credit Insurance Premiums; Delay of Effective Date;⁹⁶
- Final rule: Amendments to the 2013 Escrows Final Rule under the Truth in Lending Act (Regulation Z);⁹⁷
- Final rule: Electronic Fund Transfers (Regulation E);⁹⁸
- 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;⁹⁹
- Final rule: Consumer Financial Civil Penalty Fund;¹⁰⁰
- Proposed rule with request for public comment: Consumer Financial Civil Penalty Fund;¹⁰¹

⁹⁴ 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>.

⁹⁵ 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>.

⁹⁶ 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>.

⁹⁷ 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>.

⁹⁸ 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>.

⁹⁹ 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>.

¹⁰⁰ 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>.

- Final rule: Truth in Lending (Regulation Z);¹⁰²
- 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);¹⁰³
- Proposed rule with request for public comment: Amendments to the 2013 Escrows Final Rule Under the Truth in Lending Act (Regulation Z);¹⁰⁴
- Final policy statement: Disclosure of Consumer Complaint Data;¹⁰⁵
- Final rule: Truth in Lending (Regulation Z);¹⁰⁶
- Proposed rule with request for public comment: Defining Larger Participants of the Student Loan Servicing Market;¹⁰⁷
- Final rule: Disclosures at Automated Teller Machines (Regulation E);¹⁰⁸
- Final rule: Loan Originator Compensation Requirements Under the Truth in Lending Act;¹⁰⁹

¹⁰¹ 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>.

¹⁰² 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>.

¹⁰³ 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>.

¹⁰⁴ 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>.

¹⁰⁵ 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>.

¹⁰⁶ 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>.

¹⁰⁷ 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>. Although outside the timeframe of this report, this rule has been finalized.

¹⁰⁸ 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>.

- Final rule: Disclosure of Records and Information;¹¹⁰
- Final rule: Mortgage Servicing Rules Under the Real Estate Settlement Procedures Act (Regulation X);¹¹¹
- Final rule: Mortgage Servicing Rules Under the Truth in Lending Act (Regulation Z);¹¹²
- Final rule: Appraisals for Higher-Priced Mortgage Loans;¹¹³
- 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);¹¹⁴
- Final rule: Disclosure and Delivery Requirements for Copies of Appraisals and Other Written Valuations Under the Equal Credit Opportunity Act (Regulation B);¹¹⁵
- Proposed rule with request for public comment: Ability to Repay Standards Under the Truth in Lending Act;¹¹⁶
- Final rule: Ability-to-Repay and Qualified Mortgage Standards Under the Truth in Lending Act (Regulation Z);¹¹⁷

¹⁰⁹ 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>.

¹¹⁰ 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>.

¹¹¹ 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>.

¹¹² 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>

¹¹³ 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>.

¹¹⁴ 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>.

¹¹⁵ 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>.

¹¹⁶ 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>.

- Final rule: Electronic Fund Transfers (Regulation E) Temporary Delay of Effective Date;¹¹⁸
- Final rule: Escrow Requirements Under the Truth in Lending Act (Regulation Z);¹¹⁹
- Proposed rule with request for public comment: Electronic Fund Transfers (Regulation E);¹²⁰
- Final rule: Home Mortgage Disclosure (Regulation C): Adjustment To Asset-Size Exemption Threshold;¹²¹
- Final rule: Procedure Related to Rulemaking;¹²²
- Notice: Fair Credit Reporting Act Disclosures;¹²³
- Proposed rule with request for public comment: Policy to Encourage Trial Disclosure Programs;¹²⁴
- Final rule: Defining Larger Participants of the Consumer Debt Collection Market; Correction;¹²⁵

¹¹⁷ 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>.

¹¹⁸ 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>.

¹¹⁹ 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>.

¹²⁰ 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>.

¹²¹ 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>.

¹²² 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>.

¹²³ 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>.

¹²⁴ 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>.

¹²⁵ 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>.

- Final rule: Delayed Implementation of Certain New Mortgage Disclosures;¹²⁶
- Final rule: Consumer Leasing (Regulation M);¹²⁷
- Final rule: Truth in Lending (Regulation Z);¹²⁸
- Final rule: Truth in Lending (Regulation Z);¹²⁹
- Final rule: Fair Credit Reporting Act (Regulation V); Correction;¹³⁰
- Proposed rule with request for public comment: Truth in Lending (Regulation Z);¹³¹ and
- Final rule: Defining Larger Participants of the Consumer Debt Collection Market.¹³²

In the period from October 1, 2013 – September 30, 2014, the Bureau proposed or adopted or 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;

¹²⁶ 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>.

¹²⁷ 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>.

¹²⁸ 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>.

¹²⁹ 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>.

¹³⁰ 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>.

¹³¹ 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>.

¹³² 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>.

- Finalize rules regarding 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;¹³³
- 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;
- 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:¹³⁴

- Interagency Guidance on Privacy Laws and Reporting Financial Abuse of Older Adults;¹³⁵
- Examination Procedures on Short-Term, Small-Dollar Lending Procedures under the Military Lending Act;¹³⁶

¹³³ This rule was finalized outside the timeframe for this report.

¹³⁴ The past year is defined here as August 1, 2012 through September 30, 2013. The Bureau posts all bulletins and guidance documents on its website, consumerfinance.gov.

¹³⁵ This was a joint effort between the FRB, the Commodity Futures Trading Commission, the FTC, NCUA, OCC, SEC, and 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.

- Bulletin 2013-10 to reiterate the application of the EFTA and Regulation E, which implements the EFTA, on payroll card accounts;¹³⁷
- Bulletin 2013-09 on the FCRA's requirement to investigate disputes and review "all relevant" information provided by consumer reporting agencies about the dispute;¹³⁸
- Interim Procedures on RESPA – Home Ownership and Equity Protection, and Mortgage Servicing Requirements;¹³⁹
- 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;¹⁴⁰
- 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 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;¹⁴¹
- Bulletin 2013-08 on Representations Regarding Effect of Debt Payment on Credit Reports and Scores;¹⁴²
- Bulletin 2013-07 on the Prohibition of Unfair, Deceptive, or Abusive Acts or Practices in the Collection of Consumer Debts;¹⁴³

¹³⁶ This document was released on September 17, 2013.

http://files.consumerfinance.gov/f/201309_cfpb_payday_manual_revisions.pdf.

¹³⁷ 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.

¹³⁸ 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.

¹³⁹ This document was released on August 15, 2013.

http://files.consumerfinance.gov/f/201308_cfpb_respa_narrative-exam-procedures.pdf.

¹⁴⁰ This document was released on August 15, 2013. http://files.consumerfinance.gov/f/201308_cfpb_tila-narrative-exam-procedures.pdf.

¹⁴¹ 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.

¹⁴² 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.

- Bulletin 2013-06 on Responsible Business Conduct: Self-Policing, Self-Reporting, Remediation, and Cooperation;¹⁴⁴
- ECOA Interim Procedures- Appraisal and Valuation Requirements;¹⁴⁵
- Bulletin 2013-03 about the SAFE Act – Uniform State Test for State-Licensed Mortgage Loan Originators;¹⁴⁶
- Bulletin 2013-02 on Indirect Auto Lending and Compliance with ECOA;¹⁴⁷
- Bulletin 2013-01 on Mortgage Servicing Providers;¹⁴⁸
- Education Loan Examination Procedures;¹⁴⁹
- Statement of Intent for Sharing Information with State Banking and Financial Services Regulators;¹⁵⁰
- MOU formalizing the CFPB’s fair lending enforcement relationship with the Civil Rights Division of the Department of Justice;¹⁵¹
- Bulletin regarding FCRA’s “streamlined process” requirement for consumers to obtain free annual reports from nationwide specialty consumer reporting agencies;¹⁵²

¹⁴³ 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.

¹⁴⁴ 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.

¹⁴⁵ 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.

¹⁴⁶ 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.

¹⁴⁷ 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.

¹⁴⁸ 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.

¹⁴⁹ Education Loan Examination Procedures was published on the Bureau’s website on December 17, 2012.

http://files.consumerfinance.gov/f/201212_cfpb_educationloanexamprocedures.pdf.

¹⁵⁰ 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.

¹⁵¹ This MOU was published on the Bureau’s website on December 6, 2012.

http://files.consumerfinance.gov/f/201212_cfpb_doj-fair-lending-mou.pdf.

- Bulletin regarding Remittance Rule Implementation (Subpart B of Regulation E);¹⁵³
- Bulletin regarding Appeals of Supervisory Matters;¹⁵⁴
- Examination Procedures for Debt Collection;¹⁵⁵ and
- Supervision and Examination Manual, Version 2.0.¹⁵⁶

The Bureau has issued the following orders over the past year:¹⁵⁷

- *In the Matter of JPMorgan Chase Bank, N.A. and Chase Bank USA, N.A.*;¹⁵⁸
- Orders to secure sample sets of consumer agreements for an arbitration study of standard form checking account agreements;¹⁵⁹
- *In the Matter of U.S. Bank National Association*;¹⁶⁰
- *In the Matter of Dealers' Financial Services*;¹⁶¹
- *Consumer Financial Protection Bureau v. Gordon, et al.*;¹⁶²

¹⁵² 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.

¹⁵³ 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.

¹⁵⁴ 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.

¹⁵⁵ 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.

¹⁵⁶ Supervision and Examination Manual, Version 2.0 was published to the Bureau's website on October 1, 2012.
http://files.consumerfinance.gov/f/201210_cfpb_supervision-and-examination-manual-v2.pdf.

¹⁵⁷ August 1, 2012 – September 30, 2013.

¹⁵⁸ File No. 2013-CFPB-0007. Consent order entered September 19, 2013.
http://files.consumerfinance.gov/f/201309_cfpb_jpmc_consent-order.pdf.

¹⁵⁹ Pursuant to Section 1022(c)(4) of the Dodd-Frank Act. These orders went out in September 2013.

¹⁶⁰ File No. 2013-CFPB-0003. Consent order entered June 27, 2013.
http://files.consumerfinance.gov/f/201306_cfpb_enforcement-order_2012-0340-02.pdf.

¹⁶¹ File No. 2013-CFPB-0004. Consent order entered June 27, 2013.
http://files.consumerfinance.gov/f/201306_cfpb_enforcement-order_2013-0589-02.pdf.

- *In the Matter of Paul Taylor, Paul Taylor Homes Limited, and Paul Taylor Corp.*;¹⁶³
- Electronic Fund Transfers; Determination of Effect on State Laws (Maine and Tennessee);¹⁶⁴
- *Consumer Financial Protection Bureau v. Radian Guaranty Inc.*;¹⁶⁵
- *Consumer Financial Protection Bureau v. United Guaranty Corp.*;¹⁶⁶
- *Consumer Financial Protection Bureau v. Mortgage Guaranty Insurance Corp.*;¹⁶⁷
- *Consumer Financial Protection Bureau v. Genworth Mortgage Insurance Corp.*;¹⁶⁸
- *Consumer Financial Protection Bureau, et al. v. Payday Loan Debt Solution, Inc., et al.*;¹⁶⁹
- *In the Matters of American Express Centurion Bank, et al.*;¹⁷⁰ and
- *In the Matter of Discover Bank.*¹⁷¹

¹⁶² 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>.

¹⁶³ File No. 2013-CFPB-0001. Consent order entered May 17, 2013. http://files.consumerfinance.gov/f/291305_cfpb_consent-order-0001.pdf.

¹⁶⁴ 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>.

¹⁶⁵ 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.

¹⁶⁶ 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.

¹⁶⁷ 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.

¹⁶⁸ 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.

¹⁶⁹ 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.

¹⁷⁰ 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>.

Reports

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

- **August 10, 2012:** Final Report of the Small Business Review Panel on CFPB's Proposals Under Consideration for Mortgage Servicing Rulemaking;
- **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;

¹⁷¹ File No. 2012-CFPB-0005. Joint Consent Order, Order for Restitution, and Order to Pay Civil Money Penalty entered on September 24, 2012. http://files.consumerfinance.gov/f/201209_cfpb_consent_order_0005.pdf.

- **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 C:

Congressional Testimony

Senior CFPB staff has testified before Congress a total of 44 times since it began in 2011, including on the following 19 occasions between August 1, 2012 and September 30, 2013, which may be found at <http://www.consumerfinance.gov/newsroom/?type=testimony>:

- **August 1, 2012:** Richard Cordray before the House Committee on Small Business, “Know Before You Regulate: The Impact of CFPB Regulations on Small Business”;
- **September 12, 2012:** Richard Cordray before the Senate Committee on Banking, Housing, & Urban Affairs, “Holding the CFPB Accountable: Review of Semi-Annual Report to Congress”;
- **September 19, 2012:** Richard Cordray before the House Committee on Financial Services, “The Semi-Annual Report of the Consumer Financial Protection Bureau”;
- **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 D:

Speeches

Director Richard Cordray or Deputy Director Steven Antonakes spoke at the following public events between August 1, 2012 and September 30, 2013:¹⁷²

- **September 21, 2012:** Remarks of Richard Cordray at the Congressional Black Caucus Foundation in Washington, DC;
- **September 27, 2012:** Remarks of Richard Cordray at a Consumer Advisory Board Meeting in St. Louis, MO;
- **October 24, 2012:** Remarks of 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 of Richard Cordray at a mortgage servicing field hearing in Atlanta, GA;
- **February 20, 2013:** Remarks of Richard Cordray at a Consumer Advisory Board meeting in Washington, DC;
- **February 26, 2013:** Remarks of Richard Cordray at a Meeting of the National Association of Attorneys General in Washington, DC;
- **February 27, 2013:** Remarks of Richard Cordray at a Meeting of the Credit Union National Association in Washington, DC;

¹⁷² All speeches by CFPB senior staff are available at: <http://www.consumerfinance.gov/newsroom/?type=speech-2>.

- **March 12, 2013:** Remarks of Steve Antonakes before the Consumer Bankers Association in Phoenix, AZ;
- **March 13, 2013:** Remarks of Richard Cordray before the Independent Community Bankers of America in Las Vegas, NV;
- **March 22, 2013:** Remarks of Richard Cordray at the National Community Reinvestment Coalition Annual Conference in Washington, DC;
- **March 28, 2013:** Remarks of Richard Cordray at the Consumer Response Field Hearing in Des Moines, IA;
- **April 16, 2013:** Remarks of Steve Antonakes at a meeting of the American Bankers Association in Washington, DC;
- **April 17, 2013:** Remarks of Richard Cordray at the Federal Reserve Bank of Chicago VISA Inc. Financial Literacy and Education Summit in Chicago, IL;
- **April 30, 2013:** Remarks of 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 of Richard Cordray at a Field Hearing on Student Loan Debt in Miami, FL;
- **May 14, 2013:** Remarks of Richard Cordray at the National Association of Realtors in Washington, DC;
- **May 15, 2013:** Remarks of Richard Cordray at the Consumer Advisory Board Meeting in Los Angeles, CA;
- **May 29, 2013:** Remarks of Richard Cordray at the FINRA Investor Education Conference in Washington, DC;
- **June 6, 2013:** Remarks of 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 of Richard Cordray at the Philadelphia Residential Mortgage Diversion Program Anniversary Celebration in Philadelphia, PA;
- **June 14, 2013:** Remarks of Richard Cordray at the Clinton Global Initiative Conference in Chicago, IL;
- **June 19, 2013:** Remarks of Richard Cordray to the Exchequer Club in Washington, DC;
- **July 10, 2013:** Remarks of Richard Cordray at the CFPB Debt Collection Field Hearing in Portland, ME;

- **July 11, 2013:** Remarks of Richard Cordray at the NAFCU Annual Conference in Boston, MA;
- **September 5, 2013:** Remarks of Richard Cordray at The National Baptist Convention, USA, Inc. in Charlotte, NC;
- **September 11, 2013:** Remarks of Richard Cordray at the American Mortgage Conference in Raleigh, NC;
- **September 18, 2013:** Remarks of Richard Cordray at the Consumer Advisory Board Meeting in Itta Bena, MS;
- **September 24, 2013:** Remarks of Richard Cordray at the American Banker Regulatory Symposium in Arlington, VA;
- **September 25, 2013:** Remarks of Richard Cordray at the Financial Literacy and Education Commission Field Hearing in Madison, WI; and
- **September 30, 2013:** Remarks of Richard Cordray at the CFPB Banking on Campus Forum in Washington, DC .

APPENDIX E:

Financial and Budget Reports

The CFPB has published the following budget documents from August 1, 2012 through December 31, 2013, 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;**
- **FY 2013 Budget in Brief;**
- **FY 2012 Congressional Budget Justification; and**
- **FY 2012 Budget in Brief.**

The CFPB has published the following financial reports from August 1, 2012 through December 31, 2013, which are all available at: consumerfinance.gov/budget:¹⁷³

- **December 19, 2013: Financial Report of the CFPB – FY 2013;**
- **December 19, 2013: CFO Update for the fourth quarter of FY 2013;**
- **August 15, 2013: CFO Update for the third quarter of FY 2013;**
- **May 15, 2013: CFO Update for the second quarter of FY 2013;**
- **February 15, 2013: CFO Update for the first quarter of FY 2013;**
- **December 15, 2012: CFO Update for the fourth quarter of FY 2012;**
- **November 15, 2012: Financial Report of the CFPB for FY 2012; and**
- **July 27, 2012: CFO Update for the third quarter of FY 2012**¹⁷⁴

¹⁷³ While the overall time period in this report is August 1, 2012 – September 30, 2013, there are budget items which were not available until December 2013, but which were deemed advisable to include, in the Bureau's commitment to accountability and transparency.

¹⁷⁴ While this update is outside the time window of this report, due to its publishing date of July 27, 2012, it was not able to be included in the previous appropriations report, which was published on July 31, 2012.

The CFPB has published the following funding requests to and funding acknowledgements from the Federal Reserve Board, from August 1, 2012 through December 31, 2013, which are all available at consumerfinance.gov/budget:¹⁷⁵

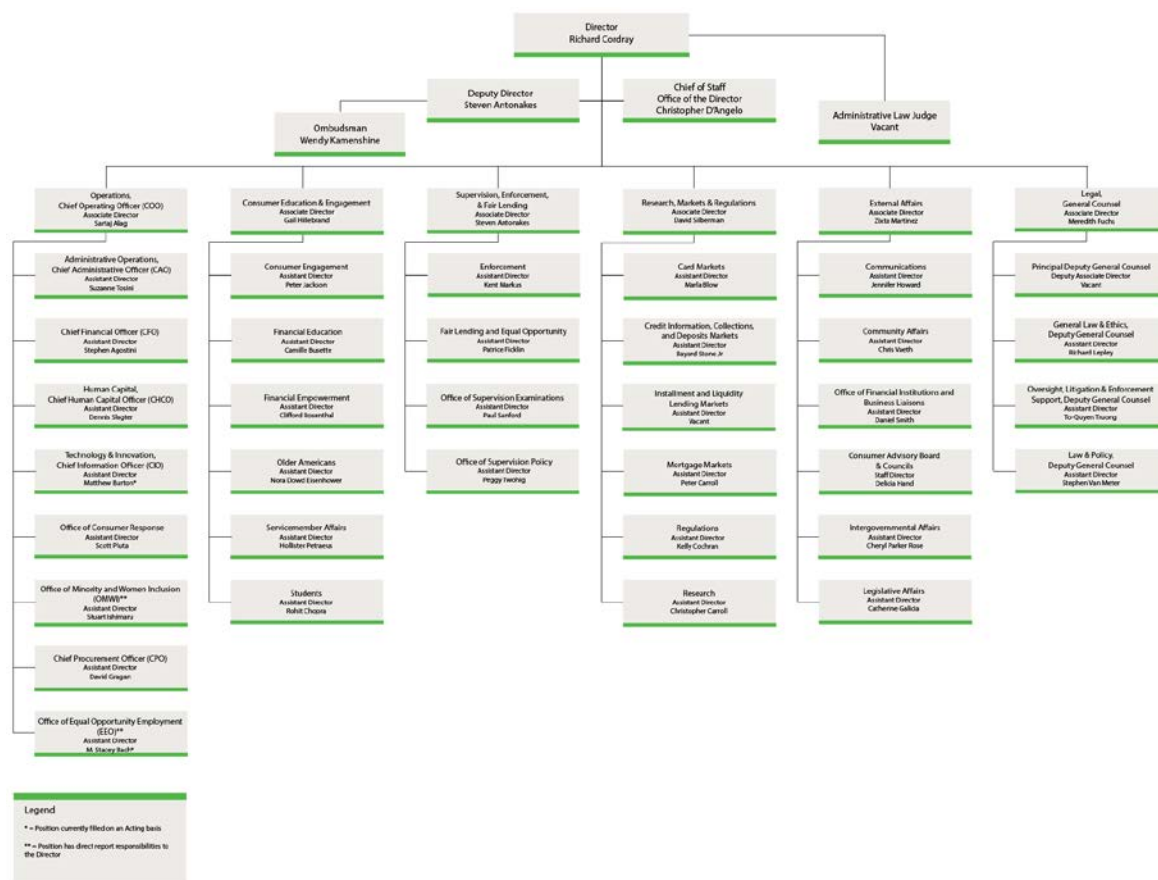
- **July 22, 2013:** Funding Acknowledgement from the Federal Reserve Board;
- **July 16, 2013:** Funding Request to the Federal Reserve Board;
- **April 8, 2013:** Funding Acknowledgement from the Federal Reserve Board;
- **April 2, 2013:** Funding Request to the Federal Reserve Board;
- **January 16, 2013:** Funding Acknowledgement from the Federal Reserve Board;
- **January 7, 2013:** Funding Request to the Federal Reserve Board;
- **October 18, 2012:** Funding Acknowledgement from the Federal Reserve Board;
- **October 2, 2012:** Funding Request to the Federal Reserve Board;
- **July 9, 2012:** Funding Acknowledgement from the Federal Reserve Board; and
- **July 2, 2012:** Funding Request to the Federal Reserve Board.¹⁷⁶

¹⁷⁵ While the July 2, 2012 and July 9, 2012 updates are outside the time window of this report, they were not able to be included in the previous appropriations report, which was published on July 31, 2012.

¹⁷⁶ 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 F:

CFPB Organizational Chart



Last updated: October 1, 2013

APPENDIX G:

Defined Terms

ACRONYM	Defined Term
ADSS	American Debt Settlement Solutions
APR	Annual Percentage Rate
ATR-QM	Ability-to-Repay/Qualified Mortgage
BUREAU	The Consumer Financial Protection Bureau
CARD ACT	The Credit Card Accountability, Responsibility and Disclosure Act of 1999
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
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
FHFA	The Federal Housing Finance Agency
FIRREA	Financial Institutions Reform, Recovery, and Enforcement 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
OA	The CFPB's Office of Older Americans
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
OFE	The CFPB's Office of Financial Education
OHC	The CFPB's Office of Human Capital
OIG	Office of the Inspector General
OMWI	Office of Minority and Women Inclusion
OSA	The CFPB's Office of Service Member Affairs
OTS	The U.S. Office of Thrift Supervision
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